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Overview

About this Report

The Jamaica Civil Aviation Authority's (JCAA's) 2014-15 Annual Report was prepared in satisfaction of the requirements of the Public Bodies Management and Accountability Act, the Civil Aviation (1996) Act and other relevant legislation, governing the operations of the JCAA and its reporting requirements.

The Report provides an overview of the JCAA's operations and performance against goals identified in the Authority's Corporate Plan, for the year ending March 31, 2015.

As a statutory organisation of the Ministry of Transport, Works and Housing, the Jamaica Civil Aviation Authority possesses a legal obligation to submit annual reports to Parliament, at the end of each financial year. The publication of this annual report also fulfils an important element of the JCAA's reporting responsibilities to the wider aviation community.

The Report also contains financial information and statements for the 2014-2015 year. It additionally outlines the Authority's plans to meet expected challenges in the year ahead.

The 2013-14 Annual Report and other corporate publications of the JCAA may be accessed electronically at www.jcaa.gov.jm.

Contact details

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4 Winchester Road

Kingston 10, Jamaica, W.I.

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Readers are invited to provide suggestions for improving the Report, via email at info@jcaa.gov.jm.

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Our Vision

To be recognized as a world class civil aviation administration, integrally involved in the sustainable development of a safe and thriving global aviation community which supports and serves Jamaica.



Our Mission

To ensure that the Public is provided with a safe, reliable, efficient and user-friendly Air Transport System, being cognizant of the standards and recommended practices developed by the International Civil Aviation Organization.

In carrying out its mission, the Jamaica Civil Aviation Authority has a commitment to:

- The safe and orderly development of Civil Aviation in Jamaica, (acknowledging the Convention of International Civil Aviation)
- Providing efficient and user-responsive Air Navigation Services to the National and International community
- Co-operating with other agencies in the facilitation, provision, and regulation of a reliable and effective public Air Transport System
- Providing an appropriate environment for the growth, development and enhancement of professionalism of its staff



Core Values

Our employees are unified around a set of core values. These are integral to the way we conduct our activities, as we work cooperatively to achieve the mandate of the JCAA.

*We put our values into action every day,
as we remain committed to:*

- The safe and orderly development of civil aviation in Jamaica (acknowledging the convention of ICAO)
- Providing efficient and user-responsive Air Navigation Services to the national and international communities
- Cooperating with other agencies in the facilitation, provision and regulation of a reliable and effective public Air Transport System
- Providing an appropriate environment for the growth, development and professional enhancement of staff

Guiding Principles

We will achieve our mission by:

- **carrying out** the mandate of the JCAA with honesty, openness, impartiality and reliability
- **promoting** and supporting adherence to applicable environmental standards at all times
- **aiming** for excellence in the services we deliver, and in our daily performance
- **striving** to exceed the expectations of our clients and customers at all times
- **working cooperatively** to achieve the JCAA's objectives, while respecting the views of each other
- **pledging** to lead and manage, using best industrial practices
- **operating** in a framework that fosters transparency, accountability and inclusiveness.



Corporate Data

Registered Office

Jamaica Civil Aviation Authority
4 Winchester Road, Kingston 10
Telephone: [876] 960-3948, 960-3965
Fax: [876] 920-0194
Email: info@jcaa.gov.jm

Board of Directors

• The Hon. B. St. Michael Hylton, OJ, QC	Chairman
• Mr. Wilford Heaven, MBA, JP	Deputy Chairman
• Mrs. Maria Jones	Board Member
• Mr. Keith Senior	Board Member
• Mr. Kevin Powell	Board Member
• Dr. Janine Dawkins	Board Member
• Ms. Tasha Manley	Board Member
• Dr. Wesley Hughes	Board Member
• Rear Admiral Hardley Lewin	Non-Voting Member
• Hon. Shirley Tyndall	Non-Voting Member
• Lt. Col. Jamie Ogilvie	Non-Voting Member
• Mr. Nari Williams-Singh, JP	Director General/Ex-Officio Member
• Ms. Marva Gordon	Corporate Secretary

LEADERSHIP TEAM:

MEMBER

Mr. Nari Williams-Singh, JP
Mrs. Nichole Morgan
Mr. Rohan Campbell
Ms. Constance Barrett
Mr. Carl Gaynair
Mr. Michael Hepburn
Ms. Janet Henry
Lt. Col. Egbert Field
Ms. Marva Gordon

DESIGNATION

Director General
Deputy Director General, Administration & Services
Deputy Director General, Regulatory Affairs
Director, Finance
Director, Air Navigation Services
Director, Economic Regulation
Director, Human Resource
Director, Flight Safety (Actg.)
General Counsel

Auditors

KPMG

The Victoria Mutual Building
6 Duke Street, Kingston
Telephone: (876) 922 6640
Fax: (876) 922-7198
Email: firmmail@kpmg.com.jm

Bankers

National Commercial Bank

New Kingston Branch
1-7 Knutsford Boulevard
Kingston 5
First Caribbean International Bank (Jamaica) Ltd.
78 Half Way Tree Road
Kingston



Letter of Transmittal



ANY REPLY OR SUBSEQUENT REFERENCE TO THIS COMMUNICATION SHOULD BE ADDRESSED TO THE DIRECTOR GENERAL OF CIVIL AVIATION AND NOT TO ANY OFFICER BY NAME AND THE FOLLOWING REFERENCE QUOTED—

JAMAICA CIVIL AVIATION AUTHORITY

4 WINCHESTER ROAD,
KINGSTON 10.
MAILING ADDRESS:
P.O. BOX 8998,
C.S.O., KINGSTON.

July 31, 2015

Dr. The Honourable Omar Davies, M.P.
Minister of Transport, Works & Housing
138H Maxfield Avenue
Kingston 10
Jamaica, W.I.

Dear Minister:

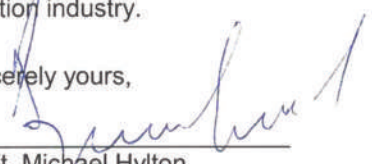
The Board and Executive Management team of the Jamaica Civil Aviation Authority (JCAA) are, again, pleased to present to you, the Annual Report of the JCAA for the reporting period April 1, 2014 to March 31, 2015.

The report has been prepared in accordance with the requirements of the *Public Bodies Management and Accountability Act*, the *Civil Aviation Act* and other relevant legislation. It seeks to provide an overview, as well as detailed accounts, of the performance and operations of the JCAA during the reporting year.

Also included are copies of the audited financial statements and explanatory notes.

On behalf of the JCAA's Board, executive management team and staff members, I wish to thank you for your continued support of the JCAA's mandate and operations over the past year. This support continues to be critical, as the JCAA joins efforts to support the advancement of Jamaica's development goals, by ensuring the safe and orderly development of our nation's aviation industry.

Sincerely yours,


B. St. Michael Hylton
Chairman

Tele: 876.960.3965

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Main Divisions



Jamaica Civil
Aviation Authority

ADMINISTRATION & SERVICES

- Information Technology
- Air Navigation Services
- Accounts
- Legal
- Audit
- Information Services
- Procurement & Office Management
- Human Resource

REGULATORY AFFAIRS

- Economic Regulation (Air Transport)
- Flight Safety



Chairman's Statement

The recently concluded 2014-15 financial year, was a challenging, but stable and progressive one for the Jamaica Civil Aviation Authority. As the period progressed, the JCAA maintained an unrelenting focus on safety, security and the sustainable development of Jamaica's air transport industry. Strengthening its capacity in the core functions of regulating the civil aviation industry, providing air navigation services and ensuring the industry's development through infrastructure modernisation were key drivers for the financial year 2014-15. The Board, through the Executive Management team, spearheaded efforts to solidify and bolster the organization's framework, as a means of promoting industry growth and national development.

As in previous years, the JCAA was challenged by adverse trends and factors which affected the global aviation environment. These included wide fluctuations in fuel prices, several widely publicized major aviation occurrences, and intermittent security threats. These issues created some volatility in the air transport industry, but for the JCAA, they strengthened our resolve to expedite capacity-building and infrastructure modernisation efforts, to ensure the maintenance of a safe and secure air transportation system.

Fostering a Continuous Improvement Culture

Conscious of the need to expedite project delivery and increase productivity in a dynamic aviation environment, the JCAA applied itself to charting a sustainable course for continuous development. In a global economy still recovering from the financial meltdown of 2007, the JCAA was able to maintain financial viability, while solidifying the organisation's ability to facilitate needed modernization of Jamaica's air transport industry.

Our priorities were programmes and activities which enhanced aviation safety performance and improved Jamaica's ability to efficiently manage anticipated growth in air traffic. These were established in accordance with the guidelines and requirements of the Global Aviation Safety Plan (GASP) and the Global Air Navigation Plan (GANP), which have been developed by the International Civil Aviation Organization (ICAO).

The programme of acquisition for a significantly upgraded communications, navigation and surveillance system



commenced and was in high gear, at the end of the reporting period. The first thrust of this multi-phased programme was seamlessly concluded in December 2014, with the implementation of a microwave radio network. The new network tripled the information-carrying capacity of the previous system, and enhanced the safety and efficiency of Jamaica's airspace, by minimizing the risk of critical data loss, in the event of a failure or interruption.

The construction of two new Air Traffic Control towers at Norman Manley International Airport (NMIA) and Sangster International Airport (SIA) was, additionally, completed in June and September 2014, respectively. These facilities have guaranteed a conduit for imminent enhancements in the capacity, reliability and safety of Jamaica's air transportation system. They are also strategic components of a programme of activities, on which the JCAA has embarked to exploit Jamaica's positioning as a trans-continental gateway, linking the Asian, North American & South American continents.

ENVIRONMENTAL PERFORMANCE – THE LEAN TOWARDS 'GREENER' SKIES

As Jamaica assumed a vanguard role in multinational efforts to ensure the environmental sustainability of the global aviation industry, the JCAA furthered implementation efforts, and a commitment to action plans for improving environmental performance, through a progressive programme for more efficient airspace utilization.



Progress on projects to support the implementation of Performance Based Navigation advanced over the 2014-15 year, as an important sustainability and efficiency—generating initiative. The programme of activities, which include the introduction of Continuous Descent Operations (CDO) and Continuous Climb Operations (CCO) in Jamaica's terminal control areas, will greatly reduce carbon emissions, while increasing our air navigation capacity through the redesign of our Standard Instrument Departure (SID) and Standard Terminal Arrival Routes (STARs).

Responsible & Supportive Regulation

To enhance the foundation for sustainable industry development, while ensuring a safe, reliable and customer-centric air transportation system, work continued to ensure the effective performance of the JCAA's regulatory functions. As a seminal measure, the JCAA initiated amendments to the primary and subsidiary legislation which governs Jamaica's civil aviation industry, including the Civil Aviation Act, Regulations and Schedules. The revisions have begun to establish the framework for strategic industry growth and continued conformity with global standards.

The JCAA also undertook an array of critical certification, licensing and approval responsibilities, to authorize and monitor the conduct of core activities by air operators and general aviation service providers.

The Authority's monitoring, oversight and industry-engagement activities culminated in the hosting of a JCAA-sponsored Aviation Forum for the General Aviation Community. The forum set the stage for closer industry partnerships and consultation. It also generated action plans, which support the development and sustainability of the sector.

Creating a welcoming environment for Industry Investors & Air Operators through Market Expansion

In accordance with continuous efforts to improve the regulatory environment, while making Jamaica more attractive to air industry operators, barriers to entry were increasingly eliminated last year, as Jamaica facilitated sector-wide expansion. With support from the JCAA, Jamaica concluded three (3) Air Services Agreements with the Czech Republic, Turkey and New Zealand, as it participated in the ICAO Air Services Negotiation Conference (ICAN) in Bali, Indonesia. The groundwork was further laid for the establishment of seven (7) agreements with a number of Asian, European and African countries, including Qatar, India, Sri Lanka, Burkina Faso, Austria, Kenya and Ethiopia.

Through these Air Services Agreements, Jamaica has continued to enhance the vitality and vigour of the local air transport sector, while significantly strengthening its position as a primary gateway for international cargo and passenger traffic.

National & Local Community Partnerships

The Authority continued to demonstrate exemplary corporate citizenship through its active support for national and local development initiatives. Our escalated participation in outreach efforts, over the 2014-2015 fiscal year, included significant support for the annual National Labour Day Project, as well as projects at the Hanover and St. Mary Infirmarys. The latter included the procurement and installation of a solar power system and the provision of water tanks.

During the course of the year, the Authority also provided assistance to the Jones Town Primary School, as it partnered with the school's Board of Management to create a more conducive environment for learning. The Authority's enthusiastic support was also extended to Jamaica's premier international investment and business conference, JAMPRO Investment Forum 2015, which successfully promoted Jamaica as a hub for business opportunities.

Continuous Empowerment, Training and Development

New members of the Executive Management team were appointed in the 2014/2015 financial year. Mr. Nari Williams-Singh, who has served the Authority and regional organisations in various capacities over the years, was appointed Director General in February, 2015. It is expected that, with his leadership, the JCAA will become a more effective regulator and provider of air navigation services, as the Authority revamps its positioning to keep pace of growing industry demands and trends.

The management and staff of the JCAA also remained committed to providing the best services possible in a challenging and dynamic environment. An aggressive programme of training initiatives continued over the reporting period to ensure the maintenance of highly skilled staff, that was continuously trained to keep current with new requirements and changes in the global aviation environment.

Ministerial Oversight & Support

The Minister of Transport, Works and Housing, Dr. The Honourable Omar Davies, maintained a keen interest in the air transport industry, as he spearheaded oversight and auxiliary initiatives to support Jamaica's growth initiative. He participated in a number of industry



functions, including the ICAO Regional Air Transportation Conference, which solidly advanced a platform for participating regional states to harmonize their efforts and collaborate, in the interest of attaining acceptable levels of safety, security and facilitation.

During 2014-2015 financial year, the Minister approved funding for three significant projects.

These included:

- the replacement of the hardware & software components of the JCAA's AUTOTRAC Air Traffic Management system
- work on the phased implementation of an Automatic Dependent Surveillance-Broadcast (ADS-B) technology, and
- a critical Air Navigation Services (ANS) project to redefine the air navigation landscape from a land-based to a satellite system.

As a result of these projects, the Authority and industry are increasing their capacities to enhance surveillance monitoring, while improving air navigation efficiency through better processes for separating and monitoring of air traffic. Other benefits include the incorporation of a cooperative surveillance technology for controlling the airspace, and the enhanced ability to provide accurate information to Air Traffic Controllers.

The Strategic Outlook

Continued technological advancements and ever-increasing standards will require rapid and efficient changes in technology, the legislative and regulatory framework and the manner in which services are provided by the Authority to the air transport industry. The JCAA embraces the obstacles presented by this dynamic and rapidly advancing industry, as opportunities to plan modernisation projects with diligence and agility in a progressive regulatory environment.

In response to internal and external pressures and requirements, the performance of the JCAA continues to be buoyed by the contributions of the staff, management and the Board of Directors. In their various capacities, they remain uncompromising in the provision of reliable, efficient and safe air navigation services and effective regulation. The JCAA also remains committed to attracting and retaining the cadre of resources and expertise that will allow us to capitalize on the opportunities arising from the anticipated boom in air traffic demand and volumes.

We are confident of continued success in the upcoming years, as we conduct and confirm our role as a critical facilitator of Jamaica's development efforts.



Board of Directors



The Hon.
B. St. Michael Hylton, OJ, QC
Chairman



Mr. Wilford Heaven, MBA, JP
Deputy Chairman



Mr. Keith Senior
Board Member



Mrs. Maria Jones
Board Member



Dr. Janine Dawkins
Board Member



MR. Kevin Powell
Board Member



Ms. Tasha Manley
Board Member



Dr. Wesley Hughes
Board Member



Board of Directors (Cont'd.)



Mr. Nari Williams-Singh, JP
**Director General/Ex-Officio
Member**



Ms. Marva Gordon
Corporate Secretary



NON-VOTING MEMBERS



Rear Admiral Hardley Lewin
Non-Voting Member



Lt.Col. Jamie Ogilvie
Non-Voting Member



Hon. Shirley Tyndall
Non-Voting Member



Report of the JCAA's Board of Directors

The Board of the Directors of the Jamaica Civil Aviation Authority provided strategic oversight in relation to the Authority's mandate as a regulator and provider of air navigation services. It recognised the need for a transformation of the JCAA's operations, in order to meet the organisation's mission and goal of being recognized as a world-class provider of aviation services.

The Board's focus remained on improvements in the planning and reporting activities of the JCAA, in keeping with its obligations under Section 6 of the Public Bodies Management and Accountability Act (PBMA). In the 2014-2015 financial year, the Board also sought enhanced accountability in the management of the JCAA's resources. It developed and implemented enhanced information, control, evaluation and reporting policies and procedures, and oversaw the development of measureable objectives and performance targets.

Through the management of the Authority, the Board of Directors was also able to advise the Minister of Transport, Works and Housing on matters of general policy, relating to the international, regional and domestic civil aviation industries on the matters of regulation and service-provision.

Substantial Matters

The JCAA's Board, during the period, focused on the following key initiatives:

1. Monitoring the activities which will lead to the commissioning of the two new Air Traffic Control Towers at the Norman Manley and Sangster International Airports
2. Modernising the JCAA's equipment, systems and expertise in the provision of air navigation services
3. Vacation Leave management
4. Improving staff morale
5. Improving recruitment practices
6. Transitioning to a deliberate & comprehensive planning approach
7. Enhancing physical security at all JCAA locations

8. Improving the physical infrastructure and environment
9. Upgrading and enhancing the existing information technology to support the Authority's endeavours
10. Conducting oversight activities with respect to the full economic regulatory review of the charges at the Norman Manley and Sangster International Airports and
11. Overseeing activities with respect to JCAA's subsidiary, Aeronautical Telecommunications Limited (AEROTEL)

In line with efforts to adopt a more calculated and regimented planning process, the JCAA's Board introduced an annual retreat, the first of which was held in September 2014. At this Board Retreat, the JCAA's Board considered its corporate planning approach, and established markers for the performance of the executive management, finance and expenditure activities for the coming year. An integrated approach to corporate planning was emphasized which was then translated into a revamped Corporate Plan 2015-2018. The latter clearly outlined the JCAA's strategic objectives and the projects and initiatives which will make them effective.

Aeronautical Telecommunications Limited (AEROTEL)

In order to improve information flow and control over the JCAA's wholly owned subsidiary, Aeronautical Telecommunications Limited, the JCAA's Board secured the necessary approvals to appoint an additional director to the AEROTEL Board, who also serves as a JCAA Board Member. The addition of this Board Member has enhanced reporting and consolidation efforts and serves to complement the participation of the JCAA's Director General, who is also appointed to the AEROTEL Board.

Committees of the JCAA's Board

The Board's Committees were active in implementing the strategic objectives of the JCAA, over the reporting period. A summary of the activities of each Committee is included below. The Committees were supported by the Executive and Senior Management teams of the Authority.



FINANCE COMMITTEE

Keith Senior	Chair
Ian Levy	Board Member
Nari Williams-Singh	Director General
Constance Barrett	Director of Finance
Nichole Morgan	Deputy Director General, Administration & Services

For the 2014-2015 financial year, the Finance Committee of the JCAA's Board focused on the diversification of the JCAA's investment portfolio, as well as necessary improvements to the annual audited financial statements. The Finance Committee pursued its activities, while taking into account the strategic as well as operational importance of the Accounts Department. On its recommendation, it was established that the Director, Finance would now report to the Director General. The Finance Committee also spearheaded a reduction in the consumption levels and consequent costs for general utility services, while promoting energy conservation efforts. The Finance Committee also explored several options to enhance revenue identification, tracking and debt collection.

AUDIT COMMITTEE

W. Billy Heaven	Chair
Ian Levy	Board Member
Tasha Manley	Board Member
Jason McPherson	Chief Internal Auditor
Nichole Morgan	Deputy Director General, Administration Services

This Audit Committee remained committed to improving the JCAA's external and internal auditing functions. The activities of this Committee included a review of the JCAA's year-end audited financial statements, as well as oversight of projects to consolidate the accounts of the JCAA with those of subsidiary AEROTEL, while merging the JCAA and AEROTEL pension plans. The Audit Committee also guided the strategies for a programme aimed at identifying risks and contingency approaches, and reconciled the required statutory payments deducted from JCAA staff salaries.

PROCUREMENT COMMITTEE

Kevin Powell	Chair
W. Billy Heaven	Board Member
Rohan Campbell	Director, Flight Safety
Jacene Richards-Harris	Procurement Manager
Constance Barrett	Director of Finance
Janet Henry	Director, Human Resource
Michael Hepburn	Director of Economic Regulation

Matters addressed by the Procurement Committee were wide in scope. These ranged from the acquisition of new equipment and systems, to the upgrade of Jamaica's air navigation infrastructure, to routine purchases to support the JCAA's ongoing operations.

During the course of the financial year 2014-2015, the Procurement Committee also developed a policy framework which recorded the guiding principles for the JCAA's procurement processes, and supported the conduct of its work. The Committee also sought to introduce and activate effective and realistic procurement planning and inventory management processes, as integral parts of the corporate planning process.

PWC IMPLEMENTATION COMMITTEE

Kevin Powell	Chair
Maria Jones	Board Member
Leroy Lindsay	Former Director General
Nari Williams-Singh	Director General
Nichole Morgan	Deputy Director General, Administration & Services
Janet Henry	Director, Human Resource

The main mandate of the PwC Implementation Committee, as reflected in its name, was to oversee and drive the implementation of the recommendations, which were accepted by the Board from the Pricewaterhouse Coopers (PwC) Report on the Management Review conducted in February 2013.

The PwC Committee engaged efforts and resources in addressing the following areas:

1. Establishment of a Strategic Management function
2. Promoting regulatory compliance
3. Organisational structure & staffing, including separation of the regulator and air navigation services provider functions
4. Processes
5. Technology and
6. People

HUMAN RESOURCES COMMITTEE

B. St. Michael Hylton	Chair
Keith Senior	Board Member
W. Billy Heaven	Deputy Chairman

The Human Resource Committee met on an ad hoc basis, as the need arose, during the 2014-2015 financial year.



Matters relative to staff welfare and benefits were addressed by other relevant Board Committees, or the wider Board.

Going Forward

In February 2014, the penultimate month of the period under review, the terms of office for members of the JCAA Board of Directors expired. The Minister of Transport, Works and Housing, who has responsibility for civil aviation, considered it fit to reappoint all Board Members, with one exception. Upon the recommendation of the Board, the Minister also co-opted three (3) additional Members to serve, bringing the total number of JCAA Board Members to twelve (12). The additional Members are expected to provide leadership in areas for which reinforcement was needed. A Technical Committee was also added at the year's end to support the JCAA in numerous undertakings, which continue to be critical for the organisation's success.

At the financial year-end, the Members of the Board comprised The Hon. B. St. Michael Hylton, OJ, QC. (Chairman), Mr. Wilford Heaven, MBA, JP (Deputy Chairman), Mrs. Maria Jones (Board Member), Mr. Keith Senior (Board Member), Mr. Kevin Powell (Board Member), Dr. Janine Dawkins (Board Member), Ms. Tasha Manley (Board Member), Dr. Wesley Hughes (Board Member), Rear Admiral Hardley Lewin (Non-Voting Member), The Hon. Shirley Tyndall (Non-Voting Member), Lt. Col. Jamie Ogilvie (Non-Voting Member), Mr. Nari Williams-Singh, JP (Director General/Ex-Officio Member) and Ms. Marva Gordon (Corporate Secretary).

The updated composition of the Board Committees is as follows:

Finance Committee –	Mr. Keith Senior (Chairman) Dr. Wesley Hughes and The Hon. Shirley Tyndall
Audit Committee –	Mr. W. Billy Heaven (Chairman) Ms. Tasha Manley Lt. Col. Jaimie Ogilvie
Procurement Committee –	Dr. Wesley Hughes (Chairman), Rear Admiral (Ret'd.) Hardley Lewin
PWC Implementation Committee –	Mr. Kevin Powell (Chairman) Mrs. Maria Jones
Human Resources Committee –	The Hon. Shirley Tyndall (Chairman) The Hon. B. St. Michael Hylton Mrs. Maria Jones Keith Senior
Technical Committee –	Rear Admiral (Ret'd) Hardley Lewin (Chairman) Dr. Janine Dawkins Lt. Col. Jaimie Ogilvie



Executive Management Team



Mr. Nari Williams-Singh, JP
Director General



Mrs. Nichole Morgan
Deputy Director General
Administration & Services



Mr Rohan Campbell
Deputy Director General
Regulatory Affairs



Senior Management Team



Ms. Constance Barrett
Director, Finance



Mr. Carl Gaynair
Director
Air Navigation Services



Mr. Michael Hepburn
Director
Economic Regulation



Ms. Janet Henry
Director, Human Resource



Lt. Col. Egbert Field
Director, Flight Safety (Actg.)



Ms. Marva Gordon
General Counsel



Director General's Report



The financial year 2014-15 was characterized by progress, challenges and fluctuating economic and global conditions. Notwithstanding these circumstances, the enduring characteristic was the collective of efforts, undertaken by the Jamaica Civil Aviation Authority, to improve and expand its capabilities, as the organization responsible for the safe and orderly development of Jamaica's aviation sector.

In a pattern aligned with the trajectory of the last few annual cycles, the JCAA, despite some setbacks, achieved varying degrees of progress through several growth-engendering projects and initiatives. These were undertaken to upgrade the air navigation landscape and enhance safety and security, while fostering viability and environmental stewardship, as strategic and sustainable objectives.

In core statistical terms, the year was an active one for the JCAA, as it regulated the industry to facilitate a total of 64,988 aircraft movements over the period. This achievement, which averaged 178 aircraft movements a day, represented a 4.36% growth in aircraft movements over the 2013-14 year.

The JCAA's performance, over the period under review, was also streamlined through the establishment of six (6) Strategic goals for the 2014-16 period. These defined the priorities for the JCAA, provided the focus for its capital projects budget, and guided the Authority's operations towards the achievement of major medium and long-term goals. The goals encompassed security,

safety and innovation in aviation; delivering enhanced efficiency through capacity development & the modernisation of infrastructure & technology; creating a sustainable aviation future; enhanced operational stewardship; regional and global leadership through participation and collaboration; and improved environmental management practices.

Enhancing the Safety & Security of our Aviation Environment

The JCAA's focus on safety as an uncompromisable industry objective was manifested through a variety of surveillance, capacity building and collaborative efforts, geared at enhancing the safety of the local and regional civil aviation industries. While the ICAO Coordinated Validation Mission (ICVM) of the December 2012 assigned Jamaica an above-world average rating of 67.13% in the Effective Implementation (EI) of the ICAO's SARPS, the JCAA was nonetheless incentivised to establish the groundwork for another platform of measures from which it will ascend to another plateau in the industry's safety performance and effectiveness of our safety oversight mechanisms. Those efforts were bolstered on April 29, 2014 when Jamaica ratified the Port of Spain Declaration in Trinidad, thereby joining other nations in the North American, Central American and Caribbean (Nam/CAR) region in committing to targets, plans and a programme of activities for ensuring the accomplishment of a regional Effective Implementation target of 80% by December 2016. Included among the critical deliverables, on which JCAA has embarked since that critical juncture, are on-going projects to establish Approach Procedures with Vertical Guidance (APV), Barometric Vertical Navigation for runways; the conduct of further work to implement the first phase of a modernized Aeronautical Information Management (AIM) System by December 2016; and an on-going process to implement, by December 2018, Air Traffic Flow Management (ATFM) measures, which provide innovative solutions for increasing airspace availability and capacity, as traffic volumes and congestion increase.

These projects are supporting regularity and efficiency, while cumulatively effecting continuous safety enhancements in Jamaica's air transportation system. The APV and BAROVNAV Procedures are also being implemented to provide a greater margin of safety, through guided and more stabilized landing descent procedures.



As the JCAA acknowledged the direct correlation between the effectiveness of a State's oversight activities and the safety of its aviation system, it proactively conducted a number of surveillance, certification and licensing activities to safeguard Jamaica's civil aviation endeavours, amidst a variety of staffing constraints. Included among the activities was an extensive list of planned and unscheduled audits, encompassing Aircraft Ramp, Base and Aerodrome inspections, Cabin Enroute and Flight Deck inspections, Maintenance Documentation checks, and Pilot Proficiency checks.

The JCAA's Flight Safety Department also conducted important Personnel Licensing activities, operator certifications, inspections of industry training programmes & Approved Training Organizations, and Air Navigation Services/Air Traffic Control inspections.

Industry Empowerment & Safety Training Efforts

In fulfilment of its standards-bearing mandate, the JCAA also engaged the industry in various training efforts geared at developing a local framework for supporting the management of safety issues on the basis of ICAO's Global Aviation Safety Plan and Roadmap. One such initiative was a 5-day training course on *The Airport Safety Management System (SMS): Implementation & Safety Risk Assessment*.

The course, which emanated from a partnership between the Jamaica Civil Aviation Authority and the Airports Council International (ACI), was one of a number of initiatives which the JCAA undertook to provide guidance to aerodrome operators regarding the implementation of a Safety Management System (SMS). The sessions emphasized proactive strategies in hazard identification, risk assessment and mitigation, while engendering the fulfilment of a requirement for international airport operators within Jamaica to establish Runway Safety Teams (RST). These teams have been developing runway safety action plans to routinely advise stakeholders about potential runway hazards, while recommending strategies for hazard removal and risk mitigation. Such efforts remain critical, as Jamaica emboldens the confidence of the international travelling public, and transitions from a unidirectional, compliance-enforcing framework to one which fosters collaborative improvements in the industry's safety culture.

The year also ended with a consultative Aviation Stakeholders Forum, in which matters of concern, best practices and ideas for continuous system improvements were ruminated.

SECURITY ENHANCEMENTS

Key Air Traffic Control Facilities

Over the 2014-15 year, the JCAA achieved a further milestone in enhancing the security of the Kingston Air Traffic Control Centre, as well as key support facilities and personnel, when it completed a project to enhance the physical security of the referenced premises. The project, which upgraded and more effectively streamlined the security and access systems, was one of a series of measures, on which the JCAA embarked, based on its recognition of the varied industry risks from external interference and/or unauthorized property access. The project also emanated from the Authority's heightened cognizance of the vulnerabilities of the global aviation environment to new and emerging threats. These have required states and their industries to adopt new measures and technologies, which facilitating the efficient and rapid flow of passengers and cargo, as a corollary objective.

As a proactive measure, the Authority also worked in collaboration with industry stakeholders and fellow ICAO states, to facilitate efforts to identify and monitor existing types of security threats, while developing and implementing innovative multinational and regional responses. As a key initiative to heightening the sensitivity of local industry stakeholders to the current security environment and changing standards, the JCAA maintained liaison with local stakeholders and convened a number of consultative and training seminars.

A highlight of these efforts was the successful facilitation of an OAS/ Inter-American Committee Against Terrorism (CICTE) Course on Insider Threats, geared at capacity-building, and providing technical assistance to strengthen the capacity of local authorities to comply with the standards, recommended practices and guidelines of ICAO, with respect to safeguarding aviation facilities from potential acts of terrorism or unlawful interference. Other initiatives were also undertaken to provide a framework for improving national and regional aviation security cooperation, and facilitating a uniform level of security awareness among the major stakeholders. The latter included air operators, private security firms, customs and immigration personnel, the police and other aviation security officials.

Capacity Development & the Modernisation of Infrastructure & Technology

Over the past year, efforts to modernise and expand the industry's aeronautical communications, air traffic



control and air navigation systems, as well as key aerodrome infrastructure gained momentum, with the achievement of various project milestones. Among the list of noteworthy achievements was the commissioning of a new and upgraded microwave radio network for Jamaica's Flight Information Region in December 2014. The new network, which triples the information-carrying capacity of the previous network, has portended several advantages, such as the minimized risk of losing critical data from radar and other sites, in the event of a failure or link interruption. This network is now a seminal efficiency-augmenting tool, which has enhanced the safety of civil aeronautical pursuits within Jamaica's airspace.

Another important achievement, over the past year, was the completion of construction work on the new Air Traffic Control Towers for the Norman Manley and Sangster International Airports. Despite missing initially targeted completion and commissioning dates, as a result of a variety of project delivery shortfalls, the JCAA ensured the completion of all civil and equipment installation work over the period. Subject to the successful completion of all communication datalinks transfer works and quality assurance tests, the Authority was on target for the imminent commencement of parallel operations at the facilities, at the end of the 2014-15 reporting period. Work has continued to progress and the commissioning of the new towers is scheduled to commence by the end of the second quarter of the 2015-16 year.

When operational, the towers will greatly advance efforts to enhance the capacity, reliability and safety of Jamaica's air transportation system.

Other projects undertaken over the period to greatly accelerate the modernisation and development of Jamaica civil aviation sector included:

- I. an initiative to replace the existing radar system, used in Air Traffic Control (ATC) to enhance surveillance monitoring and improve the air navigation environment through more efficient processes for separating and monitoring of air traffic. There was also the commencement of a corollary project to effectively redefine the air navigation landscape from a predominantly land-based system to a satellite-based system.
- II. continued work on the phased implementation of an Automatic Dependent Surveillance-Broadcast (ADS-B) technology over the period to incorporate the benefits of a cooperative surveillance technology,

which will replace radar as the primary surveillance method for controlling aircraft worldwide by 2017.

Significant progress was also made regarding the JCAA's AUTOTRAC Air Traffic Management system. This has ensured the continued reliability of an integrated system, which utilizes radar and flight plan data to provide accurate information to air traffic controllers.

In addition to the immediate efficiency and reliability gains which these projects portend, the projects form a strategic plank of the JCAA's future airspace strategy for ensuring the long term viability of the sector. They are simultaneously assuring Jamaica's ability to cope with anticipated increases in air space demands, as well as efforts to maintain compliance with the dynamic developments and changes in ICAO's Standards, Recommended Practices and Guidelines.

Regional Partnerships and International Cooperation for the safe development of local and global aviation

Over the 2014-15 year, efforts were sustained to support the global air traffic management (ATM) vision for a harmonized, cost-efficient and interoperable system, with uniform quality and standards, implemented to the fullest extent possible. Jamaica's actions were also guided by the common enlightenment that the status of safety anywhere, potentially affects safety everywhere in the industry. In this context, our country's positive contribution to international cooperation and regional partnerships was emphatically affirmed when the JCAA hosted a successful ICAO Regional Air Transportation Conference, at the Montego Bay Convention Centre from October 7-9, 2014.

Attendees at the conference benefitted from incisive deliberations and a joint Statement of Conclusions on the need for states to achieve a balance between the objectives of security and facilitation in their air transport industries. The forum also highlighted the exigency for small states, with low economies of scale, little infrastructure and limited technical expertise to harmonize their efforts and collaborate, in the interest of attaining acceptable levels of safety, security and facilitation.

The depth and reach of Jamaica's partnership and leadership in the context of international and regional civil aviation endeavours extended to its influence of policy and standards in a manner that considered the interests and peculiarities of regional and national stakeholders. Throughout the period, the JCAA participated in various air transportation conferences, training seminars,



working group sessions and other meetings, including the Sixth Worldwide Air Transportation Conference. Regional meetings, in which the JCAA also played a seminal role included those of the Caribbean Aviation Safety and Security Oversight System (CASSOS) and the Regional Aviation Safety Group - Pan America (RASG-PA). Jamaica's participation, as well as that of other states, enhanced the common commitment to global standards that continues to be the bedrock of progress, sustainability and safety in an interconnected aviation environment.

Fostering Regional partnerships and collaborative successes through CASSOS

The safety of the global aviation system, and that of member states, like Jamaica, has depended on partnerships, information sharing, and mutually reinforcing global standards, which have been pursued, particularly in regional settings. As the JCAA remained at the forefront of regional efforts to maintain compliance with global aviation standards, while continuing to represent the interest of developing states, it continued to engage regional aviation stakeholders at the meetings of the Caribbean Aviation Safety and Security Oversight System (CASSOS). It also participated in efforts to share data that remained critical to the maintenance of a proactive and risk-based safety management process and sought to provide technical support which assisted other States to achieve compliance with international safety and security standards in keeping with their obligations as ICAO contracting States. The JCAA's leadership in the region was also demonstrated through its service as chair of the CASSOS Personnel Licensing Standing Committee, over the 2014-15 period.

Economic and Environmental Sustainability

Over the 2014-15 year, the JCAA remained united behind the global industry's tripartite goals of improving fuel efficiency by an annual average of 1.5% proceeding to 2020; achieving carbon-neutral growth from 2020 onwards, and securing a 50% net reduction in emissions by 2050, when compared with 2005.

As an enabler of these initiatives, the JCAA proceeded with measures for the phased implementation of Performance Based Navigation (PBN). These have begun to establish the groundwork for the introduction of a number of efficiency-enhancing air navigation procedures in the local airspace, inclusive of Continuous Descent Operations (CDO), Continuous Climb Operations (CCO) and the Flexible Use of Airspace (FUA) Concept. In addition to enhanced air traffic

control capacity, PBN provides the benefits of reduced carbon emissions and increased flight economy, through a reduction in distance, time and fuel in Jamaica's airspace.

Significant progress was also made by the JCAA, over the period, to ensure the economic sustainability of the sector, when a full economic review of airport rates and fees was completed and published on November 18, 2014. The review was successfully undertaken to produce an outcome which ensured investors a reasonable, but modest return on their investment. The achievement also ensured that our policy and regulatory settings continued to encourage, rather than restrict aviation pursuits. This review was necessary in a context where airport operators had not received a full economic review in 12 years.

HUMAN RESOURCE CAPACITY BUILDING

As The JCAA continued to put in place the physical, technical and regulatory infrastructure necessary to support the safe development of Jamaica's civil aviation industry, complementary processes also proceeded to ensure the continued availability of qualified and technically competent personnel to build the capacity of the industry. A significant achievement in this context, was the launch of the JCAA's Aviation Scholarship Programme in May 2014, which resulted in the JCAA granting scholarships to seven (7) highly promising individuals who will be groomed and trained to support the burgeoning needs and demands of the local and global aviation industries.

STRATEGIC IMPERATIVES AND THE WAY FORWARD

As the JCAA seeks to continuously align its programmes and processes with the strategic objectives of safety, security, efficiency and sustainability in the development of our air transport industry, we will remain vigilant and attuned to evolving issues and to react appropriately and assuredly, where required.

As we rise above the challenges posed by the dynamic field of civil aviation, while addressing important issues related to flight safety, aviation security, facilitation and environmental stewardship, the JCAA is committed to playing a more facilitative role, that reduces the regulatory burden, where possible, without compromising safety.

In line with the dynamism of the global air transport industry, change and continuous improvement will increasingly constitute the hallmarks for Jamaica's progress as a member state of the International Civil



Aviation Organisation. As standards and technical knowledge evolve, so too will the Authority and the industry to reflect better safety practices, new technology and scientific research.

Genuine collaboration between the Authority and industry will also continue to be facilitated, as all stakeholders focus on our shared, long-term vision of becoming a premier intercontinental hub, on which global trade, connectivity and international prosperity will depend.

The JCAA will continue to exercise its leadership and industry oversight mandate, as the appointed institution

for local governance in civil aviation. We will also continue to ensure that we maintain the confidence of passengers and other users regarding the existence of a national air transport system that is safe, secure, efficient and sustainable. The challenges may be many, but we will continue to overcome them, as we work collaboratively with all stakeholders to secure a bright, exciting and illimitable future for Jamaica's aviation industry.





Divisional Reports





Regulatory Affairs



Flight Safety

Overview

The Jamaica Civil Aviation Authority's (JCAA) Flight Safety Division (FSD) continued working to meet its aviation safety and security oversight obligations as required by an ICAO Contracting State. This thrust, in spite of some remaining deficiencies in the eight (8) critical elements of an effective oversight system, resulted in significant progress for the 2014-2015 review period.

Over the year, there were eight (8) active Air Operators; three (3) active Approved Maintenance Organizations; three (3) active Approved Training Organizations; three (3) International Airports; three (3) Domestic Aerodromes; nine (9) aviation security services providers and one (1) air navigation service provider. Oversight activities were focused on both local operators and international clients, inclusive of foreign air operators and service providers.

MAJOR INITIATIVES

Corrective Action Plans under the International Civil Aviation Organization (ICAO) Universal Safety Oversight Audit Programme (USOAP) & Universal Security Audit Programme (USAP)

During the reporting period, a cadre of contracted personnel and appropriately skilled members of the JCAA's Flight Safety Department substantially completed the first phase of a programme under which the JCAA is providing technical assistance to support the comprehensive review and update of the Jamaica legal and regulatory frameworks to the most current ICAO Standards and Recommended Practices (SARPs). These included the Jamaica Civil Aviation Regulations (JCARs), as well as all other relevant Laws, Regulations, Schedules/Standards, Directives and Notifications.

The process was also the first step in satisfying the requirement to resolve all outstanding ICAO Universal Safety Oversight Audit Programme (USOAP) audit findings, as they pertain to the Jamaica Civil Aviation Regulations (JCARs). These efforts remain critical for the continued implementation of ICAO's Universal Safety Oversight Audit Programme (USOAP)

and the Universal Security Audit Programme (USAP) Corrective Action Plans, based on the Continuous Monitoring Approach (CMA). The impending revisions are also strengthening the nucleus for the safety, sustainability and development of the Jamaica's aviation industry, while bolstering the JCAA as a regulator that is both independent in the discharge of its safety surveillance and enforcement obligations, yet, at the same time, responsive to the needs of the industry.

Continuous Improvement Efforts

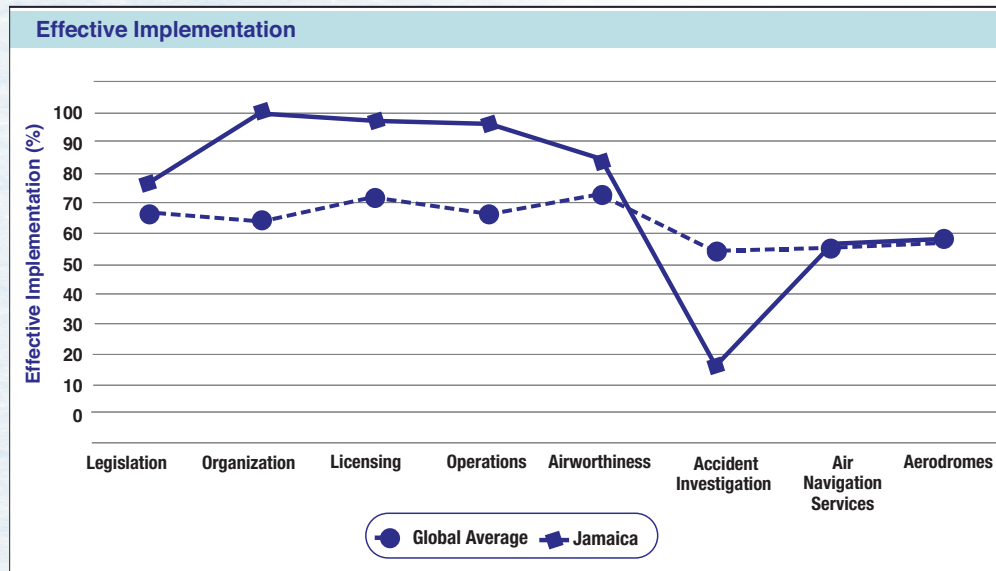
As Jamaica remains resolute in improving the industry's Safety Oversight performance in line with local and international targets, a focal enabler for this resolve has centred around our partnership with the Latin American/Caribbean region to engender quantum improvements in our safety oversight processes by December 2016. While Jamaica's level of Effective Implementation (EI) under the Universal Safety Oversight Audit Programme (USOAP) and the Universal Security Audit Programme (USAP) was assessed to be 68%, and remains above the world average, the results have continued to trigger further actions for improvement.

Following the signing of the Port of Spain Declaration, on April 29, 2014, Jamaica and other member states of the region have established a programme of activities and projects to meet a targetted 80% and above Effective Implementation (EI) rating for Safety Oversight, as per the commitment of the Declaration. The improvement strategies are many and varied, but the overarching mechanisms relate to staffing improvements, continuous training, the improvement of processes and procedures, and the development of regulations and guidance materials.

In February 2015, the Accident and Incident Investigation Manual was completed to satisfy some of the requirements for improving the Authority's Accident Investigation processes, which recorded the lowest score in the ICVM visit of December 2012. The undertaking is yielding enhanced capabilities and processes for the Authority, while ensuring an improved ranking for the Accident Investigation metric.



Graph 1



Human Resources

The following Flight Safety Department vacancies were filled during the period 2014-2015.

- Aviation Safety Inspector (Flight Operations)
- Aviation Safety Inspector (CNS)
- Aviation Safety Inspector (ANS)
- Aviation Security Inspector

Processes for filling a remaining vacancy for Aviation Safety Inspector (SMS) were underway at the end of the reporting period.

Training

Over the 2014-15 year, the Flight Safety Division remained committed to its safety oversight mandate by ensuring the availability of an inspectorate that was fully trained in all technical areas, as required for the effective oversight of the aviation system. Development training complemented technical training to assure enhanced productivity and efficiency in delivering excellent service to our aviation industry stakeholders.

There were 50 training events, inclusive of conferences, seminars, workshops, meetings, forums and training courses, which were attended by 21 Flight Safety personnel. These were hosted by twenty (20) licenced and/or approved training organizations, both locally and overseas.

Among the noteworthy international training organizations, which provided regulatory training were the Federal Aviation Administration (FAA) Training Academy, Transport Canada, the International Air Transport Association (IATA),

the International Civil Aviation Organization (ICAO), Singapore Aviation Academy, Trinidad & Tobago Civil Aviation Training Centre, the Flight Safety Training Institute and the National Transportation Safety Board (NTSB).

Surveillance

During the period under review, the Flight Safety Division accomplished among other activities. These included:

- Aircraft Ramp Inspections
- Base Inspections
- Flight Deck/Cabin Enroute Inspections
- Pilot Proficiency Checks
- Simulator Checks
- Certificate of Airworthiness Inspections
- Maintenance Documentation Checks
- Dangerous Goods Inspections
- Cabin Safety Inspections
- Aerodrome Inspections
- Air Navigation Services - Air Traffic Control Inspections
- Approved Training Organization Inspections
- Training Programmes Inspections
- Aviation Security Provider Inspections
- Personnel Licensing Activities
- Operator Certifications
- Accident Investigations
- Investigations for non-compliance events

These activities created a platform from which the JCAA was empowered to reinforce a proactive safety management culture, in which hazards and risks were continuously identified, mitigation strategies developed, and the effectiveness of control measures assessed and amended to drive continuous system improvements.



While the input of the Authority was strategic and focal, it did not meet its surveillance targets in some areas. Several factors affected the successful completion of planned surveillance activities, including a staffing inadequacy, which existed, even as hiring initiatives were undertaken, especially with the recruitment of new inspectors in the third and fourth quarters.

The Division was also unable to recover lost inspection time, from the widespread effects of the Chikungunya Virus pandemic, which significantly affected both the inspectorate and industry from the mid-second quarter to the end of the third quarter of the 2014-15 year.

Notwithstanding the challenges, the Flight Safety Division recorded 75.8% completion of the Surveillance Plan of activities for the period.

Surveillance of Aerodromes, Air Navigation Services and Safety Management Systems recorded marginal improvements in the period compared to 2013-2014, resulting from the addition of inspectors in these areas. The improvement was, however, limited due to the insufficient opportunities available for training the new inspectors, based on their recruitment in the final quarters of the year under review.

Sub-divisional Performance

It is noteworthy, however, that the Airworthiness sub-division accomplished all planned surveillance activities. By contract, while the Aviation Security and Facilitation sub-division was able to conduct a majority of its planned surveillance activities, some activities were unaccomplished at the end of the period one (1) inspector position remained vacant for ten (10) months due to the resignation of the incumbent inspector. The activities were also affected by an upward adjustment of the surveillance plan, based on a revised risk assessment relating to new industry entrants. The challenges resulted from the previously referenced vacancy was however mitigated by the recruitment of a replacement inspector in March, 2015.

In like manner to the Aviation Security & Facilitation sub-division, the Flight Operations sub-division accomplished the majority of its planned surveillance activities.

Unscheduled surveillance and inspection activities were also executed by the Flight Safety Division, as the JCAA conducted random inspections of various Air Operator Certificate Holders. These included:

- Fly Jamaica Airways Limited, following the addition of a B767 aircraft to their fleet
- Airspeed International operations

- InterCaribbean Airways - Domestic operations,
- Ramp inspections of other foreign Air Operator Certificate holders.

Resolution of Safety Issues

All safety issues identified during the various audits, inspections and surveillance activities were addressed holders, who sought to address safety concerns in an expeditious manner.

Investigations

The following lists the investigations which were initiated during the period.

- JetBlue JBU 876/N267JB Accident, involving serious injury (i.e. broken leg) suffered by passenger, while disembarking the aircraft after emergency landing at Norman Manley International Airport on March 31, 2014.
- Air Canada Rouge — Hard Landing Incident at Sangster International Airport.
- Accident of TBM 900 aircraft registration N900KN that crashed off the coast of Portland on September 5th, 2014.

All investigations were conducted in accordance with ICAO's Annex 13, Jamaica's Civil Aviation Regulations 2012 and Jamaica's Accident and Incident Investigations Manual.

Certifications for 2014-2015

Certification projects commenced or ensued for the following service providers:

- Airspeed International (Aeromedical Services — Documentation Phase)
- Airways International (Documentation Phase)
- AVA Transport (AOC — Pre-Application Phase)
- Caribbean Aerospace College (ATO — Flight School for Commercial Pilot Licence)
- Caribbean Aviation Training Centre (AOC — Pre-Application Phase)
- Civil Aviation Training Institute (CAATI) (ATO)
- Flight Connections Limited (Ground Handling Service Provider)
- Fusion Air (Pre-Application Phase)
- Ian Fleming International Airport (Aerodrome Certification)



- Jamaica Far East (AOC — Pre-Application Phase)
- Jamaica Queen Airways (AOC — Pre-Application)
- JDF Flight Navigation Procedure Trainer (ATO)
- Last Resort Detective Agency (Aviation Security Provider)
- Longport Aviation Security (Aviation Security Provider — Pre-application phase)
- Norman Manley International Airport (Aerodrome Certification)
- Ranger Protection & Security (Aviation Security Provider)
- Sentry Services (Aviation Security Provider)
- Tru-Flight Aviation Services (AMO — Demonstration Phase)

Regional Partnerships & the Regional Safety Oversight Organization - CASSOS

The JCAA Flight Safety Division continued its active participation in the Regional Safety Oversight Organization, RSOO. The Caribbean Aviation Safety and Security Oversight System (CASSOS) provides for the cooperation and support of member states in enhancing safety and security oversight activities through data sharing, mutually-reinforcing processes for ensuring compliance with the standards established by ICAO, and the sharing of technical resources.

The JCAA also chaired the CASSOS Personnel Licensing Standing Committee for the 2014-15 period.

As the JCAA worked with neighbouring jurisdictions to enhance the safety of the regional air transportation industry, it assisted St. Lucia, Antigua and Guyana in

executing Pilot Proficiency Checks for Rotorcraft. Jamaica also conducted Base Inspections, ATO Audits, accident report reviews and Operations Manual reviews for other CASSOS member states.

Certification assistance was also provided to Curacao in respect of the issuance of an Air Operator Certificate to a rotorcraft operator. This was effected through the expertise of our Flight Safety Airworthiness and Flight Operations Inspectors.

Jamaica also presented documentation supporting the free movement of aviation professionals within the region. This effort was undertaken to support and facilitate employment opportunities for CARICOM nationals within the region, while encouraging harmonization efforts.

Unmanned Aerial Vehicles (UAVs)

As the region grappled with the emerging and rapidly developing phenomenon of Unmanned Aircraft Systems (UASs) in our civilian airspace, Jamaica coordinated with other member states to develop guidance and policies for the regulation of Unmanned Aerial Vehicles (UAVs) and the use of laser lights on operating aircraft. Work is far advanced to establish guidance material that will ensure the safe operation of these vehicles within the local and regional airspace.

International Support

Jamaica, through the Flight Safety Division, participated in the ICAO Cabin Safety Working Group (Montreal), established to update the ICAO Cabin Attendants Safety Training Manual.

We also contributed technical expertise to ICAO's Working Groups on Aviation Security, Facilitation, Runway Safety and Flight Operations.



FLIGHT SAFETY ACTIVITIES 2014-2015

ACTIVITY	ACCOMPLISHED
Base Inspections	22
Ramp Inspections	264
C of A Inspections	15
AOC/AMO/ATO Renewal/Issue	16
Aerodrome Inspections – Local	16
FAOC Inspections	10
Proficiency Checks	43
ATC Unit Procedure and Base Inspection	11
ATC Licenses and Medical Inspection	6
Security Inspections	110

PEL Activity Report for Year Ending March 31, 2015

MONTH	ATPL	CPL	PPL	SPL	ATC	AME	FD	Total Monthly Exam Activity	Total Monthly Licence Activity
April 2014	30	10	2	1	9	5	0	3	57
May 2014	1	0	0	2	6	4	0	10	13
June 2014	2	3	0	0	3	2	0	15	10
July 2014	11	5	1	3	4	4	0	12	28
August 2014	10	4	5	1	3	0	0	7	23
September 2014	1	4	3	6	15	1	0	7	30
October 2014	6	5	5	1	4	4	0	8	25
November 2014	9	7	1	10	4	3	0	27	34
December 2014	22	5	2	4	7	6	0	41	46
January 2015	12	4	2	3	7	5	0	15	33
February 2015	3	4	0	2	1	1	0	21	11
March 2015	9	9	1	1	4	1	0	12	25
Grand Totals	116	60	22	34	67	36	0	178	335

Total Licence Activity: 335

Total Exams Activity: 178

KEY

ATPL	Airline Transport Pilot Licence
CPL	Commercial Pilot Licence
PPL	Private Pilot Licence
SPL	Student Pilot Licence
ATC	Air Traffic Controller
AME	Aircraft Maintenance Engineer
FD	Flight Dispatcher (<i>Flight Operations Officer</i>)



Economic Regulation

In support of the objective of providing economic regulatory oversight for Jamaica's air transport industry, the department processed a total of one hundred and sixty six (166) applications for air services licences and Permits, for scheduled services and non-scheduled/charter services, respectively. This figure was on par with the one hundred and sixty eight (168) licences processed a year earlier. Processing was achieved at an average efficiency level of over 90% of the established processing times.

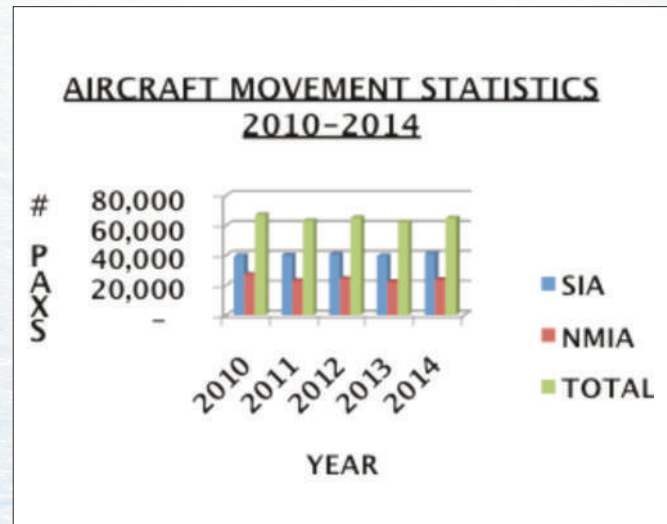
As a member of the Air Policy Committee of the Government of Jamaica, the Authority participated in the ICAO Air Services Negotiation Conference (ICAN 2014) held in Bali, Indonesia. Technical advice to support the liberal/"Open Skies" air policy of the Government of Jamaica was provided for the twelve (12) negotiations and meetings, which were conducted with other states. With negotiations being completed prior to the Conference, three (3) Air Services Agreements were signed with the Czech Republic, New Zealand and Turkey.

During the 2014/15 financial year, the first full review of regulated airport charges at the Sangster and Norman Manley International airports was undertaken. New levels for regulated charges were established to take effect on April 1, 2015 and new price-caps for the ensuing calendar years were established for a period extending to December 2019. In accordance with the Airports (Economic Regulation) Act 2002, the review sought to balance the interests of airport stakeholders including the airport operators, airlines, the travelling public and the Government of Jamaica.

Over the period, the Economic Regulation department also continued to fulfil its obligations to ICAO's Statistical Programme. The programme provides for an independent, global foundation to support planning and other efforts that ensure the sustainable development of international air transport. In accordance with Article 67 of the Chicago Convention, the Authority provided monthly, quarterly and annual data from state airlines, airports and air navigation services providers. The Authority has seen an increasing level of compliance in respect of the reporting obligations.

While activities at Jamaica's airports continued to be robust, a decline of 3.4% in aircraft movements at the island's two international airports was observed over the past five (5) calendar years. However, during 2014, a four percent (4%) increase was recorded over last year's results. This is attributed to increased aircraft movements of 3.5% and

6% at the Sangster and Norman Manley International Airports, respectively.



Total passenger movements during the year amounted to just over 5 million and represented a seven percent (7%) increase over the 4.7 million passengers recorded five (5) years earlier. Passenger throughput at the Norman Manley International Airport recovered from an eight percent (8%) decline, a year earlier, to post an increase of six percent (6%) in 2014. Sangster International also posted a 4% increase over the previous year. This compares to increases of 3% and 2% for the two preceding years.

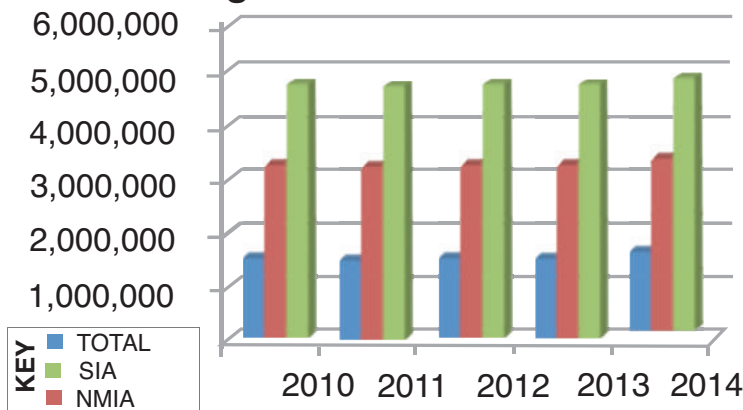
The positive results for both aircraft and passenger movements during the review period are indicative of the upward trend in an industry, which is recovering from the effects of the global financial crises.

Environmental Sustainability

Another positive development for Jamaica occurred when it was selected by ICAO, in partnership with the UNDP, as the proposed location for the first aviation environment "Pilot Project". This resulted from a submission, by the JCAA, of the State Action Plan for the reduction of international aviation emissions from airports, airlines and air navigation service providers, in concert with ICAO's aspirational goal of a 2% reduction in world CO₂ by 2020. The objective of the project has been to support the building of capacity in Small Island Developing States (SIDS) in implementing the technical and operational measures to achieve its goals. As a result, US\$2M has been awarded to the project for photovoltaic (PV) installation at the island's two international airports. The project duration is expected to be three (3) years.



Passenger Movement 2010-2014



Key Results Area (KRA) - Sustainable Economic Growth of Air Transport Industry

Key Performance Indicators	2014/2015 Targets	2014/2015 Achievements
1 Economic Review of Airport Charges	Determination of New Airport Charges - July 2014 New Airport Charges effective January, 2015	New Airport Charges are determined at the end of July 2014 New Airport Charges became effective on April 1, 2015 after allowing for additional consultation with Airlines Association and allowing the airlines sufficient time to adjust their systems to accommodate the new rates.
2 Processing of Permits and Licences applications	95% for Operations over 30 days 98% for Operations under 30 days	85% processed in 8 weeks (late Submission of documents and extra bilateral approvals affected the attainment of this target)
3 Regulatory Guidance	Provide DDGRA with terms of reference to determine best Economic Regulatory Framework, as required	94% processed in 7 days Applications were processed before the commencement date of operations
4 Participate in Air Services Agreements (ASA) Negotiations	Signed ASAs for the Year - at least 5 ASA	ICAO Air Service Negotiation meeting held in Bali, Indonesia yielded the following results:- • 15 Meetings • 3 signed Air Services Agreements • 5 MOUs signed/Agreements initialled • 6 Agreed Minutes signed Signed MOU resulted in the agreed provisions being administratively applied until the ASA are finalized.
5 Revised Air Service Licences & Permit Regulations	Draft Regulations completed by January 2015	Draft Regulations and justification 70% completed.

Key Results Area (KRA) - Sustainable Economic Growth of Air Transport Industry

Key Performance Indicators	2015/2016 Targets
1 Permission to Levy Airport Charges	Annual approvals granted by September
2 Processing of Permits and Licenses application	95% for Operations over 30 days 98% for Operations under 30 days
3 Computerised Licence and Permit processing, tracking and issuing	Implementation
4 Update of States Environmental Action Plan	By year end
5 Participate in Air Service Agreements (ASA) Negotiations	Signed ASAs for the Year - at least 5 ASA
6 Revised Air Service Licenses & Permit Regulation	Draft Regulations Completed





Administration & Services



Air Navigation Services



Photograph of the newly constructed Air Traffic Control (ATC) Tower at the Norman Manley International Airport.



Air Navigation Services (ANS)

Engineering Maintenance Services (EMS)

Over the last year, the EMS department was industriously engaged in setting the foundation for the modernisation of the ANS division's Communications, Navigation & Surveillance infrastructure.

The upgrade project was being pursued, over the period, as one of a critical array of programmes, which are being established to facilitate conformance with the requirements outlined under ICAO's Global Air Navigation Plan (GANP). The Plan provides strategic direction for ICAO's global air navigation system, and serves as an important guide for the Planning & Implementation Regional Groups (PIRGs), states, service providers, airspace users, other stakeholders and their technical work programmes. The activities undertaken over the period have, therefore, furthered Jamaica's efforts to achieve the long-term GANP vision of developing and implementing an air navigation infrastructure and avionics advances, that will ultimately facilitate a full, global harmonization of the ATM system.

As the Authority pursued GANP requirements through the required Aviation Systems Block Upgrade (ASBU) methodology, it continued efforts to implement the ASBUs through an incremental 5-year working programme, which commenced in 2013. The comprehensive framework, which is organized in flexible and scalable blocks will be implemented having regard to the operational needs and preparation levels of our aerodrome and airspace operations.

Microwave radio network upgrade

A new microwave radio network was commissioned and rolled out in December 2014. This network forms the communication backbone for transporting critical information, such as radar data, voice communication between ATCs and aircraft flying through our airspace or FIR, flight plan data and communication between the KATCC and the control towers at both international airports. The information-carrying capacity of the new network triples the previous network, through its ring topology. The latter has several operational advantages, including significantly minimizing the risk of critical data being lost from external sites, such as the radar sites, in the event of a failure or interruption on any of the links. The new network also uses state-of-the-art IP technology, which enables the accommodation of new and emerging communications technology. Its modular design has also made system upgrades and maintenance work easier.

Another critical aspect of the network that is currently being implemented is the installation of routers and switches at key sites. This is geared to enable more efficient bandwidth use and, most importantly, the implementation of a Network Operations and Control Centre (NOCC). As a result, remote monitoring of all sites and equipment will occur in real time. This will enable the EMS department to institute proactive maintenance programmes, which detect faults before they affect service.

Automation and Radar Systems Upgrade

In early 2014, we embarked on a project to upgrade the existing automation and radar systems, which have been in operation since 2001. While the upgrading of this system has been a long and tedious process, the JCAA managed to stay the course with the project implementation work, and we are now at the contract negotiation stage with a new equipment supplier. The implementation of this project is projected to take approximately 20 months.

MEVA II to MEVA III Upgrade

After a very competitive bidding process, a new service provider was awarded the contract to provide the MEVA network satellite communications service, that is used by our air traffic centres to facilitate instantaneous communication between the countries of the region which share a common airspace.

The transition to a new MEVA III network took place on March 31, 2015. This network now utilizes IP technology to meet or exceed the coordination services that will be necessary to achieve the smooth transitioning of aircraft entering or leaving Jamaica's airspace, and will also ensure the coordination capabilities required by the Global Air Navigation Plan.

The network is now managed by a taskforce, comprising members of several countries, including Jamaica, Cuba, Haiti and the Cayman Islands.

New Control Towers NMIA/SIA

Installation of equipment, furnishing and other key components for the SIA and NMIA control towers projects were completed over the 2014-15 year, and the Authority established imminent plans for the commencement of parallel operations and testing, by the end of the 2nd quarter of 2015. Delays in completing the project arose as a result of the need to redesign the telecommunications interface and this was carried out by the EMS team in 2014.



The towers are now scheduled for commission by the end of the 2015-16 financial year.

THE GOJ Energy Efficiency Conservation Programme (EECP)

The JCAA continued efforts to institute an Energy Efficiency Conservation Programme (EECP), following the Ministry of Science, Technology, Energy & Mining (MSTEM's) identification of the Authority as one of the highest consumers of electricity, when compared to other government sector entities.

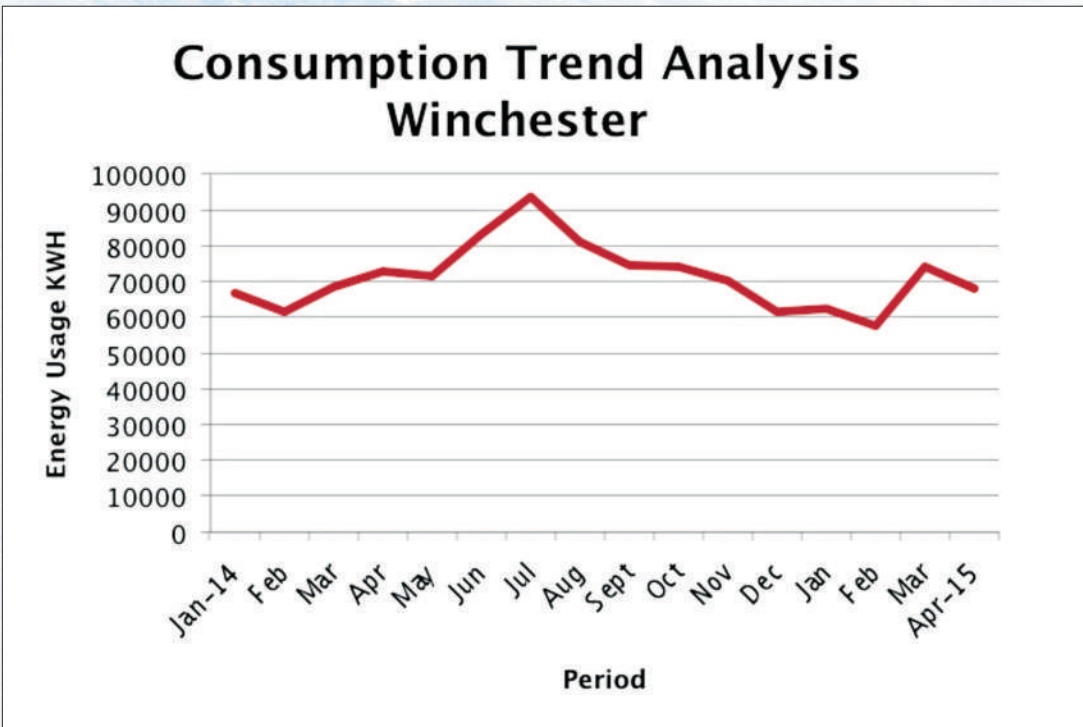
The JCAA continued to receive technical support in instituting energy saving measures, and in June 2014, the EMS department embarked on the task of replacing the fluorescent tubes in all offices at its Winchester Road

Headquarters, with LED tubes. The most significant and impactful task undertaken, over the year, to potentially achieve the greatest reduction in energy consumption is the replacement of all central air-conditioning units with the energy-efficient, inverter type units.

Technical assistance was also received from MSTEM in preparing and issuing the RFP documentation for these units, we the JCAA is currently at the contract negotiation stage with a potential supplier.

The first phase of installation is scheduled to begin by the 2nd quarter of 2015 on the Flight Safety building.

The energy usage consumption pattern at the Winchester Road facilities continues to be closely being monitored by the EMS Department, and the graph below shows consumption year-to-date.



Equipment Maintenance

In collaboration with service provider, AEROTEL Communications Ltd., the EMS department conducted critical equipment maintenance work on several high and low voltage power systems, including UPS and standby generators. The maintenance of air-conditioning systems was also undertaken as a critical measure to facilitating the reliable operation of navigational aids, in terms of their reliability, accuracy and consistent availability to the industry. Last year and over the past three (3) years, the department increased the vigilance of routine maintenance activities to minimize system failures.

The EMS team also utilized metrics related to the 'percent availability' of critical equipment in the network to ensure

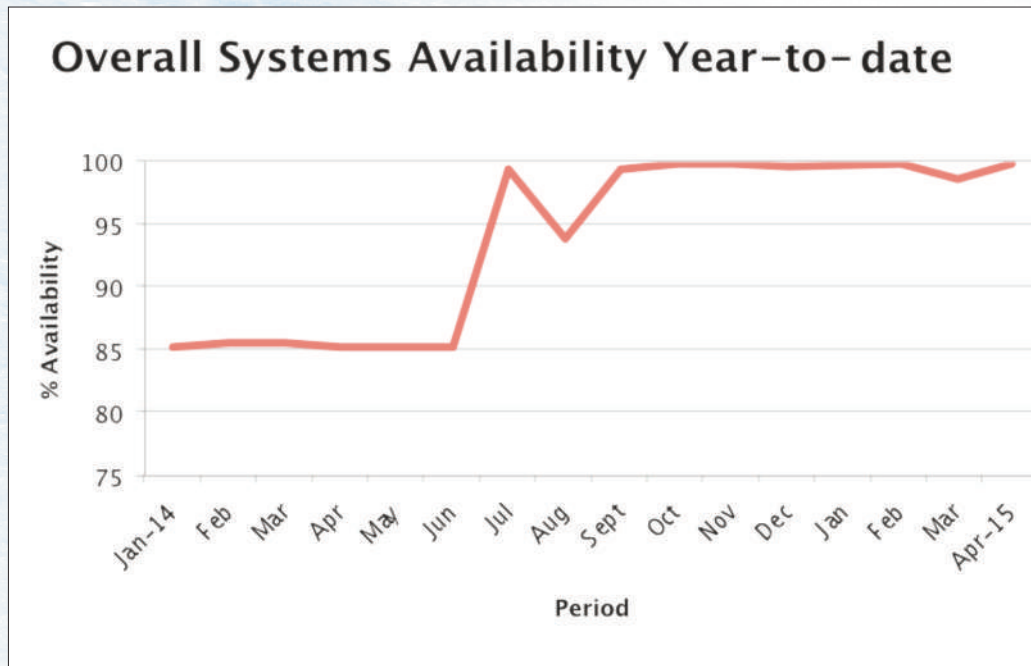
their reliability and availability. The team undertook proactive mitigation strategies, such as the stocking of scarce parts, as well as networking with industry contacts, to source these critical parts.

Following the drafting of specifications and the issuing of an RFP to upgrade the existing radar systems, automation systems and Voice Communication Control Switch (VCCS), the upgrade project is at the contract negotiation stage.

The upgrade and replacement of these systems will be seminal, as they constitute key tools for AirTraffic Controllers in the execution of their duties.



The graph below shows year-to-date availability for critical equipment/systems in the network:



The overall systems availability January 2014 to June 2014 was 85.6%, due to the failure of the Sangster Instrument Landing System (ILS). Since that occurrence, the overall systems availability improved, despite intermittent

faults, which resulted in periodic failures between July 2014 and April 2015. The average availability over the period was 99.02%.

A new ILS is being sourced, through the procurement process, and the proposed expenditure has been submitted



Civil Aviation Authority Training Institute (CAATI)

Over the 2014-15 year, the Jamaica Civil Aviation Authority Training Institute (CAATI) pursued its mission of providing world-class-level training to Air Traffic Controllers and other designated personnel, who work as a team to provide safe, sustainable and efficient air navigation services to the local and regional air transportation communities.

Through a roster of training activities and other events, the Institute (CAATI) continued to fulfill the new and recurrent training needs of the Air Traffic Services, Air Navigation Services and Aeronautical Information Services personnel, which serve the Norman Manley, Sangster and Ian Flemming International Airports, as well as the Tinson Aerodrome and the Kingston Air Traffic Control Centre.

The table, below, highlights the major training and support activities, which were conducted by the Training Institute, over the period, April 2014 - March 2015.

MAJOR ACTIVITIES	DATES
On-The-Job (OTJ) Cross-Training Exams	March 2014 – April 2015
Preparation for APC ACC 3 (Batch 1)	March 2014 – May 2014
APC ACC 3 Presentation (Batch 1)	May 2014 – September 2014
Preparation for APC ACC 4 (Batch 2)	August 2014 – October 2014
APC ACC 4 Presentation (Batch 2)	October 2014 – March 2015
On-The-Job APC ACC 3 exams	December 2014 – March 2015
Preparation for Training Instructors Course (TIC) Part 2	September 2014 – December 2014
Project for establishing CAATI as Regional TRAINAIR PLUS Training Centre of Excellence for all areas of civil aviation	November 2014 (Ongoing)
Conduct of TIC Part 2 December 1-5, 2014	
Preparation for updated FDP	January - March 2015
Psychometric Testing	March - April 2015
Creation of FDP STP	February – March 2015
CAATI Reassessment	March 2014 – March 2015 and beyond



As the JCAA sustained efforts to provide high-quality training to our local industry stakeholders and personnel, it continued to support the ICAO objective of standardizing aviation training globally to ensure the implementation of best practices and processes for the sustenance of a safe, efficient and reliable global aviation industry.

As a strategic component of that thrust, the JCAA, in February 2015, engaged the ICAO Technical Cooperation Bureau (TCB) to conduct a strategic review of the Civil Aviation

Training Institute, with a view to repositioning it as a broader regional Aviation/Aeronautical Training Institute, while maintaining its TRAINAIR PLUS membership.

The review involved an assessment of CAATI's current status, the potential for expansion to meet national and regional requirements, and required processes for maintaining Full TRAINAIR PLUS membership. The assessment was concluded on March 6, 2015 and the JCAA will implement the recommendations of the review on a phased basis, over the 2015-16 financial year.



Director General, Mr. Nari Williams-Singh (third right, front row) and Principal of CAATI, Mrs. Coral McLaren (fourth right, front row) are pictured with a batch of graduates, following the completion of CAATI's Approach and Area Control course (APC/ACC - C3).



Information Technology

As the nucleus of the organization's communication and technological capabilities, the JCAA's IT Department conducted an extensive array of support services to enable the efficient and safe conduct of the Authority's functions and service responsibilities. The key activities in which the IT department was involved, over the 2014-15 year included:

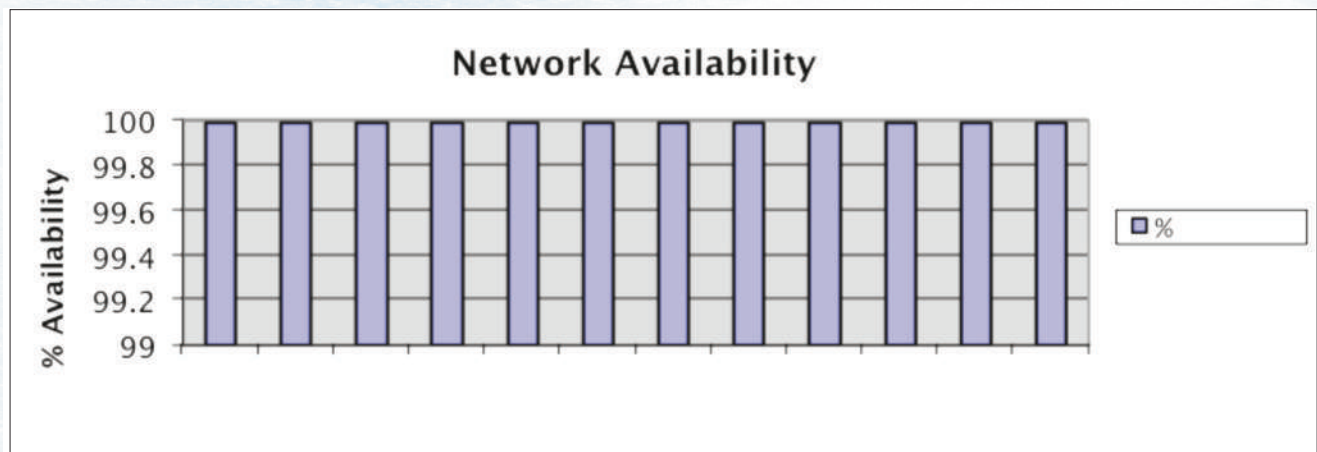
- System administration - via the upgrade and maintenance of operating systems, anti-virus programmes and email
- Technical and administrative control of the LAN and other networks
- Web administration, including the installation, maintenance and performance monitoring of all web operations
- Database administration
- Security/control administration
- VoIP administration and maintenance of the PBX
- Backup administration to ensure the security of data and
- End user /Help desk support

In addition to the above routine activities, the Department also undertook a number of projects to support modernisation and upgrade initiatives, which were undertaken by the JCAA over the period. The list of major projects is shown below.

Project	Details /Description	Status
Expansion of the Access Control system to include Read-in and Read-out capabilities	The read-in and read-out capabilities have improved the security of the system by: <ul style="list-style-type: none"> • preventing unauthorized access and • streamlining the system via access levels and time zones, which determine where and when a user's card will be valid. 	Completed
Expansion of Access Control to incorporate swipe access for: <ul style="list-style-type: none"> • main entrance and exit gate barrier arm systems and • visitor entry & exit barrier arm systems 	Access control swipe readers allow controlled access for staff members to enter and exit the compound, using their ID cards. This system has enhanced security, while better streamlining the traffic movements.	Completed
Installation of Fire Notification System	The Fire Alarm notification system now allows for earlier detection, control and response to all emergency situations. All offices were equipped with smoke detectors and fire alarm panels, and annunciators were placed at strategic locations throughout the building to allow the JCAA's OSHA Unit and Fire Wardens to locate threats quickly. The access control system is integrated with the fire alarm system, and allows all doors to be released during an emergency.	90% Complete
Upgrade of Network Cabling Backbone to Fibre & Category 6a Cabling standard.	Cabling infrastructure for computers and other related technological devices were upgraded from CAT 5e to CAT 6a. This was done to improve the overall operations of the network and allow for greater management of the network infrastructure.	Completed
Installation and support for the Human Resource Management System (HRMS) System	The HRMS was installed and the system was populated to incorporate employee data, including demographics, group health and life insurance and vacation leave. The system will allow staff members to apply for various HR services using a web portal.	System installation completed.
	Training on the Employee Self Service (ESS) Portal was conducted throughout the organisation and the IT Department is responsible for supporting the system and ensuring its availability on a 24/7 basis.	
Upgrade of Internet System to 20MB Fibre Service Dedicated Internet Access (DIA)	The internet service was upgraded via a dedicated access line to allow for faster access to the internet.	Completed
Upgrade of the Wireless Network to provide Internet access to conference rooms and CAATI class rooms	Wireless Routers were installed at strategic locations to allow staff members and external visitors with personal devices to gain access to the internet.	Completed
Replacement of Photocopiers	Three new photocopiers were installed in the Flight Safety Department, CAATI and the Accounts Department. These upgraded units provide for faster processing, printing, copying and scanning of documents.	Completed
Upgrade of Air Traffic Management Message Handling System (AMHS)	The Air Traffic Management Message Handling System (AMHS) was upgraded to the latest system release.	Completed



Despite challenges, the Department was able to consistently maintain the network at 99.99% availability for the 2014-15 year.



Human Resources

Introduction

During the 2014/2015 Financial Year, the Human Resource Department continued to seek ways to develop, motivate and enhance awareness among the JCAA's staff members.

Due to the continuation of a Government wage freeze, the Authority continued to find ways to assist staff in cushioning the effects of the harsh economic times and build staff synergy. The highlight of these efforts was a staff Fun Day.

The HR Department also continued to implement the recommendations of the PwC Management Review of the

Authority, a chief component of which was the revision of the staff Conditions of Service document, aimed at establishing clearly defined HR policies and procedures, aligned to the organisation's mission and objectives.

Staff Movement

The Authority continues to provide opportunities for motivating staff and rewarding performance through upward mobility, among other incentives. A stable staff turn-over rate was also enjoyed during the period April 2014 - March 2015 and the table below illustrates the staff movements which occurred:

ACTION	NUMBER OF PERSONS
Employment	
- New	7
- Temporary	2
Promotion	
- Air Traffic Control Staff	6
- Administrative & Other Staff	7
Resignation	5
Retirement	2
Other (Expiration of Contract/ Termination/Death)	4

Employment/Promotion

The 2014/2015 objective of seeking to fill 98% of vacancies was closely met, resulting in major staff movements, including thirteen (13) promotions. Among the appointments which were achieved, by way of promotion, were the installations of a new Director, Human Resource and Director, Flight Safety. The vacancy for Director General of the JCAA also arose and was later filled by an internal candidate.

Training & Development

In keeping with the JCAA's vision of providing an appropriate environment for the growth, development and enhanced professionalism of staff, was the conduct of technical training for twenty-one (21) employees locally. Thirty-eight (38) employees also attended workshops, meeting, seminars and conferences overseas, over the 2014-15 year. The goal for the year was to ensure that staff members, in every Department, were exposed to some developmental activity. This was achieved.



Local training included:

- Exceptional Customer Service
- Interviewing Techniques
- Safety Management Systems Implementation & Safety Risk Assessment
- Principles and Practices of Project Management
- Great Plains Refresher Training
- Understanding the Industrial Relations Process in the Public Service
- Installing & Configuring Windows Server 2012
- Public Sector Procurement Certification
- Understanding the Flex-time Legislation
- Time & Stress Management
- Leadership Skills, Techniques & Tools
- Certified Foundation ISO 18001 - Occupational Health & Safety

Overseas training/meeting/conference included:

- Civil Aviation Management Programme
- Aviation & the Environment Course
- MEVA Technical Management Meetings
- Airspace Organization & Management Course
- Introduction to Air Traffic Flow & Capacity Management Course
- Aviation Internal Auditors Course
- Emergency Response Planning for Civil Aviation Authorities & Air Navigation Service Providers Course
- Integrated Safety Management Systems Course
- Managing Aviation Policy & Regulation Course
- Cabin Crew Competency-based Training Workshop
- Maintenance Reliability & Cost Analysis Seminar
- Aging Airplane Scheduled Maintenance Requirements Seminar
- Aviation Compliance & Enforcement Course
- Performance-Based Navigation Approach Design Implementation Workshop

Local Training	\$6,429,901.67
Overseas Training	\$16,347,087.68
International Meetings, Workshops, Conferences	\$26,367,873.93
TOTAL	\$49,144,863.28

Increments for Additional Qualification

A total of six hundred and thirty-one thousand dollars (\$631,000.00) was paid to thirteen (13) employees, representing increments for additional qualification attained during the period April 2014 - March 31, 2015.

Education Assistance

The JCAA also continued to assist staff in their quest for self-development, by providing education loans, grants and scholarships. It also effected payments under the tuition reimbursement programme for employees who pursued various degree and certificate courses.

Staff Welfare

Wellness

The JCAA sought to improve the health and well-being of staff by raising their awareness on issues related to health and wellness, through Wellness Talks and active engagement in physical activities. Six (6) wellness sessions were organized; opportunities were provided for employees to participate in five (5) road races and an eleven (11) week Fitness and Weight Loss challenge was organized to facilitate weight loss and improve fitness and cardiovascular health.



Sporting Teams

Joint Aerotel/JCAA sporting teams in Netball, Football and Basketball Netball were supported throughout their participation in their respective competitions.

Group Health Insurance

In February, 2015, the JCAA provided improved health insurance benefits, especially for prescription drugs, through the JCAA's Group Health Insurance Scheme. This was implemented with no premium increases to staff.

Staff Interaction

The JCAA continued to stage opportunities for staff to interact with each other and hosted a monthly Lymé on the last Friday of each month. The highlight of these monthly events was the respective Christmas Lymes at both the head office and Sangster location, which brought the calendar year to a successful close.

A Staff/Family Fun Day was jointly held with subsidiary company, Aerotel Communications Ltd. on June 28, 2014. A variety of Pre-Fun Day games and sporting activities were scheduled and implemented. These culminated on the Fun day with Black House emerging the winner in a nail-biting finish. The winning house was rewarded with a cake that was shared with House members and other staff.

Sporting Teams

Joint Aerotel/JCAA sporting teams in Netball, Football and Basketball Netball were supported throughout their participation in their respective competitions.

Employee/Industrial Relations

The industrial relations climate was relatively calm during the 2014-15 year. Efforts were made to address matters when they arose and to pre-empt others before they escalated.

The JCAA sought to build staff capacity through sensitization sessions on Improving Employer-Employee Relationships, while managers, supervisors and union representatives received training in Industrial Relations and Labour Management.

A three (3) year Heads of Agreement commencing 2012, was signed between the JCAA and Jamaica Air Traffic Controllers (JATCA). Several meetings were held with JATCA and the BITU respectively, to discuss matters relating to the needs and concerns of their members.

There were no contentious issues with the other unions, the Jamaica Aviation Inspectors Association (JAIA) and the Management Staff Association.

In an effort to enhance operational efficiency, an eight (8) member Technical Work group was set up to address ANS issues relating to OFF, Reserve Shift, the Shift structure and Overtime. A Terms of Reference was developed and a plan of action created. Work continues on the mentioned matters.

Occupational Safety and Health (OSH)

The JCAA embarked on the initiative of establishing an Occupational Safety and Health (OSH) programme in order to achieve the following objectives:

1. To provide a safe and healthy workplace for employees, contractors and clients.
2. To continuously improve the management and standard of the OSH systems in the workplace
3. To reinforce a culture of safe working practices at the Authority.
4. To reduce or eliminate workplace incidents, injuries and illnesses.
5. To promote the welfare of employees

An OSH committee was formed to spearhead the development and implementation of the OSH programme and work commenced with the drafting of an OSH Policy. Efforts to draft emergency exit routes for the headquarters, fire emergency evacuation procedures and the creation of administrative instruments to further enhance and monitor the programme were also undertaken.

The Authority also sought to build the capacity of staff through OSH sensitization sessions. Training for the OSH committee, ex-officio members and other nominated individuals was, additionally, provided.



Key Performance Indicators for the 2014-2015 year

Departmental KPIs for the year 2014/2015

KRA - Key Results Area

KRA - Sustainable Economic Growth of Air Transport Industry			Achievements 2014/2015
Key Performance Indicators		2014/2015 Targets	
1	Review of Aeronautical Airport Charges	<ul style="list-style-type: none"> Review airports' rate submissions and provide a preliminary report - June 2013 	Final rates were published on November 21, 2014 with an effective date of April 1, 2015
		<ul style="list-style-type: none"> Receive Airport submissions and start detailed investigations - January 2015 	
2	Processing of Permits and Licenses application	95% for Operations over 30 days 98% for Operations under 30 days	28 of 33 or 84.8% processed in 6 weeks 99 of 107 or 92.5% processed in 7 days All applications were processed before the commencement date of operations
3	Negotiate Bilateral and Multinational Air Service Agreements	Initiate new agreements with South America and ASEAN Countries. Five Agreements signed.	3 air service agreements signed (Czech Republic, New Zealand and Turkey)
4	Management of Aviation Data	Develop programme to interface with JRCC APIS Billing System by March 2015	In progress. Not Accomplished
5	Revised Air Service Licenses & Permit Regulation	Regulations Promulgated	In progress. Not Accomplished



Key Performance Indicators for the 2014-2015 year (Cont'd.)

KRA – To Maintain Safe Air Navigation Services			Achievements 2014/2015
	Key Performance Indicators	2014/2015 targets	
1	Target Level of Safety	To maintain maintained and ICAO target level of safety of 0.001 accidents per million aircraft movements (5 X 10 ⁻⁹) ATC Incident Target - less than 6 per annum	Not recorded for 2014-15 year of Safety of aircraft
2	Construction of New ATC Towers at SIA & NMIA to implement approach radar in towers and opportunity for three surveillance units for business continuity	NMIA Tower completed by April 2014 SIA Tower completed by July 2014 Approach Radar Unit established in Towers - 2014-2015	<ul style="list-style-type: none"> • Tower construction completed at NMIA and SIA • Installation of equipment, furnishing and other key components for both Control Towers completed. • Commencement of parallel operations scheduled for July 2015
3	Procure AIM database system	Software purchased to carry out AIM database management and automated obstacle evaluation	In progress. Not accomplished
4	Implementation of upgraded Automation system	AUTOTRAC replacement and simulator purchased	In progress. Not accomplished

KRA - Maintenance of CNS Network			Achievements 2014/2015
	Key Performance Indicators	2014/2015 Targets	
1	Maintenance of Communications, Surveillance & Navigation Equipment	99.9% Service Reliability	99.02% Achieved
2	Use of NOCC for remote monitoring at ANS sites; facilitated by the deployment of tributary and terrestrial microwave network	Microwave – Tributary Links: To link navigational aids back to the ATC Tower. Implement at SIA Navigational Aid and Tower - 2014	A new microwave radio network was commissioned in December 2014
3	Upgrade CNS Infrastructure	<ul style="list-style-type: none"> • Replace SIA Instrument Landing System (ILS) • Upgrade KATCC Voice Switch 	<ul style="list-style-type: none"> • ILS being sourced and proposed expenditure submitted for Cabinet approval • Not yet accomplished
4	15% reduction of electricity costs at Winchester Road by last quarter 2014	Replace all central A/C with Inverter type units at Accounts, CAATI and KATCC	Contract to be signed
5	Reducing reliance on commercial power at key remote sites by the first quarter of 2015	The installation of wind turbine and solar panel array at Airy Hill 2014/2015	Not yet accomplished
6	Utilization of Dark Fibre from cellular companies through the Ministry's Rights of Passage agreement with the Cellular companies. Goal: To create an alternative communication underground path to surface communication in the event of a catastrophic disaster	Site implementation at Sangster, Manley and Airy Hill - 2014. Mt. Denham - 2015	The fibre cabinet, though installed at the Winchester Road corporate office, is awaiting completion of the ring before the fibre is pulled in and terminated
7	Upgrading AUTOTRAC software and Hardware so that ADSB and Radar targets can be integrated and displayed on SDD.	Full Implementation by last quarter 2014/2015	Not Accomplished. Project deferred to financial year ending March 2017



Key Performance Indicators for the 2014-2015 year (*Cont'd.*)

KRA - To Maintain Financial Self Sufficiency			Achievements 2014/2015
	Key Performance Indicators	Targets	
1	Growth in Operating Income	9%	13%
2	Percentage collection of current Air Navigation invoices	95%	97%
3	Percentage collection of current PASC invoices	100%	100%
4	Return on Investments	5.70%	6.75%
5	Timely Dispatch of Invoices	5 Days after month end	Achieved
6	Reporting Deadlines:		
	MOF: Net Credit Report	Within 1 week of each month end	Achieved
	MOF: Monthly Financials	By 2 nd Thursday Monthly	Achieved within 3 weeks of month end
	MOF: Statement A	Within 3 weeks of each month end	Achieved
	MOF: Corporate Plan & Budget	By January 1, yearly	Achieved December 31, 2014
	OCG: Qtr Report	Within 2 weeks of Quarter end	Achieved
	MTW&H: Qtr Performance Report	Within 4 weeks of Quarter end	Achieved
7	Annual Statutory Returns	By March 14, yearly	Achieved 07-Apr-14
8	Annual Financials	By June 30	Achieved
9	Utilize the electronic banking system for payment, while minimizing cheque payments.	Implemented by April 1, 2014	In progress – system to be interfaced with general ledger
10	Implement Collection Management Information System to enhance administration of Accounts Receivable Portfolio	Implemented July 1, 2014	System implemented. Customer information to be of the upgraded system
11	Implement Web-Based E-payment System to facilitate online payment	Implemented July 1, 2014	In progress - system to be interfaced with general ledger



Key Performance Indicators for the 2014-2015 year (Cont'd.)

KRA - Safe & Secure Aviation Industry			Achievements 2014/2015
	Key Performance Indicators	Targets	
1	Number of planned inspections	Inspections:	
	Base Inspections	58	22
	Ramp Inspections	397	264
	C of A Inspections	24	15
	AOC, AMO & ATO Inspections	39	16
	Local Aerodrome Audits & Inspections	6	16
	FAOC Inspections	20	10
	Proficiency Checks	30	43
	Air Traffic & Aeronautical Information Services Audits and Facility Inspections	18	0
	Search and Rescue Facility Inspections	7	0
2	Hire of additional inspectors	4	2
3	Percentage Regulatory Oversight Surveillance of the Aviation Industry	100%	64%
4	Implementation of the requirements of the USOAP and USAP Corrective Plans	31-Mar-15	<p>Following the ICVM, it was determined that further revisions to the Civil Aviation Act, Regulations and Schedules were required. A revised draft Act was completed and is under review by the JCAA's legal team.</p> <p>The revised Regulations are 80% complete.</p>



JCAA Departmental KPIs for the year 2015-2016

KRA - Safe & Secure Aviation Industry		
	Key Performance Indicators	2015/2016 Targets
1	Number of planned Inspections:	
	Base Inspections	62
	Ramp Inspections	397
	C of A Inspections	24
	AOC, AMO, ATO Inspections	19
	Aerodrome Audits & Inspections - Local	36
	FAOC Inspections	20
	Proficiency Checks	30
	Air Traffic and Aeronautical Information Services	87
	Audits and Facility Inspections	
	Search and Rescue Facility Inspections	12
2	Hire of additional inspectors	4
3	Percentage Regulatory Oversight Surveillance of the Aviation Industry	100%
4	Implement the requirements of the USOAP and USAP Corrective Plans	31-Mar-16
KRA - Sustainable Economic Growth of Air Transport Industry		
	Key Performance Indicators	2015/2016 Targets
1	Permission to Levy Airport Charges	Annual approvals granted by September
2	Processing of Permits and Licenses application	95% for Operations over 30 days 98% for Operations under 30 days*
3	Negotiate Bilateral and Multinational Air Service Agreements	Initiate new agreements with South America and ASEAN Countries. Five Agreement signed
4	Management of Aviation Data	Develop programme to interface with JRCC APIS Billing System by March 2016
5	Revised Air Service Licenses & Permit Regulation	Draft Regulations Completed
6	Update of States Environmental Action Plan	Implemented March 31, 2016
KRA - To Maintain a Safe Air Navigation Service		
	Key Performance Indicators	2015/2016 Targets
1	Target Level of Safety	To maintain and keep above ICAO Target level of Safety of 0.005 accidents per million aircraft movements (5 X 10 ⁻⁹) ATC Incident Target - less than 6 per annum
2	Sign agreements for surveillance data sharing with adjacent FIRs	Radar-sharing with COCESNA
3	Reconfiguration of AIS to AIM	Merge AIS & OEPD Units (AIM results) Recruit and train new AIS staff DANS, CAATI, OEPD, AIS Strengthen relationship between MET & ANS Division
4	Implementation of upgraded Automation system	AUTOTRAC replacement and simulator purchased



JCAA Departmental KPIs for the year 2015-2016 (Cont'd.)

KRA - Maintenance of CNS Network		
	Key Performance Indicators	2015/2016 Targets
1	Maintenance of Communications, Surveillance & Navigation Equipment	99.9% Service Reliability
2	Establishing a framework for the servicing of CNS Network with strategic partner AEROTEL	Establishment of a new maintenance schedule for improved service in 2016
3	Upgrade CNS Infrastructure A-G Radios to be replaced with radios that has CPDLC feature	<ul style="list-style-type: none"> • Replace SIA Instrument Landing System (ILS) • Upgrade KATCC Voice Switch
4	Reduction the cost of electricity at Winchester Road by 15% by last quarter 2015.	Replace all central A/C with Inverter type units at Accounts, CAATI and KATCC
5	Reducing reliance on commercial power at key remote array at Ary sites by the first quarter of 2015	The installation of wind turbine and solar panel Hill 2014/2015
6	Utilization of Dark Fiber from cellular companies through the Ministry's rights of passage agreement with the Cellular companies to create an alternative communication underground path to surface communication in the event of a catastrophic disaster	Site implementation at Sangster, Manley and Ary Hill - 2014. Mt Denham - 2016.
KRA - To Maintain Financial Self Sufficiency		
	Key Performance Indicators	Targets
1	Growth in Operating Income	6%
2	Percentage collection of current Air Navigation invoices	95%
3	Percentage collection of current PASC invoices	100%
4	Return on Investments	5.70%
5	Timely Dispatch of Invoices	5 Days after month end
6	Reporting Deadlines:	
	MOF: Net Credit Report	Within 1 week of each monthend
	MOF: Monthly Financials	By 2 nd Thursday Monthly
	MOF: Statement A	Within 3 weeks of each month end
	MOF: Corporate Plan & Budget	By January 1, yearly
	OCG: Qtr Report	Within 2 weeks of Quarter end
	MTW&H: Qtr Performance Report	Within 4 weeks of Quarter end
	Annual Statutory Returns	By March 14, yearly
	Annual Financials	By June 30
7	Automate Purchase Requisition Process	Implemented by April 1, 2015
8	Utilize the electronic banking system for payment and minimize payments by cheque.	Implemented by April 1, 2015
9	Implement Collection Management Information System to enhance administration of Accounts Receivable Portfolio	Implemented April 1, 2015
10	Implement Web-Based Epayment System to facilitate online payment	Implemented July 1, 2015



Financial Statements





The background of the page features a soft-focus image of financial documents. A silver and black pen lies diagonally across the center. Below it, a calculator is visible. The documents contain various financial charts and numbers, including a pie chart with a segment labeled '220.00' and a bar chart titled 'TOTAL ASSETS (IN 000's)'.

Independent Auditors' Report



INDEPENDENT AUDITORS' REPORT

To the Members of
JAMAICA CIVIL AVIATION AUTHORITY

Report on the financial statements

We have audited financial statements of Jamaica Civil Aviation Authority (the Authority) and the consolidated financial statements of the Authority and its subsidiary (the group), set out on pages 3 to 39, which comprise the group's and Authority's statement of financial position as at March 31, 2015, the group's and Authority's statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether or not the financial statements are free from material misstatement.

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

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



INDEPENDENT AUDITORS' REPORT

To the Members of
JAMAICA CIVIL AVIATION AUTHORITY

Report on the Financial Statements, cont'd

Opinion

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

Chartered Accountants
Kingston, Jamaica

June 30, 2015

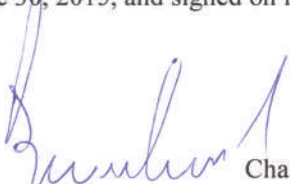



JAMAICA CIVIL AVIATION AUTHORITY

Authority Statement of Financial Position March 31, 2015

	<u>Notes</u>	<u>2015</u> \$'000	<u>2014</u> \$'000
ASSETS			
Current assets			
Cash and cash equivalents		638,926	113,843
Short-term investments	4(a)	6,343,267	5,089,972
Accounts receivable	5	724,253	695,544
Other assets	6	9,237	15,360
Due from related parties	7	159,858	175,364
		<u>7,875,541</u>	<u>6,090,083</u>
Non-current assets			
Investments	4(b)	-	145,776
Property, plant and equipment	8	2,761,171	2,547,492
Employee benefits asset	9	326,311	275,808
		<u>3,087,482</u>	<u>2,969,076</u>
Total assets		<u>10,963,023</u>	<u>9,059,159</u>
LIABILITIES AND RESERVES			
Current liability			
Accounts payable	10	651,626	758,382
Non-current liabilities			
Deferred income	11	171,736	184,746
Government of Jamaica loan	13	2,911,130	2,642,253
		<u>3,082,866</u>	<u>2,826,999</u>
Reserves			
Capital reserve	14	629,340	629,340
Revaluation reserve	15	537,149	537,149
Retained earnings		6,062,042	4,307,289
		<u>7,228,531</u>	<u>5,473,778</u>
Total liabilities and reserves		<u>10,963,023</u>	<u>9,059,159</u>

The financial statements on pages 3 to 39, were approved for issue by the Board of Directors on June 30, 2015, and signed on its behalf by:


Hon. B. St. Michael Hylton Chairman


Nari Williams-Singh Director General

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




JAMAICA CIVIL AVIATION AUTHORITY

Group Statement of Financial Position March 31, 2015

	Notes	2015 \$'000	2014 \$'000
ASSETS			
Current assets			
Cash and cash equivalents		712,005	196,535
Short-term investments	4(a)	6,859,453	5,489,609
Accounts receivable	5	810,667	774,916
Other assets	6	21,984	26,650
Due from related parties	7	628	818
		<u>8,404,737</u>	<u>6,488,528</u>
Non-current assets			
Investments	4(b)	-	145,776
Property, plant and equipment	8	3,016,757	2,808,964
Employee benefits asset	9	357,936	298,896
		<u>3,374,693</u>	<u>3,253,636</u>
Total assets		<u>11,779,430</u>	<u>9,742,164</u>
LIABILITIES AND RESERVES			
Current liabilities			
Accounts payable	10	712,947	803,072
Taxation payable		22,928	47,474
		<u>735,875</u>	<u>850,546</u>
Non-current liabilities			
Deferred income	11	171,736	184,746
Deferred taxation	12	27,722	13,970
Government of Jamaica loan	13	2,911,130	2,642,253
		<u>3,110,588</u>	<u>2,840,969</u>
Reserves			
Capital reserve	14	629,340	629,340
Revaluation reserve	15	697,301	697,301
Retained earnings		6,606,326	4,724,008
		<u>7,932,967</u>	<u>6,050,649</u>
Total liabilities and reserves		<u>11,779,430</u>	<u>9,742,164</u>

The financial statements on pages 3 to 39, were approved for issue by the Board of Directors on June 30, 2015, and signed on its behalf by:


Hon. B. St. Michael Hylton Chairman


Nari Williams-Singh Director General

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



JAMAICA CIVIL AVIATION AUTHORITY

Group Statement of Profit or Loss and Other Comprehensive Income Year ended March 31, 2015

	<u>Notes</u>	<u>2015</u> \$'000	<u>2014</u> \$'000
Revenue			
Air navigation fees		1,874,464	1,709,154
Passenger aviation service charge		2,234,756	1,951,347
Communication fees		248,978	211,883
Other	16	<u>150,197</u>	<u>145,535</u>
		4,508,395	4,017,919
Administrative and operating expenses		(<u>2,317,721</u>)	(<u>2,405,598</u>)
Operating surplus		2,190,674	1,612,321
Net finance income	17	<u>249,746</u>	<u>246,597</u>
Surplus before taxation		2,440,420	1,858,918
Taxation	18	(<u>29,508</u>)	(<u>41,597</u>)
Surplus for the year		<u>2,410,912</u>	<u>1,817,321</u>
Other comprehensive income:			
Items that will never be reclassified to profit or loss:			
Re-measurement of employee benefits asset	9(f)	(<u>20,647</u>)	11,868
Gain on revaluation of property, plant and equipment		<u>-</u>	<u>57,723</u>
Total other comprehensive income for the year		(<u>20,647</u>)	<u>69,591</u>
Total comprehensive income for the year		<u><u>2,390,265</u></u>	<u><u>1,886,912</u></u>

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



JAMAICA CIVIL AVIATION AUTHORITY

Group Statement of Changes in Equity Year ended March 31, 2015

	<u>Capital reserve</u> \$'000	<u>Revaluation reserves</u> \$'000	<u>Retained earnings</u> \$'000	<u>Total</u> \$'000
Balances at March 31, 2013	<u>629,340</u>	<u>639,578</u>	<u>3,217,959</u>	<u>4,486,877</u>
Total comprehensive income for the year:				
Surplus for the year	-	-	1,817,321	1,817,321
Other comprehensive income:				
Remeasurement of employee benefits asset	-	-	11,868	11,868
Revaluation of property, plant and equipment	<u>-</u>	<u>57,723</u>	<u>-</u>	<u>57,723</u>
Total comprehensive income for the year	<u>-</u>	<u>57,723</u>	<u>1,829,189</u>	<u>1,886,912</u>
Transactions with owners of the Authority:				
Normal distribution to Ministry of Finance being total transactions with owners of the Authority (note 19)	<u>-</u>	<u>-</u>	<u>(323,140)</u>	<u>(323,140)</u>
Balances at March 31, 2014	<u>629,340</u>	<u>697,301</u>	<u>4,724,008</u>	<u>6,050,649</u>
Total comprehensive income for the year:				
Surplus for the year	-	-	2,410,912	2,410,912
Other comprehensive income:				
Remeasurement of employee benefits asset	<u>-</u>	<u>-</u>	<u>(20,647)</u>	<u>(20,647)</u>
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>2,390,265</u>	<u>2,390,265</u>
Transactions with owners of the Authority (note 19):				
Normal distribution	-	-	(243,128)	(243,128)
Special distribution	<u>-</u>	<u>-</u>	<u>(264,819)</u>	<u>(264,819)</u>
Total transactions with owners of the Authority	<u>-</u>	<u>-</u>	<u>(507,947)</u>	<u>(507,947)</u>
Balances at March 31, 2015	<u>629,340</u>	<u>697,301</u>	<u>6,606,326</u>	<u>7,932,967</u>

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



JAMAICA CIVIL AVIATION AUTHORITY

Group Statement of Cash Flows

Year ended March 31, 2015

	<u>Notes</u>	<u>2015</u> \$'000	<u>2014</u> \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year		2,410,912	1,817,321
Adjustments for:			
Depreciation	8(a)	180,916	170,502
Taxation expense	18	29,508	41,597
Amortisation of deferred income	11	(13,010)	(13,010)
Interest income	17	(277,499)	(240,085)
Interest expense	17	135,065	124,249
Adjustments – property, plant and equipment		2,345	-
Gain on disposal of property, plant and equipment	16	(2,109)	(2,596)
Employee benefits		(79,687)	(97,500)
Foreign exchange loss on Government of Jamaica loan		<u>133,812</u>	<u>251,301</u>
		2,520,253	2,051,779
Changes in operating assets and liabilities			
Other assets		4,666	(4,763)
Short-term investments		(1,224,068)	(1,518,569)
Accounts receivable		(34,391)	196,080
Accounts payable		(155,369)	104,266
Due from related parties		<u>190</u>	<u>3,424</u>
Cash generated from operations		1,111,281	832,217
Income tax paid		(40,302)	(25,676)
Net cash provided by operating activities		<u>1,070,979</u>	<u>806,541</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		276,139	238,142
Acquisition of property, plant and equipment	8(a)	(393,963)	(826,541)
Proceeds from disposal of property, plant and equipment		<u>5,018</u>	<u>3,206</u>
Net cash used in investing activities		(112,806)	(585,193)
CASH FLOWS FROM FINANCING ACTIVITY			
Distribution to Ministry of Finance, being net cash used in financing activity		(442,703)	(174,343)
NET INCREASE IN CASH AND CASH EQUIVALENTS		515,470	47,005
CASH AND CASH EQUIVALENTS AT BEGINNING		<u>196,535</u>	<u>149,530</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR		<u>712,005</u>	<u>196,535</u>

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



JAMAICA CIVIL AVIATION AUTHORITY

Authority Statement of Financial Position March 31, 2015

	Notes	2015 \$'000	2014 \$'000
ASSETS			
Current assets			
Cash and cash equivalents		638,926	113,843
Short-term investments	4(a)	6,343,267	5,089,972
Accounts receivable	5	724,253	695,544
Other assets	6	9,237	15,360
Due from related parties	7	159,858	175,364
		<u>7,875,541</u>	<u>6,090,083</u>
Non-current assets			
Investments	4(b)	-	145,776
Property, plant and equipment	8	2,761,171	2,547,492
Employee benefits asset	9	326,311	275,808
		<u>3,087,482</u>	<u>2,969,076</u>
Total assets		<u>10,963,023</u>	<u>9,059,159</u>
LIABILITIES AND RESERVES			
Current liability			
Accounts payable	10	651,626	758,382
Non-current liabilities			
Deferred income	11	171,736	184,746
Government of Jamaica loan	13	2,911,130	2,642,253
		<u>3,082,866</u>	<u>2,826,999</u>
Reserves			
Capital reserve	14	629,340	629,340
Revaluation reserve	15	537,149	537,149
Retained earnings		6,062,042	4,307,289
		<u>7,228,531</u>	<u>5,473,778</u>
Total liabilities and reserves		<u>10,963,023</u>	<u>9,059,159</u>

The financial statements on pages 3 to 39, were approved for issue by the Board of Directors on June 30, 2015, and signed on its behalf by:

Chairman
Hon. B. St. Michael Hylton

Director General
Nari Williams-Singh

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



JAMAICA CIVIL AVIATION AUTHORITY

Authority Statement of Profit or Loss and Other Comprehensive Income Year ended March 31, 2015

	<u>Notes</u>	<u>2015</u> \$'000	<u>2014</u> \$'000
Revenue			
Air Navigation Fees		1,874,464	1,691,228
Passenger Aviation Service Charge		2,074,895	1,785,570
Communication Fees		13,541	17,926
Other	16	<u>88,870</u>	<u>85,508</u>
		4,051,770	3,580,232
Administrative and operating expenses		<u>(2,002,615)</u>	<u>(2,098,344)</u>
Operating surplus		2,049,155	1,481,888
Net finance income	17	<u>204,641</u>	<u>177,018</u>
Surplus for the year		2,253,796	1,658,906
Other comprehensive income			
Item that will never be reclassified to profit or loss:			
Remeasurement of employee benefits asset	9(f)	<u>(21,626)</u>	<u>10,013</u>
Total comprehensive income for the year		<u>2,232,170</u>	<u>1,668,919</u>

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



JAMAICA CIVIL AVIATION AUTHORITY

Authority Statement of Changes in Equity Year ended March 31, 2015

	<u>Capital Reserve</u> \$'000	<u>Revaluation reserves</u> \$'000	<u>Retained earnings</u> \$'000	<u>Total</u> \$'000
Balances at March 31, 2013	<u>629,340</u>	<u>537,149</u>	<u>2,949,516</u>	<u>4,116,005</u>
Total comprehensive income for the year:				
Surplus for the year	-	-	1,658,906	1,658,906
Other comprehensive income:				
Remeasurement of employee benefits asset	<u>-</u>	<u>-</u>	<u>10,013</u>	<u>10,013</u>
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>1,668,919</u>	<u>1,668,919</u>
Transactions with owners of the Authority:				
Normal distribution (note 19)	<u>-</u>	<u>-</u>	<u>(311,146)</u>	<u>(311,146)</u>
Balances at March 31, 2014	<u>629,340</u>	<u>537,149</u>	<u>4,307,289</u>	<u>5,473,778</u>
Total comprehensive income for the year:				
Surplus for the year	-	-	2,253,796	2,253,796
Other comprehensive income:				
Remeasurement of employee benefits asset	<u>-</u>	<u>-</u>	<u>(21,626)</u>	<u>(21,626)</u>
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>2,232,170</u>	<u>2,232,170</u>
Transactions with owners of the Authority:				
Normal distribution	-	-	(227,417)	(227,417)
Special distribution	<u>-</u>	<u>-</u>	<u>(250,000)</u>	<u>(250,000)</u>
Total transactions with owners of the Authority (note 19)	<u>-</u>	<u>-</u>	<u>(477,417)</u>	<u>(477,417)</u>
Balances at March 31, 2015	<u>629,340</u>	<u>537,149</u>	<u>6,062,042</u>	<u>7,228,531</u>

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



JAMAICA CIVIL AVIATION AUTHORITY

Authority Statement of Cash Flows Year ended March 31, 2015

	Notes	2015 \$'000	2014 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year		2,253,796	1,658,906
Adjustments for:			
Depreciation	8(b)	166,832	155,703
Amortisation of deferred income	11	(13,010)	(13,010)
Interest income	17	(264,920)	(228,673)
Interest expense	17	135,065	124,249
Gain on disposal of property, plant and equipment	16	(3,480)	(2,744)
Employee benefits		(72,129)	(91,091)
Foreign exchange loss on Government of Jamaica loan		<u>133,812</u>	<u>251,301</u>
		2,335,966	1,854,641
Changes in operating assets and liabilities			
Other assets		6,123	(5,476)
Short-term investments		(1,107,519)	(1,433,502)
Accounts receivable		(27,349)	203,286
Accounts payable		(168,283)	117,966
Due from related parties		<u>15,506</u>	<u>18,107</u>
Net cash provided by operating activities		<u>1,054,444</u>	<u>755,022</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		263,560	226,730
Acquisition of property, plant and equipment	8(b)	(380,511)	(814,706)
Proceeds from disposal of property, plant and equipment		<u>3,480</u>	<u>3,206</u>
Net cash used in investing activities		<u>(113,471)</u>	<u>(584,770)</u>
CASH FLOWS FROM FINANCING ACTIVITY			
Distribution to Ministry of Finance being net cash used in financing activities		<u>(415,890)</u>	<u>(162,349)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		525,083	7,903
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		<u>113,843</u>	<u>105,940</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		<u>638,926</u>	<u>113,843</u>

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



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements March 31, 2015

1. Identification and principal activities

Jamaica Civil Aviation Authority (the Authority) is a statutory body established by the Jamaica Civil Aviation (Amendment) Act 1995. The Authority is domiciled in Jamaica with registered office at 4 Winchester Avenue, Kingston 10, Jamaica.

The principal activities of the Authority are to regulate flight safety and provide air navigation and aeronautical services in Jamaica, in accordance with standards set by the International Civil Aviation Organization.

The Authority has a wholly-owned subsidiary, Aeronautical Telecommunications Limited, which is incorporated and domiciled in Jamaica. The subsidiary's principal activity is the provision of telecommunication services on behalf of the Government of Jamaica which includes the operation of a radio station "Kool FM". The Authority and its subsidiary are collectively referred to as the "group".

The Authority is exempt from income tax under Section 6(m) of the Civil Aviation Act. The subsidiary, Aeronautical Telecommunications Limited, is a taxable entity.

2. Basis of preparation

(a) Statement of compliance:

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and interpretations issued by the International Accounting Standards Board and comply with the provisions of the Jamaica Civil Aviation (Amendment) Act.

New standards, interpretations and amendments effective during the year

Certain new, revised and amended standards and interpretations came into effect during the current financial year. The adoption of those standards and amendments to standards, did not have any impact on the amounts and disclosures in the financial statements.

New standards, interpretations and amendments in issue but not yet effective

At the date of authorisation of the financial statements, certain new standards, amendments to standards and interpretations, have been issued which are not yet effective, and which the group has not early-adopted. The group has assessed the relevance of all such new standards, amendments and interpretations and has determined that the following may be relevant to its operations:



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements
March 31, 2015

2. Basis of preparation (cont'd)

(a) Statement of compliance (cont'd):

New standards, interpretations and amendments in issue but not yet effective (cont'd)

- IFRS 9, *Financial Instruments*, which is effective for annual reporting periods beginning on or after January 1, 2018, replaces the existing guidance in IAS 39 *Financial Instruments: Recognition and Measurement*. IFRS 9 includes revised guidance on the classification and measurement of financial assets and liabilities, including a new expected credit loss model for calculating impairment of financial assets and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. Although the permissible measurement bases for financial assets – amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL) - are similar to IAS 39, the criteria for classification into the appropriate measurement category are significantly different. IFRS 9 replaces the ‘incurred loss’ model in IAS 39 with an ‘expected credit loss’ model, which means that a loss event will no longer need to occur before an impairment allowance is recognised.
- *Improvements to IFRS 2010-2012 and 2011-2013* cycles contain amendments to certain standards and interpretations and are effective for accounting periods beginning on or after July 1, 2014. The main amendments applicable to the group are as follows:
 - *IFRS 13 Fair Value Measurement* is amended to clarify that issuing of the standard and consequential amendments to IAS 39 and IFRS 9 did not intend to prevent entities from measuring short-term receivables and payables that have no stated interest rate at their invoiced amounts without discounting, if the effect of not discounting is immaterial.
 - *IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets*. The standards have been amended to clarify that, at the date of revaluation:
 - (i) the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset and the accumulated depreciation (amortisation) is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking account of accumulated impairment losses or
 - (ii) the accumulated depreciation (amortisation) is eliminated against the gross carrying amount of the asset.



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements March 31, 2015

2. Basis of preparation (cont'd)

(a) Statement of compliance (cont'd):

New standards, interpretations and amendments in issue but not yet effective (cont'd)

- *Improvements to IFRS 2010-2012 and 2011-2013* cycles contain amendments to certain standards and interpretations and are effective for accounting periods beginning on or after July 1, 2014. The main amendments applicable to the group are as follows (cont'd):
 - *IAS 24 Related Party Disclosures* has been amended to extend the definition of 'related party' to include a management entity that provides key management personnel services to the reporting entity, either directly or through a group entity. For related party transactions that arise when key management personnel services are provided to a reporting entity, the reporting entity is required to separately disclose the amounts that it has recognised as an expense for those services that are provided by a management entity; however, it is not required to 'look through' the management entity and disclose compensation paid by the management entity to the individuals providing the key management personnel services.
- Amendments to IAS 16 and IAS 38, *Clarification of Acceptable Methods of Depreciation and Amortisation*, are effective for accounting periods beginning on or after January 1, 2016.
 - The amendment to IAS 16, *Property, Plant and Equipment* explicitly state that revenue-based methods of depreciation cannot be used. This is because such methods reflect factors other than the consumption of economic benefits embodied in the assets.
 - The amendment to IAS 38, *Intangible Assets* introduce a rebuttable presumption that the use of revenue-based amortisation methods is in appropriate for intangible assets.
 - Amendments to IAS 27, *Equity Method in Separate Financial Statements*, effective for accounting periods beginning on or after January 1, 2016 and can be early adopted. The amendments allow the use of the equity method in separate financial statements, and apply to the accounting for subsidiaries, associates, and also joint ventures.



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements

March 31, 2015

2. Basis of preparation (cont'd)

(b) Statement of compliance (cont'd):

New standards, interpretations and amendments in issue but not yet effective (cont'd)

- IAS 1 *Presentation of Financial Statements*, effective for accounting periods beginning on or after January 1, 2016, has been amended to clarify or state the following:
 - specific single disclosures that are not material do not have to be presented even if they are a minimum requirement of a standard.
 - the order of notes to the financial statements is not prescribed.
 - line items on the statement of financial position and the statement of profit or loss and other comprehensive income (OCI) should be disaggregated if this provides helpful information to users. Line items can be aggregated if they are not material.
 - specific criteria is now provided for presenting subtotals on the statement of financial position and in the statement of profit or loss and OCI, with additional reconciliation requirements for the statement of profit or loss and OCI.
 - the presentation in the statement of OCI of items of OCI arising from joint ventures and associates accounted for using the equity method follows IAS 1 approach of splitting items that may, or that will never, be reclassified to profit or loss.
- IFRS 15, *Revenue from Contracts with Customers* is effective for periods beginning on or after January 1, 2017. It replaces IAS 11 *Construction Contracts*, IAS 18 *Revenue*, IFRIC 13 *Customer Loyalty Programmes*, IFRIC 15 *Agreements for the Construction of Real Estate*, IFRIC 18 *Transfer of Assets from Customers* and SIC-31 *Revenue – Barter Transactions Involving Advertising Services*. The new standard applies to contracts with customers. However, it does not apply to insurance contracts, financial instruments or lease contracts, which fall in the scope of other IFRSs. It also does not apply if two companies in the same line of business exchange non-monetary assets to facilitate sales to other parties. Furthermore, if a contract with a customer is partly in the scope of another IFRS, then the guidance on separation and measurement contained in the other IFRS takes precedence.

The group is assessing the impact that the new, revised and amended standards may have on its financial statements in future years when they become effective.

(b) Basis of measurement:

The financial statements are prepared on the historical cost basis, except for the inclusion of certain property, plant and equipment which are presented at market value. Additionally, the defined benefit asset is recognised as the fair value of plan assets less the present value of the defined benefit obligation.



2. Basis of preparation (cont'd)

(c) Functional and presentation currency:

These financial statements are presented in Jamaica dollars, which is the functional currency of the group. All financial information presented in Jamaica dollars has been rounded to the nearest thousands, except when otherwise indicated.

(d) Use of estimates and judgements:

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of, and disclosures relating to, assets, liabilities, contingent assets and contingent liabilities at the reporting date and the income and expenses for the year then ended. Actual amounts could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, and future periods, if the revision affects both current and future periods.

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

(i) Pension and other post-retirement benefits:

The amounts recognised in the statement of financial position and statement of profit or loss and other comprehensive income for pension and other post-retirement benefits are determined actuarially using several assumptions. The primary assumptions used in determining the amounts recognised include the discount rate used to determine the present value of estimated future cash flows required to settle the pension obligations.

The discount rate is determined based on the estimate of yield on long-term government securities that have maturity dates approximating the terms of the Authority's obligations; in the absence of such instruments in Jamaica, it has been necessary to estimate the rate by extrapolating from the longest-tenor security on the market. Any changes in these assumptions will impact the amounts recorded in the financial statements for these obligations.

(ii) Allowance for impairment loss:

In determining amounts recorded for impairment losses on receivables in the financial statements, management makes judgements regarding indicators of impairment, that is, whether there are indicators that suggest there may be a measurable decrease in the estimated future cash flows from receivables, for example, default and adverse economic conditions. Management also makes estimates of the likely estimated future cash flows from impaired receivables as well as the timing of such cash flows. Historical loss experience is applied where indicators of impairment are observable on individual significant receivables with similar characteristics, such as credit risks.



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements March 31, 2015

2. Basis of preparation (cont'd)

(d) Use of estimates and judgements (cont'd):

(iii) Property, plant and equipment:

The residual value and useful life of property, plant and equipment is reviewed at the reporting date, and if expectations differ from previous estimates, the change is accounted for as a change in accounting estimates. The useful life of an asset is defined in terms of the assets expected utility to the group.

It is reasonably probable, based on existing knowledge, that outcomes in the next financial year that are different from these assumptions could require a material adjustment to the carrying amounts reflected in the financial statements.

3. Significant accounting policies

(a) Basis of consolidation:

The consolidated financial statements include the assets, liabilities and results of operations of the Authority and its subsidiary presented as a single economic entity. Intra-group transactions, balances and unrealised gains or losses on transactions between group entities are eliminated. Unrealised losses are not eliminated, if the transaction provides evidence of impairment of the asset transferred.

A subsidiary is an entity controlled by the group. The group controls an entity when it is exposed to, or has rights to, variable returns from its investment with the entity and has the ability to affect those returns through its power over the entity. The subsidiary is consolidated from the date on which control is transferred to the group.

(b) Cash and cash equivalents:

Cash comprises cash on hand and demand deposits. Cash equivalents comprise short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term commitments (these investments include short-term deposits where the maturities do not exceed three months from the acquisition date). Cash and cash equivalents are measured at amortised cost.

(c) Resale agreements:

Resale agreements ("reverse repo") are short-term transactions whereby an entity buys securities and simultaneously agrees to resell them on a specified date and at a specified price. Resale agreements are accounted for as short-term collateralised lending and are measured at amortised cost.

The difference between the purchase and resale considerations is recognised on the accrual basis over the period of the transaction, using the effective interest method, and is included in interest income.



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements

March 31, 2015

3. Significant accounting policies (cont'd)

(d) Accounts receivable:

Accounts receivable are stated at amortised cost less impairment losses.

(e) Other assets:

Other assets consist of inventory items and withholding tax and are measured at cost less impairment losses.

(f) Investments:

The group's investments consist of Government of Jamaica securities and are classified as held-to-maturity investments. Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the group has the positive intention and ability to hold to maturity other than those that:

- (i) the group upon initial recognition designates as at fair value through profit or loss;
- (ii) the group designates as available-for-sale; and
- (iii) meet the definition of loans and receivables.

Held-to-maturity investments are measured at amortised cost, using the effective interest method, less impairment losses.

(g) Property, plant and equipment:

(i) Measurement:

Items of property, plant and equipment are measured at cost, except certain classes of assets which are carried at market value, less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of material and direct labour, and any other costs directly attributable to bringing the asset to a working condition for its intended use.

(ii) Subsequent costs:

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part flow to the group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss.



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements March 31, 2015

3. Significant accounting policies (cont'd)

(d) Accounts receivable:

Accounts receivable are stated at amortised cost less impairment losses.

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Other assets consist of inventory items and withholding tax and are measured at cost less impairment losses.

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- (i) the group upon initial recognition designates as at fair value through profit or loss;
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Items of property, plant and equipment are measured at cost, except certain classes of assets which are carried at market value, less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of material and direct labour, and any other costs directly attributable to bringing the asset to a working condition for its intended use.

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JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements March 31, 2015

3. Significant accounting policies (cont'd)

(g) Property, plant and equipment (cont'd):

(iii) Depreciation:

Depreciation is recognised in profit or loss on the straight-line basis at rates estimated to write-down the relevant assets, over their expected useful lives, to their residual values. Land is not depreciated. The rates used are as follows:

Buildings	4%
Equipment, furniture and fixtures	10%
Computer equipment	33 $\frac{1}{3}$ %
Motor vehicles	20%
Leasehold improvements	4%
Fencing	4%

Depreciation methods, useful lives and residual values are reassessed at each reporting date.

(h) Employee benefits:

Employee benefits are all forms of consideration given by the group in exchange for service rendered by employees. These include current or short-term benefits such as salaries, bonuses, NIS contributions, annual vacation leave, and non-monetary benefits such as medical care; post-employment benefits such as pensions; and other long-term employee benefits such as termination benefits.

Employee benefits that are earned as a result of past or current service are recognised in the following manner: Short-term employee benefits are recognised as a liability, net of payments made, and charged as expense. The expected cost of vacation leave that accumulates is recognised when the employee becomes entitled to the leave.

Employee benefits comprising pension asset included in the financial statements have been actuarially determined by a qualified independent actuary, appointed by management. The appointed actuary's report outlines the scope of the valuation and the actuary's opinion. The actuarial valuations are conducted in accordance with IAS 19, and the financial statements reflect the group pension asset as computed by the actuary. In carrying out their audit, the auditors rely on the work of the actuary and the actuary's report.

The group's net obligation in respect of the defined-benefit pension plan is calculated by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods; that value is discounted to determine the present value, and the fair value of any plan assets is deducted. The discount rate is determined by reference to the yield at the reporting date on long-term Government of Jamaica bonds with dates approximating the terms of the related liability. The calculation is performed by a qualified independent actuary, using the projected unit credit method.



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements
March 31, 2015

3. Significant accounting policies (cont'd)

(h) Employee benefits (cont'd):

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income. The group determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability/(asset), taking into account any changes in the net defined benefit liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to the defined benefit plan are recognised in profit or loss.

When the benefits of the plan are changed, or when a plan is curtailed, the resulting change in benefit relating to past service or the gain or loss on curtailment is recognised immediately in profit or loss.

(i) Accounts payable:

Accounts payable are stated at amortised cost.

(j) Borrowings:

Interest-bearing borrowings are recognised initially at fair value, less attributable transaction costs. Subsequent to initial recognition, borrowings are measured at amortised cost using the effective interest method.

(k) Capital grants:

Grants received for the purchase or construction of property, plant and equipment are initially recognised as deferred income at fair value, and then recognised in profit or loss as other income on a systematic basis over the useful life of the asset.

(l) Income tax:

Income tax on profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income.

(i) Current income tax:

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to income tax payable in respect of previous years.

(ii) Deferred income tax:

Deferred income tax is provided between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the reporting date.



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements
March 31, 2015

3. Significant accounting policies (cont'd)

(l) Income tax (cont'd):

(ii) Deferred income tax (cont'd):

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(m) Related parties:

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

(a) A person or a close member of that person’s family is related to the Authority if that person:

- (i) has control or joint control over the Authority;
- (ii) has significant influence over the Authority; or
- (iii) is a member of the key management personnel of the Authority or of a parent of the Authority.

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

- (i) The entity and the Authority are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Authority or an entity related to the Authority.
- (vi) The entity is controlled, or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

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

(n) Revenue recognition:

Fee income is recognised on the accruals basis when the related service is provided or when conditions that give the group the right to those fees are fulfilled.

Interest income is recognised in profit or loss on the accrual basis using the effective interest method.



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements

March 31, 2015

3. Significant accounting policies (cont'd)

(o) Expenses:

Expenses are recognised on the accrual basis.

(p) Foreign currencies:

Transactions in foreign currencies are converted at the foreign exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the reporting date. Foreign exchange differences arising on translations are recognised in the profit or loss.

(q) Impairment:

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

(i) Calculation of recoverable amount:

The recoverable amount of the group's held-to-maturity securities and receivables is calculated as the value of the expected future cash flows, discounted at the original effective interest rate inherent in the asset. Receivables with a short duration are not discounted.

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflow, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(ii) Reversal of impairment:

An impairment in respect of a receivable is reversed, if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

In respect of other assets, an impairment loss is reversed, if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements March 31, 2015

4. (a) Short-term investments

	<u>Group</u>		<u>Authority</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	\$'000	\$'000	\$'000	\$'000
Resale agreements	6,696,007	3,722,564	6,191,558	3,322,927
Certificates of deposit	17,670	1,704,885	5,933	1,704,885
Treasury bills	-	62,160	-	62,160
GOJ securities	<u>145,776</u>	<u>-</u>	<u>145,776</u>	<u>-</u>
	<u>6,859,453</u>	<u>5,489,609</u>	<u>6,343,267</u>	<u>5,089,972</u>

The fair value of securities collateralising resale agreements approximates the carrying value of the resale agreements for the group and the Authority.

(b) Long-term investments

Investments for the group and Authority include Government of Jamaica securities which are held to maturity. These investments mature within 1 to 5 years.

5. Accounts receivable

	<u>Group</u>		<u>Authority</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	\$'000	\$'000	\$'000	\$'000
Trade	1,317,553	1,234,973	1,084,701	1,005,973
Less allowance for impairment losses	(695,596)	(644,632)	(543,160)	(491,884)
	621,957	590,341	541,541	514,089
Communication fees	17,627	14,432	17,627	14,432
Staff loans and advances	98,274	80,920	97,409	79,448
Prepayments	21,527	37,295	20,480	36,025
Fixed asset clearing	10,240	12,207	5,863	11,538
AEDF loan	27,795	27,795	27,795	27,795
Other	<u>13,247</u>	<u>11,926</u>	<u>13,538</u>	<u>12,217</u>
	<u>810,667</u>	<u>774,916</u>	<u>724,253</u>	<u>695,544</u>

The ageing of trade receivables, at the reporting date, and related allowance for impairment losses were as follows:

Group

	<u>2015</u>		<u>2014</u>	
	<u>Gross</u>	<u>Impairment</u>	<u>Gross</u>	<u>Impairment</u>
	\$'000	\$'000	\$'000	\$'000
Not past due	448,397	-	437,063	-
Past due 31-60 days	118,889	-	129,570	-
Past due more than 60 days	<u>750,267</u>	<u>695,596</u>	<u>668,340</u>	<u>644,632</u>
	<u>1,317,553</u>	<u>695,596</u>	<u>1,234,973</u>	<u>644,632</u>



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements March 31, 2015

5. Accounts receivable (cont'd)

Authority

	2015		2014	
	<u>Gross</u>	<u>Impairment</u>	<u>Gross</u>	<u>Impairment</u>
	\$'000	\$'000	\$'000	\$'000
Not past due	391,627	-	378,645	-
Past due 31-60 days	103,753	-	116,996	-
Past due more than 60 days	<u>589,321</u>	<u>543,160</u>	<u>510,332</u>	<u>491,884</u>
	<u>1,084,701</u>	<u>543,160</u>	<u>1,005,973</u>	<u>491,884</u>

The movements in the allowance for impairment losses in respect of trade receivable during the year were as follows:

Movement in impairment losses:

	Group		Authority	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	\$'000	\$'000	\$'000	\$'000
Balance at beginning of year	644,632	200,774	491,884	59,420
Amount recognised during year, net	<u>50,964</u>	<u>443,858</u>	<u>51,276</u>	<u>432,464</u>
Balance at end of year	<u>695,596</u>	<u>644,632</u>	<u>543,160</u>	<u>491,884</u>

6. Other assets

	Group		Authority	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	\$'000	\$'000	\$'000	\$'000
Inventories	7,851	8,751	7,851	8,751
Taxation recoverable	<u>14,133</u>	<u>17,899</u>	<u>1,386</u>	<u>6,609</u>
	<u>21,984</u>	<u>26,650</u>	<u>9,237</u>	<u>15,360</u>

7. Related party balances and transactions

	Group		Authority	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	\$'000	\$'000	\$'000	\$'000
Due from related parties is as follows:				
Aeronautical Telecommunications Limited	-	-	159,230	174,546
Caribbean Aviation Safety and Security Oversight System	<u>628</u>	<u>818</u>	<u>628</u>	<u>818</u>
	<u>628</u>	<u>818</u>	<u>159,858</u>	<u>175,364</u>



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements March 31, 2015

7. Related party balances and transactions (cont'd)

Transactions with related parties during the year, in the normal course of business, were as follows:

	<u>2015</u> \$'000	<u>2014</u> \$'000
Aeronautical Telecommunications Limited		
Income:		
Technical support revenue	<u>17,430</u>	<u>17,212</u>
Expenses:		
Technical service expense	<u>2,473</u>	<u>2,273</u>

	<u>Group</u>		<u>Authority</u>	
	<u>2015</u> \$'000	<u>2014</u> \$'000	<u>2015</u> \$'000	<u>2014</u> \$'000
Key management compensation:				
Directors' fees	2,483	2,399	839	797
Salaries and other short-term benefits	<u>117,335</u>	<u>134,655</u>	<u>82,614</u>	<u>84,459</u>

8. Property, plant and equipment

(a) The Group

	<u>Land and Buildings</u> \$'000	<u>Equipment, Furniture and Fixtures</u> \$'000	<u>Motor Vehicles</u> \$'000	<u>Work- in- progress</u> \$'000	<u>Total</u> \$'000
Cost/valuation:					
March 31, 2013	720,482	759,663	44,617	1,086,270	2,611,032
Additions	-	38,156	32,212	756,173	826,541
Revaluation	6,511	25,759	-	-	32,270
Disposals	-	(448)	(7,962)	-	(8,410)
March 31, 2014	726,993	823,130	68,867	1,842,443	3,461,433
Additions	6,693	374,914	12,356	-	393,963
Transfers from WIP	1,646,327	196,116	-	(1,842,443)	-
Disposals	-	(885)	(11,436)	-	(12,321)
March 31, 2015	<u>2,380,013</u>	<u>1,393,275</u>	<u>69,787</u>	<u>-</u>	<u>3,843,075</u>
Depreciation:					
March 31, 2013	179,609	310,356	25,255	-	515,220
Charge for the year	19,158	146,545	4,799	-	170,502
Disposals	(9,681)	(16,013)	(7,559)	-	(33,253)
March 31, 2014	189,086	440,888	22,495	-	652,469
Charge for the year	19,116	151,911	9,889	-	180,916
Disposals	-	(187)	(8,037)	-	(8,224)
Adjustments	-	154	1,003	-	1,157
March 31, 2015	<u>208,202</u>	<u>592,766</u>	<u>25,350</u>	<u>-</u>	<u>826,318</u>
Net Book values:					
March 31, 2015	<u>2,171,811</u>	<u>800,509</u>	<u>44,437</u>	<u>-</u>	<u>3,016,757</u>
March 31, 2014	<u>537,907</u>	<u>382,242</u>	<u>46,372</u>	<u>1,842,443</u>	<u>2,808,964</u>



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements March 31, 2015

8. Property, plant and equipment (cont'd)

(b) The Authority

	Land and <u>Buildings</u> \$'000	Equipment, Furniture and <u>Fixtures</u> \$'000	Motor <u>Vehicles</u> \$'000	Work- in- <u>progress</u> \$'000	<u>Total</u> \$'000
Cost/valuation:					
March 31, 2013	559,793	699,112	24,394	1,086,270	2,369,569
Additions	-	32,302	26,231	756,173	814,706
Disposals	-	(318)	(7,962)	-	(8,280)
March 31, 2014	559,793	731,096	42,663	1,842,443	3,175,995
Additions	6,693	370,012	3,806	-	380,511
Transfer	1,646,327	196,116	-	(1,842,443)	-
Disposals	-	(16)	(3,823)	-	(3,839)
March 31, 2015	<u>2,212,813</u>	<u>1,297,208</u>	<u>42,646</u>	<u>-</u>	<u>3,552,667</u>
Depreciation:					
March 31, 2013	169,928	294,615	16,075	-	480,618
Charge for the year	16,473	136,559	2,671	-	155,703
Disposals	-	(259)	(7,559)	-	(7,818)
March 31, 2014	186,401	430,915	11,187	-	628,503
Charge for the year	16,498	142,424	7,910	-	166,832
Disposals	-	(16)	(3,823)	-	(3,839)
March 31, 2015	<u>202,899</u>	<u>573,323</u>	<u>15,274</u>	<u>-</u>	<u>791,496</u>
Net Book values					
March 31, 2015	<u>2,009,914</u>	<u>723,885</u>	<u>27,372</u>	<u>-</u>	<u>2,761,171</u>
March 31, 2014	<u>373,392</u>	<u>300,181</u>	<u>31,476</u>	<u>1,842,443</u>	<u>2,547,492</u>

- (i) Land and buildings valued at \$105,924,000, which are owned by the Commissioner of Lands have been vested in the Authority since 1995. These properties, however, have not been registered in the name of the Authority.
- (ii) Equipment, furniture and fixtures were revalued by management as at March 31, 2011, based on professional advice received. The surplus arising on revaluation, inclusive of depreciation no longer required, has been included in revaluation reserve (note 15).
- (iii) Work-in-progress represents the designs and construction of control towers at Norman Manley and Donald Sangster International Airports, which was completed during the year.

9. Employee benefits asset

The group operates a defined benefit pension plan that is open to all employees who have satisfied certain minimum service requirements. The plan is managed by Sagicor Life Jamaica Limited under a deposit administration fund contract and by the Trustees.



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements

March 31, 2015

9. Employee benefits asset (cont'd)

The plan is funded by employees' contribution of 5% with the option to contribute an additional 5% of pensionable salaries and the employer contributes the balance as is required to provide the retirement benefits.

(a) Asset recognised in the statement of financial position:

	Group		Authority	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Present value of funded obligations	(1,447,374)	(1,361,367)	(1,315,486)	(1,245,690)
Fair value of plan assets	<u>1,952,927</u>	<u>1,678,741</u>	<u>1,765,530</u>	<u>1,521,498</u>
Surplus	505,553	317,374	450,044	275,808
Unrecognised asset due to asset ceiling	(147,617)	(18,478)	(123,733)	-
Amount recognised in statement of financial position	<u>357,936</u>	<u>298,896</u>	<u>326,311</u>	<u>275,808</u>

(b) Movements in the present value of funded obligations:

	Group		Authority	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Balance at beginning of year	(1,361,367)	(1,185,906)	(1,245,690)	(1,084,325)
Benefits paid	94,169	69,117	89,751	60,736
Interest cost	(125,601)	(117,771)	(114,817)	(107,818)
Current service costs	(33,421)	(47,109)	(30,956)	(44,232)
Members contributions	(51,854)	(50,382)	(46,499)	(45,478)
Annuities purchased during the year	(13,844)	(52,336)	(13,844)	(48,153)
Remeasurement gain	<u>44,544</u>	<u>23,020</u>	<u>46,569</u>	<u>23,580</u>
Balance at end of the year	<u>(1,447,374)</u>	<u>(1,361,367)</u>	<u>(1,315,486)</u>	<u>(1,245,690)</u>

(c) Movements in plan assets:

	Group		Authority	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Fair value of plan assets at beginning of the year	1,678,741	1,392,010	1,521,498	1,259,029
Members contributions	51,854	50,382	46,499	45,478
Employer contributions - prior year	238	28,292	238	28,292
Employer contributions - current year	78,427	90,330	71,182	83,276
Interest income on plan assets	161,800	145,250	146,482	131,573
Benefits paid	(94,169)	(69,117)	(89,751)	(60,736)
Annuities purchased during the year	13,844	52,336	13,844	48,153
Remeasurement gain/(loss)	<u>62,192</u>	<u>(10,742)</u>	<u>55,538</u>	<u>(13,567)</u>
	<u>1,952,927</u>	<u>1,678,741</u>	<u>1,765,530</u>	<u>1,521,498</u>



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements March 31, 2015

9. Employee benefits asset (cont'd)

(c) Movements in plan assets (cont'd):

	<u>Group</u>		<u>Authority</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	\$'000	\$'000	\$'000	\$'000
Plan assets consist of the following:				
Equities	285,829	249,522	259,784	228,320
Mortgage and real estate	317,376	176,131	288,456	161,166
Fixed income	236,715	283,283	215,145	259,210
Money market investments	156,187	417,228	141,947	379,634
Foreign currency investments	380,596	312,636	345,915	286,071
Global Markets Fund	156,691	-	142,413	-
Purchased annuities	250,906	239,941	218,609	207,097
CPI Indexed Fund	<u>168,627</u>	<u>-</u>	<u>153,261</u>	<u>-</u>
	<u>1,952,927</u>	<u>1,678,741</u>	<u>1,765,530</u>	<u>1,521,498</u>

(d) Movements in the net asset recognised in the statement of financial position:

	<u>Group</u>		<u>Authority</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the year	298,896	189,528	275,808	174,704
Employer contributions - prior year	238	28,292	238	28,292
Employer contributions - current year	78,427	90,330	71,182	83,276
Net expense recognised in profit or loss and other comprehensive income	<u>(19,625)</u>	<u>(9,254)</u>	<u>(20,917)</u>	<u>(10,464)</u>
Balance at end of the year	<u>357,936</u>	<u>298,896</u>	<u>326,311</u>	<u>275,808</u>

(e) The amounts recognised in profit or loss:

	<u>Group</u>		<u>Authority</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	\$'000	\$'000	\$'000	\$'000
Current service cost	33,421	47,109	30,956	44,232
Interest cost	125,601	117,771	114,817	107,818
Interest income on plan assets	<u>(161,800)</u>	<u>(145,250)</u>	<u>(146,482)</u>	<u>(131,573)</u>
Interest effect of asset ceiling	<u>1,755</u>	<u>1,492</u>	<u>-</u>	<u>-</u>
	<u>(1,023)</u>	<u>21,122</u>	<u>(709)</u>	<u>20,477</u>



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements March 31, 2015

9. Employee benefits asset (cont'd)

(f) Amounts recognised in other comprehensive income:

	Group		Authority	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Remeasurement loss on obligation	-	179,009	-	168,502
Remeasurement gain on assets	(106,736)	(191,287)	(102,107)	(178,515)
Change in effect of asset ceiling	<u>127,383</u>	<u>410</u>	<u>123,733</u>	<u>-</u>
	<u>20,647</u>	<u>(11,868)</u>	<u>21,626</u>	<u>(10,013)</u>

(g) Net expense in profit or loss and other comprehensive income:

	Group		Authority	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
Income recognised in statement of comprehensive income	(1,023)	21,122	(709)	20,477
Income (loss)/recognised in other comprehensive income	<u>20,647</u>	<u>(11,868)</u>	<u>21,626</u>	<u>(10,013)</u>
	<u>19,624</u>	<u>9,254</u>	<u>20,917</u>	<u>10,464</u>

(h) Actuarial assumptions:

	Group		Authority	
	2015	2014	2015	2014
Discount rate	9.50%	9.50%	9.50%	9.50%
Future salary increases	6.0%	6.0%	6.0%	6.0%
Inflation	<u>6.0%</u>	<u>5.50%</u>	<u>6.0%</u>	<u>5.50%</u>

(i) Sensitivity analysis:

	Group		Authority	
	Decreased by	Increased by	Decreased by	Increased by
	1%	1%	1%	1%
Change in defined benefit obligation resulting from a 1% increase/(decrease) in the discount rate	194,231	(213,546)	178,328	(198,806)
Change in defined benefit obligation resulting from a 1% increase/(decrease) in salary	<u>(140,338)</u>	<u>88,885</u>	<u>(131,919)</u>	<u>81,633</u>



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements March 31, 2015

10. Accounts payable

	<u>Group</u>		<u>Authority</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	\$'000	\$'000	\$'000	\$'000
Retention	137,268	99,972	137,268	99,972
Trade	159,373	195,119	137,089	176,470
Statutory contributions	22,539	21,509	22,539	21,509
Accruals	150,740	319,507	128,229	295,421
Distribution to Government of Jamaica consolidated fund	241,091	163,853	225,380	163,853
Other	<u>1,936</u>	<u>3,112</u>	<u>1,121</u>	<u>1,157</u>
	<u>712,947</u>	<u>803,072</u>	<u>651,626</u>	<u>758,382</u>

11. Deferred income

	<u>Group and Authority</u>	
	<u>2015</u>	<u>2014</u>
	\$'000	\$'000
Balance at April 1	184,746	197,756
Transfer to profit or loss (note 16)	(13,010)	(13,010)
Balance at March 31	<u>171,736</u>	<u>184,746</u>

This represents amounts received from the Government of Jamaica to facilitate the purchase of air traffic control radars and related equipment, training of air traffic controllers and purchase of building. The grants will be written off by amounts expended on training and depreciation of the assets that were bought through the grants.

12. Deferred taxation

Deferred taxation is attributable to the following temporary differences:

	<u>2015</u>	Recognised in	<u>2014</u>	Recognised in	<u>2013</u>
	\$'000	profit or loss	\$'000	profit or loss	\$'000
		\$'000		\$'000	
Accelerated capital allowance	<u>27,722</u>	<u>13,752</u>	<u>13,970</u>	(12,448)	<u>26,418</u>

13. Government of Jamaica loan

The loan was granted to the Government of Jamaica by the Export Development Corporation (EDC), Canada, which was on-lent to the Authority to acquire air navigation instruments on April 15, 1998.

	<u>Group and Authority</u>	
	<u>2015</u>	<u>2014</u>
	\$'000	\$'000
Principal (US\$17.6 million)	2,027,768	1,931,498
Accrued interest [US\$7.7 million (2014: US\$6.5 million)]	<u>883,362</u>	<u>710,755</u>
	<u>2,911,130</u>	<u>2,642,253</u>



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements March 31, 2015

13. Government of Jamaica loan (cont'd)

The loan attracts interest at the rate of 6.74% per annum. The Government of Jamaica has confirmed the existence of the loan and has indicated that the terms thereof are yet to be finalized.

14. Capital reserve

This represents the excess of the value of assets over liabilities transferred from the Government, Civil Aviation Department, to the Authority.

15. Revaluation reserve

This represents surplus arising on the revaluation of certain properties of the group and Authority (see note 8).

16. Other income

	<u>Group</u>		<u>Authority</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	\$'000	\$'000	\$'000	\$'000
Permit application fees	1,519	1,802	1,519	1,802
Licence fees	2,385	2,313	2,385	2,313
Examination fees	548	339	548	339
Equipment rental and maintenance	25,159	26,538	-	-
Miscellaneous income	27,090	26,554	11,002	12,116
Regulatory fees	39,393	35,959	39,393	35,959
Advertising and production sales	38,881	36,411	-	-
Transfer from deferred income (note 11)	13,010	13,010	13,010	13,010
Gain on disposal of property, plant and equipment	2,109	2,596	3,480	2,744
Bad debt recovered	103	13	103	13
Technical support	-	-	17,430	17,212
	<u>150,197</u>	<u>145,535</u>	<u>88,870</u>	<u>85,508</u>

17. Net finance income

	<u>Group</u>		<u>Authority</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	\$'000	\$'000	\$'000	\$'000
Finance income:				
Interest on investments and short-term term investments	277,499	240,085	264,920	228,673
Foreign exchange gains	<u>241,124</u>	<u>382,062</u>	<u>208,598</u>	<u>323,895</u>
	<u>518,623</u>	<u>622,147</u>	<u>473,518</u>	<u>552,568</u>
Finance cost:				
Loan interest	(135,065)	(124,249)	(135,065)	(124,249)
Foreign exchange losses	<u>(133,812)</u>	<u>(251,301)</u>	<u>(133,812)</u>	<u>(251,301)</u>
	<u>(268,877)</u>	<u>(375,550)</u>	<u>(268,877)</u>	<u>(375,550)</u>
Net finance income	<u>249,746</u>	<u>246,597</u>	<u>204,641</u>	<u>177,018</u>



Notes to the Financial Statements
March 31, 2015

(a) Taxation is based on the profit for the year of the subsidiary, Aeronautical Telecommunication Limited, adjusted for tax purposes and is calculated at 25%.

(b) Reconciliation of effective tax charge:

19. Distribution to Government of Jamaica

	Group		Authority	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	\$'000	\$'000	\$'000	\$'000
Normal distribution - current year	241,091	175,847	225,380	163,853
- prior year	2,037	147,293	2,037	147,293
Special distribution	<u>264,819</u>	<u>-</u>	<u>250,000</u>	<u>-</u>
	<u>507,947</u>	<u>323,140</u>	<u>477,417</u>	<u>311,146</u>

JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements

March 31, 2015

20. Financial instruments

(a) Financial risk management

A financial instrument is any contract that give rise to a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

The group's exposed to financial risks from it use of financial instruments including:

- credit risk
- market risk (including foreign currency and interest rate risks)
- liquidity risk

This note presents information about the group's exposure to each of the above risks, the group's objectives, policies and processes for measuring and managing risk, and the group's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsible for the establishment and oversight of the group's risk management framework. The Board provides principles for overall risk management, as well as policies covering specific areas, such as credit risk, foreign exchange risk, interest rate risk and liquidity risk.

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.

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

(i) Credit risk:

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers, cash and cash equivalents, short-term investments and investments in debt securities.

The carrying amount of the group's financial assets represents the maximum credit exposure.

Cash and cash equivalents and short-term investments

Cash and cash equivalents and short-term investments are placed with financial institutions that are appropriately licensed and regulated, therefore management believes that the exposure to these institutions is minimal.



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements March 31, 2015

20. Financial instruments (cont'd)

(a) Financial risk management (cont'd)

(i) Credit risk (cont'd)

Accounts receivable

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management has established a credit policy under which each customer is analysed individually for creditworthiness prior to credit being extended to them.

Customer credit risk is monitored according to their credit characteristics such as whether it is an individual or company, aging profile of the debt, and previous financial difficulties. Trade receivables relate mainly to air navigation fees and passenger aviation service charge.

The group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables.

Trade receivables over 180 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 (see further details in note 5).

Investments in debt securities

The group limits its exposure to credit risk by investing only in Government of Jamaica debt securities, which are sovereign debts and therefore the risk of default is considered low.

There is no significant concentration of credit risk in any counterparty and the group's has not changed the way it manages and measures credit risk during the year.

(ii) Market risk

Market risk is the risk that changes in market prices, such as foreign currency rates and interest rates, will affect the group's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. There has been no change to the group's exposure to market risk or the manner in which it measures and manages the risk.



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements
March 31, 2015

20. Financial instruments (cont'd)

(a) Financial risk management (cont'd)

(ii) Market risk (cont'd)

- *Foreign currency risk*

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The group is exposed to foreign exchange risk, primarily with respect to the US dollar (US\$).

The group manages its foreign exchange risk by ensuring that the net exposure in foreign currency assets and liabilities is kept to an acceptable level by monitoring currency positions. The group further manages this risk by maximising foreign currency earnings and holding foreign currency balances.

The group's and Authorities exposure to foreign currency risk at the reporting date was as follows:

	<u>Group</u>		<u>Authority</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	US\$'000	US\$'000	US\$'000	US\$'000
Assets:				
Cash and cash equivalents	10,369	5,123	5,523	893
Short-term investments	38,226	26,528	38,124	26,528
Accounts receivables	<u>11,332</u>	<u>11,129</u>	<u>9,467</u>	<u>9,227</u>
	<u>59,927</u>	<u>42,780</u>	<u>53,114</u>	<u>36,648</u>
Liabilities:				
Accounts payables	896	1,364	743	1,232
Government of Jamaica:				
Loan	17,629	17,629	17,629	17,629
Loan interest	<u>7,680</u>	<u>6,487</u>	<u>7,680</u>	<u>6,487</u>
	<u>26,205</u>	<u>25,480</u>	<u>26,052</u>	<u>25,348</u>
Net position	<u>33,722</u>	<u>17,300</u>	<u>27,062</u>	<u>11,300</u>



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements March 31, 2015

20. Financial instruments (cont'd)

(a) Financial risk management (cont'd)

(ii) Market risk (cont'd)

Sensitivity analysis

A 1% (2014: 1%) strengthening of the Jamaica dollar against the US\$, at the reporting date, would have decreased surplus for the year by \$38,607,000 (2014: \$18,855,000) for the group and \$30,983,000 (2014: \$12,316,000) for Authority.

A 10% (2014: 10%) weakening of the Jamaica dollar against the US\$, at the reporting date, would have increased surplus for the year by \$386,076,000 (2014: \$188,560,000) for the group and \$309,827,000 (2014: \$123,164,000) for Authority.

The analysis is done on the same basis as for 2014 and assumes that all other variables, in particular interest rate, remain constant.

Exchange rates, in terms of Jamaica dollars, were as follows:

At March 31, 2015:	J\$114.4883 : US\$1.00
At March 31, 2014:	J\$ <u>108.9943</u> : US\$1.00

• *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

At the reporting date, the interest profile of the group's and Authority's interest bearing financial instruments was as follows:

	<u>Group</u>		<u>Authority</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	\$'000	\$'000	\$'000	\$'000
Fixed rate financial assets	7,589,365	4,388,087	7,073,178	3,988,450
Variable rate financial assets	-	1,424,686	-	1,424,686
	<u>7,589,365</u>	<u>5,812,773</u>	<u>7,073,178</u>	<u>5,413,136</u>
Fixed rate financial liability	<u>2,911,130</u>	<u>2,642,253</u>	<u>2,911,130</u>	<u>2,642,253</u>



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements March 31, 2015

20. Financial instruments (cont'd)

(a) Financial risk management (cont'd)

(ii) Market risk (cont'd)

• *Interest rate risk (cont'd)*

Fair value sensitivity analysis for fixed rate instruments

All the group's financial instruments are carried at amortised cost, therefore a change in interest rates, at the reporting date, would not affect their carrying value.

Cash flow sensitivity analysis for variable rate instruments

An increase of 250 (2014: 250) basis points would have increased surplus for the year by \$Nil (2014: \$35,617,000) for the group and for the Authority. A decrease of 100 (2014: 100) basis points would have decreased surplus for the year by \$Nil (2014: \$1,425,000) for the group and for the Authority.

The analysis is done on the same basis as for 2014 and assumes that all other variables, in particular foreign currency rate, remain constant.

(iii) Liquidity risk:

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

Typically the group ensures, through its regular cash flow forecasting, that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot be predicted, such as natural disasters and settlement of significant lawsuits.

The following table presents the undiscounted contractual maturities of financial liabilities, including interest payments, on the basis of their earliest possible contractual maturity.

Group

	2015				
	1 to 3 months	3 to 12 months	Over 12 months	Total cash outflow	Carrying Amount
	\$'000	\$'000	\$'000	\$'000	\$'000
Accounts payable	698,128	-	-	698,128	698,128
Government of Jamaica loan	-	-	2,911,130	2,911,130	2,911,130
	<u>698,128</u>	<u>-</u>	<u>2,911,130</u>	<u>3,209,258</u>	<u>3,209,258</u>



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements March 31, 2015

20. Financial instruments (cont'd)

(a) Financial risk management (cont'd)

(iii) Liquidity risk (cont'd):

Group (cont'd)

	2014				
	<u>1 to 3 months</u>	<u>3 to 12 months</u>	<u>Over 12 months</u>	<u>Total cash outflow</u>	<u>Carrying Amount</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Accounts payable	803,072	-	-	803,072	803,072
Government of Jamaica loan	-	-	2,642,253	2,642,253	2,642,253
	<u>803,072</u>	<u>-</u>	<u>2,642,253</u>	<u>3,445,325</u>	<u>3,445,325</u>

Authority

	2015				
	<u>1 to 3 months</u>	<u>3 to 12 months</u>	<u>Over 12 months</u>	<u>Total cash outflow</u>	<u>Carrying Amount</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Accounts payable	651,626	-	-	651,626	651,626
Government of Jamaica Loan	-	-	2,911,130	2,911,130	2,911,130
	<u>674,500</u>	<u>-</u>	<u>2,911,130</u>	<u>3,585,630</u>	<u>3,585,630</u>

	2014				
	<u>1 to 3 months</u>	<u>3 to 12 months</u>	<u>Over 12 months</u>	<u>Total cash outflow</u>	<u>Carrying Amount</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Accounts payable	758,382	-	-	758,382	758,382
Government of Jamaica loan	-	-	2,642,253	2,642,253	2,642,253
	<u>758,382</u>	<u>-</u>	<u>2,642,253</u>	<u>3,400,635</u>	<u>3,400,635</u>

(b) Capital management

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern and remain financially strong, in order to provide returns for shareholders and benefits for other stakeholders.

The group is not subject to externally imposed capital requirements and there were no changes to the group's approach to capital management during the year.

(c) Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Market price is used to determine fair value where an active market exists as it is the best evidence of the fair value of a financial instrument. The group does not carry any financial instrument at fair value.



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements

March 31, 2015

20. Financial instruments (cont'd)

(c) Fair value (cont'd)

Determination of fair value and fair value hierarchy

IFRS specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. The different levels have been defined as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Discounted cash flow technique using a discount rate from observable market data, i.e, average of several brokers/dealers market indicative yields in active markets for identical assets or liabilities.

Level 3 – Valuation techniques using significant unobservable inputs.

The following table shows the carrying amounts and fair values of financial assets, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities where the carrying amount is a reasonable approximation of fair value.

Group and Authority

	Carrying amount \$'000	Fair value			
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
March 31, 2015					
Financial assets	<u>145,776</u>	<u>-</u>	<u>147,223</u>	<u>-</u>	<u>147,223</u>
March 31, 2014					
Financial assets	<u>145,776</u>	<u>-</u>	<u>147,204</u>	<u>-</u>	<u>147,204</u>

Basis for determining fair values

The fair value for investments was determined by obtaining a bid yield from yield curve provided by a recognised pricing source, which was then used to determine price by applying an acceptable formula. The price was then used to estimate fair value. The pricing of the instruments did not involve any significant unobservable inputs.



JAMAICA CIVIL AVIATION AUTHORITY

Notes to the Financial Statements March 31, 2015

21. Contingent liabilities

(i) Legal claims:

The Authority is subject to certain claims and legal proceedings in the normal course of its business. Provision 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 Authority and the amounts can be reasonably estimated.

In respect of claims asserted against the Authority which have 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 that is immaterial to the Authority.

(ii) Tax assessment:

At the reporting date, the Authority had a tax assessment of \$124,983,000 from Tax Administration Jamaica in respect of penalty charges and interest on P.A.Y.E. for the period December 1, 1999 to December 31, 2012. The matter is at the mediation stage and management is of the opinion that it will be settled without exposure to the Authority, therefore no provision has been made in these financial statements for the amount.

22. Commitments

(a) Lease commitments

The Authority has lease commitments as follows:

- (i) To MJB Airport Limited for the lease of space occupied at Donald Sangster's International Airport for a rent of \$1.00 per annum.
- (ii) To The Airports Authority of Jamaica for the lease of space occupied at Norman Manley International Airport for rent of \$1.00 per annum.

(b) Capital commitment

The Authority in its drive to modernize the air navigation services infrastructure, has embarked on an equipment acquisition programme to upgrade the communication navigation surveillance system to include radars. At the reporting date, the Authority had commitment to acquire equipment amounting to US\$17,238,884. This also includes Air Traffic Management equipment and construction of a new building to house the Air Traffic Controllers and other members of the Air Navigation Services Division, and the replacement of high energy air condition system with inverter type air condition units at the head office.





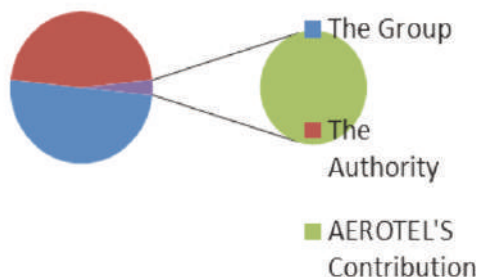
EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

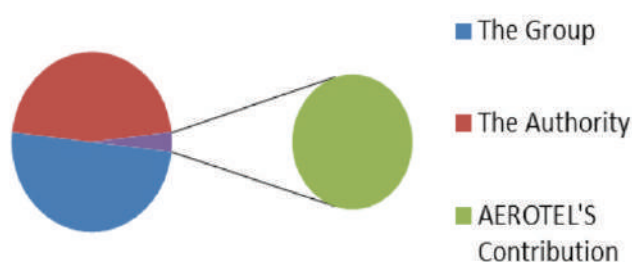


The Jamaica Civil Aviation Authority (The Authority) has presented group accounts by consolidating the results of its subsidiary Aeronautical Telecommunications Limited (AEROTEL). This consolidation constitutes an enhanced financial position overall with the subsidiary contributing J\$157 million or 9% (by comparison, J\$138 million or 8% in 2014) to the net surplus of the group and J\$816 million or 8% (2014: J\$577 million or 6%) net total assets to the group's total assets.

Group Net Surplus



Group Total Assets

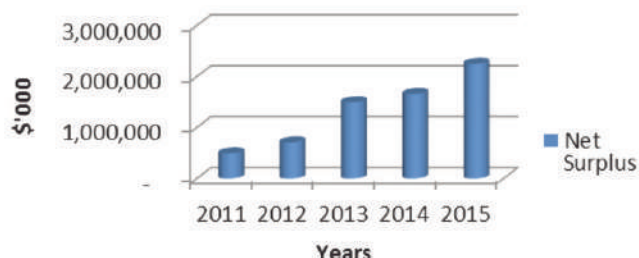


The principal activity of the subsidiary was the provision of telecommunication services on behalf of the Government of Jamaica. AEROTEL was also mandated to ensure all equipment used and owned by the Authority in the provision of aeronautical services, operates effectively at prescribed international standards through the provision of routine maintenance services.

The Authority

Over the years, the Authority as a separate entity has performed remarkably. This year is no different, as the result for year ending March 31, 2015 extended the positive growth trend with a recorded net surplus of J\$2,254 million, compared to J\$1,659 million for year ending March 31, 2014. The resulting increase of J\$595 million or 36% is largely attributed to an increase in total revenue of J\$472 million. This accounts for 79% of the total increase in net surplus.

Net Surplus



The J\$472 million increase in total revenue represents a 13% increase on the previous year, with the Passenger Aviation Service Charge (PASC) and Air Navigation Fees being the two largest components of revenue. Together, they accounted for 98% of total revenue, while recording increases of J\$289 million or 16% and J\$183 million or 11%, respectively. These increases were, however, significantly influenced by exchange gains arising from the continued devaluation in the Jamaican dollar.

With regard to the PASC, 59% or J\$171 million of the J\$289 million increase represented exchange gains, with the remaining 41% or J\$118 million resulting from increased activity. Real growth in PASC for the year was 6.7% or 314,214 Passenger Seats. Passenger Seats at the end of March 2015 was 5,036,097, up from 4,721,883 in 2014. The average exchange rate used in conversions for the year ended March 31, 2014 was J\$103.60, compared to J\$112.88 for the year ended March 31, 2015.

The 6.7% growth in PASC activity exceeded the 4.7% international passenger growth for Latin America and the Caribbean region, as reported by IATA for the same period. IATA attributed such growth to lower fuel prices and a general upturn in world economic conditions since 2014, but called for cautioned optimism as to the sustainability of the growth.

The 2% excess in growth experienced by PASC is likely the effect of the 1.3% lower-than-anticipated PASC activity level for yearend, March 2014, resulting from the 2013-2014 winter freeze that impacted North America, Canada and the UK. This condition caused numerous flight cancellations over a six-month period.

With regard to Air Navigation Fees, 83% or J\$153 million represented exchange gains, while 16% or J\$30 million resulted from increased activity. In real terms, Air Navigation Fees grew by 1.8% or US\$0.29 million, based on US\$16.61 million being earned for the year ended March 31, 2015, up from US\$16.32 million earned in 2014.



Operating expenses recorded a 5% decrease of J\$96 million, arising mainly from a 91% decrease in the provision for doubtful debts, given that the exceptional provision of J\$417 million (US\$3.8 million) for Air Jamaica's debt, is not charged this year. Major compensating increases in operating expenses this year includes:

- J\$61 million, representing the Authority's contribution to search and rescue initiatives under its Memorandum of Understanding with the Jamaica Defence Force
- J\$63 million towards risk management initiatives undertaken during the year
- J\$31 million increase in professional fees including consultancy with International Civil Aviation Organisation (ICAO), regarding the development of CAATI as an international aviation training institute.
- J\$18 million increase in charges for meetings and seminars, arising from the Authority's hosting of the International Civil Aviation Organisation (ICAO) Regional Conference in October 2014.
- J\$17 million increase in property insurance, as a result of the two new air traffic control towers being added to the portfolio.
- J\$18 million increase in aviation scholarships awarded this year.

Net Finance Income of J\$205 million increased by J\$28 million or 16% from the J\$177 million recorded last year. The J\$28 million increase comprised net interest income of J\$26 million and net exchange gains of J\$2 million.

Compared to budget, the increase in net surplus was J\$530 million or 31% above target. This occurred in a context where operating surplus recorded a positive variance of J\$427 million or 26% and Net Finance Income recorded a positive variance of J\$125 million or 157%.

The positive variance on operating surplus was attributed mainly to a 7% increase in total revenue of J\$250 million, with the major contributors being PASC and Air Navigation Fees, which increased by J\$188 million or 10% and J\$75 million or 4%, respectively. Exchange gains also represented a substantial amount of these sums. For PASC, exchange gains comprised J\$80 million and increased activity, J\$108 million. Actual Passenger Seats of 5,036,097, compared to a budgeted 4,763,906 resulted in an increase of 272,191 seats or 5.7%, for the year ending March 31, 2015.

The J\$75 million positive variance for Air Navigation Fees comprised exchange gains of J\$72 million and an increase on budgeted activity of J\$3 million. Actual Air

Navigation Fees of US\$16.61 million exceeded budget of US\$16.59 million by US\$0.03 million or 0.2% for the year. The actual average exchange rate used in conversion was J\$112.83, compared to a budgeted rate of J\$108.50.

Under-expenditure on administrative and operating expenses was J\$177 million or 8%. Of this amount, J\$98 million is attributable to staff costs from planned recruitment activities that did not materialize. This variance also contributed positively to the increase on budgeted surplus.

Assets, Reserves and Liabilities

Total assets have also displayed steady growth over the last few years, with the current year recording an increase of J\$1,904 million or 21%, from J\$9,059 million in 2014 to J\$10,963 million at yearend of 2015.



Total current assets increased by 34% and included liquid assets of J\$6,982 million at this yearend, compared to J\$5,204 million last year.

Total non-current assets recorded a net increase of J\$118 million or 4%, including net increases in property, plant and equipment of J\$214 million. The net increase included final expenditure on the construction of the Air Traffic Control towers. Increases in employee benefits of J\$51 million also resulted from growth in the value of pension fund's assets.

Reserves increased by J\$1,755 million or 32%, after allowing for a special distribution of J\$252 million and normal distribution of J\$225 million (i.e. a total of J\$477million) to the Ministry of Finance for yearend 2015.

Overall, growth is still positive and performance good. Return on Assets for the year is twenty-one per cent (21%), (vs 18% in 2014). Liquidity, as measured by the Current Ratio, was 12 times current liabilities this year, compared to 8 times at yearend 2014.



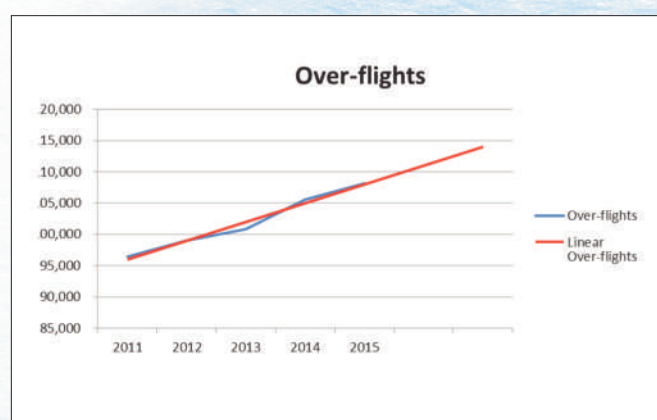
The major capital project of the Authority - the construction and equipping of two Air Traffic Control towers, came to a close during the year. The project was initially estimated to cost CN\$19,999,974.00, plus project management fees of four per cent (4%) times the project cost. The project closed with additional costs of CN\$996,699.73 to the contractor, due to variations arising from the provision of access roads, geotechnical investigations and the dismantling of workshops. The variations were settled during year ending 2014. CN\$353,515.33 was also claimed as a variation by the Project Managers for extended contract duration and was subsequently approved by Cabinet on June 15, 2015. The final cost for the construction and equipping of the towers now stands at CN\$21,350,189.06.

All activities of the Authority for the year, both capital and recurrent, were financed from internally generated funds.

Outlook for Next Year

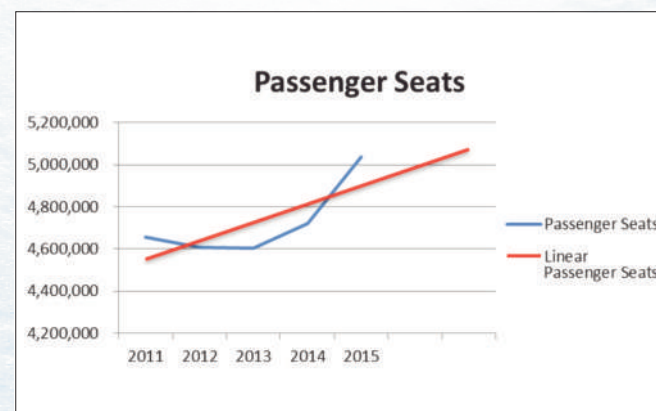
The Authority has embarked on a large-scale asset upgrade and replacement programme, with budgeted outlay of US\$23.90 million extending to yearend 2018. For yearend March 31, 2015, expenditure is anticipated at US\$15.34 million.

The earnings prospects for the Authority remain positive, as indications are that its income base should remain relatively stable. Air navigation fee income is expected to grow in line with over-flight activities, which have displayed an average growth rate of about 3.6% per year over the last five years.



The trend indicates that the 108,143 flights recorded for yearend 2015 should convert to approximately 112,500 by yearend 2016.

Passenger Seats to and from Jamaica are less predictable, as there have been significant peaks and troughs in the data over the last five years. However, these fluctuations have all



occurred above the 4.6 million passenger-seats-level and rose to 5.02 million at yearend March 2015. The trend indicates that activity should remain at a level just above 5.02 million passenger seats.

At this level, earnings from PASC, coupled with that anticipated for air navigation fees, will be able to sustain the operations of the Authority for the next year.



Director & Senior Executives' Compensation

SENIOR EXECUTIVE COMPENSATION

FOR YEAR APRIL 1, 2014 TO MARCH 31, 2015

Position of Senior Executive	Year	Salary (\$)	Cash Allowances (\$)	Value of Assignment of Motor Vehicle	Contributions to Pension Scheme (\$)	NIS Contributions (\$)	Non-Cash Benefits (\$)	Total (\$)
Director General	2014/2015	9,521,717	248,830	140,000	952,172	37,500		10,900,219
Deputy Director General Reg. Aff.	2014/2015	8,873,815	248,830	140,000	887,381	37,500		10,187,526
Deputy Director General Admin & Service	2014/2015	8,156,651	248,830	140,000	815,665	37,500		9,398,646
Director Air Navigation Services	2014/2015	7,104,201	1,437,676	-	710,420	37,500		9,289,797
Director Economic Regulation	2014/2015	5,899,038	1,224,550	-	589,904	37,500		7,750,992
Director Flight Safety	2014/2015	7,787,588	1,224,550	-	778,759	37,500		9,828,397
Director Human Resource	2014/2015	5,813,438	1,224,550	-	581,344	37,500		7,656,832
Director Finance	2014/2015	6,412,638	1,224,550	-	641,264	37,500		8,315,952
General Counsel	2014/2015	6,583,838	1,224,550	-	658,384	37,500		8,504,272
TOTAL		66,152,924	8,306,916	420,000	6,615,292	337,500		81,832,632

Notes:

1. Cash Allowances include motor vehicle upkeep to all except Director General and deputies; plus meal and clothing to all.
2. The \$140,000 allocated to Director General, Deputy Director General-Regulatory Affairs and Deputy Director General-Admin. and Services represents value of assignment of motor vehicle with over 50% private use based on Income Tax Act, 2nd Sch. Part 1, Appendix (Regulation 11)



Glossary of Acronyms

ACC	Area Control Centre
ACI Airports	Council International
ADS-B	Automatic Dependent Surveillance Broadcast
AEROTEL	Aeronautical Telecommunications Limited
AIM	Aeronautical Information Management
AME	Aircraft Maintenance Engineer
AMHS	Air Traffic Management Message Handling System
AMO	Aircraft Maintenance Organization
ANS	Air Navigation Services
AOC	Air Operators Certificate
APC	Area Positive Control
APV	Approach Procedures with Vertical Guidance
ASAs	Air Services Agreements
ASBU	Aviation System Block Upgrade
ATC	Air Traffic Control
ATM	Air Traffic Management
ATO	Approved Training Organization
ATPL	Airline Transport Pilot Licence
ATFM	Air Traffic Flow Management
ATSAir	Traffic Services
AVIAT	Short for AVIATION
Baro VNAV	Barometric Vertical Navigation
BITU	Bustamante Industrial Trade Union
CAATI	Civil Aviation Authority Training Institute
CAR/SAM	Caribbean and South American (region)
CASSOS	Caribbean Aviation Safety and Security Oversight
CAT	Operational Performance Category
CCO	Continuous Climb Operations
CDO	Continuous Descent Operations
CICTE	Inter-American Committee Against Terrorism
CNS	Communications, Navigation and Surveillance
CPL	Commercial Pilot Licence
DIA	Dedicated Internal Access
EECP	Energy Efficiency and Conservation Programme
EI	Effective Implementation
EMS	Engineering Maintenance Services
ESS	Employee Self Service
FAA	Federal Aviation Administration
FAOC	Foreign Air Operator Certificate
FD	Flight Dispatcher (Flight Operations Officer)
FDP	Flight plan Data Processing
FIR	Flight Information Region (Jamaica)
FSD	Flight Safety Division
FUA	Flexible Use of Airspace
GANP	Global Air Navigation Plan
HRMS	Human Resource Management System



ACC	Area Control Centre
ACI Airports	Council International
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FIR	Flight Information Region (Jamaica)
FSD	Flight Safety Division
FUA	Flexible Use of Airspace
GANP	Global Air Navigation Plan
HRMS	Human Resource Management System
IATA	International Air Transport Association
ICAN	ICAO Air Services Negotiation Conference
ICAO	International Civil Aviation Organization
ICVM	ICAO Coordinated Validation Mission



