



MINISTRY OF LABOUR AND SOCIAL SECURITY

**PROGRAMME FOR ADVANCEMENT THROUGH HEALTH AND EDUCATION
(PATH)**

GOJ/IDB LOAN NO. 3565/OC-JA

**INTEGRATED SUPPORT TO JAMAICA'S SOCIAL PROTECTION STRATEGY
(ISJSPS) PROJECT FINANCIAL STATEMENTS**

PERIOD ENDED OCTOBER 31, 2021

VISION STATEMENT

**"Promoting a Better Country Through Effective
Audit Scrutiny of Government Operations"**

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INDEPENDENT AUDITOR'S REPORT

To the Permanent Secretary
Ministry of Labour and Social Security
Programme for Advancement through Health and Education (PATH)
Integrated Support to Jamaica's Social Protection Strategy (ISJSPS) Project
IDB Loan Contract No. 3565/OC-JA
For the disbursement period ended October 31, 2021

Opinion

I have audited the accompanying Financial Statements of the Integrated Support to Jamaica's Social Protection Strategy (ISJSPS) Project, set out on pages 1 to 13, which comprise the Statement of Cash Flows for the disbursement period ended October 31, 2021, the Statement of Cumulative Investments, the Statement of Budget and Expenditure and a summary of significant accounting policies and other explanatory notes.

In my opinion, the Financial Statements give a true and fair view of the cash flows of the ISJSPS Project for the disbursement period ended October 31, 2021, in accordance with International Public Sector Accounting Standards (IPSAS).

Basis for Opinion

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the *Auditor's Responsibility for the audit of the Financial Statements* section of this report. I am independent of the Project in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and I have fulfilled my other ethical responsibilities in accordance with the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in the audit of the financial statements for the disbursement period ended October 31, 2021. I have determined that there are no key audit matters to report.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with IPSAS. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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

Auditor's Responsibility for the audit of the Financial Statements

My responsibility is to express an opinion on these Financial Statements based on my audit. I conducted my audit in accordance with the auditing standards issued by the International Organization of Supreme Audit Institutions (INTOSAI). Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high-level assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

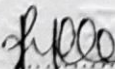
As part of an audit in accordance with ISSAIs, I exercised professional judgment and maintained professional skepticism throughout the audit. I also:

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

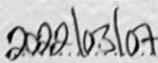
I have communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that was identified during the audit.

Report on Additional Requirements of The IDB Loan Contract No. 3565/OC-JA

I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit. In my opinion, proper accounting records have been maintained and the Financial Statements are in agreement therewith and give the information required in the manner so required.



Auditor General



Date

Ministry of Labour and Social Security
 Programme for Advancement through Health & Education
 Integrated Support to Jamaica's Social Protection Strategy Project
 IDB / GOJ Loan No. 3565/OC-JA
 Statement of Cash Flows
 Expressed in USD

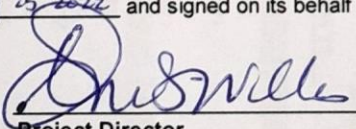
For the disbursement
 period ended
 October 31, 2021

	Notes	IDB	GOJ	TOTAL
Cash Received		US\$	US\$	US\$
Accumulated cash at beginning of period		159,652.69	4,714,649.43	4,874,302.12
Activity during the year				
Disbursements		971,341.71	-	971,341.71
Direct Payment		7,123.22	-	7,123.22
Total Activity during the year	7	978,464.93	-	978,464.93
Total Cash Received		1,138,117.62	4,714,649.43	5,852,767.05
Disbursement Made				
Activity during the year				
Investment for the period				
Loan related expenses		1,132,216.45	(2,771.06)	1,129,445.39
Non-loan related expenses		-	35,900.54	35,900.54
Total Activity during the year		1,132,216.45	33,129.48	1,165,345.93
Total Cash Disbursement as at October 31, 2021	8	1,132,216.45	33,129.48	1,165,345.93
Less:				
Withholding Tax payable to T.A.J.		2.48	4,124.86	4,127.34
Staledated cheques		2,126.17	2,709,612.84	2,711,739.01
Cash refunded from expenses		(696.86)	(14,543.62)	(15,240.48)
		1,431.79	2,699,194.08	2,700,625.87
Net Cash Disbursement as at October 31, 2021		1,133,648.24	2,732,323.56	3,865,971.80
Available Cash Balance as at October 31, 2021	9	4,469.38	1,982,325.87	1,986,795.25

The financial statements were approved for issue by management on February 25, 2022 and signed on its behalf by:


 Permanent Secretary


 Financial Manager


 Project Director

Ministry of Labour and Social Security
 Programme for Advancement through Health & Education
 Integrated Support to Jamaica's Social Protection Strategy Project
 IDB / GOJ Loan No. 3565/OC-JA
 Statement of Cumulative Investments
 Expressed in USD

For the Disbursement period
 ended
 October 31, 2021

INVESTMENT CATEGORY	Notes	BEGINNING OF THE YEAR (CUMULATIVE)			CURRENT PERIOD			CUMULATIVE THROUGH October 31, 2021		
		IDB	GOJ	TOTAL	IDB	GOJ	TOTAL	IDB	GOJ	TOTAL
Cash Grants	8	45,000,000.00	172,627,242.82	217,627,242.82	-	(4,888.22)	(4,888.22)	45,000,000.00	172,622,354.60	217,622,354.60
loan related		45,000,000.00	64,746,448.82	109,746,448.82	-	-	-	45,000,000.00	64,746,448.82	109,746,448.82
PATH Grants - non-loan related		-	107,880,794.00	107,880,794.00	-	(4,888.22)	(4,888.22)	-	107,875,560.58	107,875,560.58
Enhancing the Services of PATH		2,774,895.64	350,424.48	3,125,320.12	79,716.48	44.33	79,760.81	2,854,612.12	350,468.81	3,205,080.93
Parenting Pilot Programme		632,144.04	-	632,144.04	19,415.57	-	19,415.57	651,559.61	-	651,559.61
New Technology		12,687.83	-	12,687.83	-	-	-	12,687.83	-	12,687.83
Strategic Plan Feeding Subsidy		68,051.83	-	68,051.83	-	-	-	68,051.83	-	68,051.83
Strengthening Financial Admin		1,113.77	-	1,113.77	-	-	-	1,113.77	-	1,113.77
OJT and ELE		2,060,898.17	350,424.48	2,411,322.65	60,300.91	44.33	60,345.24	2,121,199.08	350,468.81	2,471,667.89
Modern Social Security Service		472,187.12	-	472,187.12	951,867.14	-	951,867.14	1,423,054.26	-	1,423,054.26
Documentation Management System		140,025.14	-	140,025.14	-	-	-	140,025.14	-	140,025.14
Client Management System		17,310.01	-	17,310.01	450,331.29	-	450,331.29	467,641.30	-	467,641.30
Customer Service Centre Upgrade		202,143.63	-	202,143.63	352,131.16	-	352,131.16	554,274.78	-	554,274.78
Organization Review of MLSS		38,328.18	-	38,328.18	107,163.00	-	107,163.00	145,491.18	-	145,491.18
Strengthening Services Elderly		74,380.16	-	74,380.16	42,241.69	-	42,241.69	116,621.85	-	116,621.85
Project Admin and Evaluation		620,828.33	12,383,073.67	13,003,902.00	100,632.34	37,751.37	138,383.71	729,460.76	12,420,835.04	13,150,295.79
Loan related Administration		439,216.27	9,364,879.26	9,804,095.53	0.49	(2,815.39)	(2,814.90)	439,216.76	9,362,063.87	9,801,280.63
Non-loan related Administration		-	3,018,194.41	3,018,194.41	-	40,566.76	40,566.76	-	3,058,781.17	3,058,781.17
Evaluation (Parenting & OJT)		147,905.71	-	147,905.71	-	-	-	147,905.71	-	147,905.71
Tracer Study PATH Beneficiary		33,706.35	-	33,706.35	100,632.34	-	100,632.34	134,338.69	-	134,338.69
Contingency		-	-	-	-	-	-	-	-	-
Contingency		-	-	-	-	-	-	-	-	-
Sub-total		48,867,911.09	186,360,740.97	234,228,652.06	1,132,216.43	33,129.43	1,165,345.83	50,000,127.54	186,792,870.45	236,792,997.99
Unclaimed Cash Grants by Beneficiaries		-	(4,026,021.33)	(4,026,021.33)	-	2,800,991.40	2,800,991.40	-	(1,430,129.37)	(1,430,129.37)
TOTALS		48,867,911.09	181,334,719.64	230,202,630.73	1,132,216.43	2,839,120.84	3,971,337.29	50,000,127.54	185,375,340.58	235,375,340.58

Ministry of Labour and Social Security
 Programme for Advancement through Health & Education
 Integrated Support to Jamaica's Social Protection Strategy Project
 IDB / GOJ Loan No. 3565/OC-JA
 Statement of Budget and Expenditure
 Expressed in USD

For the disbursement period
 ended
 October 31, 2021

DESCRIPTION	Notes	BUDGET			CUMULATIVE EXPENDITURE AS AT OCTOBER 31, 2021			BALANCE AS AT OCTOBER 31, 2021		
		IDB	GOJ	TOTAL	IDB	GOJ	TOTAL	IDB	GOJ	TOTAL
1 Cash Grants	10	45,000,000.00	173,276,360.44	218,276,360.44	45,000,000.00	172,622,576.60	217,622,576.60	-	653,783.84	653,783.84
PATH Grants - loan related		45,000,000.00	70,644,883.35	115,644,883.35	45,000,000.00	64,746,448.82	109,746,448.82	-	5,898,434.53	5,898,434.53
PATH Grants - non-loan related		-	102,631,477.09	102,631,477.09	-	107,876,127.78	107,876,127.78	-	(5,244,650.69)	(5,244,650.69)
2 Enhancing the services of PATH		2,854,612.12	372,513.12	3,227,125.24	2,854,612.12	350,468.81	3,205,080.93	0.00	22,044.31	22,044.31
Parenting Pilot Programme		653,289.55	-	653,289.55	651,559.61	-	651,559.61	1,729.94	-	1,729.94
New Technology		12,687.84	-	12,687.84	12,687.83	-	12,687.83	0.01	-	0.01
Strategic Plan Feeding Subsidy		68,051.84	-	68,051.84	68,051.83	-	68,051.83	0.01	-	0.01
Strengthening Financial Admin		1,113.77	22,970.90	24,084.67	1,113.77	-	1,113.77	-	22,970.90	22,970.90
OJT and ELE		2,119,469.12	349,542.22	2,469,011.34	2,121,199.08	350,468.81	2,471,667.89	(1,729.96)	(926.59)	(2,556.55)
3 Modern Social Security Service		1,423,926.73	-	1,423,926.73	1,424,054.26	-	1,424,054.26	(127.53)	-	(127.53)
Documentation Management System		140,025.13	-	140,025.13	140,025.14	-	140,025.14	(0.01)	-	(0.01)
Client Management System		467,513.77	-	467,513.77	467,641.30	-	467,641.30	(127.53)	-	(127.53)
Customer Service Centre Upgrade		661,452.98	-	661,452.98	554,274.79	-	554,274.79	107,178.19	-	107,178.19
Organization Review of MLSS		38,313.00	-	38,313.00	145,491.18	-	145,491.18	(107,178.18)	-	(107,178.18)
Strengthening Services Elderly		116,621.85	-	116,621.85	116,621.85	-	116,621.85	-	-	-
4 Project Admin and Evaluation		721,461.15	14,942,507.59	15,663,968.74	721,461.16	12,420,825.04	13,142,286.20	(0.01)	2,521,682.55	2,521,682.54
Project Administration		439,216.72	11,407,111.93	11,846,328.65	439,216.76	9,362,063.87	9,801,280.63	(0.04)	2,045,048.06	2,045,048.02
Non-loan related Administration		-	3,535,395.66	3,535,395.66	-	3,058,761.17	3,058,761.17	-	476,634.49	476,634.49
Evaluation (Parenting & OJT)		147,905.71	-	147,905.71	147,905.71	-	147,905.71	-	-	-
Tracer Study PATH Beneficiary		134,338.72	-	134,338.72	134,338.69	-	134,338.69	0.03	-	0.03
5 Contingency		-	-	-	-	-	-	-	-	-
Contingency		-	-	-	-	-	-	-	-	-
Unclaimed cash grants by beneficiaries		-	-	-	-	(1,420,029.87)	(1,420,029.87)	-	1,420,029.87	1,420,029.87
TOTALS		50,000,000.00	188,591,381.15	238,591,381.15	50,000,127.54	183,973,840.58	233,973,968.12	(127.54)	4,617,540.57	4,617,413.03

Ministry of Labour and Social Security
 Programme for Advancement through Health & Education
 Integrated Support to Jamaica's Social Protection Strategy Project
 IDB / GOJ Loan No. 3565/OC-JA
 Reconciliation of Project Records to LMS-1
 Expressed in USD

For the disbursement
 period ended
 October 31, 2021

DESCRIPTION	DISBURSED AMOUNT AS PER LMS-1	PROJECT RECORDS	VARIANCES	EXPLANATIONS
1 Cash Grants	45,000,000.00	45,000,000.00	(0.00)	Sub-Category difference in documentation
PATH Grants	45,000,000.00	45,000,000.00	(0.00)	
2 Enhancing the services of PATH	2,854,612.12	2,854,612.10	0.02	
Parenting Pilot Programme	653,289.55	651,559.59	1,729.96	
New Technology	12,687.84	12,687.83	0.01	
Strategic Plan Feeding Subsidy	68,051.84	68,051.83	0.01	
Strengthening Financial Admin	1,113.77	1,113.77	-	
OJT and ELE	2,119,409.12	2,121,199.08	(1,729.96)	
3 Modern Social Security Service	1,423,926.73	1,424,054.26	(127.53)	
Documentation Management System	140,025.13	140,025.14	(0.01)	
Client Management System	467,513.78	467,641.30	(127.52)	
Customer Service Centre Upgrade	661,452.98	554,274.79	107,178.19	
Organization Review of MLSS	38,313.00	145,491.18	(107,178.18)	
Strengthening Services Elderly	116,621.85	116,621.85	(0.00)	
4 Project Admin and Evaluation	721,461.15	721,461.18	(0.03)	
Project Administration	439,216.72	439,216.78	(0.06)	
Evaluation (Parenting & OJT)	147,905.71	147,905.71	-	
Tracer Study PATH Beneficiary	134,338.72	134,338.69	0.03	
5 Contingency	-	-	-	
Contingency	-	-	-	
Advances	-	-	-	
TOTALS	50,000,000.00	50,000,127.54	-	127.54
Add: Interest on DA			3,900.06	
Add: Cash refunded from expenses			696.86	
Available Cash Balance at close-out			4,469.38	

Ministry of Labour and Social Security
Programme for Advancement through Health & Education
Integrated Support to Jamaica's Social Protection Strategy Project
IDB / GOJ Loan No. 3565/OC-JA
Notes to Financial Statements
Expressed in USD

For the disbursement
period ended
October 31, 2021

1. PROJECT OBJECTIVE

The general objective of this Project is to support consumption, protect and promote the human capital accumulation of the beneficiaries of the Programme for Advancement Through Health and Education (PATH), and strengthen the overall capacity of the Ministry of Labour and Social Security (MLSS) to improve quality and access to the network of social services provided by the MLSS to the poor and vulnerable population.

The financial statements include the entire portfolio of PATH operations that are funded by the Inter-American Development Bank (IDB) and the Government of Jamaica (GOJ). These include grants for the elderly, disabled, poor relief assistance, back to school, tertiary bursary, and continuing education.

The period of review represents the final seven (7) months of the project during which the Government of Jamaica did not include the project in its fiscal estimates.

2. COMPONENTS & OBJECTIVES

Component I : Cash Grants

This component will finance cash transfers to children and pregnant and lactating women that live in households that are eligible beneficiaries of PATH and that comply with the health and education co-responsibilities. The transfers are usually paid to a named family representative of the household, who is typically female and are disbursed after verifying that school-aged children regularly attend classes, and that children younger than six and pregnant women comply with the health visits required by the protocols established by the Ministry of Health. In the case of families participating in the parenting program, this will serve as a pilot to determine whether attendance to the workshops can become conditionality. These transfers directly support consumption of the poor, increase their resilience to shocks and protect and promote the human capital accumulation of the children in poor households. During the projected disbursement period, the Bank's financing will cover 41% of cash grants to children and pregnant women (about 29% of total PATH grants).

Since April 1, 2018, the Government of Jamaica included the payment of other PATH grants under the ISJSPS project. These include grants for the elderly, disabled, adult poor, poor relief assistance, back to school, tertiary bursary, entrepreneur, skills training, transitional/post-secondary, continuing education and Public Assistance Division Grants.

2. COMPONENTS & OBJECTIVES (cont'd.)

Component II: Enhancing the services of PATH

This component will further the Bank's support to improve the efficiency and effectiveness of PATH with the aim of improving human capital of beneficiaries 0-6 years old, enhancing labour market opportunities of PATH beneficiary households; and improving and strengthening financial and operational administration of the programme. Specifically, it will finance:

- i) continued implementation of the parenting programme for families with children 2-6 years old and a communication campaign with social messages using technology to reinforce parenting messages delivered in the workshops and promote father's involvement; and compliance with conditionalities, as well as the strengthening of the National Parenting Support Commission (NPSC) for its strategic oversight of the pilot;
- ii) Further consideration and possible design of a new payment system for cash grants;
- iii) Continued development of stronger linkages between social assistance and employment, and strengthen institutional capacity for active labour market policies by expanding welfare-to-work schemes with the on-the-job training (OJT), as well as strengthening Electronic Labour Exchange (ELE) programs and building stronger linkages with the private sector;
- iv) Updates of the PATH's Beneficiary Management Information System (BMIS) and Bank Reconciliation System (BRS) in keeping with good financial management practices; and
- v) Strengthen planning to deliver the school feeding subsidy to PATH beneficiaries.

Component III: Modernization of social security services provided by the MLSS

The component will continue to support the sector and finance activities aimed at strengthening and consolidating the MLSS's capacity to oversee and provide a network of social and labour services as set forth in the Social Protection Strategy (SPS). This component will implement core management and information systems in the MLSS, namely:

- i) A documentation management system for all social services;
- ii) A client management system that will serve as a registry of beneficiaries of all social services provided by the MLSS with the capacity to monitor in real time the delivery of those services; and

2. COMPONENTS & OBJECTIVES (cont'd.)

Component III: Modernization of social security services provided by the MLSS (cont'd.)

- iii) Upgrade of the customer service facilities in line with the theme of improved service delivery. In addition, the component will provide resources to improve the organizational structure and functions of the MLSS to include reviews and strengthening of the organizational structure, systems, processes and human resources-related activities.

Finally, in keeping with the strategic focus of the SPS on the elderly, the component will strengthen the National Council for Senior Citizens (NCSC) through the development of a strategic plan to improve its effectiveness and delivery of services by the NCSC to include training of social workers and assessment of day activity centres.

Component IV: Administration and Evaluation

This component will support project administration with the recruitment of four additional IT support staff, two project associates to strengthen project management and procurement functions, one additional monitoring and evaluation staff as well as a senior management accountant and an internal auditor. The remaining resources in this component will finance evaluations for the Parenting pilot intervention and OJT and a tracer study on PATH beneficiaries.

Since April 1, 2018, the Government of Jamaica has included the following activities under the project:

- Strengthening and improving the administrative systems for delivery of the PATH including scaling up case management, monitoring and evaluation; and implementing activities to enable PATH beneficiaries to graduate from the programme through provision of consultant services, goods, training and operating costs required for that purpose.
- Improving the effectiveness and scale-up of the Steps-to-Work (StW) program by developing a structured system for assisting working age members of the PATH eligible households to seek and retain employment through providing training, coaching and placement services to StW participants to facilitate employment and their graduation from PATH. Providing stipends to trainees. Developing knowledge products to improve the design and operation of StW program, strengthening the capacity of StW Central Unit and parish offices of MLSS to carry out their responsibilities. Supporting implementation and operationalization of the public sector pension reform; and operational support to the implementation of a social protection strategy.

Ministry of Labour and Social Security
Programme for Advancement through Health & Education
Integrated Support to Jamaica's Social Protection Strategy Project
IDB / GOJ Loan No. 3565/OC-JA
Notes to Financial Statements
Expressed in USD

For the disbursement
period ended October
31, 2021

3. MANAGEMENT REPORT

The Final Report will be submitted by management for the Programme for Advancement Through Health and Education (PATH) for the period ending October 31, 2021.

4. AUDITING OF THE PROJECT

The Project is currently audited by the Auditor General's Department.

Auditor General's Department
40 Knutsford Boulevard
Kingston 5,
Jamaica.

5. The Budget

The budget represents amounts for the life of the project as stated in the loan agreement.

6. Summary of Accounting Policies

i. Basis of Preparation

The Project Accounting Unit (PAU) uses the International Public Sector Accounting Standards (IPSAS) cash basis of accounting to account for the project's transactions. This principle requires recognizing income when funds are received rather than when requested and expenses are recognized when payment is made rather than when obligations are incurred. Since the main objective of these financial statements is to disclose the sources and uses of funds, it is not necessary to present information adjusted for inflation.

ii. Currency Translation

Transactions are entered in local currency; however, transactions are converted for preparation of the Financial Statements. GOJ subvention and expenses are converted using the daily Bank of Jamaica (BOJ) exchange rate. While IDB receipts and expenses are converted by applying the National Commercial Bank's (NCB) exchange rate on the day funds are transferred to the Project Administration Bank Account.

Ministry of Labour and Social Security
 Programme for Advancement through Health & Education
 Integrated Support to Jamaica's Social Protection Strategy Project
 IDB / GOJ Loan No. 3565/OC-JA
 Notes to Financial Statements
 Expressed in USD

For the disbursement
 period ended October
 31, 2021

6. Summary of Accounting Policies (cont'd.)

iii. Exchange Rate

There were no requests for reimbursements to the Bank in Jamaican Dollars. These would be converted at the BOJ daily rates of exchange on the transaction dates. The rates of exchange applied to the Bank's advances utilized to reimburse GoJ project expenses, ranged from JMD 149.23 to JMD 154.65 to USD 1.00.

iv. Fluctuation rate and fees

All fees and charges for un-disbursed loan funds, as well as losses due to exchange rate fluctuations are not considered eligible project costs and are absorbed by the Government of Jamaica.

v. Equipment and other fixed assets

Equipment and other fixed assets procured with project resources are recorded at their acquisition cost at the date of purchase. No depreciation is charged on these assets and as such no depreciation charge is reflected in these financial statements.

7. Cash Received for the period

The Inter-American Development Bank (IDB) contributed USD .978 Million (100%) funds via Disbursements and Direct Deposits.

Disbursements		AMOUNTS (US\$)		
DATE	APPLICATION NUMBER	REQUESTED	APPROVED	RECORDED
July 7, 2021	53	385,362.50	385,362.50	385,362.50
October 15, 2021	55	585,979.21	585,979.21	585,979.21
Total		971,341.71	971,341.71	971,341.71

Direct Deposits		AMOUNTS (US\$)		
DATE	PAYEE	REQUESTED	APPROVED	RECORDED
Prior year payments	Michelle Millard	-	1,779.58	1,779.58
	Michelle Millard	-	1,798.00	1,798.00
	Michelle Millard	-	3,545.64	3,545.64
Total		0.00	7,123.22	7,123.22

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8. Investment for the period

The amount of 1.132 Million USD (100%) invested during the period; is accredited to the Inter-American Development Bank. (See figure 1)

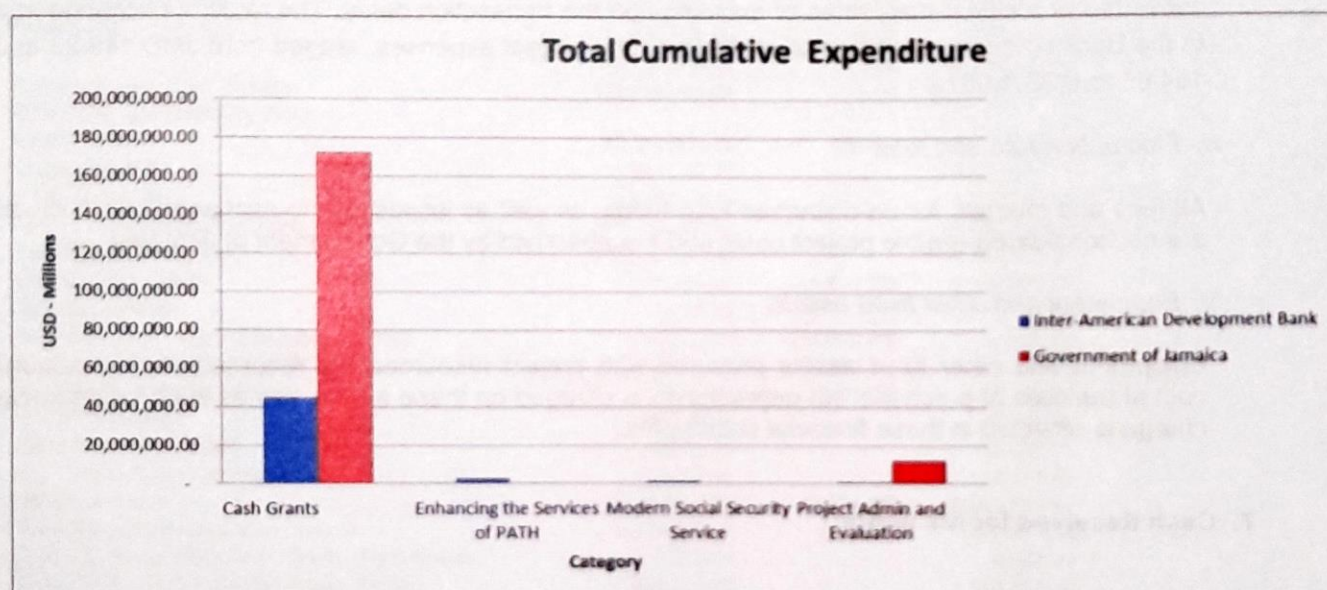


Figure 1. Total expenditure

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8. Investment for the period (cont'd.)

	USD	USD	USD
	Cumulative(PY)	Current Year	Cumulative
Grants funded by IDB			
Health Assistance	6,495,404.90	0.00	6,495,404.90
Education Assistance	38,504,595.10	0.00	38,504,595.10
	45,000,000.00	0.00	45,000,000.00
Grants funded by GOJ			
Health Assistance	7,775,663.51	0.00	7,775,663.51
Education Assistance	56,593,985.22	0.00	56,593,985.22
Pregnant and Lactating	376,800.09	0.00	376,800.09
	64,746,448.82	0.00	64,746,448.82
Total Loan Related Grants	109,746,448.81	0.00	109,746,448.82
Other Grants funded by GOJ			
Elderly Grants	42,819,828.09	(38.41)	42,819,789.68
Disabled Grants	7,304,987.77	-	7,304,987.77
Adult Poor Grants	3,816,223.79	-	3,816,223.79
Back-To-School Grant (PATH)	11,874,760.26	-	11,874,760.26
Poor Relief Assistance	6,769,947.34	-	6,769,947.34
Entrepreneur Grants	1,074,436.41	(1,530.22)	1,072,906.19
Training Stipends	3,197.78	-	3,197.78
Advance (Continuing Education Stipends)	68,572.80	(53,680.70)	14,892.10
Continuing Education Stipends	648,080.34	53,680.70	701,761.04
Job Savvy/Biz Smart Stipends	92,382.77	(21.03)	92,361.74
HEART Stipends	96,803.35	-	96,803.35
Skills Training Stipends	30,222.91	-	30,222.91
PAD Grants (Case Management)	168,313.41	-	168,313.41
Tertiary Bursary	8,049,913.06	(2,731.59)	8,047,181.47
Transitional/Post-Secondary Grants	1,413,756.31	(344.97)	1,413,411.34
Early Childhood WE CARE Grants (Poor Relief)	8,065.05	-	8,065.05
Early Childhood WE CARE Grants (PATH)	1,230,283.60	-	1,230,283.60
UNICEF Care Packages(GOJ)	54.95	-	54.95
Back-To-School Grant (Poor Relief)(CARE)	91,029.29	-	91,029.29
Back-To-School Grant (PATH) (CARE)	4,774,244.73	-	4,774,244.73
School Feeding (PATH-MOEY)	17,272,766.41	-	17,272,766.41
Total grants disbursed by GOJ	107,607,870.42	(4,666.22)	107,603,204.20
Other Grants funded by UNICEF			
UNICEF Conditional Cash Transfers	243,750.29	-	243,750.29
UNICEF Care Package	29,173.29	-	29,173.29
Total grants disbursed by UNICEF	272,923.58	-	272,923.58
Total grants disbursed by GoJ and UNICEF	107,880,794.00	-	107,876,127.78
Total grants disbursed	217,627,242.81	(4,666.22)	217,622,576.60
Unclaimed Cash Grants by Beneficiaries	(4,026,021.33)	2,605,991.46	(1,420,029.87)
Net Total Grants Disbursed	213,601,221.48	2,601,325.24	216,202,546.73

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9. Available Cash Balance

The available cash balance as of October 31, 2021 in the Project's bank accounts is 1.987 Million USD, which includes earned interest and foreign exchange (loss) during the period.

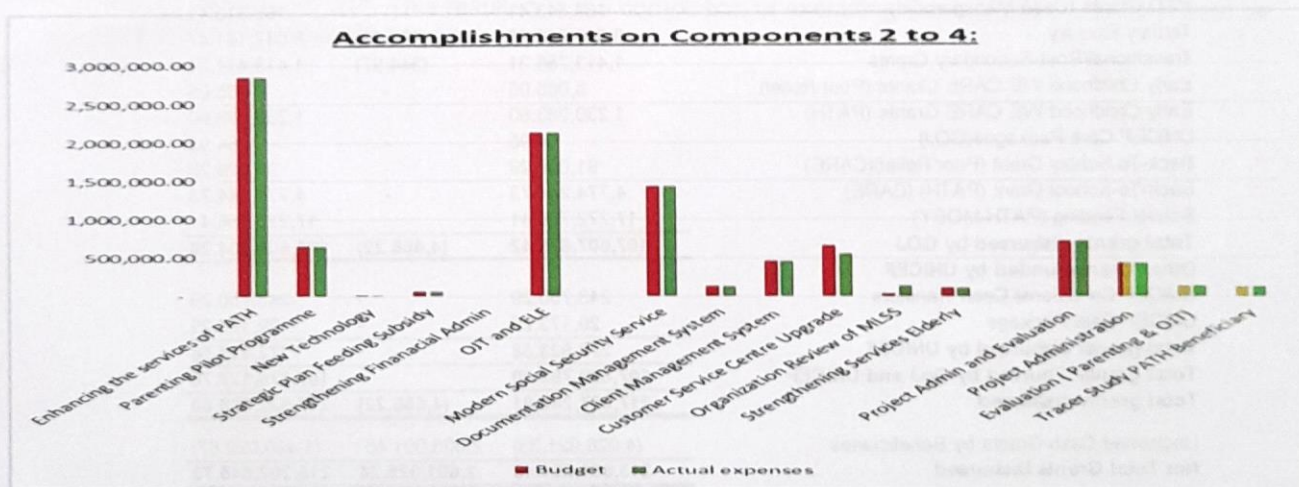
Designated Bank Account No. 810347 with Bank of Jamaica (BOJ)
 IDB Administrative Bank Account No. 231 135 693 with National Commercial Bank (NCB)
 GOJ Administrative Bank Account No. 231 135 707 with NCB
Balance as at October 31, 2021

US\$
 0.00
 4,469.38
 1,982,325.87
1,986,795.25

- The foreign exchange losses of US\$4,379.03 and US\$522,553.33 are included in the IDB and GOJ cash balances.
- This amount includes unclaimed cash grants by beneficiaries and stale dated cheques totaling US\$1,455,112.86 (2021 US\$4,094,483.77).

10. Budgeted & Expenditure

The Inter – American Development Bank has allocated **50 Million USD** for the Project, to date 100% has been utilised. Figure 2 represents the actual expenditure attributed to the Inter – American Development Bank versus the budgeted amount for the life of the Project.



Comparison of Estimated & Actual Investment Cost for Period
Figure 2. Actual versus Budgeted

10. Budgeted & Expenditure (cont'd.)

INVESTMENT COST		
APPROVED BUDGETED USD	ACTUAL EXPENDITURE USD	REMARKS
1,132,088.92	1,132,216.45	<p>There was no GOJ budget for the period under review.</p> <p>The budgeted amount included in the table was based on the remaining cash received from the IDB. As per the estimates of expenditure the average exchange rate was \$150.10.</p>

11. Subsequent Event

Subsequent to the project end date on October 31, 2021, but within the allowable period agreed by the Inter-American Development Bank (IDB), the project expended US\$0.612 million of its total expenditure of US\$1.132 million, to facilitate the payment of existing contracts completed, but not yet paid as at October 31st. This resulted in the completion of executing the budgeted US\$50 million as at the end of the five (5) year loan period.