

Enterprise St Helena

**Financial Statements
For the Year Ended 31 March 2017**



Enabling Tourism and Economic Growth



St Helena Island
Secret of the South Atlantic

St Helena
Hospitality Up-Skilling

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Enterprise St Helena

Entity Information

Directors

Hon. Lawson Henry (Chairman)
Dr Niall O’Keeffe (CEED)
Dr Corinda Essex
Giselle Richards
Anthony Thomas
Nicholas Yon

Registered office

Enterprise St Helena Business Park
Ladder Hill
St Helena Island
STHL 1ZZ

Contact details

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Jamestown
St Helena Island
STHL 1ZZ
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Email – info@esh.co.sh
Website – www.investinsthelena.com

Auditors

Moore Stephens LLP
150 Aldersgate Street
London
EC1A 4AB

On behalf of
Chief Auditor of St Helena

Bankers:

Bank of St Helena
Market Street
Jamestown
St Helena Island

Crown Agents Bank
St Nicholas House
St Nicholas Road, Sutton
Surrey
United Kingdom

Enterprise St Helena
Directors' Report
For the year ended 31 March 2017

Principal activity

In line with St Helena's Sustainable Economic Development Plan (2012), the overarching aim of Enterprise St. Helena (ESH) is to *"help St Helena become financially independent and improve standards of living"*. ESH's vision is to support the development of a sustainable and vibrant economy for the benefit of the island, whilst creating opportunities for all. ESH does this by expanding private sector activities in St Helena through providing access to finance, business advice, training and support. ESH objectives¹ are:

1. Protect St Helena's future through sustainable economic development;
2. Encourage social and community development, including engagement with the diaspora;
3. Encourage private sector development and growth, including through the sustainable economic use and re-use of development sites;
4. Support on-island and offshore investors, and promote investment;
5. Facilitate and provide investment sources for loans and equity;
6. Make St Helena a desirable, productive and competitive destination;
7. Maintain and enhance the quality of St Helena's environmental assets; and
8. Preserve St Helena's cultural identity.

Organisational review

ESH is jointly funded between SHG and DFID and has six core areas of operations that derive from the 2012 SEDP. These are:

- Supporting St Helena businesses;
- Up-skilling and training Saints;
- Financing St Helena businesses through micro-grants, loans and equity investment;
- Promoting tourism;
- Attracting Investment; and
- Fisheries Development.

Financial Results

The financial results for the period are set out in the Statement of Income and Retained Earnings on page 9, and are summarised in the table below:-

	2016/2017	2015/2016
	£	£
Gross Loss	(22,013)	(19,515)
Loss for the Financial Year	(325,605)	(59,791)

The Turnover, which represents less than 1.4% of ESH's total income, was in part derived from Property Rentals to private sector clients. The majority of ESH's income however, was received

¹ SHG and ESH Framework Agreement

Enterprise St Helena

Directors' Report For the year ended 31 March 2017

through a combination of bank interest, Government subsidy, and DFID funding for the Enterprise St Helena Project.

Directors

The following directors held office during the financial year:

Hon. Lawson Henry	Chairman
Dr Niall O'Keeffe	
Mr Colin Owen	Resigned 10 July 2016
Mr Paul Hickling	
Hon. Nigel Dollery	Resigned 1 July 2016
Dr Corinda Essex	
Martin Joshua	
Anthony Thomas	
Giselle Richards	
Nicholas Yon	Appointed 1 September 2016

The following directors resigned after the year end but prior to the date of this report:

Mr Paul Hickling	Resigned 11 April 2017
Mr Martin Joshua	Resigned 30 January 2018

Statement of Directors' Responsibilities

Management are responsible for preparing the financial statements in accordance with Section 1A of Financial Reporting Standards 102 and to present the statements in such a way as to give a true and fair view of the state of affairs of the organisation for that year. Any significant assumptions used by the organisation in making accounting estimates, including those measured at fair value, should be reasonable.

Any related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of the Section 1A of Financial Reporting Standards 102. All events subsequent to the date of the financial statements and which require adjustments or disclosure have been adjusted or disclosed. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate to the financial statements as a whole. All accounting policies and changes to the accounting policies used in the preparation of the final statements are described in the accounting policies note to the accounts.

Statement as to disclosure of information to auditors

There is no relevant audit information of which the auditors are unaware and the directors and board members have taken all steps they ought to have taken to make themselves aware of all relevant audit information and to establish that the auditors are aware of that information.

Moore Stephens LLP were appointed as the Auditors for the current financial year on behalf of the Chief Auditor in accordance with the organisation's governing legislation, The Enterprise St Helena Ordinance HA 68 published 16 July 2012.


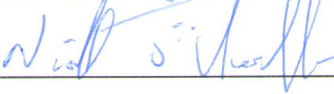
Enterprise St Helena

Directors' Report
For the year ended 31 March 2017

Gifts

During the year no political or charitable gifts were made.

Approved by the Board and signed on their behalf by:

Date 26-3-18

Enterprise St Helena
Auditor's Report
For the year ended 31 March 2017

Independent Auditor's Report to the Board of Directors of Enterprise St Helena

We have audited the accompanying financial statements of Enterprise St Helena, which comprise the balance sheet as at 31 March 2017, and the statement of income and retained earnings for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Enterprise St Helena as at 31 March 2017 and of its financial performance for the year then ended in accordance with Enterprise St Helena Ordinance.

This report is made solely to the Enterprise St Helena's board of directors, in accordance with our terms of engagement. Our audit work has been undertaken so that we might state to Enterprise St Helena's board of directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the board of Enterprise St Helena, for our audit work, for this report, or for the opinions we have formed.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Enterprise St Helena in accordance with the ethical requirements that are relevant to our audit of the financial statements in St Helena, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and those charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Section 1A of Financial Reporting Standards 102 and Enterprise St Helena Ordinance, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing Enterprise St Helena's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee

Enterprise St Helena

Auditor's Report For the year ended 31 March 2017

that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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



Nick Bennett
Senior Statutory Auditor
For and on behalf of Moore Stephens LLP, Statutory Auditor
150 Aldersgate Street
London
EC1A 4AB

27 March 2018.

Enterprise St Helena

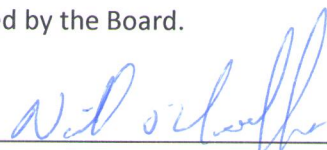
Balance Sheet As at 31 March 2017

	NOTES	2016/2017 £	2015/2016 £
FIXED ASSETS			
Property, Plant and Equipment	3	638,553	761,096
Investment in associate	4	-	20,737
Investment in wholly-owned subsidiary	5	7,757	-
		<u>646,310</u>	<u>781,833</u>
CURRENT ASSETS			
Loans (Amounts falling due after more than one year)		42,736	93,462
Loans (Amounts falling due within one year)		20,650	92,579
Debtors	6	234,389	311,561
Prepayments and accrued income		39,050	34,262
Inventories		110	-
Cash and cash equivalents		863,046	1,131,951
TOTAL CURRENT ASSETS		<u>1,199,981</u>	<u>1,663,815</u>
CURRENT LIABILITIES			
Creditors (Amounts falling due within one year)	7	80,885	257,007
Accruals		82,018	66,106
Deferred grant	8	456,321	569,863
TOTAL CURRENT LIABILITIES		<u>619,224</u>	<u>892,976</u>
NET CURRENT ASSETS		<u>580,757</u>	<u>770,839</u>
NET ASSETS		<u><u>1,227,067</u></u>	<u><u>1,552,672</u></u>
RESERVES			
Loan funds	9	593,372	679,549
Special Development Fund	9	122,406	87,174
Retained Surplus		511,289	785,949
		<u>1,227,067</u>	<u>1,552,672</u>

The financial statements have been prepared in accordance with the provisions of FRS 102 Section 1A – small entities.

These financial statements were authorised and approved by the Board.





Date: 26-3-18

The accounting policies and notes on pages 10 to 20 form part of these financial statements.

Enterprise St Helena

Statement of Income and Retained Earnings
For the year ended 31 March 2017

	NOTES	2016/2017 £	2015/2016 £
TURNOVER		38,049	54,532
COST OF SALES	10	(60,062)	(74,047)
GROSS LOSS		(22,013)	(19,515)
ADMINISTRATIVE EXPENSES	11	(2,969,594)	(2,777,912)
OTHER OPERATING INCOME	12	2,648,299	2,661,155
OPERATING LOSS		(343,308)	(136,272)
Interest received and similar income		17,703	21,801
Reversal of Impairment in Participating Interest		-	54,680
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(325,605)	(59,791)
Taxation on profit on ordinary activities	18	-	-
LOSS FOR THE FINANCIAL PERIOD		(325,605)	(59,791)
RETAINED SURPLUS AT 1 APRIL 2016		785,949	806,615
Net loss for the year		(325,605)	(59,791)
Transfer to Special Development Fund		(35,232)	(518)
Transfer from Special Development Fund		-	5,000
Transfer to Loan Funds		(15,965)	(70,455)
Transfer from Loan Funds		102,142	105,098
RETAINED SURPLUS AT 31 MARCH 2017		511,289	785,949

The accounting policies and notes on pages 10 to 20 form part of these financial statements.

Enterprise St Helena

Notes to the Financial Statements For the year ended 31 March 2017

NOTE 1

GENERAL INFORMATION

Enterprise St Helena is a body corporate that was formed by a legal ordinance. The address of the registered office is Enterprise St Helena Business Park, Ladder Hill, St Helena Island.

NOTE 2

ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis. These statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A small entities and are the financial statements of the parent entity, not group consolidated statements.

The financial statements are presented in St Helena Pound (£) which equate to GBP and are rounded to the nearest £1.

This is the first year in which the financial statements have been prepared under the FRS 102 Section 1A and material adjustments to equity have arisen on transition. Refer to section "Transition to FRS 102" on page 11.

Significant Judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include Investments in Participating Interests and Loans. Both are stated after impairments in respect of possible losses. Management uses its experience and judgement of past events and the current economic situation in St Helena to assess case by case the difference between amounts invested or lent to each counterparty and amounts estimated to be recoverable after taking account of collateral if any. Amounts recoverable are estimated based on possible future market values, discounted cash flows or simply probability weighted estimates of possible future outcomes. For investments the most commonly used estimate is that of the Company's share in the net assets of the investee, which may or may not have provided audited financial statements. There is no certainty that realisable values in the future will match to management's current estimates.

Changes to accounting policies

No policy was changed during the course of the financial year except those listed under their respective headings.

Going Concern accounting policy

After reviewing the company's forecast and projections, the Board of Directors have a reasonable expectation that the organisation has adequate resources to continue in operational existence for the foreseeable future. The organisation therefore continues to adopt the going concern basis in preparing the financial statements.

**Notes to the Financial Statements
For the year ended 31 March 2017**

Financial reporting standard 102 (FRS 102) – reduced disclosure exemptions

The organisation has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by Section 1A of FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” for qualifying entities:

- Section 7 Statement of Cash Flows – option taken to not prepare a statement of cash flows

Transition to FRS 102

The organisation transitioned to FRS 102 from previously extant FRSE as at 1 April 2016. The impact of the transition to FRS 102 is as follows:

Reconciliation of equity at 1 April 2015

	£
Equity at 1 April 2015 under previous FRSE	851,557
Adjustment to accruals for holiday pay	(44,942)
Equity at 1 April 2015 under FRS 102	<u>806,615</u>

Reconciliation of equity at 31 March 2016

	£
Equity at 31 March 2016 under previous FRSE	835,376
Adjustment to accrual for holiday pay 2014/2015	(44,942)
Adjustment to accruals for holiday pay 2015/2016	<u>(4,485)</u>
Equity at 31 March 2016 under FRS 102	<u>785,949</u>

The following changes in accounting policies arising from the transition to FRS 102:

- At the date of transition in applying the requirement to recognise liabilities from employee benefits under FRS 102, a liability was recognised for short term compensated absence arising from employee entitlement to unpaid leave. The initial liability of £49,427 recognised at the date of transition was for holiday entitlement arising in the year which was due but not taken.

Investments in associates

Investments in associates are recognised initially in the statement of financial position at the transaction price and subsequently adjusted to reflect the group’s share of total comprehensive income and equity of the associate, less any impairment.

Tangible Fixed Assets and Depreciation

Fixed assets including those acquired under development aid are stated at cost. Depreciation is provided on fixed assets at rates calculated to write off the asset over their expected useful life as follows:

Buildings	20 years
Office Equipment	3 to 10 years
Furniture & Fittings	5 to 10 years
Motor Vehicles	5 years
Land	0 years

Fixed Assets costing less than £1,000 are charged directly to the Statement of Income.

**Notes to the Financial Statements
For the year ended 31 March 2017**

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the Statement of Income.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the statement of income.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Impairments

Impairments represent the recognition of a potential decline in the value of an asset. Movements on impairments are effected through the Statement of Income. An increase in a provision will be charged to expenditure and a decrease taken as income. Impairments are made when specific debts are not being serviced in accordance with pre-agreed terms and the likelihood of full recovery is doubtful.

Deferred Income

Government grants for capital expenditure are credited to a deferral account and are transferred from deferral account to grant income over the expected useful life of the relevant asset by applying the same depreciation policy rules as stated above.

Revenue grants

Government grants for items that are written off in the year of purchase are credited to revenue in the same year.

Revolving loan funds

The assets of the respective funds are represented by the loans outstanding and the cash available for lending. These are included in the Balance Sheet under Loans falling due after more than one year, Loans falling due within one year and Cash and cash equivalents. A charge is made for the management of the Loan Funds, and is shown as a transfer to retained surplus.

Accounts are maintained to record the funds within the loan fund. Income into the fund includes accrued interest on the funds loaned out which is credited to the Statement of Income and then transferred to the Loan Fund. Bank interest earned, is credited to the ESH's Statement of Income.

Enterprise St Helena

Notes to the Financial Statements For the year ended 31 March 2017

Private Sector Loan Fund

The loan funds for the development of the private sector were consolidated on 1 April 1998 and include loans initially approved by the St Helena Development Agency, Fishermen's Association and Agricultural & Natural Resources Department.

Economic Development Fund

Initial funding was received from the Foreign & Commonwealth Office for financing business developments on St Helena. Of the overall total amount a maximum of 5% of the fund per year will be made available for Skills Development Grants.

Staff Loan Fund

The loan fund for staff is operated on the same principles as that of the other Loan Funds.

Youth Loan Fund

The Youth Loan Fund was set as a source of funding provided under the DFID project to support youth start-up businesses on St Helena. The programme targeted young people between the ages of 16 and 26 with an interest rate of 1% and no collateral required except in special circumstance. The fund was intended to be as flexible as possible in meeting the needs of the youth, encouraging them to start-up in business.

Special development fund

Income for this scheme is by way of allocation of funds from the Economic Development Fund. These funds will be used to support ESH's property portfolio/construction of new work spaces to meet future demands for commercial premises. Bank interest earned on unspent funds of the Special Development Fund is credited to ESH's Statement of Income each year.

Turnover

Turnover represents the value of services provided to customers during the year.

Foreign currencies

Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Transactions during the year are valued at the rate prevailing on the day of the transaction. All exchange differences are taken to the Statement of Income. The functional currency is the St Helena Pound (£) which is the same as the presentation currency for these financial statements.

Enterprise St Helena

Notes to the Financial Statements For the year ended 31 March 2017

NOTE 3

PROPERTY, PLANT & EQUIPMENT

	Land & Buildings £	Furniture & Fittings £	Office Equipment £	Motor Vehicle £	Totals £
COST					
At 1 April 2016	1,141,892	48,697	71,376	37,005	1,298,970
Disposals	(308,178)	(24,919)	(8,517)	-	(341,614)
Additions	-	2,047	5,196	10,022	17,265
At 31 March 2017	833,714	25,825	68,055	47,027	974,621
DEPRECIATION					
At 1 April 2016	425,793	27,362	60,984	23,735	537,874
Disposals	(237,176)	(17,263)	(8,514)	-	(262,953)
Charge for the year	42,677	5,790	6,539	6,141	61,147
At 31 March 2017	231,294	15,889	59,009	29,876	336,068
NET BOOK VALUE					
At 31 March 2017	602,420	9,936	9,046	17,151	638,553
At 31 March 2016	716,099	21,335	10,392	13,270	761,096

In addition to these assets, the ESH holds a lease with SHG for the Jamestown Market which expires on 1 October 2162. A nominal rental fee is paid. Land on which ESH Office Building are situated is leased from SHG and a rental fee is paid.

Included within Land & Buildings above are leasehold properties with a net book value of £440,652. These leasehold properties are rented out to commercial tenants and not held for investment purposes but for development purposes for the island.

NOTE 4

INVESTMENT IN ASSOCIATE

	2016/17 £	2015/16 £
Participating Interest		
Shares at cost	83,300	83,300
Write down of interest	<u>(83,300)</u>	<u>(62,563)</u>
Balance at 31 March	<u>-</u>	<u>20,737</u>

Enterprise St Helena

Notes to the Financial Statements For the year ended 31 March 2017

	2016/17 £	2015/16 £
<u>NOTE 5</u>		
<u>INVESTMENT IN WHOLLY-OWNED SUBSIDIARY</u>		
Bertrands Cottage Ltd	<u>7,757</u>	<u>-</u>
Balance at 1 April	-	-
Incorporation of Company - 100 shares	100	-
Equipment transferred	<u>7,657</u>	<u>-</u>
Balance at 31 March	<u>7,757</u>	<u>-</u>

Bertrands Cottage Ltd was incorporated on 13th April 2016 by Enterprise St Helena as the 100% Shareholder of the company. Assets were transferred at Net Book Value to the company. No adjustments were required to the book value of the assets in order to present the net assets of the company at fair values in accordance with group accounting policies.

NOTE 6 **DEBTORS**

Trade Debtors	389	1,166
St Helena Government	16,328	8,837
DFID	206,906	292,878
Other Debtors	<u>10,918</u>	<u>9,807</u>
	234,541	312,688
Less: Bad Debt Provision	<u>(152)</u>	<u>(1,127)</u>
Total	<u>234,389</u>	<u>311,561</u>

NOTE 7 **CREDITORS**

Creditors (amounts falling due within one year)

Trade Creditors	8,300	25,409
Other Creditors	68,492	217,241
St Helena Government	<u>4,093</u>	<u>14,357</u>
Total	<u>80,885</u>	<u>257,007</u>

Enterprise St Helena

Notes to the Financial Statements
For the year ended 31 March 2017

NOTE 8

DEFERRED GRANT

Balance brought forward at start of year	569,863	629,184
Capital grant received for Asset purchased	-	4,613
Capital grant released as Assets disposed of	(68,395)	-
Transfer to grant income depreciation on assets acquired under grant funding	(45,147)	(63,934)
Closing Balance	456,321	569,863

NOTE 9

RESERVES

Loan Funds		
Balance brought forward at start of year	679,549	714,192
Transfer from Retained Surplus	15,965	70,455
Transfer to Retained Surplus	(102,142)	(105,098)
Closing Balance	593,372	679,549

Special Development Fund

Balance brought forward at start of year	87,174	91,656
Transfer from Retained Surplus	35,232	518
Transfer to Retained Surplus	-	(5,000)
Closing Balance	122,406	87,174

NOTE 10

COST OF SALES

Cleaning	9,421	5,676
Depreciation on leased premises	36,743	45,400
Maintenance	1,005	7,958
Rent paid	1,370	3,408
Wages	-	1,596
Electricity and water	2,432	1,530
Insurance	9,091	8,479
Total	60,062	74,047

Enterprise St Helena

Notes to the Financial Statements For the year ended 31 March 2017

NOTE 11

ADMINISTRATIVE EXPENSES

	2016/17	2015/16
	£	£
Audit expenses	10,580	10,484
Bad debts	-	181
Cleaning	15,332	12,505
Computer maintenance and support	18,661	11,256
Depreciation	28,502	32,956
Board Directors remuneration	17,914	5,270
Electricity and water	14,030	13,952
Grants issued	25,942	37,359
Insurance	22,404	20,008
Leave pay provision	(879)	4,485
Loans granted	10,000	-
Loss on disposal of assets	31,905	-
Office equipment	6,948	3,353
Office administration cost and expenses	20,743	11,616
Offshore representation and office expenses	99,092	67,515
Overseas travel and transport costs	-	3,922
Printing and stationery	8,307	9,260
Professional fees	13,672	13,218
Provision for bad debts – loans and debtors	51,462	53,595
Impairment of Investment	20,737	-
Rent paid	300	300
Repairs and maintenance	17,524	8,971
Salaries and wages	535,017	428,153
Staff training and development	15,927	5,464
Telephone and internet	76,100	71,088
Tour guides & tours	36,556	78,230
Advertising and collateral	17,150	112,357
Tourism community and event activities	53,900	49,803
Tourism PR costs	49,272	63,742
Tourism press trips and promotions	20,908	28,237
Tourism shows and exhibitions	-	12,556
Visitor attractions maintenance and development	40,650	42,034
	1,278,656	1,211,870
Project expenditure		
Capital projects	86,596	153,954
Commercial development sites	-	216,774
Enterprise St Helena project	1,596,842	1,189,325

Enterprise St Helena
Notes to the Financial Statements
For the year ended 31 March 2017

Private sector development support	7,500	5,989
	1,690,938	1,566,042
	2,969,594	2,777,912

NOTE 12

OPERATING INCOME

Grants and assistance were received during the year and are reflected in the financial statements as follows:

	Profit & Loss £	Capital Grant £	Total £
SHG			
A subsidy was received in order to assist with the daily operations of the Entity	1,100,000	-	1,100,000
DFID			
Enterprise St Helena	1,408,435	-	1,408,435
OTHER INCOME			
Amortisation capital grants	113,542	-	113,542
Tour income	23,838	-	23,838
Exchange control gain	24	-	24
Sundry Income	1,437	-	1,437
Provision for Bad Debts	1,023	-	1,023
	2,648,299	-	2,648,299

In previous years the St Helena Government funded the employment of specialist staff via the Technical Cooperation fund however this year this funding is part of the DFID project.

The Enterprise rented the following land from St Helena Government for yearly rent of £1,370:

New Ground Workshops
Ladder Hill Business Park
Jamestown Market

ESH's office building is situated in the Ladder Hill Business Park.

Enterprise St Helena

Notes to the Financial Statements For the year ended 31 March 2017

NOTE 13

OPERATING LEASES

At 31 March 2017, the organisation had future minimum lease payments under non-cancellable leases as follows:

	2017	2016
	£	£
Not later than 1 year	1,670	1,670
Later than 1 year and not later than 5 years	6,680	6,680
More than 5 years	<u>234,631</u>	<u>236,301</u>
	<u>242,981</u>	<u>244,651</u>

NOTE 14

BOARD MEMBERS

Board members received remuneration from the Enterprise. Board Members who were not employed by Government receive the following allowances per quarter:

Board Member	£ 300
Chairman of Sub-Committee	£ 300
Sub-committee members	£ 150
Internet allowance	£ 65

The total allowances paid during the financial year were £17,372.

NOTE 15

STAFF EMOLUMENTS

During the financial year, the following were paid as staff emoluments and benefits to:

	£
Permanent Staff	456,358
Contract Staff	250,540
TC Officers	<u>227,564</u>
	<u>934,462</u>

NOTE 16

PENSION CONTRIBUTION

The organisation contributes to a Defined Pension Contribution Plan. The amount paid during the year totalled £35,008 (2016: £28,760).

NOTE 17

AVERAGE NUMBER OF EMPLOYEES

During the year the average number of employees was 32 (2016: 29)

Enterprise St Helena

Notes to the Financial Statements For the year ended 31 March 2017

NOTE 18

TAXATION

Enterprise St Helena is exempt from the provisions of the Income Tax Ordinance.

NOTE 19

RELATED PARTY TRANSACTIONS

Expenditure was incurred during the current financial year that has resulted in the increase in the value of assets which have not been capitalised as the assets are owned by SHG. These included:

Bertrand's Cottage	£232,293
Upgrade to Infrastructure around Bertrands Cottage and LEP	£125,688
Longwood Enterprise Park	£75,135
Jamestown Market	£66,822
Lighting of High Knoll Fort	£33,364
Post Box Walks	£24,040
Paving in Main Street	£21,899
Upgrade to Rupert's Cold Store	£11,940
Haley's Mount	£9,811
High Knoll Passing Bays	£8,989
	<u>£609,981</u>

During the current financial year, the SHG/Private Agricultural Partnership Policy continued to accelerate agriculture improvements. ESH and ANRD partnered to fund this initiative to support various partnership projects in agriculture.

During the current financial year, the following was also paid to related parties of Board members, Staff and Councillors:

Grants	<u>£37,196</u>
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Key Management Personnel Compensation

The key management personnel of ESH (as defined under FRS 102) are the Board Members and the Senior Management Team consisting of Chief Executive of Economic Development, Deputy Chief Executive of Economic Development, Director of Tourism, Director of Commercial Development & Enterprise, Director of Policy Development & Social Enterprise and the Director of Resources. The aggregate remuneration paid to these key management personnel totalled £455,534 (2016: £512,550).

NOTE 20

CONTINGENT LIABILITIES

There were no contingent liabilities for the period.