

SPECIAL WARRANTTo: The Financial Secretary

Whereas it has become necessary in the interests of the Public Service to incur certain Expenditure not provided for on the Estimates, as set forth in the subjoined Schedule.

You are hereby, authorised and required to pay from the Consolidated Fund the sum of **Three Hundred and Fifty Thousand Pounds** and to charge it to the Heads and Sub-heads of Expenditure specified in the Schedule.

And for so doing this together with the proper Accounts, Certificates and Acquittances shall be your sufficient warrant and discharge.

Wesā Honar
Governor

Date 17 July 2018

SCHEDULE

Particulars	To be charged to		£
	Head	Sub-head	
Investment in St Helena Hotel Development Ltd	17	1702-830-83008	£350,000
	Total		£350,000

(Special Warrants are to be prepared in triplicate and copies to be filed in the Offices of the Chief Secretary, Financial Secretary and Chief Auditor)

Application for a Special Warrant under Head and Sub-heads

Shown overleaf

This request is for an urgent appropriation of funds to further invest in the St Helena Government wholly owned subsidiary company, St Helena Hotel Development Ltd, in meeting the operational costs of the Mantis Hotel over the next 5-6 months.

Costs are being managed and minimised where possible, yet despite the cost management and cost minimisation initiatives the Mantis Hotel is still unable to meet its short term financial obligations to suppliers and to the financiers to keep operational over the next five to six months due primarily to low accommodation bookings. This phenomenon is being experienced across the tourist accommodation sector on the Island and in the short term there will not be any notable change in bookings, however the bookings in the summer are more promising showing a significant rise in forward bookings.

With this investment SHG will provide the much needed funds to meet the costs under the financing agreements with their lender the Bank of Saint Helena Ltd to ensure that the company does not default on the loans, the lender does not foreclose on the loans and the SHG guarantee of £1 million does not crystallise. The additional finance achieved through this investment will also be used to meet wages and salaries, utilities, insurance, management fees and other costs for maintaining operations over the period.

Summary of Application

Head	Sub-head	Approved Estimate £	This Application £	Revised Total £	Expected Savings		
					Head	Sub-head	£
17	1702-830-83008	0	350,000	350,000		Additional revenue received that has resulted from the process of winding up St Helena Line Ltd.	350,000
Total		0	350,000	350,000			350,000

Financial Secretary



Date: 17 July 2018