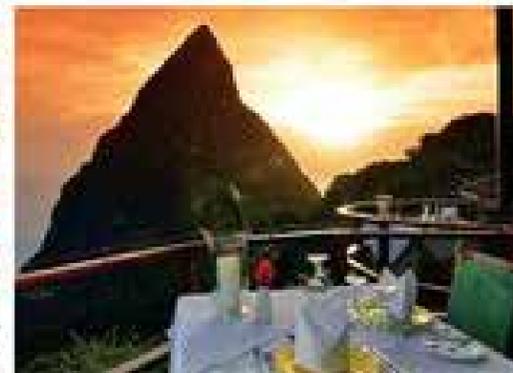


ANNUAL REPORT 2019

The Voice of the Hospitality Industry





Romance, Adventure, Wellness, Eco-Friendly Philosophy and Dasheene's Culinary Delights, create moments of a lifetime at Ladera, St. Lucia.

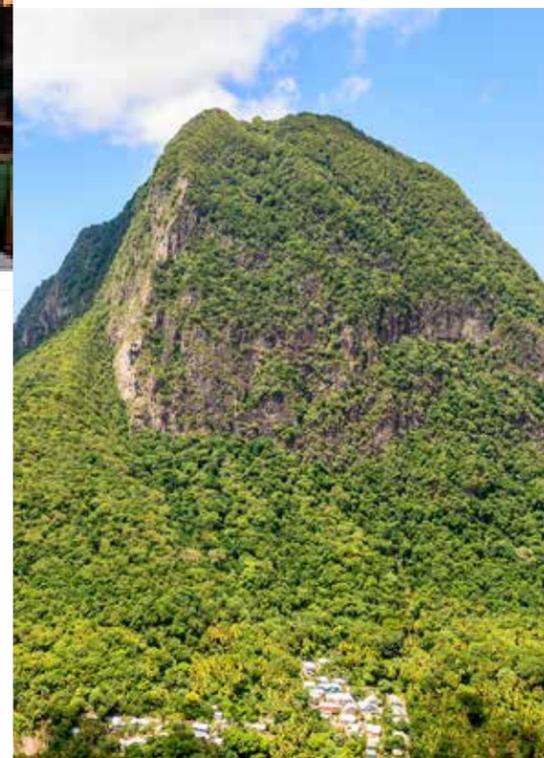
With a Green Globe Certification, Ladera is a unique resort, truly committed to Luxury, unsurpassed guest service and environmental and community sustainability. The Essence of this Romantic Paradise is found amongst the staff who create the ambience, the furniture with local hardwoods and stones, the gardens, sustainability and the eco-friendly philosophy.

LABOT ESTATE | SOUKIERE | LG 09101 | ST. LUCIA | WEST INDIES | TEL: 758 459 6600 | FAX: 758 459 5156
 E-MAIL: RESERVATIONS@LADERA.COM | TOLL FREE: 1 844 ST LUCIA (78-58242) | WWW.LADERA.COM



Contents

- 04 CEO Address
- 06 President's address
- 08 TEF Chairman Address
- 10 The New SLHTA
- 12 An SLHTA Best Practice for Membership Engagement
- 14 SLHTA - Bon Manje De Bon Lavi / Good Food for Healthy Living
- 18 Taxation - A Critical Component of Sustainable
- 20 SLHTA Supports Small Business Start Up - Penny Pinch
- 22 SLHTA GEF-UNDP Commit to Closer Collaboration
- 25 SLHTA'S Young Leaders Development Initiative
- 26 Recommendations to the St Lucia Hospitality Sector for alternatives to Single Use Plastic
- 30 Community Empowerment - A Model for meaningful Economic Growth
- 33 Statement of Financial Position
- 34 Statement of Income and Expenditure
- 35 Statement of Cash Flows
- 38 Notes to Financial Statements
- 51 Independent Auditors Report



Photograph courtesy of: Kirk Elliott
 Design and Artwork:
 Scribble Design Studio (758) 718 0224



CEO Remarks

Noorani Azeez

Dear Members and Partners,

Welcome to our 55th Annual General Meeting of Members. On behalf of our SLHTA Secretariat, SLHTA Board of Directors, TEF Board of Trustees and Volunteer Committee Members, it is my pleasure to present our report for the operating period 2017-2019. During this period, our ability to respond to change was tested and our experiences served to inform us that more has to be done to enhance our organization's ability to sustain its growth and enhance its delivery of services to our members.

Tourism's impact on our communities and commerce is undeniable. Our ability to grow our resource base to sustainably tackle the issues emerging out of this enhanced engagement however, is currently being tested. One key strategy which we have been successfully employing to meet these needs has been to establish stronger strategic partnerships with other agencies in pursuit of the same socio-economic goals as we are. We are pleased to be among this coalition of the willing, championing employment, human resource development, energy efficiency,

environmental conservation, product development and safety and security issues among others.

Notwithstanding these external alliances, there are internal challenges which we continue to wrestle with. Declines in contributions to our TEF, sluggish membership dues remittances, poor sponsorship of events and activities and seeming apathy on the part of some sectors, will require careful attention over the coming financial year.

Amidst these internal issues however, our membership numbers have grown and so has our influence on policy and lobbying. Our Directors continue to rally the troops on discussions pertaining to taxation, bay management, marine preservation, safety and security, Tourism Strategic Plan formulation, Village Tourism discussions and other sustainable tourism practices. The spirit of volunteerism is stronger than ever. The following High-performance committees must be celebrated:

- Carl Hunter and the Environmental Committee,
- Marsha King and the Young Leaders Development Committee,

- Cybelle Brown and the SLHTA Soufriere Committee,
- Sanovnik Destang and the SLHTA Linkages Committee,
- Cheryl Skeete and the Hidden Gems,
- Winston Anderson, Paul Collymore, Berthia Parle and the Chef's Table Committee,
- Orlando Satchell and the Food and Beverage Committee

These Chairpersons and their very active committees continue to serve us well and set standards which we are delighted to be sharing with other Regional Associations. I am very grateful for the support of this tremendous Corps of Volunteers throughout our Association.

As we reflect on our success and areas for improvement today, I welcome our candid exchange. Your recommendations will serve to improve our Association and allow the SLHTA to continue playing our part in impacting Communities and Commerce.

Welcome to the SLHTA's 55th Annual General Meeting of Members.



President's Remarks

Karolin Troubetzkoy

Dear Members,

It gives me great pleasure to welcome you once again to our annual assembly of members to discuss matters pertinent to the welfare of our Association and our Country. The reporting period October 2017 – September 2018 was a period of transition and foundation building for the SLHTA. We changed Chief Executive Officers, Presidents and prepared groundwork for a more independent and focused Tourism Enhancement Fund.

This foundation building by our SLHTA Board of Directors and TEF Trustees now inspired reviews of our Strategic Plans, a Name Change of our organization and a competition for a new SLHTA logo. Stronger strategic alliances were also facilitated with global partners such as the Caribbean Biodiversity Fund, the Climate Challenge Initiative, the UNDP SGP Global Environment Fund and GIZ. Through our Tourism Enhancement Fund's restructure we have the appointment of a new Chairman Mr. Winston Anderson, a new Programme Manager Ms Donette Ismael and new project partnerships with the Lion's Club of Gros Islet, the Rotary Club, the Saint Lucia National Conservation Fund, the Saint Lucia Divers

Association, the Tourism Advisory Committee, the Soufriere Marine Management Association, the Soufriere Regional Development Foundation, the SLHTA Soufriere Committee and a number of other community groups. Our investment in our youth continues to yield dividends with the success of our Secondary School Culinary Team in Barbados sweeping gold medals, the National Culinary Team's outstanding performance in Miami, our SLHTA Young Leaders Development Initiative and the CHTA Young Leaders Programme. Our support for capacity building in our communities and in our youth remains stronger than ever. Indeed, our very strong Linkages in Tourism Tradeshow continues to spotlight the offering of a very important allied sector base.

Sectoral concerns from the yachting and maritime sector, accommodation establishments and other allied members ranging from crime and security, health and safety, linkages and policy reform were key priorities of our Secretariat for this period as well.

As we enter into an election AGM this year, we expect to see a turnover with a number of board members. We sincerely thank those

who have indicated their unavailability to serve another term. To each of them we extend heartfelt appreciation for their years of service and dedication. We are sad to see them leave. Equally, we look forward to their replacements elected from their representative sectors and continue to pledge our collective efforts in addressing private sector concerns.

I must make notable account of our long serving Directors who have also tendered their withdrawal from service and whose tenure and commitment have certainly enhanced and helped the SLHTA progress to where it is today - both Richard Peterkin and Cybelle Brown. We thank you.

I also wish to especially mention our Representative of Small Properties Ms. Cheryl Skeete who has also resigned from our Board after more than a decade of service. On behalf of our Board and Trustees I thank Ms. Skeete for her sterling years of leadership and exemplary service at the SLHTA. We will honor her service in more depth at our AGM 2019.

I wish each member company and their representatives a very successful AGM 2019 and encourage you to freely offer your recommendations on how we can better serve your interests.



TEF Chairman's Remarks

Winston Anderson

Dear Members and TEF Contributors,

We always welcome each occasion which provides us with an opportunity to review the work of our SLHTA and our Tourism Enhancement Fund. I am delighted to have assumed the Chairmanship of the TEF earlier this year and am pleased to announce the appointment of our TEF Programme Manager Ms. Donette Ismael in May. Together with our Trustees and the SLHTA Board of Directors, let us continue to build on the foundation laid by our predecessors to ensure constant improvement, transparency and efficiency in the operations of the TEF.

I am pleased to report on our efforts at reviewing the structure and systems of the TEF during this reporting period. Our engagement of a consultant last year, set the groundwork for restructuring the makeup of the TEF's Board of Trustees, fine tuning of our grant making manual, establishment of thematic areas for funding and institution of a call for proposal timeframe twice a year. The introduction of these systems is already bearing dividends, allowing us to better hold grantees accountable for the funding granted and enabling us to proactively create projects which we believe will have national impact.

We are delighted to have expanded our commitment to youth and community development, private sector support and environmental conservation. Our work has included support for SLHTA's culinary programs, sinking of a new vessel for creation of new dive sites, rehabilitation of An Bas Saut Nature Trail and the funding for the Saint Lucia National Conservation Fund's conservation projects which is expected to receive calls for proposals September this year and support for beach rangers.

We continue to experience a growing demand for the TEF's resources from groups, NGO's and some Ministries seeking support for building linkages and conservation awareness. This demand is proof that our TEF is meeting a need that will propel our country on the right path to progress.

Moving forward, our contributors and beneficiaries can expect more targeted and dedicated product delivery. I urge each of you to influence other allied members to make their contributions to the Fund and to continue to share with us your ideas on how we can continue our work "Together for a Better Saint Lucia".



Centrally situated in the heart of Saint Lucia's entertainment capital, Rodney Bay Village, the Bay Gardens Resorts family of hotels and luxury private villas offers inviting, island-inspired accommodations. With five locally owned and managed properties positioned on the Reduit Beachfront, within Rodney Bay Village and the Rodney Bay Marina, Bay Gardens Resorts is a favourite hotel destination in Saint Lucia for families, couples, and island explorers. Opt for a hassle-free holiday when choosing our all-inclusive experience and enjoy the best value with access to our Rodney Bay Dine Around Program and complimentary daily spa treatments.

Our properties are easily accessible via our complimentary shuttle service to the main shopping and cultural outlets. Book your Bay Gardens experience and receive unlimited passes to Splash island Water Park, whilst exploring the best of four worlds with our stay at one play at four options.

Whether you're planning your destination wedding, honeymoon, conference, or just a bit of rest and relaxation, look no further than our five, fantastic Bay Gardens Resorts properties.

STAY AT BAY GARDENS RESORTS WITH RATES AS LOW AS

EC\$267.00 PER NIGHT FOR TWO | *SPECIAL RATES APPLY ONLY FOR LOCAL RESIDENTS

ALL INCLUSIVE OPTIONS AVAILABLE!



The key to your ultimate Caribbean Vacation Getaway

Call: 758.457.8006 | 8007 | Toll Free USA & Canada: 877 620 3200
info@baygardensresorts.com | www.baygardensresorts.com

The New SLHTA

The SLHTA began with an idea to bring together the players of an industry that was then viewed as crucial to this country's future. Since 1964 that idea and this organization has grown tremendously and the evolution of the SLHTA stands today as a testament of that commitment.



Moving forward, the Secretariat continues its focus on delivering maximum value to our members. All programs and activities are geared towards developing and directing the Association into an entity capable of responding effectively to their needs. The organization continues to adjust its focus, its direction and its operations to keep up with the changes in economic conditions and trends in the economic landscape that unquestionably affect our strategy, operations and ultimately our success in the sector.

In plotting our pathway forward, we must continue to be mindful of the VALUE FOR MEMBERSHIP PROPOSITION. And what this entails really is the VISION TO CONTINUE BUILDING and reinforcing new and existing value-adding relationships across the sectors, in order to attract and retain a membership that adequately reflects the diversity of what makes up the Saint Lucia tourism sector today. We continue to provide resources and programs that contribute to the success of our

members' business models. The Board of Directors of the SLHTA are already actively seeking champions within and outside the territorial markings of Saint Lucia to lead the charge of diversifying the makeup of our current membership. Delivering on the demands of members will require a rethink of our strategic plans, constitutional makeup and implementation of new systems. Members and partners can expect to see stronger strategic alliances with other institutions, restructuring of our Board and mainstreaming of programs to meet the needs of allied members. The demand for assistance is strong. Demands for support in marketing, reduction in operating costs, training and development and policy reform. In short, members demand that the SLHTA continues to be the Voice of the Hospitality Industry. Moving forward, our members can expect our increased presence and decisive voice as we move to proactively deliver constructive and collaborative public policy statements in their best interest and in the interest of the overall private sector in Saint Lucia. We will also be tapping into minds and resources of influential industry partners with

the production and delivery of lectures and the like to further enlighten and keep our members up to speed with trending best practices locally, regionally and globally. These credible experts will assist us in adding authority to our advocacy efforts and hopefully encourage the change that we are calling for. It is also envisaged that these collaborations will ultimately help to provide members with the tools necessary for the painting of a bigger and more holistic picture of the industry as a whole. The Government of Saint Lucia can expect us going forward to target and act on key public policy initiatives that are deemed to be damaging to the sector and which affect our ability to effectively compete. The Secretariat will also be looking to broker public policies of our own in partnership with like-minded organizations as we move towards the creation of a balance in the policies and structure of the industry. It has been 55 years since the birth of this organization and while much about the industry has changed. Our vision remains the same. That vision is to ensure that we actively represent the interests and concerns of our members at all levels.



In plotting our pathway forward, we must continue to be mindful of the VALUE FOR MEMBERSHIP PROPOSITION.



The Board of Directors of the SLHTA are already actively seeking champions within and outside the territorial markings of Saint Lucia to lead the charge of diversifying the makeup of our current membership.

An SLHTA Best Practice for Membership Engagement

Tourism is evolving. As our organization becomes more consumed with the research and analysis required to make informed input into policy and legislative matters. Increasingly the SLHTA is being sought after for recommendations on the way forward in growing our economy, making community contributions and charting the strategic direction for the growth of our industry.



As a means of ensuring continued contribution to this demand for input from key players, the SLHTA created a Chefs Table forum which has stood for almost as long as the SLHTA has been in operation. The Chef's Table is essentially an "invitation only" gathering of hotel owners or their designates, key allied members, SLHTA Directors and other stakeholders. The forum which has grown in significance and participation over the past few years receives presentations from key policy makers and technocrats on a variety of subject matters. The forum creates a much

needed private and confidential arena for stronger dialogue and collaboration brokering between private and public sectors. Over the years, a number of initiatives have been birthed from this gathering. Ranging from safety and security updates, human resource development projects, strengthening linkages and environmental initiatives to the creation of the Tourism Enhancement Fund, the Chef's Table has become the melting pot and building ground of great ideas and initiatives to drive the evolution of our destination. Guided by a commitment to the development of a thriving Saint Lucian Tourism Industry, the Chef's Table guarantees participants the highest degree of confidentiality and has become one of the best forums for information sharing and decision making at the SLHTA. Hoteliers express thoughts, ideas, concerns and criticism openly, guided by technocrats invited to present information on the issues under discussion.



For suppliers and sponsors eager to present their offerings to the Tourism industry, the Chef's Table is an excellent forum for capturing attention. The forum is hosted by one of the Large Hotel members of the SLHTA and is convened once a quarter. It is chaired by an elected peer from among the Large Hotel representatives who serves in this capacity for two years.



The Chef's Table is currently under the Chairmanship of Mr. Winston Anderson of Sandals Grande St. Lucian Spa and Beach Resort.

Extracted from Business Focus' publication on 50th Anniversary Celebration of the SLHTA

SLHTA: Bon Manje se Bon Lavi / Good Food for Healthy Living

The path to strong sustainable economic development has a number of key tenets. An often forgotten but undeniable factor is the country's ability to produce its own food and lower its food import bill. Furthermore, it is no secret that having a steady and inexpensive source of healthy food helps to lower the prevalence of lifestyle related diseases and their correlated significant economic burden. Yet, for a long time, the importance of investing in agriculture and food production and strengthening the sector has not been a priority for key private sector agencies.

Saint Lucia's very own master of Economics and Nobel Prize winner, Sir William Arthur Lewis, articulated that, "agricultural prosperity is an essential part of any program of reducing the growth of urban unemployment... The most important item on the agenda of development is to transform the food sector."

Therefore, the importance of agriculture cannot be minimized, but instead must be accentuated for the betterment of our people. Compelled by the recognition of this fact, the Saint Lucia Hotel and Tourism Association (SLHTA) has identified the development of the agricultural sector as one of its key priorities and is driven by their fundamental belief that tourism and agriculture must work in synchronicity for the country's prosperity. As the principal private sector agency that is

charged with the responsibility of supporting the tourism sector development in Saint Lucia, the Association has long been mindful of the paramount role that the agricultural sector plays in the hospitality industry. However, it was also apparent that there were a number of ever-present challenges that impeded the development of a symbiotic relationship between the two industries.

As a result of a number of years of critical assessment, the Virtual Agricultural Clearing House (VACH) was birthed. VACH, launched in 2016, seeks to improve the local procurement of food for hotels and restaurants by sourcing fresh crops locally rather than importing them. Local farmers along with management staff of hotel and hospitality chains, were introduced to the VACH and the initiative has proved to be a major success. Former Agricultural Liaison Officer at the SLHTA, Miss Donette Ismael, elaborated on the concept and the economic impact which it has had on Saint Lucia.

"The Virtual Agricultural Clearing House was created in 2016 and we tried to keep it very simple by using a Whats-app platform," she explained, "We created a group with the purchasing managers of the various hotels, and a separate group with the 400 or more farmers who decided to participate. It has had a huge economic impact on Saint Lucia, where we have tourism dollars going right back into the pockets of the local farmers. In the first year we had over a million dollars in sales of agricultural produce."

One pineapple farmer, Moses Rene, expressed his satisfaction with VACH and noted how beneficial it has been to his business.



"I sell my pineapples to the hotels in Saint Lucia. Because of VACH I have been able to expand, I've grown to about 90,000 plants. It has helped me grow my business and also financially I'm more stable now." Along with investing in local food production and creating an avenue for food procurement in the country, the SLHTA has delved even further by raising awareness for local food preparation. In accomplishing this, the Good Food Revolution Project was introduced in 2017.

The Good Food Revolution Project is a partnership between RISE, the Ministry of Sustainable Development, Energy, Science and Technology (MSDEST) and the Ministry of Agriculture, funded in part by the SLHTA's Tourism Enhancement Fund (TEF), UNDP Global Environment Facility (GEF) and Small Grants Programme. Primary objectives of the project included the creation of a national environment that promotes healthy food consumption, and revolutionizing food production by removing toxic chemicals and harmful GMOs from the Saint Lucian Food

Chain. The SLHTA and its partners proposed accomplishing this mandate through a 3-pronged approach, which included consumer awareness raising and education, farmer training and national policy development. The Good Food Revolution Project has also become an ideal complementary initiative to the SLHTA's Chefs in Schools Program and their associated Secondary School's Culinary Competition. These two initiatives have not only assisted with raising the awareness of students on local cuisine but have also encouraged them to use more local ingredients in the preparation of healthy meals. Considering all of these programs together, the SLHTA has taken a truly holistic approach to its agritourism agenda. Thus far, this programming has been successful in promoting healthy food consumption by tackling the issue at the roots, by engaging the youth through its schools culinary projects. Additionally, the Good Food Revolution Project has provided the general populace with programs that promote healthy food preparation, consumption and ultimately

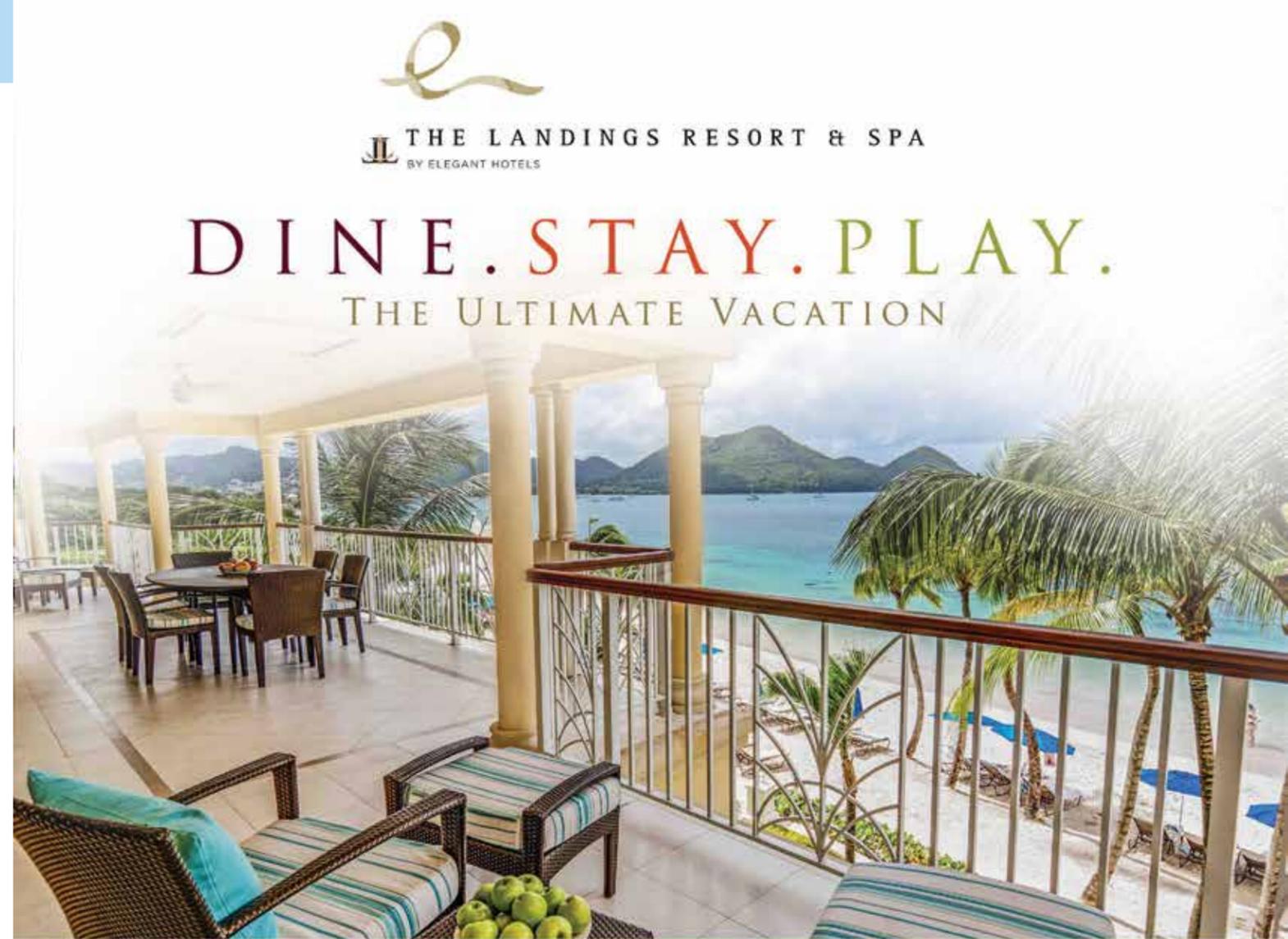
healthier living and finally, through the introduction of the VACH, they have made considerable strides in creating a reliable source of readily available fresh and local produce for the hospitality sector. Reflective of these accomplishments, the SLHTA recognizes that there is still work to be done. They are continuing to work assiduously in improving the networking capacity of the local producers and members of hotel management and in maintaining a register

hotels were simply unaware of the produce available for trade while farmers remained oblivious as to which properties needed these items. So therefore, there was a need for creating a proper linkage in that regard. There are natural synergies between agriculture and tourism which makes the two sectors best fit partners to grow their profitability and meet the demands of local and global consumers. The SLHTA and the Tourism Enhancement Fund will relentlessly pursue the opportunities for



of information on what produce is readily available for sale. Chief Executive Officer at the SLHTA, Noorani Azeez, concluded that projects such as the VACH and the Good Food Revolution Project have highlighted their support for agriculture and promotion of healthy food consumption. However, the issue of the lack of information continues to be the national Achilles heel. "We have realized over the past few years that a missing ingredient was information. The

import substitution, organic crop production and diversification with our farmers." The Saint Lucia Hotel and Tourism Association is actively advocating for an increase in the variety of crops being offered, with hopes that this would include the production of rare fruits, edible flowers, micro-greens and mushrooms. This falls as part of their aim of facilitating the food procurement plan, exhibiting a relentless support for agriculture, and by extension contributing to a healthier nation.



EXPERIENCE the ultimate vacation right here on the shores of Rodney Bay along the gorgeous North Coast of the island of St. Lucia.

DINE at our three restaurants and three bars, including theme nights such as Taste of St. Lucia, Family Style Night, and Seafood Night. From authentic St. Lucian specialities and international dishes to vegan and gluten-free options and kid-friendly favourites. Enjoy our delicious cuisine – all freshly prepared and served in settings that will stay with you forever.

STAY & PLAY Book by December 1, 2019, for travel dates from August 2019 to December 2020 and get up to 50% off all villa suites with a three-night minimum stay. Rates start at US\$ 335 per night inclusive of breakfast, most watersports and all taxes and surcharges.

Kids stay, play and eat free in the summer through mid-December!

Terms and Conditions apply. Visit our website at www.landingsstlucia.com or contact our reservations team today: US/CAN 888-996-9947 | UK 0800-917-3078 or Reservations@elegant-hotels.com

Taxation:

A critical component of sustainable tourism

The importance of Tourism to Small Island economies is irrefutable. The Caribbean continues to be the most tourism dependent group of islands, looking to the industry to drive foreign direct investment, employment, trade and bridge linkages with other sectors such as manufacturing, agriculture, entertainment and craft production. Over the past few decades, the evolution of the industry to engage in more sustainable practices has been driven by the insistence from visitors and international lobby groups with strong ecological and human capital development mandates. Across the region, tourism business associations and action groups are moving towards more creative methods of ensuring that the impact of tourist dollars are felt at grass roots levels.

One such method of accessing tourist dollars and redirecting it towards community development and business competitiveness is the establishment of Tourism Enhancement Funds. While the models of operations of such Funds vary from island to island in the Caribbean, their importance as an access point for successfully raising valuable capital to finance developmental initiatives is being demonstrated by islands such as Jamaica, Barbados, Saint Lucia and others across the region.

As regional Governments struggle to balance national budgets, stiff competition to attract foreign direct investments have created a highly incentivized investment environment with massive corporate tax exemptions, import tax and duties waivers, food and beverage concessions and construction duty waivers for 25-year periods. Indeed, many existing properties are enticed to expand in order to access renewal or upgrade of their concessions.

These concessions regimes provided to tourism however, are being argued by many economists as revenue foregone by island economies. The burning question remains, how do island nations address deficits created by foregone revenues and decreased contributions to tax coffers? Arguments by hoteliers that investment costs are high and returns on investments are low, are rife with suspicion, particularly given the fact that the access to data and timely reporting from the

industry continues to prove quite difficult. Absence of available data and the unwillingness of private sector companies to share financial information while advocating for further legislative and policy changes in favor of the tourism industry only add fuel to the flames.

Indeed, if our tourism industry is to truly honor our paternal role in the development of economies, communities, people and our environment, we owe it to our shareholders to ensure that all our partners and stakeholders benefit from a burgeoning tourism industry. We cannot optimize profits from investments in island economies wrestling with high crime rates, decaying environments and social unrest. Yet, our unwillingness to contribute fairly to the national coffers, breeds social ills and disorder. It is an imperative that tourism leads the charge in



proactively pooling resources through HTA's to address these concerns. We must succeed where Governments continue to fail. We must ensure we empower our HTA's to do more than lobby and advocate for legislative and policy changes in investment frameworks. We must mandate these business associations to coordinate our collective investment in human resource development initiatives, increase the quality of life for our employees through group medical insurance schemes, provision of scholarships to hundreds of kids of industry employees, lead community empowerment programs, expand after school programs, nurture healthier lifestyles and improve our terrestrial and marine environments. A tourism enhancement fund empowers us to undertake and lead in these initiatives.

Once we begin to expand our involvement in such sustainable tourism investments we empower ourselves to hold Governments accountable for tax dollars and to practice more open systems of Governance. Our industry can then begin to hold Governments and public servants fully accountable for use of our TAX DOLLARS.



SLHTA Supports Small Business Start-Up Penny Pinch



Saint Lucia's principal tourism private sector agency, the Saint Lucia Hotel and Tourism Association (SLHTA) continues to make strides in nurturing entrepreneurship here in Saint Lucia. The association, which is responsible for facilitating tourism sector development and management, is persevering in its attempt to dispel the notion that they cater solely to hotels and established companies; by fostering linkages with local entities who possess the potential for strengthening our tourism product and facilitating the tourism dollar. An epitome of this, is the agency's partnership with young prodigy, Martin Hanna; mastermind behind the technology based business 'Penny Pinch'. Martin Hanna is a 19 year old resident of Rodney Bay, who aims to provide Saint Lucia with a host of advanced technology based solutions, and is in the process of launching

multiple businesses which target the retail and hospitality industries. Penny Pinch, which is the project currently at the forefront of his vision, is a digital savings platform allowing businesses to connect to customers via coupons. With this latest initiative, customers would be able to get discounts island-wide using the Penny Pinch app and website.

With Hanna perceiving his ideal target market as the retail and hospitality industries, he consulted the SLHTA on his project; a decision which he expressed as life changing and super beneficial.

"The SLHTA has helped me focus more on the business aspect of my company through mentorship and expertise in networking capabilities and business deals. They've provided me with advice and feedback on executing business skills and this has developed my business personality. And it even transcends that; meaning that we've even gone into a partnership. So it doesn't just stop at mentoring but also creating strategic alliances, where both organizations can benefit each other.

The best part about it is, they are not just providing me with the expertise and leaving me to swim or sink, but this is going to be a continuous partnership."

Chief Executive Officer at the SLHTA, Noorani Azeez, affirmed his organization's enthusiasm for assisting Hanna and being a catalyst in launching the Penny Pinch project. He expressed his association's commitment to assisting in the development of Saint Lucian entrepreneurs, non-accommodation members and small businesses, by enabling them with substantial links with the hospitality sector, and strengthening his agency's credibility.

"I was very impressed with Martin from the offset. I admired the ease at which he was able to articulate his plan and concept, and how he envisions his business will help Saint Lucians. His passion and level of sacrifice for his entrepreneurship dream is very admirable at such a tender age."

"Penny Pinch emerged as a platform with retail opportunity to link hospitality partners and will bring value to SLHTA

members. We have offered Martin complimentary membership and have connected him with member companies who can benefit from his technology. At the SLHTA, we are all about networking, trade and enhancing the value of our tourism product and also our credibility as an organisation. So with all this in mind, it was an easy decision to partner with Martin and Penny Pinch and being a driving force behind a possible game changer for our hospitality and retail industries."

Martin Hanna and the SLHTA are currently in the process of field testing the ideas behind Penny Pinch and looking forward to changing the face of retail here in Saint Lucia.



"The Voice of the Hospitality Industry"

Become a Member Today



- Networking, Advocacy, Participation
- Group Medical Insurance
- Group Vehicle Insurance
- Discount off of training programs

For More Info: Call: 453 1811
Email: slhta@slhta.com
www.slhta.com

SLHTA GEF-UNDP SGP commit to closer collaboration

The Global Environment Facility - United Nations Development Programme Small Grants Programme (GEF-UNDP SGP), has signed a letter of collaboration with the Saint Lucia Hotel and Tourism Association (SLHTA). This letter which was the output of over one year of occasional talks on the environment and sustainable development, lays the foundation for long term joint funding of projects in the areas of Climate Change, Biodiversity Conservation, Land Degradation, International Waters and Chemicals and

Waste. Both organizations will share their expertise and financing with Civil Society Organizations (CSOs), towards achieving the objectives of environmental sustainability, poverty reduction and capacity development. The ceremony began with Mr. Noorani Azeez, the Executive Vice President of the SLHTA, noting that GEF-UNDP SGP and SLHTA had collaborated on projects from time to time, but it was the recent highly successful GEF-UNDP SGP Knowledge Fair, which gave both parties an opportunity to test their ability to



collaborate. Mrs. Karolin Troubetzkoy, the President of the SLHTA, emphasized the importance of partnerships and collaboration and remarked that for the SLHTA it was indeed “

... a milestone in [their] efforts to establish stronger alliances with global partners who share [their] commitments and aspirations”. She concluded, that “given [the] ongoing challenges with pollution, unsustainable agricultural practices, high energy costs, habitat [destruction] and the unsustainability of some traditional livelihoods,” this new and official avenue for cooperation between SLHTA and GEF-UNDP SGP, was key “

... to unlocking sustainable solutions to these challenges.”

Mrs. Chisa Mikami, the acting UNDP Resident Representative for Barbados and the OECS, joined the press conference via SKYPE, and focused her remarks on the complex nature of modern problems and the absolute necessity for organizations to collaborate in addressing adverse environmental impacts, while not succumbing to the temptation of working in silos. She explained that “we live in times when no one person; no one family; no one community; no one organization; no one government; or no one country can solve . . .” the complex problems society faces today. “Instead,” she noted, society required “... a

critical mass of partners working together in a genuine manner to reach the tipping point for positive change.

Mr. Giles Romulus, the National Coordinator of the GEF-UNDP SGP for Saint Lucia, referred to this letter as the beginning of a permanent alliance for progress in addressing problems and challenges of common interest. He also made a broad appeal to CSOs in Saint Lucia to make use of that opportunity to access financial and technical assistance to address sustainable development problems and challenges at the community and national levels.

Within the context of the Government of Saint Lucia’s intent to pursue community and village tourism and the increasing concerns with pollution, this letter of collaboration is the first of its kind between a private sector organization and a multi-lateral environment donor and technical agency. There is now greater expectations that very capable CSOs will access higher levels of funding for upscaling projects which can have more extensive impacts in Saint Lucia.





PARAMOUNT HOSPITALITY EQUIPMENT DISTRIBUTORS LTD.

Paramount is a reputed Equipment Supplier for Hotels and Restaurants, with over 25 years in the field. We offer quality products at competitive prices and are Established Factory Authorised Distributors for several Manufacturers.



ROOM AMENITIES



KITCHEN TOOLS & UTENSILS



DEHYDRATORS



INDUSTRIAL KITCHEN EQUIPMENT



TABLE SERVICE



BAR SUPPLIES



CUSTOM FITTED KITCHENS



BUFFET/CATERING SERVICE



BIODEGRADABLE PRODUCTS

Offering B2B Hospitality Equipment & Supplies

Corporate Office:

Suite 16, Orange Park Commercial Centre

Bois d'Orange Highway, Gros Islet, P.O Box 745, Castries

Tel: (758) 451-6600/451-6621 Mobile: (758) 720-6414 | Email: palacs@candw.lc

SLHTA'S Young Leaders Development Initiative

As part of its continued mission to grow the tourism industry's human resource capacity, the Saint Lucia Hotel & Tourism Association has launched the SLHTA Young Leaders Development Initiative. The project, inspired by the Caribbean Hotel & Tourism Association's People Development Committee, aims to develop the talents of young employees in an effort to propel them into middle management positions in tourism and related sectors. Led by a committee of SLHTA Hotel and Allied Member professionals, the initiative targets employees under the age of 35 with the goal of preparing them for middle management positions in the industry. The program will engage the Association's public and private sector partners to provide training and mentorship opportunities that will build individual capacity and encourage upward mobility for participants in their respective fields.

The SLHTA, over the last few years has identified the professional development of the industry's workforce as one of its key mandates. "Human Resource Development is globally coming into focus as being critical to productivity, competitiveness and in creating positive and empowering work cultures," explained SLHTA CEO Noorani Azeez,

"we expect that this program will meet the needs of our ambitious, intelligent industry workers who are well primed to become multi-skilled managers who will grow with their organizations and meet the demands of a changing tourism industry".

The educational component of this program will depend on continued collaboration with Human Resource Development agencies locally and regionally. The SLHTA Young Leaders Committee is also expected to spearhead the development of an SLHTA Scholarship Fund and an SLHTA Entrepreneurship Fund.

The program, launched on 16th March 2018, inspires young Saint Lucians to explore the opportunities the industry presents for employment, entrepreneurial activities, career development and advancement.



Recommendations to the Saint Lucian Hospitality Sector for Alternatives to Single Use Plastic Containers and Utensils

Most of us will get along just fine without throwaway plastic in our daily lives. That said there are nevertheless many legitimate applications for single-use plastics such as in medical research, laboratory settings and emergency food and water packaging. While plastic has many valuable uses, we have become addicted to single-use or disposable plastic with severe environmental consequences. Around the world, one million plastic drinking bottles are purchased every minute, while up to 5 trillion single-use plastic bags are used worldwide every year. In total, half of all plastic produced is designed to be used only once – and then thrown away. Plastic waste is now so ubiquitous in the natural environment that scientists have even suggested it could serve as a geological indicator of the Anthropocene era. Plastic has been found at the deepest depths of our oceans and the greatest heights of our mountains, and single-use items have a big contribution to it. No country on Earth is immune to plastic pollution, from our tropical island to deserts. All of this pollution has happened in less than a century. Hospitality is one of the world's largest industries with a global economic contribution of over 7.6 trillion U.S. dollars annually. Hospitality has become awash with single use plastic. A trend that started for convenience is now being dramatically rethought as awareness of plastic pollution grows and

corporate responsibilities are shifting to a more sustainable business models. The need to embrace alternatives to single use plastics is even more relevant when the respective hotel/resort is operating within a territory that does not have established recycling facilities to manage plastic waste.

As a society we are realising the damage that single-use plastic is doing to the environment. That's why a carefully legislated ban on almost all single-use plastics is a good idea. From throwaway food containers, to drinking straws, to coffee cups - we can live without all of it.

Globally we are also seeing a shift in governance and policy. Early last year, the European Union announced a ban on single-use plastic products with readily available alternatives. The Bangladesh government was the first to impose a ban back in 2002 and "Costa Rica is taking dramatic action against plastic waste with plan to ban all single-use plastics by 2021. This includes straws, bottles, cutlery, cups and bags." The move away from single-use plastics has also been adopted by organizations such as



STAYCATION, ESCAPE AND REST EASY *at Marigot Bay Resort and Marina*

Immerse yourself in luxury with an affordable Staycation Experience designed with Saint Lucian families in mind. The resort features two Infinity pools, a swim-up bar, Marigot Bay Spa Village, restaurants, bars and a variety of beautifully designed Guest Rooms and Suites.

Staycation Experience Includes:

- FULL AMERICAN BREAKFAST FOR TWO
- In-Room Refreshment Center
- 24-hour access to the Fitness Center
- Complimentary Resort Activities
- Complimentary boat shuttle service to La Bas Beach
- Marigot Bay Amenity Program
- Access to the Marigot Bay Personal Assistants
- Nightly Turndown Service
- Wireless Internet Access

Price: \$199 USD Per Night

Includes a Resort View guestroom based on single or double occupancy. Rate is subject to 10% tax and 10% service charge. Staycation rates require Saint Lucian ID. Check-in time 3:00pm and Check-out time 12 noon. Limited time offer.



Contact: +1 758.458.5309 ~ reservations@marigotbayresort.com



MARIGOT BAY

RESORT • SPA • MARINA

www.marigotbayresort.com

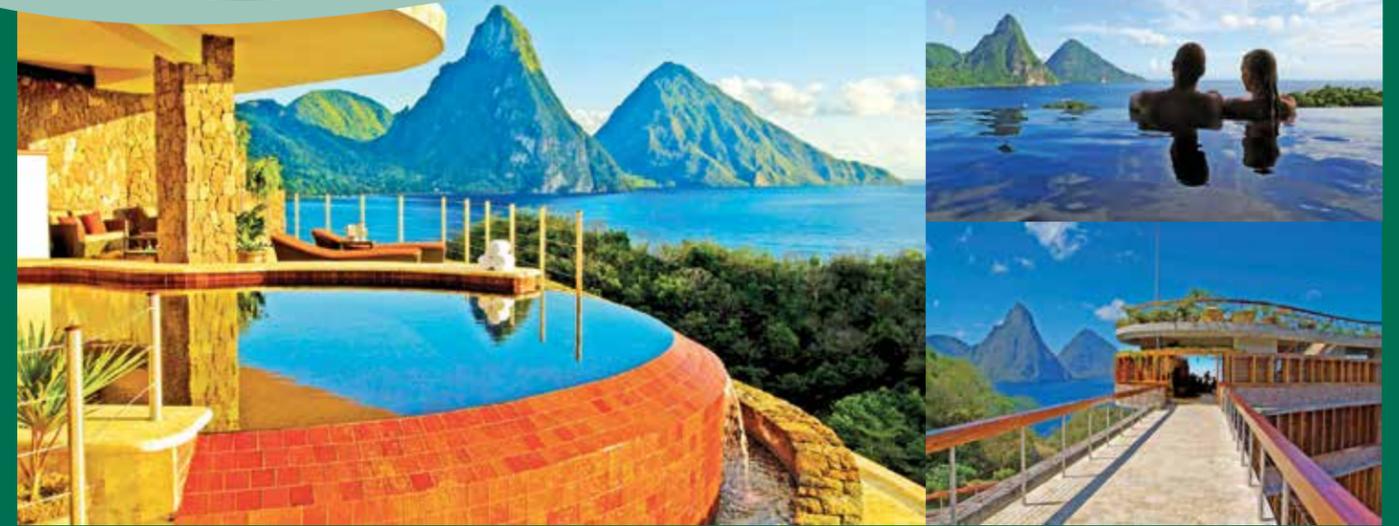
McDonald's, which will trial plastic-free straws later this year. More regionally the recently announced initiative by Sandals & Beaches to eliminate cocktail and regular straws from their operations across 19 resorts removing 21 million straws annually. On a national level in Saint Lucia the focus so far has been on phasing out the use of Styrofoam (extruded polystyrene foam) totally by the end of 2019 accompanied by the initiative of Massey Stores incentivises the use of your own bags by charging for film plastic bags (low density Polyethylene) while offering multi-use bags at cost price to all of its customers.

Within the Saint Lucian hospitality sector we also keenly recognize the need to act responsibly and to demonstrate our responsibility to our guests. Changes are happening slowly through the integration and provision of more Eco Eco-friendly products. We can see the trend that hotels have seeking to change either away from a single use plastic usage altogether or minimize use by turning to alternatives. "For the purpose of making good alternative choices it's important to know a little bit about which plastic types we use and what they are commonly used for."



Written by Carl Hunter in collaboration with the SLHTA Environmental Committee and the UN Environment. For further information email: carl@slhta.com

Nick Troubetzkoy's JADE MOUNTAIN St. Lucia



A cornucopia of organic architecture in celebration of one of nature's most alluring settings

PO Box 4000, Soufriere, St. Lucia • Tel 758 459 4000
www.jademountainstlucia.com • jademountain@jademountain.com

NICK TROUBETZKOY'S ANSE CHASTANET ST. LUCIA



TRANQUILITY • ROMANCE • ADVENTURE

PO Box 7000, Soufriere, St. Lucia • Tel 758 459 7000
www.ansechastanet.com • ansechastanet@ansechastanet.com

Community Empowerment - A Model For Economic Growth



Search “things to do in St Lucia” on Trip Advisor and “Pitons” comes up as #1 of 90 activities under the Nature & Parks listing. Back in 1997 Mark Gruin, a Pennsylvania based tourism consultant produced a report titled “A Management Plan of Action for the Gros Piton Nature Site, Fond Gens Libre, St. Lucia”. This document paved the way for the Gros Piton Visitor experience as we know it today.

The Gruin Report laid out a blueprint for a multifaceted community based tourism (CBT) product, operated and managed by the host community which was a model of excellence on multiple counts. The Saint Lucia Heritage Tourism Programme (SLHTP), which came on stream in the immediate years following the Gruin Report advocated for the CBT approach and provided technical and financial support to empower a group of tour guides to effectively take on the mandate.

However today, some 20+ years later, the Gros Piton Experience taps into less than 20% of the potential identified in the report. This is due in large part to the fact that the recommendations for community empowerment were either not effectively implemented or failed to take consideration

of several debilitating factors inherent in rural communities attempting to plan, design, and execute classic tourism enterprises. The other developmental gap is associated with the policy requirements necessary to support community-based ownership and management of tourism products within a structure whereby vertical marketing linkages exclude the host community.

The community of Fond Gens Libre has learnt valuable lessons from this and has recently embarked on a crusade to create a visitor experience more in keeping with the tenets of the Gruin Report and the CBT approaches for capacity building, product enhancement, market support, and social and environmental responsibility. Access to the visitor market has also since been significantly liberalised, thereby creating a far more even playing field.

The new approach will also facilitate better social corporate responsibility on the part of the community tourism leaders.

“When we started out some 20 years ago we purchased school books and school supplies for community residents and promoted community social events to recognise community stalwarts”

Francis Alexander, president of the Fond Gens Libre Development Committee explained.

“However looking back I realise that we were ill-equipped to take things to the next level and my executive has mandated that we acquire the necessary skills and support required to



develop the Gros Piton Experience to a whole new level because after all we are the Valley of the Free People”

Alexander continued in discussing his community’s ambitions.

Modern day vacationers are seeking out meaningful travel experiences that allow them to participate in and enjoy authentic cultural experiences. These travellers research the history and culture of the places they visit and are very much interested in making a meaningful contribution to the sustainable development of such places and its people. However community empowerment requires that community leaders become aware of these new travel trends. Communities must be assisted in recognising the value visitors find in the elegance of the simplicity of their way of life. Community leaders must encourage their youth to embrace today’s technology and utilize it to bring value to their communities through the use of online marketing and social sharing. This need not be complex, but rather can be as simple as community based Instagram and YouTube channels that tell a community’s unique story in a way that only the community can do. And in today’s media rich online environment these are the channels that are finding the greatest traction with visitors and quite often influencing their ultimate travel choices.

Truth is the internet has opened up new and amazing ways to attract visitors and

destination authenticity is one such very powerful way. As a consequence community empowered community based tourism holds the potential to:

- Reduced unemployment as more youth find meaningful employment within their communities
- Deliver economic benefits directly into the local economy through foreign exchange accruing directly to communities through culturally inspired sustainable community based visitor experiences
- Help foster a greater sense of self-worth among community residents
- Focus on social and environmental considerations that are peculiar to the protection of the host community
- Cause communities to have less dependence on local government as these communities become both self-sufficient and self-determining



It is important to note that such community empowerment is a marathon rather than a sprint, requiring community hand holding by savvy local tourism experts with proven track records. Having matured in the delivery of tourism excellence it is essential that destinations are aware of and avoid the negative impact inadvertently created by foreign consultants who look nothing like the people they work with and who lack

cultural sensitivity. Because such imported tourism experts look, sound and behave quite differently from locals a subliminal message of local inferiority and foreign superiority is promulgated with long term disempowering impact. This must be avoided at all costs, as it also inadvertently leads to the lack of

confidence and self-esteem often displayed by community leaders as they engage tourism players at all levels. Conversely, by having local tourism experts work with communities, a long term and deep-seated empowerment develops in a totally organic way.



Photographer/Social Entrepreneur Kirk Elliott, has worked with the community of Fond Gens Libre in its quest for community empowerment since 2015. Elliott is currently helping the community create a unique and novel culturally immersive visitor experience that it seeks to develop into an International Benchmark of Community Based Sustainable Tourism within a UNESCO World Heritage site. He is using the same developmental principles that have landed his culturally immersive St Lucia Photo Tour <https://StLuciaPhotoTours.com> as the #1 Outdoor Activity in Castries on Trip Advisor and seen it inducted into the Trip Advisor Hall of Fame in 2019 ~ StLuciaPhotoTours.com

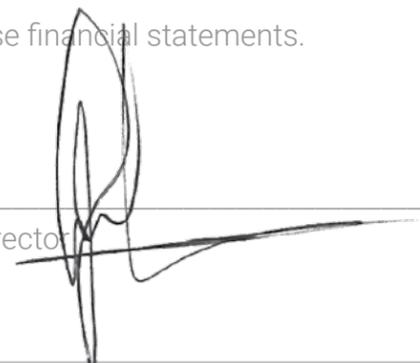
Statement of Financial Position

As at September 30, 2018
(Expressed in Eastern Caribbean Dollars)

	Notes	2018 \$	2017 \$
Assets			
Current assets			
Cash and cash equivalents	5	2,249,904	1,571,165
Trade and other receivables	6	<u>171,980</u>	<u>838,029</u>
		<u>2,421,884</u>	<u>2,409,194</u>
Non-current assets			
Property, plant and equipment	7	40,019	45,270
Intangible assets	8	<u>476</u>	<u>1,306</u>
		<u>40,495</u>	<u>46,576</u>
Total assets		<u>2,462,379</u>	<u>2,455,770</u>
Liabilities and members' surplus			
Current liabilities			
Trade and other payables	9	256,423	231,601
Deferred income	10	<u>2,366,451</u>	<u>2,327,922</u>
Total liabilities		<u>2,622,874</u>	<u>2,559,523</u>
Members' deficit			
Accumulated deficit		<u>(160,495)</u>	<u>(103,753)</u>
Total liabilities and members' surplus		<u>2,462,379</u>	<u>2,455,770</u>

The accompanying notes form an integral part of these financial statements.
SIGNED ON BEHALF OF THE BOARD of directors

Director 

Director 





LA CANTINA WINES

Bringing the Wines of the World to Saint Lucia since 1992

La Cantina is recognized throughout the hospitality industry for its wide range of quality wines and unparalleled and reliable service.

We remain small, but special, and provide a personalized service that is second to none. We buy directly from most of our producers and are in regular contact, visiting vineyards to ensure reliability, consistency and quality.

Ask about our wine club today!

Statement of Income & Expenditure

	Notes	2018 \$	2017 \$
Income			
Members' fees		474,490	453,011
Project management fees	11	237,002	381,982
Royalties	12	102,992	102,610
Other income		106,449	149,551
Sponsorship income		53,155	83,889
Training income		54,530	85,524
Fund raising income		<u>284,355</u>	<u>122,784</u>
		<u>1,312,973</u>	<u>1,379,351</u>
Expenditure			
General and administrative expenses	14	1,130,007	1,248,160
Fund raising expenses		<u>239,708</u>	<u>127,045</u>
		<u>1,369,715</u>	<u>1,375,205</u>
Excess of (expenditure over income)/income over expenditure		<u>(56,742)</u>	<u>4,146</u>

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

Statement Of Changes In Members Deficit

	2018 \$	2017 \$
Accumulated deficit		
At beginning of year	(103,753)	(107,899)
Excess of (expenditure over income)/ income over expenditure	<u>(56,742)</u>	<u>4,146</u>
At end of year	<u>(160,495)</u>	<u>(103,753)</u>

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

Statement of Cash Flows

	Notes	2018 \$	2017 \$
Cash flows from operating activities			
Excess of (expenditure over income)/ income over expenditure		(56,742)	4,146
Adjustment for:			
Depreciation and amortisation	7 & 8	<u>14,947</u>	<u>16,576</u>
Cash flows before changes in operating assets and liabilities		(41,795)	20,722
Decrease/(increase) in trade and other receivables		666,049	(104,153)
Increase in trade and other payables		24,822	28,344
Increase in deferred income		<u>38,529</u>	<u>499,488</u>
Net cash generated from operating activities		<u>687,605</u>	<u>444,401</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	7	(8,866)	(15,783)
Purchase of intangible assets		-	(213)
Net cash used in investing activities		<u>(8,866)</u>	<u>(15,996)</u>
Net increase in cash and cash equivalents		678,739	428,405
Cash and cash equivalents - beginning of year	5	<u>1,571,165</u>	<u>1,142,760</u>
Cash and cash equivalents - end of year	5	<u>2,249,904</u>	<u>1,571,165</u>

WHY SAINT LUCIA?

- Award-winning investment and tourism destination
- Emerging headquarter jurisdiction
- Free and stable economic and political climate
- Free repatriation of profits
- Strategic location
- Aggressive growth strategy focused on major infrastructural projects
- Free access to OECS labour pool of 300,000



 SAINT LUCIA

Notes To Financial Statements

As at September 30, 2018

(Expressed in Eastern Caribbean Dollars)

1. Incorporation and principal activity

The **St. Lucia Hotel and Tourism Association Inc.** (the "Association") was incorporated in Saint Lucia on October 24, 2011 under the Companies Act of 1996. The entity is a non-profit company and is dedicated to the development, growth and improvement of the hospitality industry in Saint Lucia. In keeping with this mandate, the Association is committed to representing, informing and educating its members in matters affecting the hospitality industry as well as upholding their interest. Members of the Association comprise a wide cross-section from the business community, including hotels, tour operators, financial institutions and manufacturers.

The Association's registered office and principal place of business is located at Rodney Bay, Gros Islet, Saint Lucia.

The financial statements were approved by the Board of Directors and authorised for issue on Monday 26th August 2019.

2. Summary of significant accounting policies

(a) Overall policy

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

Statement of compliance

The financial statements of the **St. Lucia Hotel & Tourism Association Inc.** have been prepared in accordance with International Financial Reporting Standards for Small and Medium Sized Entities ("IFRS for SMEs") as issued by the International Accounting Standards Board ("IASB") and under the historical cost convention.

The preparation of financial statements in conformity with IFRS for SMEs requires the use of certain critical accounting estimates. The areas involving a higher degree of judgment or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

(b) Foreign currency translation

Functional and presentation currency

Items in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Eastern Caribbean dollars, which is the Association's functional and presentation currency.

Transactions and balances

Monetary assets and liabilities denominated in currencies other than the Eastern Caribbean dollars are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities and transactions denominated in currencies other than the Eastern Caribbean dollar are translated at the rate of exchange ruling at the date of the transaction. Foreign exchange gains and losses are charged to the statement of income and expenditure.

Notes To Financial Statements

As at September 30, 2018

(Expressed in Eastern Caribbean Dollars)

(c) Cash and cash equivalents

Cash and cash equivalents are carried on the statement of financial position at cost. For the purpose of the statement of cash flows, cash and cash equivalents comprise balances with a maturity period of three months or less from the date of acquisition including cash on hand and deposits held on call with banks.

(d) Trade receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment.

Trade receivables that are known to be uncollectible are written off by reducing the carrying amount directly. The other receivables are assessed collectively to determine whether there is objective evidence that an impairment has been incurred but not yet been identified. For these receivables appropriate allowance for estimated irrecoverable amounts is recognised. The Company considers that there is evidence of impairment if any of the following indicators are presented:

- Significant financial difficulties of the debtor
- Probability that the debtor will enter bankruptcy or financial reorganisation
- Default or delinquency in payments

e) Offsetting financial instruments

i. Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

f) Impairment of financial assets

i. The Association assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If such evidence exists, the carrying amount of the asset or group of assets is compared to the recoverable amount. The recoverable amount of a financial asset measured at amortised cost is the present value of expected future cash flows discounted at the instrument's effective interest rate. If the recoverable amount is less than the carrying amount, the difference is recognised as an impairment loss in the statement of income and expenditure. Subsequent impairment loss recoveries are credited to the statement of income and expenditure.

Notes To Financial Statements

As at September 30, 2018

(Expressed in Eastern Caribbean Dollars)

g) Property, plant and equipment

- i. Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.
- ii. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of income and expenditure during the financial period in which they are incurred.
- iii. Depreciation is calculated on the straight line method to allocate the cost of each asset to their residual values over their estimated useful lives as follows:
- iv. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.
- v. Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the statement of income and expenditure. When revalued assets are sold, the amounts included in other reserves are transferred to accumulated surplus.

h) Intangible assets

- i. Intangible assets are stated at historical cost less accumulated amortisation. Historical cost includes expenditure that is directly attributable to the acquisition of the item. Amortisation is calculated using the straight line method to allocate cost less residual value over the estimated useful life of four years.

i) Impairment of non-financial assets

- i. At the end of each reporting period, all non-financial assets are assessed for any indicators of impairment. If an indicator exists, the asset's recoverable amount is calculated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

j) Trade and other payables

- i. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

k) Deferred income

- i. Contributions to the Tourism Enhancement Fund less disbursements and commitments during the year are recognised as deferred income.

l) Revenue recognition

- i. Revenue is recognised on an accruals basis.

m) Expense recognition

- i. Expenses are recognised when incurred.

Notes To Financial Statements

As at September 30, 2018

(Expressed in Eastern Caribbean Dollars)

n) Income tax

- i. The Association is a not-for-profit entity and is therefore exempt from taxation under the provisions of the Income Tax Act.

o) Provisions

- i. Provisions are recognised when the Association has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount has been reliably estimated.
- ii. Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

p) Contingencies

- i. Contingent liabilities represent possible obligations and are disclosed in the financial statements unless the possibility of the outflow of resources embodying the economic benefit is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefits is probable.

q) Subsequent events

- i. Post year-end events that provide additional information about the Association's position at the reporting date (adjusting events) are reflected in the Association's financial statements. Material post year-end events which are not adjusting events are disclosed.

r) Comparatives

- i. Certain prior year comparatives have been reclassified to conform to the presentation of the current year.

3. Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experiences and other factors including the expectation of future events that are believed to be reasonable under current circumstances.

The Association makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Management does not believe that there are estimates and assumptions with significant risks which may cause material adjustments to the carrying amounts of assets and liabilities in the next financial year.

Notes To Financial Statements

As at September 30, 2018

(Expressed in Eastern Caribbean Dollars)

4. Cash and cash equivalents

	2018	2017
	\$	\$
Cash on hand	56	-
Cash at bank	<u>2,249,848</u>	<u>1,571,165</u>
	<u>2,249,904</u>	<u>1,571,165</u>

Included in cash at bank is a restricted amount of \$2,182,530 (2017 - \$1,493,696) relating to the Tourism Enhancement Fund ("TEF") the use of which is restricted as further described in Note 11. In addition, an amount of \$260,000 is due to be refunded to the TEF for advances made to the Association.

5. Trade and other receivables

	Note	2018	2017
		\$	\$
Trade receivables		83,705	73,358
Less: provision for impairment		<u>(29,612)</u>	<u>(14,184)</u>
Trade receivables, net		54,093	59,174
Loan receivable	2	0,000	679,225
Other receivables		<u>97,887</u>	<u>99,630</u>
		<u>171,980</u>	<u>838,029</u>

Trade and other receivables (cont'd)

The movement on the Association's provision for the impairment of trade receivables is as follows:

	Note	2018	2017
		\$	\$
At the beginning of the year		14,184	40,771
Expensed during the year	14	15,428	14,184
Written-off during the year		-	<u>(40,771)</u>
At the end of the year		<u>29,612</u>	<u>14,184</u>

Notes To Financial Statements

As at September 30, 2018

(Expressed in Eastern Caribbean Dollars)

6. Property, plant and equipment

	Furniture and Equipment	Computer Hardware	Total
	\$	\$	\$
As at September 30, 2016			
Cost	195,368	102,568	297,936
Accumulated depreciation	<u>(162,665)</u>	<u>(89,974)</u>	<u>(252,639)</u>
Net book value	<u>32,703</u>	<u>12,594</u>	<u>45,297</u>
For the year ended September 30, 2017			
Opening net book value	32,703	12,594	45,297
Additions	9,716	6,067	15,783
Depreciation charge for the year	<u>(9,952)</u>	<u>(5,858)</u>	<u>(15,810)</u>
Closing net book value	<u>32,467</u>	<u>12,803</u>	<u>45,270</u>
As at September 30, 2017			
Cost	205,084	108,635	313,719
Accumulated depreciation	<u>(172,617)</u>	<u>(95,832)</u>	<u>(268,449)</u>
Net book value	<u>32,467</u>	<u>12,803</u>	<u>45,270</u>
For the year ended September 30, 2018			
Opening net book value	32,467	12,803	45,270
Additions	8,866	-	8,866
Depreciation charge for the year	<u>(8,844)</u>	<u>(5,273)</u>	<u>(14,117)</u>
Closing net book value	<u>32,489</u>	<u>7,530</u>	<u>40,019</u>
As at September 30, 2018			
Cost	95,862	64,572	160,434
Accumulated depreciation	<u>(63,373)</u>	<u>(57,042)</u>	<u>(120,415)</u>
Net book value	<u>32,489</u>	<u>7,530</u>	<u>40,019</u>

Notes To Financial Statements

As at September 30, 2018
(Expressed in Eastern Caribbean Dollars)

7. Intangible assets

	Computer Software \$
As at September 30, 2016	
Cost	28,403
Accumulated depreciation	<u>(26,544)</u>
Net book value	<u>1,859</u>
For the year ended September 30, 2017	
Opening net book value	1,859
Additions	213
Amortization charge for the year	<u>(766)</u>
Closing net book value	<u>1,306</u>
As at September 30, 2017	
Cost	28,616
Accumulated depreciation	<u>(27,310)</u>
Net book value	<u>1,306</u>
For the year ended September 30, 2018	
Opening net book value	1,306
Additions	-
Amortization charge for the year	<u>(830)</u>
Closing net book value	<u>476</u>
As at September 30, 2018	
Cost	7,380
Accumulated depreciation	<u>(6,904)</u>
Net book value	<u>476</u>

Notes To Financial Statements

As at September 30, 2018
(Expressed in Eastern Caribbean Dollars)

8. Trade and other payables

	2018 \$	2017 \$
Trade payables: Tourism Enhancement Fund	54,578	94,515
Trade payables	94,181	56,804
Value Added Tax	23,813	25,947
Accrued expenses	22,238	21,784
Other payables	44,940	17,378
Provision for gratuity	16,500	15,000
Payroll liabilities	<u>173</u>	<u>173</u>
	<u>256,423</u>	<u>231,601</u>

9. Deferred income

	2018 \$	2017 \$
Tourism Enhancement Fund		
Balance at beginning of year	2,327,922	1,828,434
Contributions received during the year	1,223,808	1,705,405
Jack Rabbit Project	14,943	8,151
Other receipts	1,000	-
Disbursements made and committed during the year	<u>(1,201,222)</u>	<u>(1,214,068)</u>
Balance at end of year	<u>2,366,451</u>	<u>2,327,922</u>

10. Tourism Enhancement Fund

The Tourism Enhancement Fund ("TEF") was established on October 1, 2013. It is a voluntary fund established by the SLHTA in conjunction with resort members to facilitate a greater contribution to projects and activities which will add value to the local tourism industry and generate benefits to the various stakeholders who derive economic wellbeing from its growth. The TEF allows members of the SLHTA greater control of its own pool of financial resources to support activities of the Saint Lucia Tourist Board, undertake local product development projects and private sector initiatives designed to strengthen Saint Lucia's tourism product and strengthen the economic environment needed for the local tourism private sector to thrive. Contributions are made by guests on a voluntarily basis in the amount of EC\$5 (US\$2) per night

Notes To Financial Statements

As at September 30, 2018

(Expressed in Eastern Caribbean Dollars)

at members' resorts. The funds are collected by the members and are remitted monthly to the SLHTA. These funds are restricted and can only be used for purposes described above. The uses of funds during the year are disclosed in Note 13 to the financial statements.

The SLHTA earned a project management fee of 20% of the amount received during the year. This totaled an amount of \$237,002 (2017 - \$381,982) which is recognised in income.

11. Royalties

The Association entered into an agreement with PPI Publishing for the production on its behalf of the official visitors guide and in-room magazine, titled "La Belle Helene" ("LBH"). Under the terms of the arrangement, the Association is entitled to the higher of 40% of the profits generated from the sale of LBH or EC\$94,087 (US\$35,000). During the year the Association earned royalties in the amount of EC\$102,992 (2017 - EC\$102,610).

12. Tourism Enhancement Fund - Disbursements and commitments:

	2018	2017
	\$	\$
Disbursements made:		
Project management expenses	237,002	371,517
Employee benefit expenses	142,870	134,560
Bank charges	357	589
Tourism enhancement projects	<u>770,186</u>	<u>625,927</u>
	<u>1,150,415</u>	<u>1,132,593</u>
Committed disbursements:		
Project management expenses	-	10,465
Tourism enhancement projects	<u>50,807</u>	<u>62,010</u>
	<u>50,807</u>	<u>72,475</u>
Disbursements made and committed during the year	<u>1,201,222</u>	<u>1,205,068</u>

Notes To Financial Statements

As at September 30, 2018

(Expressed in Eastern Caribbean Dollars)

13. General and administrative expenses

	2018	2017
	Notes	\$
Employee benefit expenses	15	488,820
Travel and entertainment		144,200
Office expenses		39,834
Rent		84,000
Utilities		60,388
Professional fees		37,248
Meetings and conferences		36,418
Subscription and donations		58,889
Bad debt written-off		28,731
Advertising and promotion		12,398
Training and professional development		50,690
Repairs and maintenance		15,930
Depreciation and amortisation	7 & 8	14,947
Provision for bad debt	6	15,428
Bank service charges		5,406
Insurance		1,344
Miscellaneous		<u>35,336</u>
		<u>1,130,007</u>
		1,248,160

14. Employee benefit expenses

	2018	2017
	\$	\$
Salaries and wages	329,879	407,985
Other staff costs	<u>151,569</u>	<u>155,112</u>
	<u>481,448</u>	<u>563,097</u>
Key management personnel compensation		
	2018	2017
	\$	\$
Salaries and wages	173,500	198,000
Other benefits	<u>36,000</u>	<u>34,500</u>
	<u>209,500</u>	<u>232,500</u>

Notes To Financial Statements

As at September 30, 2018

(Expressed in Eastern Caribbean Dollars)

15. Commitments

The Association leases its premises under an operating lease. The future aggregate minimum rental under the non-cancellable operating lease is as follows:

	2018	2017
	\$	\$
Not later than 1 year	84,000	84,000

16. Contingent liability

Customs bond

The Association is contingently liable in the normal course of business in respect of bonds totaling \$15,000 (2017 - \$15,000) in favor of the Comptroller of Customs.

Independent Auditor's Report

To the Members of St. Lucia Hotel & Tourism Association Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of St. Lucia Hotel & Tourism Association Inc. (the "Association"), which comprise the statement of financial position as at September 30, 2018, and the statement of income and expenditure, statement of changes in members' deficit, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at September 30, 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-Sized Entities ("IFRS for SMEs").

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 the Association in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants' ("IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in St. Lucia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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 the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Association's financial reporting process.

Independent Auditor's Report

To the Members of St. Lucia Hotel & Tourism Association Inc.
Report on the Audit of the Financial Statements

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 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 judgment and maintain professional skepticism 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 the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the

Association'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 the Association to cease to continue as a going concern.

- Evaluate 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 achieves fair presentation.
- We communicate with the Board of Directors 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.



"At June's Catering we excel in our presentation of delicious food that you'll savour at any special occasion."





SLHT Saint Lucia
Hotel & Tourism
Association



www.slhta.com

CONTACT US

Saint Lucia Hotel & Tourism Association

#2 Alfiona Plaza
Rodney Heights
Gros Islet, St Lucia, WI

Tel: +1 758 452 5978 / 453 1811
Email: slhta@slhta.com


SCRIBBLE
design studio

Rodney Bay, St Lucia, WI
Tel: +1 758 718 0224
Email: jo@scribbledesign.com
www.scribbledesign.com