

**SAINT LUCIA SOLID WASTE  
MANAGEMENT AUTHORITY  
Financial Statements  
For the Year Ended March 31, 2009  
(Expressed in Eastern Caribbean Dollars)**



**SAINT LUCIA SOLID WASTE MANAGEMENT AUTHORITY**  
**Index to the Financial Statements**

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**SAINT LUCIA SOLID WASTE MANAGEMENT AUTHORITY**  
**Corporate Information**

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**DIRECTORS**

Mrs. Marcia Philbert-Jules  
Ms. Thecla Augustin  
Mr. Wilson Sifflet  
Mrs. Brender Portland-Reynolds  
Mr. Agosta Degazon  
Mr. Norman St. Ville  
Mr. Marcel Fevrier  
Mr. Eirus Elcock  
Mr. John La Force  
Mr. George James  
Mr. Darrel Montroupe  
Ms. Christine Wilkinson

**SECRETARY**

Mrs. Arlett Ruiz

**REGISTERED OFFICE**

Maurice Mason Avenue,  
Sans Souci,  
Castries,  
St. Lucia

**SOLICITOR**

Cynthia C. F. Combie

**BANKER**

Bank of Saint Lucia Limited

**AUDITORS**

Chase, Skeete & Boland (Chartered Accountants)

**SAINT LUCIA SOLID WASTE MANAGEMENT AUTHORITY**  
**Balance Sheet**  
**As at March 31, 2009**  
**(Expressed in Eastern Caribbean Dollars)**

	Notes	2009 \$	2008 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	3,224,408	1,310,708
Investment available-for-sale	5	2,000,000	4,000,000
Trade and other accounts receivable	6	1,460,553	1,354,652
Inventory		476,836	468,760
		<u>7,161,797</u>	<u>7,134,120</u>
<b>Long-term Assets</b>			
Deferred expenditure	7	6,334,584	7,501,083
Property, plant and equipment	8	2,024,207	1,992,411
		<u>8,358,791</u>	<u>9,493,494</u>
<b>TOTAL ASSETS</b>		<b><u>15,520,588</u></b>	<b><u>16,627,614</u></b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Current Liabilities</b>			
Deferred income	9	5,143,436	5,141,436
Trade and other accounts payable	10	788,185	1,262,835
		<u>5,931,621</u>	<u>6,404,271</u>
<b>Fund Balances</b>			
Fixed assets fund	11	1,356,339	1,329,758
Deferred funding assistance	12	5,947,428	7,125,808
Fund balance		2,285,200	1,767,777
		<u>9,588,967</u>	<u>10,223,343</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>		<b><u>15,520,588</u></b>	<b><u>16,627,614</u></b>

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

**SIGNED ON BEHALF OF THE BOARD**

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

**SAINT LUCIA SOLID WASTE MANAGEMENT AUTHORITY**  
**Statement of Changes in Fund Balances**  
**For the Year Ended March 31, 2009**  
**(Expressed in Eastern Caribbean Dollars)**

	Fixed Assets Fund \$	Deferred Funding Assistance \$	Fund Balance \$	Total \$
<b>Balance as at March 31, 2007</b>	2,084,809	8,324,712	3,112,002	13,521,523
Amortisation of fund balances	(755,051)	(1,198,904)	-	(1,953,955)
Excess of expenditure over income for the year	-	-	(1,344,225)	(1,344,225)
<b>Balance as at March 31, 2008</b>	1,329,758	7,125,808	1,767,777	10,223,343
Funds received	281,296	-	-	281,296
Amortisation of fund balances	(254,715)	(1,178,380)	-	(1,433,095)
Excess of income over expenditure for the year	-	-	517,423	517,423
<b>Balance as at March 31, 2009</b>	<b>1,356,339</b>	<b>5,947,428</b>	<b>2,285,200</b>	<b>9,588,967</b>

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

**SAINT LUCIA SOLID WASTE MANAGEMENT AUTHORITY**  
**Statement of Income**  
**For the Year Ended March 31, 2009**  
**(Expressed in Eastern Caribbean Dollars)**

	2009 \$	2008 \$
<b>INCOME</b>		
Amortisation of deferred funding assistance	1,178,380	1,198,904
Environmental levy	3,704,422	3,941,479
Government of Saint Lucia	5,000,000	3,537,764
Other income	895,006	501,266
Release of fixed assets fund	254,715	755,051
<b>TOTAL INCOME</b>	<b>11,032,523</b>	<b>9,934,464</b>
<b>EXPENDITURE</b>		
Advertising and public relations	167,227	118,811
Audit fees	12,500	9,000
Bank charges	3,351	2,182
Board expenses	13,600	14,700
Depreciation expense	429,320	910,217
Landfill operating costs:		
- Amortisation	1,166,499	1,198,904
- Operating costs	1,664,035	1,457,463
- Professional services	771,647	1,837,721
Miscellaneous	6,477	4,510
Motor vehicle expenses	8,563	9,807
Office expenses	43,498	56,072
Office rental	36,000	36,000
Professional fees	22,650	17,600
Safety equipment expenses	1,275	953
Salaries, wages and staff benefits	874,027	847,305
Service contracts/ maintenance	4,270	3,846
Subscriptions	919	470
Training/ overseas travel/ consultations	69,904	6,238
Travel and entertainment	28,684	28,690
Utilities	35,417	32,866
Waste collection	5,155,237	4,685,334
<b>TOTAL EXPENDITURE</b>	<b>10,515,100</b>	<b>11,278,689</b>
<b>EXCESS OF INCOME OVER EXPENDITURE/(EXPENDITURE OVER INCOME) FOR THE YEAR</b>	<b>517,423</b>	<b>(1,344,225)</b>

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

**SAINT LUCIA SOLID WASTE MANAGEMENT AUTHORITY**  
**Statement of Cash Flows**  
**For the Year Ended March 31, 2009**  
**(Expressed in Eastern Caribbean Dollars)**

	2009 \$	2008 \$
<b>Cash Flows from Operating Activities</b>		
Excess of income over expenditure/(expenditure over income) for the year	517,423	(1,344,225)
<b>Adjustments for:</b>		
Amortisation of deferred funding assistance	(1,178,380)	(1,198,904)
Release of fixed assets fund	(254,715)	(755,051)
Interest income	(154,764)	(178,512)
Amortisation of deferred expenditure	1,166,499	1,198,904
Depreciation	429,320	910,217
<b>Operating income/(loss) before working capital changes</b>	<b>525,383</b>	<b>(1,367,571)</b>
(Increase)/decrease in trade and other accounts receivable	(112,124)	39,908
(Increase)/decrease in inventory	(8,076)	8,058
Increase in deferred income	2,000	5,141,436
Decrease in trade and other accounts payable	(474,650)	(610,039)
<b>Net cash (used in)/generated from operating activities</b>	<b>(67,467)</b>	<b>3,211,792</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of property, plant and equipment	(461,116)	(459,578)
Proceeds from/(purchase of) investment available-for-sale	2,000,000	(4,000,000)
Interest received	160,987	154,414
<b>Net cash generated from/(used in) investing activities</b>	<b>1,699,871</b>	<b>(4,305,164)</b>
<b>Cash Flow from Financing Activities</b>		
Funds received	281,296	-
<b>Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>1,913,700</b>	<b>(1,093,372)</b>
<b>Cash and Cash Equivalents - Beginning of Year</b>	<b>1,310,708</b>	<b>2,404,080</b>
<b>Cash and Cash Equivalents - End of Year</b>	<b>3,224,408</b>	<b>1,310,708</b>

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

**SAINT LUCIA SOLID WASTE MANAGEMENT AUTHORITY**  
**Notes to Financial Statements**  
**For the Year Ended March 31, 2009**  
**(Expressed in Eastern Caribbean Dollars)**

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**1. Introduction**

The primary responsibility of the Authority is to provide co-ordinated and integrated systems for the collection, treatment and disposal of solid waste, including hazardous waste and to establish and manage sanitary landfills throughout Saint Lucia as appropriate.

**2. Significant Accounting Policies**

The principal accounting policies adopted are stated in order to assist in a general understanding of the financial statements. These policies have been consistently applied to the years presented, unless otherwise stated.

**(a) Basis of Preparation**

The financial statements have been drawn up in accordance with International Financial Reporting Standards and under the historical cost convention.

The preparation of the financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**(b) Foreign Currencies**

The financial statements are presented in Eastern Caribbean dollars which is the currency of the primary economic environment in which the Authority operates (its functional currency).

Transactions in foreign currencies are translated into Eastern Caribbean dollars at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into Eastern Caribbean dollars at the foreign exchange rate ruling at the date. Foreign exchange differences arising on translation are recognised in the Statement of Income. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Eastern Caribbean dollars at the foreign exchange rates ruling at the dates the values were denominated.

**(c) Impairment of Non-Financial Assets**

The carrying amounts of the Authority's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the Statement of Income.



**SAINT LUCIA SOLID WASTE MANAGEMENT AUTHORITY**  
**Notes to Financial Statements**  
**For the Year Ended March 31, 2009**  
**(Expressed in Eastern Caribbean Dollars)**

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**2. Significant Accounting Policies (Cont'd)**

**(d) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand and deposits held at call with banks.

**(e) Investments Available-for-Sale**

These financial assets are intended to be held for an indefinite period of time, and may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices. They are measured initially at cost and are subsequently re-measured at their fair value based on quoted bid prices. Unrealised gains and losses are recorded in the financial investments reserve. Either on the disposal of the asset or if the asset is determined to be impaired, the previously recorded gain or loss is transferred to the Statement of Income.

**(f) Trade and Other Accounts Receivable**

Trade and other accounts receivable are measured at amortised cost less, where applicable, allowance for impairment.

**(g) Inventory**

Inventories are valued at the lower of cost and net realisable value. In general, cost is determined on a specific item basis. Net realisable value is the price at which inventories can be disposed of in the normal course of business after allowing for the cost of realisation. Allowance is made for obsolete, slow-moving and damaged goods.

**(h) Property, Plant and Equipment**

Property, plant and equipment are stated at historical cost less accumulated depreciation.

Depreciation is calculated on the straight-line basis, so as to write-off the cost of fixed assets over their estimated useful lives as follows:-

Office equipment	3 and 5 years
Furniture and fittings	5 years
Motor vehicles	5 years
Sanitary equipment	3 and 5 years
Building	20 years

Gains or losses arising on the disposal or retirement of an item of property, plant and equipment are determined as the difference between the sales proceeds and the carrying amount of the asset and are recognised in the Statement of Income.

**(i) Trade and Other Accounts Payable**

Trade and other accounts payable are measured at amortised cost.

**SAINT LUCIA SOLID WASTE MANAGEMENT AUTHORITY**  
**Notes to Financial Statements**  
**For the Year Ended March 31, 2009**  
**(Expressed in Eastern Caribbean Dollars)**

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**2. Significant Accounting Polices (Cont'd)**

**(j) Fixed Assets Fund**

The fixed assets fund is released to income at a rate consistent with the related assets' depreciation.

**(k) Deferred Funding Assistance**

Deferred funding assistance is amortised over a period which approximates the related projects' useful lives as follows:-

Deglos landfill	15 years
Upgrade of Vieux Fort landfill	10 years
Closure of Ciceron landfill	5 years

**(l) Revenue Recognition**

Revenue is recognised at the fair value of the consideration received or receivable from the rendering of services.

Interest income is accrued on a time basis.

**(m) Income Taxes**

The Authority is not subject to taxation according to the statutory instrument by which it was formed.

**SAINT LUCIA SOLID WASTE MANAGEMENT AUTHORITY**  
**Notes to Financial Statements**  
**For the Year Ended March 31, 2009**  
**(Expressed in Eastern Caribbean Dollars)**

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**3. Financial Risk Management**

The activities of the Authority expose it to various financial risks.

Financial risks include credit, liquidity and market risks. Market risks arise from changes in interest rates, equity prices, currency exchange rates or other market factors. The effects of these risks are disclosed in the sections below.

**(a) Credit Risk**

Credit risk is the exposure that the counterparty to a financial instrument is unable to meet an obligation, thereby causing a financial loss to the Authority. The maximum exposure of the Authority to credit risk is indicated by the carrying amount of its financial assets.

The Authority is exposed to concentration of credit risk with respect to its cash and cash equivalents and investment available-for-sale. This risk is minimal as the cash and investment balances are with a reputable financial institution.

The Authority is also exposed to credit risk with respect to its trade and other accounts receivable. An amount of \$1,094,626 (2008 : \$1,133,272) is owed to the Authority by Saint Lucia Air and Sea Ports Authority. This amount represents more than half of the Authority's total trade and other accounts receivable. Saint Lucia Air and Sea Ports Authority have acknowledged this debt and payments have been made subsequent to the balance sheet date.

**(i) Fully performing trade accounts receivable**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
	<hr/>	
<b>Carrying values:</b>		
Existing customers		
(some past defaults, fully recovered)	<b>630,439</b>	<b>-</b>
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**SAINT LUCIA SOLID WASTE MANAGEMENT AUTHORITY**  
**Notes to Financial Statements**  
**For the Year Ended March 31, 2009**  
**(Expressed in Eastern Caribbean Dollars)**

**3. Financial Risk Management (Cont'd)**

**(a) Credit Risk (Cont'd)**

**(ii) Past due and impaired financial assets**

A financial asset is past due when a counterparty has failed to make payment when contractually due. The Authority is most exposed to the risk of past due assets with respect to its trade accounts receivable.

Trade accounts receivable less than 90 days past due are not assessed for impairment unless other information is available to indicate the contrary. The assessment for impairment includes a review of the customer. If the past due period is less than the trigger for impairment review, the customer is not normally reviewed.

The table below summarises the carrying value of trade accounts receivable which are past due, but are not considered to be impaired.

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>Carrying values:</b>		
With amounts past due under 30 days	48,971	585,156
With amounts past due 31 to 60 days	618,262	602,587
With amounts past due 61 to 90 days	31,890	9,418
With amounts past due over 90 days	31,005	18,644
<b>Total</b>	<b>730,128</b>	<b>1,215,805</b>

**(b) Liquidity Risk**

Liquidity risk is the exposure that the Authority may encounter difficulty in meeting obligations associated with its financial liabilities.

The Authority's only financial liability is its trade and other accounts payable \$788,185 (2008 : \$1,262,835). Trade payable totalling 438,973 (2008 : 850,157) are contractually repayable within 30 days. Other accounts payable have no contractual terms of repayment.

**SAINT LUCIA SOLID WASTE MANAGEMENT AUTHORITY**  
**Notes to Financial Statements**  
**For the Year Ended March 31, 2009**  
**(Expressed in Eastern Caribbean Dollars)**

**3. Financial Risk Management (Cont'd)**

**(c) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments expose the Authority to cash flow interest rate risk, whereas fixed interest rate instruments expose the Authority to fair value interest rate risk.

The table below summarises the exposures to interest rate risks of the Authority's financial assets and financial liabilities. Amounts are stated at carrying amounts, categorised by the earlier of contractual re-pricing or maturity dates.

	Due within 1 year \$	Due between 1 and 5 years \$	Due after 5 years \$	Non- interest bearing \$	Total \$
<b>As at March 31, 2009</b>					
<b>Assets</b>					
Cash and cash equivalents	2,554,770	-	-	669,638	3,224,408
Investment available-for-sale	2,000,000	-	-	-	2,000,000
Trade and other accounts receivable	-	-	-	1,378,442	1,378,442
	<u>4,554,770</u>	<u>-</u>	<u>-</u>	<u>2,048,080</u>	<u>6,602,850</u>
<b>Liability</b>					
Trade and other accounts payable	-	-	-	788,185	788,185
<b>Total Interest Sensitivity Gap</b>	<b>4,554,770</b>	<b>-</b>	<b>-</b>	<b>1,259,895</b>	<b>5,814,665</b>
<b>As at March 31, 2008</b>					
<b>Assets</b>					
Cash and cash equivalents	1,301,088	-	-	9,620	1,310,708
Investment available-for-sale	4,000,000	-	-	-	4,000,000
Trade and other accounts receivable	-	-	-	1,239,903	1,239,903
	<u>5,301,088</u>	<u>-</u>	<u>-</u>	<u>1,249,523</u>	<u>6,550,611</u>
<b>Liability</b>					
Trade and other accounts payable	-	-	-	1,262,835	1,262,835
<b>Total Interest Sensitivity Gap</b>	<b>5,301,088</b>	<b>-</b>	<b>-</b>	<b>(13,312)</b>	<b>5,287,776</b>

The table below summarises the interest rates on financial assets and liabilities held at the balance sheet date.

	Interest Rates	
	2009	2008
<b>Financial Assets</b>		
Cash and cash equivalents	3.5%	3.5%
Investment available-for-sale	5.25%	8.5%

**SAINT LUCIA SOLID WASTE MANAGEMENT AUTHORITY**  
**Notes to Financial Statements**  
**For the Year Ended March 31, 2009**  
**(Expressed in Eastern Caribbean Dollars)**

**3. Financial Risk Management (Cont'd)**

**(d) Fair Value of Financial Assets and Liabilities**

Fair value amounts represent estimates of the consideration that would currently be agreed upon between knowledgeable, willing parties who are under no compulsion to act and is best evidenced by a quoted market value, if one exists. The Authority is exposed to fair value risk on investments available-for-sale. The Authority's financial assets and financial liabilities as disclosed in the balance sheet approximate their fair value.

**4. Cash and Cash Equivalents**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
Operating Account	668,838	8,820
Gratuity Account	2,554,770	1,301,088
Petty cash	800	800
	<b>3,224,408</b>	<b>1,310,708</b>

Interest is earned at 3.5% on the gratuity account. The gratuity liability as at March 31, 2009 was EC\$227,408 (2008 : EC\$268,708); see Note 10. The balance in this account represents short-term surplus funds which are deposited here in order to obtain interest income.

**5. Investment Available-for-Sale**

The prior year investment available-for-sale was held with British America Insurance Company Limited and bore interest at 8.5% per annum. The investment matured on January 29, 2009 and \$2,000,000 of this was invested with Caribbean Money Market Bonds which bears interest at 5.25% per annum and matures on April 4, 2009.

**SAINT LUCIA SOLID WASTE MANAGEMENT AUTHORITY**  
**Notes to Financial Statements**  
**For the Year Ended March 31, 2009**  
**(Expressed in Eastern Caribbean Dollars)**

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**6. Trade and Other Accounts Receivable**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
Saint Lucia Air and Sea Ports Authority	1,094,626	1,133,272
Caribbean Development Bank	265,941	-
Other receivables	-	82,533
	<b>1,360,567</b>	<b>1,215,805</b>
Interest receivable	17,875	24,098
Prepaid expenses	82,111	114,749
	<b>1,460,553</b>	<b>1,354,652</b>

**SAINT LUCIA SOLID WASTE MANAGEMENT AUTHORITY**  
**Notes to the Financial Statements**  
**For the Year Ended March 31, 2009**  
**(Expressed in Eastern Caribbean Dollars)**

7. Deferred Expenditure	Deglos Landfill \$	Ciceron Landfill \$	Vieux Fort Landfill \$	Total \$
<b>Balance - March 31, 2007</b>	7,196,326	32,404	1,471,257	8,699,987
Amortisation for the year	(913,565)	(32,404)	(252,935)	(1,198,904)
<b>Balance - March 31, 2008</b>	6,282,761	-	1,218,322	7,501,083
Amortisation for the year	(913,565)	-	(252,934)	(1,166,499)
<b>Balance - March 31, 2009</b>	<b>5,369,196</b>	-	<b>965,388</b>	<b>6,334,584</b>

The deferred expenditure includes consulting fees incurred for advice on the purchase of capital equipment, and costs incurred for development of the Deglos Landfill, upgrade of the Vieux Fort Landfill and closure of the Ciceron Landfill. Management has agreed to expense the cost of the projects over 15 years, 10 years and 5 years respectively. The Deglos Landfill is to be used for waste disposal for a period of 20 years.



**SAINT LUCIA SOLID WASTE MANAGEMENT AUTHORITY**  
**Notes to the Financial Statements**  
**For the Year Ended March 31, 2009**  
**(Expressed in Eastern Caribbean Dollars)**

**8. Property, Plant and Equipment**

	Land Improvements	Office Equipment	Furniture and Fittings	Motor Vehicles	Sanitary Equipment	Building	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost</b>							
Balance as at March 31, 2007	127,775	195,791	89,824	3,553,217	3,545,946	920,063	8,432,616
Additions	59,982	45,357	1,099	338,000	15,140	-	459,578
Disposals	-	(45,463)	-	-	(1,852)	-	(47,315)
Balance as at March 31, 2008	187,757	195,685	90,923	3,891,217	3,559,234	920,063	8,844,879
Additions	61,300	36,357	2,080	-	361,379	-	461,116
Balance as at March 31, 2009	249,057	232,042	93,003	3,891,217	3,920,613	920,063	9,305,995
<b>Accumulated Depreciation</b>							
Balance as at March 31, 2007	6,388	145,600	67,772	2,990,921	2,605,118	173,767	5,989,566
Depreciation charge for year	7,367	32,840	7,365	259,823	556,819	46,003	910,217
Eliminated on disposal	-	(45,463)	-	-	(1,852)	-	(47,315)
Balance as at March 31, 2008	13,755	132,977	75,137	3,250,744	3,160,085	219,770	6,852,468
Depreciation charge for year	-	35,589	6,771	165,200	164,265	57,495	429,320
Balance as at March 31, 2009	13,755	168,566	81,908	3,415,944	3,324,350	277,265	7,281,788
<b>Net Book Value - End of Year</b>	<b>235,302</b>	<b>63,476</b>	<b>11,095</b>	<b>475,273</b>	<b>596,263</b>	<b>642,798</b>	<b>2,024,207</b>
<b>Net Book Value - Beginning of Year</b>	<b>174,002</b>	<b>62,708</b>	<b>15,786</b>	<b>640,473</b>	<b>399,149</b>	<b>700,293</b>	<b>1,992,411</b>

**SAINT LUCIA SOLID WASTE MANAGEMENT AUTHORITY**  
**Notes to the Financial Statements**  
**For the Year Ended March 31, 2009**  
**(Expressed in Eastern Caribbean Dollars)**

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**9. Deferred Income**

This relates to funds received from Canadian Commercial Corporation for the settlement of some of the claims relating to the Deglos Landfill dispute.

**10. Trade and Other Accounts Payable**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
Accounts payable	438,973	850,157
Accrued gratuities	227,408	268,708
Audit fees payable	12,500	9,000
Other accrued liabilities	7,147	3,532
Union site rehabilitation	77,835	77,835
Withholding tax payable	24,322	53,603
	<b>788,185</b>	<b>1,262,835</b>

**11. Fixed Assets Fund**

This balance represents the written down value of fixed assets purchased under the World Bank Project to be used at the land fills. The assets included in this fund balance are also included in property, plant and equipment. These assets are released to revenue over their estimated useful lives.

**SAINT LUCIA SOLID WASTE MANAGEMENT AUTHORITY**  
**Notes to the Financial Statements**  
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**(Expressed in Eastern Caribbean Dollars)**

**12. Deferred Funding Assistance**

	School Project	Deglos Landfill CDB	Ciceron Landfill IBRD / IDA	Vieux Fort Landfill IBRD / IDA	Total
	\$	\$	\$	\$	\$
<b>Balance - March 31, 2007</b>	46,297	6,865,161	32,404	1,380,850	8,324,712
Released to revenue	-	(913,567)	(32,404)	(252,933)	(1,198,904)
<b>Balance - March 31, 2008</b>	46,297	5,951,594	-	1,127,917	7,125,808
Released to revenue	(11,880)	(913,567)	-	(252,933)	(1,178,380)
<b>Balance - March 31, 2009</b>	<b>34,417</b>	<b>5,038,027</b>	<b>-</b>	<b>874,984</b>	<b>5,947,428</b>

**SAINT LUCIA SOLID WASTE MANAGEMENT AUTHORITY**  
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**12. Deferred Funding Assistance (Cont'd)**

Deferred Funding Assistance comprises the following:-

IBRD/IDA

Deferred funding assistance includes a loan received from the International Development Association and a non-interest bearing loan which was received from the International Bank for Reconstruction and Development. The Government of Saint Lucia is responsible for the payment of interest and repayment of the loan.

The initial deposit of the loan was received from International Development Association (IDA). The full amount of the loan is US\$2,280,000 with interest at ¾% per annum, payable semi-annually on January 1 and July 1 each year, on the principal amount of the credit drawn-down. Repayment is in semi-annual instalments of 1¼% of principal commencing July 1, 2005 until and including the payment due on January 1, 2015. Thereafter, semi-annual instalments increase to 2½% of principal until January 1, 2030.

Caribbean Development Bank

The funds received from the Caribbean Development Bank for the Deglos landfill is released to revenue over a 15 year period (see Note 7). The deferred funding assistance for consulting fees is released to income over the useful life of the equipment purchased (see Note 8).

British High Commission

Grant funds received from the British High Commission are released to income as the amounts are expensed for the projects.

**SAINT LUCIA SOLID WASTE MANAGEMENT AUTHORITY**  
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**13. Reserve Fund**

As per Schedule 3, Section 17 (1) and (2) of the Waste Management Act of 2004, the Authority shall establish a Reserve Fund derived from the surplus of the Authority at a percentage to be determined by the Minister of Physical Development, Environment and Housing. However, that percentage has not yet been decided. This fund can be used for purposes as determined by the Authority.

Upon authorisation from the Ministry of Finance, the following were funded from the Reserve Fund:

- Purchase of an excavator and car crusher at a total cost of \$914,479. This amount was transferred to the Fixed Assets Fund, and is released to income at a rate consistent to the assets' depreciation.
- Costs incurred in representing the Authority before the Dispute Adjudication Board (\$841,396).

**14. Prior Year Comparatives**

Some of the comparative figures have been reclassified to conform with current year presentation.

**15. Approval of Financial Statements**

The financial statements were approved by the Board of Directors and authorised for issue on