

**SAINT LUCIA OLYMPIC COMMITTEE INC.**

Financial Statements

For the Year Ended December 31, 2016

(Expressed in Eastern Caribbean Dollars)

**SAINT LUCIA OLYMPIC COMMITTEE INC.**  
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For the Year Ended December 31, 2016  
(Expressed in Eastern Caribbean Dollars)

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**SAINT LUCIA OLYMPIC COMMITTEE INC.**

Corporate Information

For the Year Ended December 31, 2016

(Expressed in Eastern Caribbean Dollars)

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**REGISTERED OFFICE**

Barnard Hill

Castries

Saint Lucia

**Directors**

Fortuna Belrose	-	President
Theodore Matthews	-	1 <sup>st</sup> Vice President
Alfred Emmanuel	-	Secretary General
Joyce Huxley	-	Treasurer
Wayne Burton	-	Assistant Secretary/Assistant Treasurer
Richard Peterkin	-	IOC Member
David Christopher	-	NF Representative
Monica Dudley	-	NF Representative
Rufina Paul	-	NF Representative
Ryan O'Brian	-	Public Relations Officer
Carol Devaux	-	Honorary Member
Jonathan Everett	-	Honorary Member

**Executive Board Members**

George Charlemagne	-	2 <sup>nd</sup> Vice President
Trevor Hunte	-	NF Representative

**BANKER**

Bank of Saint Lucia Limited

**AUDITORS**

PKF Professional Services

## INDEPENDENT AUDITOR'S REPORT

To the Directors of Saint Lucia Olympic Committee Inc.

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **Saint Lucia Olympic Committee Inc.**, which comprise the statement of financial position as at December 31, 2016, and the statement of comprehensive income, statement of changes in equity, 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 Committee as of December 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

#### 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 Committee 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 Those Charged with Governance for 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 Committee'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 Committee or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Committee's financial reporting process.



**INDEPENDENT AUDITOR'S REPORT (CONT'D)****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 Committee'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 Committee'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 Committee 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The engagement partner on the audit resulting in this independent auditor's report is Richard Surage.

  
Chartered Accountants  
Castries, Saint Lucia  
March 7, 2017

**SAINT LUCIA OLYMPIC COMMITTEE INC.**

Statement of Financial Position

As at December 31, 2016

(Expressed in Eastern Caribbean Dollars)

	Notes	2016 \$	2015 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	628,072	434,456
Investments	6	29,253	1,566,318
Programmes and other receivables	7	297,598	343,795
		<u>954,923</u>	<u>2,344,569</u>
<b>Non-current asset</b>			
Property, plant and equipment	8	1,661,075	13,198
<b>Total assets</b>		<u>2,615,998</u>	<u>2,357,767</u>
<b>Liabilities and members' equity</b>			
<b>Current liabilities</b>			
Programmes and other payables	9	33,351	8,000
Deferred assistance	10	461,630	338,510
<b>Total liabilities</b>		<u>494,981</u>	<u>346,510</u>
<b>Members' equity</b>			
Building reserve	11	-	1,250,000
General fund		2,121,017	761,257
<b>Total equity</b>		<u>2,121,017</u>	<u>2,011,257</u>
<b>Total liabilities and equity</b>		<u>2,615,998</u>	<u>2,357,767</u>

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

**SIGNED ON BEHALF OF THE BOARD OF DIRECTORS**



Fortuna Belrose - President



Joyce Huxley - Treasurer



**SAINT LUCIA OLYMPIC COMMITTEE INC.**

## Statement of Comprehensive Income

For the Year Ended December 31, 2016

(Expressed in Eastern Caribbean Dollars)

	2016	2015
	\$	\$
<b>Income</b>		
Programmes and activities	1,435,889	1,449,360
Other grants and sponsorship	245,079	223,524
Investment income	2,370	42,928
Games grants and subsidies	-	3,205
	<u>1,683,338</u>	<u>1,719,017</u>
<b>Expenditure</b>		
Programmes and activities	818,598	945,661
Games expenditure	453,563	354,458
Development and promotion	176,786	167,578
Administrative and general expenses	124,631	121,737
	<u>1,573,578</u>	<u>1,589,434</u>
<b>Comprehensive income for the year</b>	<u><u>109,760</u></u>	<u><u>129,583</u></u>

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

**SAINT LUCIA OLYMPIC COMMITTEE INC.**

## Statement of Changes in Members' Equity

For the Year Ended December 31, 2016

(Expressed in Eastern Caribbean Dollars)

	<b>Building Reserve \$</b>	<b>General Fund \$</b>	<b>Total \$</b>
<b>Balance at December 31, 2014</b>	1,250,000	631,674	1,881,674
Comprehensive income for the year	-	129,583	129,583
<b>Balance at December 31, 2015</b>	1,250,000	761,257	2,011,257
Comprehensive income for the year	-	109,760	109,760
Transfers	(1,250,000)	1,250,000	-
<b>Balance at December 31, 2016</b>	-	<b>2,121,017</b>	<b>2,121,017</b>

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



**SAINT LUCIA OLYMPIC COMMITTEE INC.****Statement of Cash Flows**

For the Year Ended December 31, 2016

(Expressed in Eastern Caribbean Dollars)

	Notes	2016 \$	2015 \$
<b>Cash flows from operating activities</b>			
Comprehensive income for the year		109,760	129,583
<b>Adjustments for:</b>			
Depreciation	8	8,212	8,700
Interest income		(2,370)	(42,928)
<b>Operating surplus before working capital changes</b>		<b>115,602</b>	<b>95,355</b>
Decrease/(increase) in programmes and other receivables		46,197	(178,048)
Increase in programmes and other payables		25,351	1,335
Decrease in deferred assistance		123,120	338,510
<b>Net cash generated from operating activities</b>		<b>310,270</b>	<b>257,152</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	8	(1,656,089)	(1,950)
Decrease/(increase) in investments		1,537,065	(192,581)
Interest income received		2,370	57,944
<b>Net cash used in investing activities</b>		<b>(116,654)</b>	<b>(136,587)</b>
<b>Net increase in cash and cash equivalents</b>		<b>193,616</b>	<b>120,565</b>
<b>Cash and cash equivalents, beginning of year</b>	5	<b>434,456</b>	<b>313,891</b>
<b>Cash and cash equivalents, end of year</b>	5	<b>628,072</b>	<b>434,456</b>

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

## **SAINT LUCIA OLYMPIC COMMITTEE INC.**

### **Notes to the Financial Statements**

**For the Year Ended December 31, 2016**

**(Expressed in Eastern Caribbean Dollars)**

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#### **1. Incorporation and principal activity**

The Saint Lucia Olympic Committee Inc. (the "Committee") is a non-governmental, non-profit organization of unlimited duration that was established on January 22, 1987 and was recognized by the International Olympic Committee ("IOC") on September 24, 1993. The Committee was incorporated thereafter on December 9, 2015, under the Company Act of Saint Lucia. The principal objectives of the Committee are to ensure the development, promotion and protection of the Olympic movement and sport in general in Saint Lucia.

The Committee is established in accordance with the Olympic Charter of the IOC and abides by a constitution that has also been approved by that body. The Committee consists of a General Assembly, which comprises representative of national sporting associations and distinguished citizens of Saint Lucia, and is governed by an Executive Committee elected by the General Assembly.

The Committee's registered office and principal place of business is located at Barnard Hill, Castries, Saint Lucia.

The financial statements were approved by the Board of Directors and authorized for issue on March 7, 2017.

#### **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 Saint Lucia Olympic Committee Inc. have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB") and under the historical cost convention.

The preparation of financial statements in conformity with IFRSs requires the use of certain accounting estimates. It also requires management to exercise its judgment in the process of applying the Committee's accounting policies. 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.



**SAINT LUCIA OLYMPIC COMMITTEE INC.**

Notes to the Financial Statements

For the Year Ended December 31, 2016

(Expressed in Eastern Caribbean Dollars)

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**2. Summary of significant accounting policies (cont'd)**

**(b) New standards, amendments to standards and interpretations**

- (i) The accounting policies adopted are consistent with those of the previous financial year. There were no new standards, amendments to standards and interpretations that were applicable to the Committee in the current year.
- (ii) Standards, amendments and interpretations that are issued but not effective and have not been early adopted are as follows:
  - *IFRS 7, Financial Instruments: Disclosures* was amended to require additional disclosures when an entity first applies IFRS 9, *Financial Instruments*, which include the changes in the categories and carrying amounts of financial instruments before and after the application of the new standard. These amendments apply when an entity applies IFRS 9.
  - *IFRS 9, Financial Instruments* issued in November 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for de-recognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in July 2014 to mainly include the impairment requirements for financial assets and limited amendments to the classification and measurement requirements by introducing a "fair value through other comprehensive income" (FVTOCI) measurement category for certain simple debt instruments. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

**Key requirements of IFRS 9**

- All recognized financial assets that are within the scope of *IAS 39 Financial Instruments: Recognition and Measurement* are required to be subsequently measured at amortised cost or fair value. Specifically, debt instruments that are held within a business model whose objective is to collect the contractual cash flows that are solely payments of principal and interest, are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and those contractual cash flows are solely payments of principal and interest, are measured at FVTOCI. All other debt instruments and equity instruments are measured at their fair value at the end of the subsequent accounting periods. In addition, entities may make an irrevocable election to present subsequent changes in the fair value of an equity instrument (that is not held for trading) in other comprehensive income, with only dividend income generally recognized in profit or loss.



**SAINT LUCIA OLYMPIC COMMITTEE INC.**

Notes to the Financial Statements

For the Year Ended December 31, 2016

(Expressed in Eastern Caribbean Dollars)

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**2. Summary of significant accounting policies (cont'd)**

**(b) New standards, amendments to standards and interpretations (cont'd)**

- (ii) Standards, amendments and interpretations that are issued but not effective and have not been early adopted are as follows: (cont'd)

- IFRS 9, Financial Instruments: (cont'd)

Key requirements of IFRS 9 (cont'd)

- With regard to the measurement of financial liabilities designated at fair value through profit or loss, IFRS 9 requires that the amount of the change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of the changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.
- In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words it is no longer necessary for a credit event to have occurred before credit losses are recognized.
- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an "economic relationship". Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

It is anticipated that the application of IFRS 9 in the future may have a material impact on amounts reported in respect to the Committee's financial assets and liabilities. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 9 until a detailed review is undertaken.



**SAINT LUCIA OLYMPIC COMMITTEE INC.**

Notes to the Financial Statements

For the Year Ended December 31, 2016

(Expressed in Eastern Caribbean Dollars)

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**2. Summary of significant accounting policies (cont'd)**

**(b) New standards, amendments to standards and interpretations (cont'd)**

(ii) Standards, amendments and interpretations that are issued but not effective and have not been early adopted are as follows: (cont'd)

- *IFRS 15, Revenue from Contracts with Customers* was issued in May 2014 and establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including *IAS 18 Revenue*, *IAS 11 Construction Contracts* and the related interpretations when it becomes effective for annual periods beginning on or after January 1, 2017. The core principle of IFRS 15 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Under IFRS 15, an entity recognizes revenue when or as a performance obligation is satisfied, that is, when control of the goods or services underlying the particular performance obligation is transferred to the customer.

In April 2016, IFRS 15 was amended to clarify three aspects of the standard (identifying performance obligations, principal versus agent considerations, and licensing) and to provide some transition relief for modified contracts and completed contracts.

It is anticipated that the application of IFRS 15 in the future may have a material impact on amounts reported in respect to the Committee's financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 15 until a detailed review is undertaken.

- *IFRS 16, Leases* was issued in January 2016 and will supersede *IAS 17, Leases*. This standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor.

This new standard is applicable for annual periods beginning on or after January 1, 2019. It is anticipated that the application of IFRS 16 in the future may have a material impact on amounts reported in respect to the Committee's financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 16 until a detailed review is undertaken.



**SAINT LUCIA OLYMPIC COMMITTEE INC.**

Notes to the Financial Statements

For the Year Ended December 31, 2016

(Expressed in Eastern Caribbean Dollars)

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**2. Summary of significant accounting policies (cont'd)**

**(b) New standards, amendments to standards and interpretations (cont'd)**

(ii) Standards, amendments and interpretations that are issued but not effective and have not been early adopted are as follows: (cont'd)

- *IAS 7, Statement of Cash Flows* was amended to clarify that entities shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. To achieve this objective, the standard requires that the following changes in liabilities arising from financing activities are disclosed (to the extent necessary): (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

This amendment is applicable for annual periods beginning on or after January 1, 2017. It is not anticipated that application of this amendment will have a material impact on the disclosures in the Committee's financial statements.

**(c) 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 (EC\$), which is the Committee's functional and presentation currency.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income.

**(d) Donation and sponsorship contribution in kind**

All significant donations and sponsorship contributions in kind are recorded as income using actual values or cost (which approximates fair value) at either the time of donation or when the goods or services are utilized, with corresponding charges to expenses or fixed assets.

**(e) Impairment of non-financial assets**

The carrying amounts of the Committee's assets are reviewed at each date of the financial statements 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 recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the statement of comprehensive income.



**SAINT LUCIA OLYMPIC COMMITTEE INC.**

Notes to the Financial Statements

For the Year Ended December 31, 2016

(Expressed in Eastern Caribbean Dollars)

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**2. Summary of significant accounting policies (cont'd)**

**(f) Financial assets**

The Committee classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. The Executive Committee determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of loans and receivables is established when there is objective evidence that the Committee will not be able to collect all amounts due according to their original terms.

Regular way purchases and sales of loans and receivables are recognized on trade-date-the date on which the Committee commits to purchase or sell the asset. Loans and receivables are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition. Loans and receivable are derecognized when the rights to receive cash flows from the asset have expired or where they have been transferred and the Committee has also transferred substantially all risk and rewards of ownership.

**(g) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and at bank.

**(h) Programmes and other receivables**

Programmes and other receivables are recognized initially at fair value and subsequently measured at amortized cost less provision for impairment. A provision for impairment of accounts receivables is established when there is objective evidence that the Committee will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial delinquency in payments are considered good indicators that the accounts receivable is impaired. The amount of the provision is the difference between the carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of loss is recognized in the statement of comprehensive income.

When an accounts receivable is uncollectible, it is written-off against the allowance account for accounts receivables. Subsequent recoveries of amount previously written off are credited in the statement of comprehensive income.

**SAINT LUCIA OLYMPIC COMMITTEE INC.**

Notes to the Financial Statements

For the Year Ended December 31, 2016

(Expressed in Eastern Caribbean Dollars)

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**2. Summary of significant accounting policies (cont'd)**

**(i) Property, plant and equipment**

Property, plant and equipment are stated at historical cost net of accumulated depreciation and or impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Committee and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation is calculated on the straight-line basis to allocate the cost of each asset to their residual values over their estimated useful lives as follows:-

Buildings	2%
Computer equipment	25%
Furniture and fittings	25%

Gains and losses on disposal are determined by comparing proceeds with carrying amounts. These are included in the statement of comprehensive income.

**(j) Programmes and other payables**

Accounts payable are measured at amortized cost.

**(k) Deferred assistance**

Grants, fundraising income and sponsorship income used to fund future activities such as the preparation and participation of the Saint Lucian Olympic Teams at Olympic, Pan American or Commonwealth Games have been deferred, to be recognized as income in the year in which the activities are carried out or the games are held.

**(l) Revenue**

Revenue is recognized at the fair value of the consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Committee and the revenue can be reliably measured.

Interest income is accrued on a time basis.

**(m) Leases**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.



**SAINT LUCIA OLYMPIC COMMITTEE INC.**

Notes to the Financial Statements

For the Year Ended December 31, 2016

(Expressed in Eastern Caribbean Dollars)

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**2. Summary of significant accounting policies (cont'd)**

**(n) Income tax**

The Saint Lucia Olympic Committee Inc. is a non-profit organization and is, accordingly, exempt from income tax under Section 25 (1) of the Income Tax Act Cap. 15:02.

**(o) Comparatives**

Where necessary, comparative figures have been adjusted to conform with the current year's presentation.

**3. Critical accounting estimates and judgments**

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

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Committee based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, any change due to market changes or circumstance arising beyond the control of the Committee. Such changes are reflected in the assumptions when they occur.

**4. Financial instruments**

In accordance with provisions of International Financial Reporting Standard No. 7, disclosure is required regarding credit risk, liquidity risk, market risk, fair value of financial instruments and capital management.

**(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 Committee. The maximum exposure of the Committee to credit risk is indicated by the carrying amount of its financial assets.

Cash and cash equivalents and certain investments exposes the Committee to concentrations of credit risk as the balances are held with one banking institution.

Credit risk is minimized through placing the balances with a highly reputable institution and as such, the Executive Committee does not believe that significant credit risk exist at December 31, 2016.

**(b) Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial instruments.

The Committee's only financial liability is accounts payable which will be settled during the upcoming financial year and the Committee has the cash resources to meet these obligations as they fall due. As such, the Committee has no significant liquidity risk at December 31, 2016.

**SAINT LUCIA OLYMPIC COMMITTEE INC.**

Notes to the Financial Statements

For the Year Ended December 31, 2016

(Expressed in Eastern Caribbean Dollars)

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**4. Financial instruments (cont'd)**

**(c) Fair value of financial instruments**

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 are best evidences by quoted market values, if they exist.

None of the Committee's financial assets and liabilities are traded in a formal market. The Committee's financial assets and financial liabilities which are disclosed in the statement of financial position, approximate their fair values.

**(d) 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 exposes the Committee to cash flow interest rate risk, whereas fixed interest rate instruments expose the Committee to fair value interest rate risk.

The following table summarizes the exposures to interest rate risk of the Committee's financial assets and financial liabilities. Amounts are stated at carrying amounts, categorized by the earlier of contractual re-pricing or maturity.

**SAINT LUCIA OLYMPIC COMMITTEE INC.**  
Notes to the Financial Statements  
For the Year Ended December 31, 2016  
(Expressed in Eastern Caribbean Dollars)

**4. Financial instruments (cont'd)**  
**(d) Interest rate risk (cont'd)**

	Due within 1 year \$	Due between 1 and 5 years \$	Due after 5 years \$	Non-interest bearing \$	Total \$
<b>As at December 31, 2016</b>					
<b>Financial assets</b>					
Cash and cash equivalents	627,665	-	-	407	628,072
Investments	29,253	-	-	-	29,253
Programme and other receivables	-	-	-	297,598	297,598
	<b>656,918</b>	<b>-</b>	<b>-</b>	<b>298,005</b>	<b>954,923</b>
<b>Financial liabilities</b>					
Programme and other payables	-	-	-	33,351	33,351
	<b>656,918</b>	<b>-</b>	<b>-</b>	<b>264,654</b>	<b>921,572</b>
<b>As at December 31, 2015</b>					
<b>Financial assets</b>					
Cash and cash equivalents	434,206	-	-	250	434,456
Investments	1,547,612	-	-	13,834	1,561,446
Programme and other receivables	-	-	-	340,365	340,365
	<b>1,981,818</b>	<b>-</b>	<b>-</b>	<b>354,449</b>	<b>2,336,267</b>
<b>Financial liabilities</b>					
Programme and other payables	-	-	-	8,000	8,000
	<b>1,981,818</b>	<b>-</b>	<b>-</b>	<b>346,449</b>	<b>2,328,267</b>



**SAINT LUCIA OLYMPIC COMMITTEE INC.**

Notes to the Financial Statements

For the Year Ended December 31, 2016

(Expressed in Eastern Caribbean Dollars)

**4. Financial instruments (cont'd)****(d) Interest rate risk**

The table below summarises the interest rates on financial instruments held at the date of the financial statements.

	2016	2015
Investments	<b>3.25 - 4.25%</b>	3.25 - 4.25%

**(e) Fair value hierarchy**

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Committee's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level indicates equity securities and debt instruments on exchanges.
- Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level included derivative financial instruments with significant unobservable components.

The following table shows an analysis of financial instruments measured at fair value by level of the fair value hierarchy:-

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>As at December 31, 2016</b>				
Financial investments	-	-	<b>29,253</b>	<b>29,253</b>
<b>As at December 31, 2015</b>				
Financial investments	-	-	1,566,318	1,566,318



**SAINT LUCIA OLYMPIC COMMITTEE INC.**

## Notes to the Financial Statements

For the Year Ended December 31, 2016

(Expressed in Eastern Caribbean Dollars)

**5. Cash and cash equivalents**

	2016 \$	2015 \$
Cash on hand	407	250
Cash at bank	627,665	434,206
	<u>628,072</u>	<u>434,456</u>

**6. Investments**

	2016 \$	2015 \$
<u>Fixed deposits</u>		
Loans and receivables - term deposits	15,669	1,552,734
<u>Equity securities</u>		
Unlisted		
1 (2015 -1) ordinary share at US\$5,000	13,584	13,584
	<u>29,253</u>	<u>1,566,318</u>

The carrying value of loans and receivables as at the date of the financial statements approximates its fair value. There are no loans or receivables that are considered past due but not impaired, or impaired at the date of the financial statements. Accordingly, there is no impairment provision for loans and receivables as they are deemed collectible based on management's assessment.

The weighted average effective interest rate on the term deposit stated at amortized cost at December 31, 2016 is 2% (2015 - 2%) and matures on November 16, 2017.

Unlisted available-for-sale equity securities totaling \$13,584 (2015 - \$13,584) are carried at cost less impairment. The Committee is unable to reliably measure the fair value of the equity securities since the shares are not traded in an active market and the future cash flows relating to the securities cannot be reliably estimated.

**SAINT LUCIA OLYMPIC COMMITTEE INC.**

Notes to the Financial Statements

For the Year Ended December 31, 2016

(Expressed in Eastern Caribbean Dollars)

**7. Programmes and other receivables**

	2016 \$	2015 \$
Olympic Solidarity Programme	156,676	163,786
International Olympic Committee	53,764	-
Government of Saint Lucia	34,038	-
National Federation	25,495	-
Prepayments	12,555	151,074
Other receivables	11,153	17,546
Games receivables	2,417	-
Rental deposit	1,500	1,500
CACSO receivable	-	6,459
Interest receivables	-	3,430
	<b>297,598</b>	<b>343,795</b>

**SAINT LUCIA OLYMPIC COMMITTEE INC.**  
Notes to the Financial Statements  
For the Year Ended December 31, 2016  
(Expressed in Eastern Caribbean Dollars)

**8. Property, plant and equipment**

	Land and Building \$	Furniture & Fixtures \$	Office Equipment \$	Computer Equipment \$	Total \$
<b>As at December 31, 2014</b>					
Cost	-	99,672	23,068	28,172	150,912
Accumulated depreciation	-	(91,551)	(18,380)	(21,033)	(130,964)
Closing net book value	-	8,121	4,688	7,139	19,948
<b>For the year ended December 31, 2015</b>					
Opening net book value	-	8,121	4,688	7,139	19,948
Additions during the year	-	1,950	-	-	1,950
Depreciation charge for the year	-	(3,324)	(1,563)	(3,813)	(8,700)
Closing net book value	-	6,747	3,125	3,326	13,198
<b>As at December 31, 2015</b>					
Cost	-	101,622	23,068	28,172	152,862
Accumulated depreciation	-	(94,875)	(19,943)	(24,846)	(139,664)
Net book value	-	6,747	3,125	3,326	13,198
<b>For the year ended December 31, 2016</b>					
Opening net book value	-	6,747	3,125	3,326	13,198
Additions during the year	1,656,089	-	-	-	1,656,089
Depreciation charge for the year	-	(3,324)	(1,563)	(3,325)	(8,212)
Closing net book value	1,656,089	3,423	1,562	1	1,661,075
<b>As at December 31, 2016</b>					
Cost	1,656,089	101,622	23,068	28,172	1,808,951
Accumulated depreciation	-	(98,199)	(21,506)	(28,171)	(147,876)
Net book value	1,656,089	3,423	1,562	1	1,661,075

**SAINT LUCIA OLYMPIC COMMITTEE INC.**

## Notes to the Financial Statements

For the Year Ended December 31, 2016

(Expressed in Eastern Caribbean Dollars)

**9. Programmes and other payables**

	2016 \$	2015 \$
Other payables	24,151	-
Accruals	9,200	8,000
	<u>33,351</u>	<u>8,000</u>

**10. Deferred assistance**

	2016 \$	2015 \$
At the beginning of year	338,510	-
Funds received during the year	752,622	555,293
Payments	(629,502)	(216,783)
At the end of the year	<u>461,630</u>	<u>338,510</u>
IOC Building Assistance	214,982	-
Deferred PASO Preparation Grant	185,476	151,831
Deferred YOG Grant	39,518	70,766
Cuban Coaching Fund	21,654	115,913
	<u>461,630</u>	<u>338,510</u>

**11. Building reserve**

In the prior years, the Executive Committee had set up a Building Reserve. Appropriations from the General Fund to the Building Reserve, was made to meet the cost of purchasing a new Olympic Administrative Centre. During the year, the building was purchased and the total amount was transferred from the Building Reserve to the General Fund. The cost of repairs, renovation and equipment, to be incurred in 2017 is estimated to cost \$750,000.

**12. Employee costs**

Included in administration and general expenses are the following:

	2016 \$	2015 \$
Salaries and wages	<u>41,304</u>	<u>40,239</u>

The average number of employees at December 31, 2016 was 2 (2015 - 2).



**SAINT LUCIA OLYMPIC COMMITTEE INC.**

Additional Information  
For the Year Ended December 31, 2016  
(Expressed in Eastern Caribbean Dollars)

**SAINT LUCIA OLYMPIC COMMITTEE INC.**

Index to the Additional Information

For the Year Ended December 31, 2016

(Expressed in Eastern Caribbean Dollars)

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**ADDITIONAL COMMENTS OF THE AUDITORS**

**To the Members of Saint Lucia Olympic Committee Inc.**

The accompanying pages are presented as supplementary information only. In this respect, they do not form part of the financial statements of the **Saint Lucia Olympic Committee Inc.** for the year ended December 31, 2016 and hence are excluded from the opinion expressed in our report dated March 7, 2017, to the member on such financial statements. The information on these pages has been subject to audit procedures only to the extent necessary to express an opinion on the financial statements of the Committee and, in our opinion, is fairly presented in all respects material to those financial statements.



Chartered Accountants  
Castries, Saint Lucia  
March 7, 2017

**SAINT LUCIA OLYMPIC COMMITTEE INC.E**

## Schedule of Income

For the Year Ended December 31, 2016

(Expressed in Eastern Caribbean Dollars)

	2016 \$	2015 \$
<b>Programmes and activities</b>		
P.A.S.O activity and preparation grants	866,705	902,676
Olympic Solidarity World Programmes	461,602	439,292
Olympic Solidarity Administrative Grants	107,582	107,392
	<u>1,435,889</u>	<u>1,449,360</u>
<b>Games grants and subsidies</b>		
CAC Games	-	3,205
<b>Other grants and sponsorship</b>		
Top VI marketing grant	53,764	53,710
Travel subsidies	29,269	13,205
Other grants and income	162,046	138,864
UNESCO funding	-	17,745
	<u>245,079</u>	<u>223,524</u>
<b>Investment income</b>	<u>2,370</u>	<u>42,928</u>
<b>Total income</b>	<u>1,683,338</u>	<u>1,719,017</u>



**SAINT LUCIA OLYMPIC COMMITTEE INC.**

## Schedule of Expenditure

For the Year Ended December 31, 2016

(Expressed in Eastern Caribbean Dollars)

	2016 \$	2015 \$
<b>Programmes and activities</b>		
Olympic Solidarity World Programmes and Activities	118,997	395,546
P.A.S.O programmes and activities	360,997	182,993
Commonwealth games programme and activities	40,937	61,780
Other programmes and activities	297,667	305,342
	<u>818,598</u>	<u>945,661</u>
<b>Games expenditure</b>		
PANAM Games - Toronto 2015	-	177,934
Olympic Games - Rio 2016	418,489	98,611
CYG - 2015 & 2017	-	77,913
YOG -preparation and participation	35,074	-
	<u>453,563</u>	<u>354,458</u>
<b>Development and promotion</b>		
Education and training	51,200	71,409
NF Admin Assistance	77,367	70,323
General meetings	14,910	13,954
PR & Media, Marketing and Promotions	10,332	7,072
CANOC subscription and expenses	2,232	2,717
Website and newsletter	2,025	2,103
Other development and promotion expenses	5,627	-
Other Grants and donation	2,948	-
NF activities	10,145	-
	<u>176,786</u>	<u>167,578</u>
<b>Administrative and general expenses</b>	<u>124,631</u>	<u>121,737</u>
<b>Total expenditure</b>	<u>1,573,578</u>	<u>1,589,434</u>

**SAINT LUCIA OLYMPIC COMMITTEE INC.**

## Schedule of Administrative and General Expenses

For the Year Ended December 31, 2016

(Expressed in Eastern Caribbean Dollars)

	2016	2015
	\$	\$
<b>Administrative and general expenses</b>		
Salaries and benefits	41,304	40,239
Rent	24,000	24,000
Insurance	13,191	2,235
Audit and accounting fees	10,800	9,275
Electricity and water	9,258	9,950
Depreciation	8,212	8,700
Telecommunications	5,969	6,280
Bank charges	3,543	6,080
Stationery and supplies	2,956	6,051
Other expenses	2,676	4,102
Courier and postage	1,740	3,150
Repairs and maintenance	782	1,449
Travel and subsistence	200	226
	<b>124,631</b>	<b>121,737</b>