



St Helena Government Currency Fund

**Annual Financial Statements
2018/19**

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Saint Helena Commissioners of Currency Report

INTRODUCTION

The Commissioners of Currency have pleasure in presenting their report on the Currency Fund transactions for the year ended 31 March 2019. These financial statements are reported under the authority of the Currency Ordinance, section 22. The financial statements are prepared in accordance with the International Public Sector Accounting Standards, Accruals Basis.

The Commissioners of Currency are the officers holding the following positions:

Chief Secretary	Chairperson
Financial Secretary	Commissioner
Deputy Chief Secretary	Commissioner
Deputy Financial Secretary	Commissioner

PRINCIPAL ACTIVITIES

The activities of the Currency Fund are governed by the Currency Ordinance. The Commissioners of Currency are primarily responsible for the printing and minting of circulation currency, and controlling the issue and withdrawal of circulation currency within Saint Helena. The main source of income for Currency Fund activities is derived from the investment of surplus funds. This is supplemented by royalties from the issue of commemorative coins.

FINANCIAL PERFORMANCE

The Currency Fund remains in a positive financial position with net assets totalling £1.009m. Liquid assets represent 56% of the demand liabilities, complying with the statutory minimum requirement of 10%. The significant proportion of liquid assets at the year-end is due to £3.224m of cash being held in overseas Call Accounts. Overall, investments fell slightly by £13k which was due to net losses on investment market values.

The Statement of Financial Performance reflects a surplus of £58k before accounting for capital losses on investments. Interest receivable has increased slightly to £79k, in comparison to £72k in the previous year and investment management charges remain at a similar level to the previous year (£31k). Expenditure has decreased by £20k in comparison with the previous year mainly due to a decrease in the issue of new currency into circulation. Revenue has increased slightly by £3k because of increased royalties and sales in relation to commemorative coins, however other income has decreased significantly (£11k) as the fund had benefited from a large scale currency order to an overseas customer in the prior year and there were no such transactions in this year.

The Statement of Financial Position shows an overall decline in net assets of £13k (1%) in comparison with the previous year. Payables have increased by £84k as the balance on the SHG account reflects a payables position at year end, whereas in the prior year it reflected a receivables position. The reason for this is because there has been a higher surplus made in 2018/19 compared to 2017/18 due to less expenditure on circulation currency and higher royalties being received on Commemorative Coins. Contributing to the overall decline in net assets is the result of losses on investments mainly attributable to a reduction of the market value of investments held by Crown Agents on our behalf. Overall the value of balances held with Crown Agents has increased by £34k and consequently assets have increased.

Nicholas Yon
Acting Financial Secretary - Commissioner of Currency
on behalf of the Commissioners of Currency

14/11/2019
Date