



2016

Anguilla Air and Sea Ports Authority BUSINESS PLAN



1. Executive Summary

1.1 Profitability Statement

The Anguilla Air and Sea Ports Authority (AASPA) is determined to ensure that it is a self-sustaining and financially viable organization. In accordance with an *European Union's European Development Fund (EDF) Programme for Anguilla 2013 Report: Support to the Anguilla Air and Sea Port Authority (AASPA)*, the AASPA's financial information is presented on the accrual based accounting principle and not the cash basis principle. The Blowing Point Port (BPP) is the most profitable port with an unaudited net profit of \$3.5 million in 2014, from total revenues of \$5.4 million 2014. BPP is followed by the Road Bay Port (RBP), with an unaudited profit of \$2.5 million in 2014, from total revenues of \$4.5 million in 2014. The Clayton J. Lloyd International Airport (CJLIA), on the other hand operates at a substantial loss with an unaudited net loss of **\$(2.5 million)** in 2014, from revenues of \$2.3 million in 2014.

AASPA plans to gradually reduce the deficit of the CJLIA over the medium term; primarily by steadily increasing utilization of the airport for access to Anguilla, implementing significant non-aeronautical revenue measures, and keeping the rate of growth in operating costs significantly lower than the rate of growth in revenues. For the long term, and in keeping with the Government of Anguilla (GOA) transportation policy, AASPA plans to promote a major expansion of the CJLIA facilities to accommodate future demand, particularly to handle long-haul flights from the US mainland and other points of origin. With increased passenger movements and commercial activity at the aerodrome, the long-term aim would be that the aerodrome would be more likely to break even and/or be profitable.

The projected net income for 2016 for AASPA is \$524,000.

AASPA will seek to further improve its overall financial position and borrowing capacity by pursuing an agreement with GOA for an increase in the percentage (up to 100%) of the Embarkation Tax retained by AASPA in 2016 and replacing the Embarkation Tax, partially or wholly, with a Port Service Charge in 2017.

Presently the CJLIA is underutilized and it is proposed to increase traffic at the CJLIA by encouraging alternative routes for access to Anguilla. The RBP has substantial potential for additional small to medium size cruise ships calling to port, and AASPA is presently pursuing this. The potential for increasing the volume and frequency of calls by sailing yachts and increasing revenue from this source will also be systematically promoted. The BPP revenues will be maximized by improving the collections efficiency of operators and encouraging the use of the port during the soon to be implemented evening hours.

1.2 Essential Capital Works

Table 1 shows the Essential Capital Works of AASPA.

Table 1: AASPA Essential Capital Works

Capital Expenditure 2016			
Port/Department	Source of Funding	Sub-Total EC\$	Total EC\$
Clayton J. Lloyd International Airport:			
LED Lighting	Operations Surplus	163,980	
Refurbishment to Departure Lounge	Operations Surplus	35,000	
Central A/C, Furniture, Machinery and Equipment	Operations Surplus	85,000	283,980
Security Unit:			
ID Machine, Guard Tour System, Access Control System, CCTVs, Hand Radios	Operations Surplus	133,500	133,500
Blowing Point Ferry Port:			
Paving of new parking lot	Operations Surplus	110,000	
LED Lighting	Operations Surplus	80,000	
Bollard replacement and ladders	Operations Surplus	60,000	
Septic Upgrade, A/C Upgrades, Fairway Lighting, Equipment and Machinery	Operations Surplus	94,250	344,250
Road Bay Port			
*Interest on Jetty Repairs	Grant and/or Loan	316,800	
Warehouse Upgrades including shelving	Operations Surplus	107,000	
LED Lighting, Dangerous Cargo shed, Forklift	Operations Surplus	100,000	523,800
Corporate			
Office Space Renovations including storage	Operations Surplus	148,000	
HR Software and Computers	Operations Surplus	134,000	
Furniture and Filing Equipment	Operations Surplus	32,520	314,520
Total			1,600,050
*Cargo and Marine jetties - Interest calculated on EC\$4,000,000 at 5% for 20 years			

1.3 Capacity Building

In order for AASPA to satisfy the demands of the various sector operations, it is necessary for AASPA to recruit additional staff partly to meet international standards and AASPA's internal organizational requirements. AASPA will ensure that all staff will be afforded ongoing opportunities to train and develop, consistent with the organization's needs. The primary areas of focus for training include Meteorological, Air Traffic Control, Airport Management Accreditation, Seaport Facility Security and Management. The networking interest to ensure that AASPA is abreast of existing trends and future development include Cruise Ship Associations, Shipping Associations, Airport Council International, Seaport Management Associations, Regional Airport Seminars, and Airline Routes. It is proposed that circa 28 new staff will be needed during 2016.

The aim of the Human Resource Plan for 2016, which makes provision to recruit an additional 28 employees, is to bring AASPA much closer to be compliant with international minimum standards and obligations. The aim is to become fully compliant within 2 years, based on the requirements of regulatory inspection audit report.

1.4 The future

The strategic and tactical development of AASPA include the redevelopment of the BPP, the construction of a cargo port at Corito, the redevelopment of Road Bay for Cruise Ships and Yachting, and the airport development.

13.5 2016 Finance Estimates

Table 3: AASPA Capital Expenditure 2016

Capital Expenditure 2016			
Port/Department	Source of Funding	Sub-Total ECS	Total ECS
Clayton J. Lloyd International Airport:			
LED Lighting	Operations Surplus	163,980	
Refurbishment to Departure Lounge	Operations Surplus	35,000	
Central A/C, Furniture, Machinery and Equipment	Operations Surplus	85,000	283,980
Security Unit:			
ID Machine, Guard Tour System, Access Control System, CCTVs, Hand Radios	Operations Surplus	133,500	133,500
Blowing Point Ferry Port:			
Paving of new parking lot	Operations Surplus	110,000	
LED Lighting	Operations Surplus	80,000	
Bollard replacement and ladders	Operations Surplus	60,000	
Septic Upgrade, A/C Upgrades, Fairway Lighting, Equipment and Machinery	Operations Surplus	94,250	344,250
Road Bay Port			
*Interest on Jetty Repairs	Grant and/or Loan	316,800	
Warehouse Upgrades including shelving	Operations Surplus	107,000	
LED Lighting, Dangerous Cargo shed, Forklift	Operations Surplus	100,000	523,800
Corporate			
Office Space Renovations including storage	Operations Surplus	148,000	
HR Software and Computers	Operations Surplus	134,000	
Furniture and Filing Equipment	Operations Surplus	32,520	314,520
Total			1,600,050
*Cargo and Marine jetties - Interest calculated on EC\$4,000,000 at 5% for 20 years			

Table 4: AASPA Corporate Expenditure 2016

AASPA Corporate (400) Expenditure 2016					
Acct#	Expenditure Type	Approved Budget 2014	Actual Expenditure 2014	Approved Budget 2015	Estimated Budget 2016
50001	Employee Emoluments	1,409,400	1,158,884	1,509,150	1,609,800
51002	Employer Contributions	183,780	126,454	185,640	196,980
52001	Allowances	35,810	62,523	31,740	24,600
53000	International Travel and Subsistence	-	23,367	20,000	45,340
53501	Utilities	-	9,538	-	-
54004	Communication	-	-	-	7,200
55001	Supplies and Materials	9,090	29,502	9,090	39,700
55501	Subscriptions, Periodicals and Books	1,200	-	1,200	1,200
55600	Maintenance Costs	-	5,850	-	6,000
55601	Fuel Expenses	2,750	7,123	2,750	8,400
56502	Heavy Equipment and Machinery Rentals	-	-	-	-
56701	Professional and Consultancy Services	199,400	-	225,000	225,000
56801	Insurance	458	2,791	458	458
57001	Hosting and Entertainment	8,640	2,531	8,640	8,640
57201	Training	-	49,998	-	40,800
57302	Marketing	92,000	2,336	40,000	40,000
58101	Subscriptions and Contributions	-	3,804	-	-
58403	Medical Treatment	-	4,092	-	-
59003	Financial Expenses	600	-	600	21,000
22016	Deferred Payment to Employees	360,000	-	90,000	132,000
59901	Sundry Expenses	24,000	5	24,000	24,000
	A/C Technician				40,000
	Total	2,327,128	1,488,798	2,148,268	2,471,118
	Employee Emoluments - Salaries, Temporary Staff Wages, Overtime				
	Employer Contributions - Social Security, Medical Insurance for Staff, etc				
	Professional and Consultancy - Audit Fees, Software Licensing, Legal Consultancy				

Table 5: AASPA CJLI Airport Expenditure 2016

AASPA Airport (401) Expenditure 2016					
Acct#	Expenditure Type	Approved Budget 2014	Actual Expenditure 2014	Approved Budget 2015	Estimated Budget 2016
50001	Employee Emoluments	2,723,400	2,752,282	3,393,800	3,096,000
51002	Employer Contributions	573,898	417,575	579,010	553,233
52001	Allowances	127,506	203,905	95,466	97,475
53000	International Travel and Subsistence	13,080	8,784	13,080	16,480
53501	Utilities	909,600	657,601	909,600	909,600
54004	Communication	42,600	40,264	42,600	43,300
55001	Supplies and Materials	58,604	45,144	80,608	99,604
55501	Subscriptions, Periodicals and Books	-	-	-	-
55600	Maintenance Costs	105,070	151,217	116,070	118,470
55601	Fuel Expenses	42,000	21,679	42,000	38,750
56502	Heavy Equipment and Machinery Rentals	9,600	2,110	9,600	9,600
56701	Professional and Consultancy Services	75,000	-	-	-
56801	Insurance	250,845	249,557	250,845	250,845
57001	Hosting and Entertainment	-	-	-	-
57201	Training	-	6,844	-	77,600
57302	Marketing	-	-	-	-
58101	Subscriptions and Contributions	349,300	352,258	357,700	363,000
58403	Medical Treatment	6,000	-	6,000	6,000
59003	Financial Expenses	-	-	-	-
22016	Deferred Payment to Employees	-	126,484	90,000	132,000
59901	Sundry Expenses	-	1,811	-	-
	Total	5,286,503	5,037,515	5,986,379	5,811,957
	Employee Emoluments - Salaries, Temporary Staff Wages, Overtime				
	Employer Contributions - Social Security, Medical Insurance for Staff, etc				
	Utilities - Electricity, Water, Telephone				

Table 6: AASPA BP Port Expenditure 2016

AASPA Blowing Point Port (402) Expenditure 2016					
Acct#	Expenditure Type	Approved Budget 2014	Actual Expenditure 2014	Approved Budget 2015	Estimated Budget 2016
50001	Employee Emoluments	1,196,400	1,220,554	1,371,026	1,435,200
51002	Employer Contributions	224,465	189,634	226,805	236,460
52001	Allowances	22,509	37,999	3,591	10,770
53000	International Travel and Subsistence	38,400	7,746	18,400	21,990
53501	Utilities	270,000	273,683	270,000	270,000
54004	Communication	7,200	8,325	7,200	7,200
55001	Supplies and Materials	39,997	85,483	46,000	88,000
55501	Subscriptions, Periodicals and Books	-	-	-	-
55600	Maintenance Costs	37,800	35,551	37,800	
55601	Fuel Expenses	3,600	684	3,600	37,800
56502	Heavy Equipment and Machinery Rentals	6,000	8,710	6,000	4,800
56701	Professional and Consultancy Services	-	157,804	-	6,000
56801	Insurance	-	-	-	-
57001	Hosting and Entertainment	-	-	-	-
57201	Training	28,000	-	32,000	43,700
57302	Marketing	-	-	-	-
58101	Subscriptions and Contributions	3,000	3,124	3,000	-
58403	Medical Treatment	-	-	-	9,000
59003	Financial Expenses	-	-	-	-
22016	Deferred Payment to Employees	-	26,349	90,000	132,000
59901	Sundry Expenses	-	1,830	-	
	Total	1,877,371	2,057,476	2,115,422	2,302,920
	Employee Emoluments - Salaries, Temporary Staff Wages, Overtime				
	Employer Contributions - Social Security, Medical Insurance for Staff, etc				
	Utilities - Electricity, Water, Telephone				

Table 7: AASPA RB Port Expenditure 2016

AASPA Road Bay Port (403) Expenditure 2016					
Acct#	Expenditure Type	Approved Budget 2014	Actual Expenditure 2014	Approved Budget 2015	Estimated Budget 2016
50001	Employee Emoluments	1,276,800	1,414,455	1,572,380	1,398,482
51002	Employer Contributions	254,678	197,389	254,678	254,098
52001	Allowances	10,913	22,110	17,263	26,238
53000	International Travel and Subsistence	-	2,880	-	11,330
53501	Utilities	148,800	105,153	148,800	148,800
54004	Communication	9,360	13,093	9,360	9,360
55001	Supplies and Materials	30,947	32,510	46,200	57,000
55501	Subscriptions, Periodicals and Books	-	-	-	-
55600	Maintenance Costs	37,760	55,543	48,760	55,760
55601	Fuel Expenses	29,400	25,697	29,400	29,400
56502	Heavy Equipment and Machinery Rentals	9,600	-	9,600	9,600
56701	Professional and Consultancy Services	-	-	-	-
56801	Insurance	800	690	800	4,100
57001	Hosting and Entertainment	-	-	-	-
57201	Training	-	2,963	-	12,200
57302	Marketing	-	-	-	-
58101	Subscriptions and Contributions	5,600	-	5,600	6,000
58403	Medical Treatment	-	-	-	-
59003	Financial Expenses	-	-	-	-
22016	Deferred Payment to Employees	-	-	90,000	132,000
59901	Sundry Expenses	-	-	-	-
	Total	1,814,658	1,872,482	2,232,841	2,154,368
	Employee Emoluments - Salaries, Temporary Staff Wages, Overtime				
	Employer Contributions - Social Security, Medical Insurance for Staff, etc				
	Utilities - Electricity, Water, Telephone				

Table 8: AASPA Revenue Estimates 2016

AASPA Revenue Estimates 2016					
Acct#	Revenue Type	Approved Budget 2014	Actual Revenue 2014	Approved Budget 2015	Estimated Budget 2016
40021	Embarkation Tax	3,534,571	4,187,935	3,744,175	4,476,100
40042	Security Service Fees	2,417,685	2,314,945	2,450,889	2,570,070
40003	Advertising	27,000	635	27,000	27,000
40007	Aircraft Parking Fees	61,210	63,534	63,645	63,645
40008	Ticket Tax	665,577	235,301	665,577	231,350
40009	FBO Licence	48,900	49,411	48,900	56,400
40010	Landing Fees	451,170	315,103	453,930	453,930
40015	Car Park Fees	270,000	43,560	150,000	150,000
40014	Bunkering charges	39,253	42,178	39,253	39,253
40022	Port Fee	388,645	431,332	408,147	408,147
40024	Fuel Flow Fee	360,372	385,484	367,585	367,585
40028	Navigational Communication Fees	281,449	108,713	138,790	128,440
40030	Overtime Fees	589,593	99,195	474,593	204,420
40035	Pier Dues	1,254,650	1,571,706	1,317,390	1,649,542
40038	Pollution Dues	203,450	209,844	203,450	208,350
40040	Port Dues	482,880	548,564	482,880	591,300
40050	Tonnage Dues	513,570	768,667	513,570	748,673
41002	Concessional Rental	122,100	29,700	122,100	122,100
41003	Counter Space Rent	101,688	107,443	101,688	101,688
41005	Lease of AASPA Property	25,200	-	25,200	25,200
41010	Storage Fees/Warehouse Rent	103,170	286,971	166,975	211,400
46001	Airport Baggage Handling Charges	177,728	96,925	177,728	177,728
46002	Cargo Handling Charges	368,060	203,243	386,500	195,000
46006	Ramp Passes	1,800	280	2,160	2,160
46005	Port Passes	8,460	1,080	12,000	12,000
46099	Other Revenue			-	-
45016	Gains/Losses on Exchange	43,325	113,792	43,325	122,846
	Total	12,541,506	12,215,540	12,587,450	13,344,327

1. AASPA recognizes that there is an existing deficit as it relates to the operational surplus projected to fund the capital projects.
2. Consequently, it is the hope of AASPA to negotiate with the GoA for, at least, a share of the 25% embarkation tax revenue as a means of financing capital works.
3. Further, AASPA intends to fund some of the capital works as per the economic standings of AASPA throughout 2016.

Table 9: Major Debts of AASPA

Major Debts of the AASPA		
Entity	Amount (EC\$)	Remarks
Social Security Board	825,000	Payment plan formulated to pay both the current and significantly on the arrears in 2016.
Anguilla Electricity Company	265,000	The AASPA is up to date on the current payments. Payment plan is done to address the arrears.
Water Corporation of Anguilla	370,000	Current payments being made. Plan for the arrears can be formulated after discussions with GoA, WCA and AASPA personnel, especially in usage at the CJLIA.
Deferred Salaries and Wages	1,100,000	Policy for repayment until economy improves - termination, resignation, end of contract, illness, death, etc. of employee or family member(s).

Total **2,560,000**