

# Caribbean Developments (Antigua) Limited

Financial Statements  
December 31, 2022  
(Expressed in Eastern Caribbean Dollars)



# Gold Standard

ACCOUNTING SOLUTIONS INC.

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## INDEPENDENT AUDITORS' REPORT

### To the Shareholders of Caribbean Developments (Antigua) Limited

#### *Opinion*

We have audited the accompanying financial statements of Caribbean Developments (Antigua) Limited (the "Company") which comprise the statement of financial position as of December 31, 2022, and the statements of comprehensive loss, changes in equity and 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 Company as of December 31, 2022, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities ("IFRS for SMEs").

#### *Basis of Opinion*

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company 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 the Eastern Caribbean, 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 the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS for SMEs 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

#### **Auditors' 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 auditors' 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 the 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 statement.

As part of an audit in accordance with ISAs, we exercise professional judgement 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 the Company's 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 Company'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Company 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 the Company's internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

**Gold Standard Accounting Solutions Inc.**



**Chartered Professional Accountant  
March 20, 2023  
St. John's Antigua**

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# CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

## Statement of Financial Position

As at December 31, 2022

(Expressed in Eastern Caribbean Dollars)

	Notes	2022	2021
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	1,943,468	742,303
Trade and other receivables	6	3,514,327	2,794,756
Inventories	7	984,527	736,568
Due from related parties	8	3,629,070	3,629,070
Property tax recoverable		1,221,695	1,747,279
<b>Total Current Assets</b>		<b>11,293,087</b>	<b>9,649,976</b>
<b>Non-current Assets</b>			
Investment property	9	267,267	287,657
Property, plant, and equipment	10	16,750,143	17,043,166
<b>Total Non-current Assets</b>		<b>17,017,410</b>	<b>17,330,823</b>
<b>Total Assets</b>		<b>28,310,497</b>	<b>26,980,799</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>			
Trade and other payables	11	1,841,619	1,593,364
Advance deposits		307,794	504,560
Due to related parties	8	257,587	279,972
Income tax payable	15	500	7,000
Sinking fund		—	163,334
<b>Total Current Liabilities</b>		<b>2,407,500</b>	<b>2,548,230</b>
<b>Non-current Liabilities</b>			
Long-term note payable	8	1,221,695	1,747,279
<b>Total Non-current Liabilities</b>		<b>1,221,695</b>	<b>1,747,279</b>
<b>Total Liabilities</b>		<b>3,629,195</b>	<b>4,295,509</b>
<b>Equity</b>			
Share capital	12	5,000	5,000
Contributed surplus	13	31,755,940	30,558,570
Accumulated deficit		(7,079,638)	(7,878,280)
<b>Total Equity</b>		<b>24,681,302</b>	<b>22,685,290</b>
<b>Total Liabilities and Equity</b>		<b>28,310,497</b>	<b>26,980,799</b>

See accompanying Notes to the Financial Statements.

Approved by the Board of Directors on March 20, 2023

 Director  Director

## CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

### Statement of Comprehensive Loss

For the year ended December 31, 2022

(Expressed in Eastern Caribbean Dollars)

	Notes	2022	2021
<b>Revenue</b>	14	<b>11,098,590</b>	24,037,954
<b>Cost of sales</b>		<b>(62,068)</b>	(4,968,093)
<b>Gross profit</b>		<b>11,036,522</b>	19,069,861
<b>General, administrative, and selling expenses</b>			
Utilities		1,272,767	7,091,762
Employee benefits and related expenses		1,984,857	3,725,899
Bad debt expense, net		2,741,014	2,787,012
Security		1,388,513	1,265,013
Repairs and maintenance		1,270,172	1,084,744
Management fees		616,174	537,640
Rent		600,000	–
Depreciation		515,811	465,313
Property tax		202,750	131,987
Legal and professional fees		202,100	532,289
Waste disposal charges		128,319	205,536
Equipment rental		–	134,645
Other expenses		296,594	1,674,380
		<b>(11,219,071)</b>	(19,636,220)
<b>Loss from operations</b>		<b>(182,549)</b>	(566,359)
<b>Other income (expense)</b>			
Interest expense		–	(76)
Others		7,702	913,700
		<b>7,702</b>	913,624
<b>Net income (loss) before tax</b>		<b>(174,847)</b>	347,265
<b>Income tax expense</b>		–	(500)
<b>Total comprehensive income (loss) for the year</b>		<b>(174,847)</b>	346,765

See accompanying Notes to the Financial Statements.

## CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

### Statement of Cash Flows

For the year ended December 31, 2022  
(Expressed in Eastern Caribbean Dollars)

	Notes	2022	2021
<b>Cash flows from operating activities</b>			
Net income (loss) before tax		(174,847)	347,265
Adjustments for non-cash items:			
Gain on disposal of PPE		(10,000)	102,093
Bad debt expense		2,741,014	2,787,012
Depreciation on PPE	10	495,421	635,286
Depreciation on investment property	9	20,390	746,978
Adjustment to PPE cost	10	–	(190,362)
Adjustment to accumulated depreciation	10	–	20,389
Interest reversal		973,489	–
Working capital changes:			
Trade and other receivables		(3,460,585)	(1,560,979)
Inventories		(247,959)	531,062
Property tax recoverable		525,584	(1,747,279)
Land held for sale		–	4,623,484
Trade and other payables		248,255	(1,859,331)
Income tax payable		(6,500)	(701,288)
Deposit on land and villas		–	(3,894,349)
Advance deposits		(196,766)	43,854
Net cash generated (used) by operating activities		907,496	(116,165)
<b>Cash flows from investing activities</b>			
Increase in property, plant and equipment		(192,398)	(403,088)
Net cash used in investing activities		(192,398)	(403,088)
<b>Cash flows from financing activities</b>			
Due to related parties		(22,385)	(3,693,502)
Sinking fund		(163,334)	(1,158,411)
Long-term note payable		(525,584)	1,747,279
Contributed surplus		1,197,370	3,867,403
Net cash generated from financing activities		486,067	762,769
<b>Increase in cash and cash equivalents for the year</b>		<b>1,201,165</b>	<b>243,516</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>742,303</b>	<b>498,787</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>1,943,468</b>	<b>742,303</b>

See accompanying Notes to the Financial Statements.

## CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

### Statement of Changes in Equity

For the year ended December 31, 2022

(Expressed in Eastern Caribbean Dollars)

	Share Capital	Capital reserve	Contributed surplus	Accumulated deficit	Total
<b>Balance as of December 31, 2020</b>	<b>5,000</b>	<b>128,456</b>	<b>26,562,711</b>	<b>(8,225,045)</b>	<b>18,471,122</b>
Comprehensive income for the year	–	–	–	346,765	346,765
Capital reserve reclassified to contributed surplus	–	(128,456)	128,456	–	–
Increase in contributed surplus	–	–	3,867,403	–	3,867,403
<b>Balance as of December 31, 2021</b>	<b>5,000</b>	<b>–</b>	<b>30,558,570</b>	<b>(7,878,280)</b>	<b>22,685,290</b>
Comprehensive loss for the year	–	–	–	(174,847)	(174,847)
Reversal of interest	–	–	–	973,489	973,489
Increase in contributed surplus	–	–	1,197,370	–	1,197,370
<b>Balance as of December 31, 2022</b>	<b>5,000</b>	<b>–</b>	<b>31,755,940</b>	<b>(7,079,638)</b>	<b>24,681,302</b>



# CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

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## Notes to the Financial Statements

December 31, 2022

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### 1. Corporate Information

Caribbean Developments (Antigua) Limited (the “Company”) was incorporated as a limited liability company on March 14, 1960 under the laws of Antigua and Barbuda. The principal activity of the Company is real estate and property development, as well as property management. The development is comprised of villas and parcels of land for sale, a commercial center and a golf course. The Company is a wholly owned subsidiary of Sabana Holdings Ltd.

The Company’s registered office is located at 44 Church Street, St. John's, Antigua.

The accompanying financial statements were approved and authorized for issue by the Board of Directors (BOD) on March 20, 2023.

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### 2. Going Concern and Management Plans

The accompanying financial statements have been prepared on a going concern basis, which anticipates the realization of assets and the satisfaction of liabilities in the normal course of business. Although the Company incurred a net loss for the year ending December 31, 2022 amounting to \$174,847, the Company has received continuous financial support from its shareholders in way of contributed surplus. In addition, prudent working capital management is being implemented.

Based on the above, management believes that the going concern basis is appropriate.

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### 3. Basis of Preparation and Summary of Significant Accounting Policies

#### Basis of Preparation and Statement of Compliance

The accompanying financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (“IASB”). The financial statements have been prepared on a historical cost basis and are presented in Eastern Caribbean Dollars, which is the Company’s functional and presentation currency. All amounts are rounded to the nearest dollar, except when otherwise indicated.

#### Cash and Cash Equivalents

Cash includes cash on hand and cash in banks. Cash in banks earn interest at the respective bank deposit rates. Cash equivalents include deposits and other short-term investments with an original maturity of three months or less.

#### Trade and Other Receivables

Trade and other receivables are initially recognized at the transaction price. Subsequently, trade and other receivables are measured at amortized cost using the effective interest method. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If such evidence exists, an impairment loss is recognized immediately in the statement of comprehensive income.

# CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

## Notes to the Financial Statements

December 31, 2022

### Inventories

Inventories are stated at the lower of cost and net realized value (estimated selling price less costs to complete and sell). Cost is determined using the weighted average method. Cost of inventory includes purchase price, import duties, other taxes and other costs incurred to bring the inventory to their present location and condition. At each reporting date, inventories are assessed for impairment. Impairment losses on inventory are recognized immediately in the statement of comprehensive income.

### Investment Property

Property held for rental or capital appreciation which is not occupied by the Company is classified as investment property. Investment property is comprised of freehold land, villas and commercial property and, except for land, is carried at cost less accumulated depreciation and impairment losses, if any. Land is stated at cost less any impairment losses.

The Company uses the cost model to account for its investment property. Initially an item of investment property is measured at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the cost of day-to-day servicing of an investment property.

Depreciation is provided using the straight-line method at rates considered adequate to write-off the cost, less residual value, over the estimated useful lives of the assets. The useful lives and depreciation method are reviewed at each balance sheet date to ensure that such useful lives and depreciation method are consistent with the expected pattern of economic benefits from those assets. Villas are depreciated at a rate of 4% annually, other buildings are depreciated at a rate of 2% annually, and land is not depreciated.

### Property, Plant and Equipment

Items of property, plant and equipment, except for land, are measured at cost less accumulated depreciation and impairment losses, if any. Land is stated at cost less any impairment in value.

Cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's 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 Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Land and the golf course are not depreciated. Depreciation on other assets is recognized in the statement of comprehensive income on a straight-line basis to allocate their cost over the estimated useful lives. The depreciation rates are as follows:

Roads, bridges, yard and seawall	2%
Utilities	5% – 25%
Buildings	2%
Furniture, fixtures and equipment	20%
Motor vehicle	20%

# CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

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## Notes to the Financial Statements

December 31, 2022

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of comprehensive income.

### Trade and other payables

Trade and other payables are recognized initially at the transaction price. After initial recognition, they are measured at amortized cost using the effective interest method. Trade payables are on normal credit terms and do not bear interest.

### Impairment

The Company assesses at each financial reporting date whether a financial asset or group of financial assets is impaired. The carrying values of furniture and equipment and other long-lived assets are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amounts. The recoverable amount of the assets is the greater of net selling price or value in use.

The net selling price is the amount obtainable from the sale of an asset in an arm's-length transaction. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Any impairment loss is recognized in the statement of comprehensive income.

### Revenue Recognition

Revenue comprises the fair value of consideration received or receivable for the sale of goods and delivery of services in the ordinary course of the Company's operations. Revenue is shown net of Antigua and Barbuda Sales Tax, returns, rebates and discounts.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

- a. Villa and land sales – Villa sales are recognized at the time the respective sale agreement is signed, financial arrangements are in place and rights to occupancy have been granted to the purchaser. Land sales are recognized when the risks and rewards of ownership have been transferred. Amounts received prior to the recognition of a sale are accounted for as deposits.
- b. Rental revenue – Rental revenues are recognized upon the performance of services or the delivery of products and customer acceptance. Revenues are shown net of government taxes, service charges and discounts.
- c. Other income – Other income is recognized on an accrual basis.

# CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

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## Notes to the Financial Statements

December 31, 2022

### Expenses

Expenses are recognized in the statement of comprehensive income in the year they are incurred.

### Provisions

Provisions, if any, are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as interest expense.

### Operating 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 (net of any incentives received from lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

### Income Taxes

Tax expense recognized in the statement of comprehensive income comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period in Antigua and Barbuda.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be able to be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Company has a legal right and intention to set off current tax assets and liabilities from the same taxation authority.

# CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

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## Notes to the Financial Statements

December 31, 2022

The carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits.

Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in the statement of comprehensive income, except where they relate to items that are recognized in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

### Foreign Currency Transactions

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The Company’s functional currency is Eastern Caribbean Dollars. The financial statements are presented in Eastern Caribbean Dollars, which is the Company's presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in currencies other than the functional currency are reported at the exchange rates prevailing at the year end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the statement of comprehensive income.

### Equity

Share capital represents the proceeds of shares that have been issued plus any amounts subsequently added to share capital.

Retained earnings include all current and prior period retained profits and losses.

Contributed capital represents amounts converted to paid-in capital not supported by issuance of shares.

### Events after Reporting Period

Events after the reporting date that provide additional information about the Company’s financial position at financial reporting period (adjusting events) is reflected in the financial statements. Events after financial reporting period that are not adjusting events are disclosed in the notes to financial statements, when material.

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## 4. Significant Accounting Estimates and Judgment

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses. The actual outcomes may differ.

The estimates considered most significant are discussed below.

### Impairment of Receivables

The Company maintains an allowance for doubtful accounts at a level considered adequate to provide for uncollectible receivables. The level of this allowance is evaluated by the Company on the basis of factors that affect the collectability of the accounts. These factors include, but are not limited to the length of the Company's relationship with debtors, their payment behavior and known market factors.

# CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

## Notes to the Financial Statements

December 31, 2022

The Company reviews the age and status of receivables, and identifies accounts that are to be provided with an allowance on a continuous basis. The amount and timing of recorded expenses for any period would differ if the Company made different judgements or utilized different estimates. An increase in the Company's allowance for doubtful accounts would increase the Company's recorded operating expenses and decrease current assets.

### Provision on Inventory Obsolescence

The Company recognizes a provision for inventory losses when the realizable values of inventory items become lower than cost due to obsolescence or other causes. Obsolescence is based on the physical condition of inventory items. Obsolescence is also established when inventory items can no longer be utilized. Obsolete goods when identified are charged to the statement of comprehensive income. In addition to a provision for specifically identified obsolete inventory, an estimate is made based on the age of the inventory in a given year. The Company believes such estimates represent a fair charge of the level of inventory losses in a given year. The Company reviews on a semi-annual basis the condition of its stock. The assessment of the condition of the inventory goods either increases or decreases the total expenses or total inventory.

### Revenue Recognition

The Company recognizes revenue on land and villa sales when it determines that the risks and rewards of ownership have been transferred to the buyer, and is not limited to the transfer of title. The Company assesses at what point in the transaction that a sale has occurred. This involves determining whether the costs have been reliably measured, whether the Company has no further substantial acts to complete under the contract and whether there is evidence of the buyer's commitment to complete payment.

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## 5. Cash and Cash Equivalents

	2022	2021
	\$	\$
Petty cash fund	4,267	4,649
Cash in banks	1,939,201	737,654
<b>Total cash and cash equivalents</b>	<b>1,943,468</b>	<b>742,303</b>

As of December 31, 2022, the balance of cash within the Company's bank accounts that belong to and is scheduled for transfer to the developers in 2023 is \$33,673.

# CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

## Notes to the Financial Statements

December 31, 2022

### 6. Trade and Other Receivables

	2022	2021
	\$	\$
Trade receivables	10,825,044	8,460,368
Other receivables	493,095	80,992
	11,318,139	8,541,360
Less: provision for impairment of trade receivables	(7,865,018)	(5,877,375)
	3,453,121	2,663,985
Prepayments	61,206	130,771
Total trade and other receivables	3,514,327	2,794,756

Movement on the provision for impairment of trade receivables are as follows:

	2022	2021
	\$	\$
Balance at the beginning of the year	5,877,375	4,702,443
Increase (decrease) during the year	1,987,643	1,174,932
Balance at the end of the year	7,865,018	5,877,375

### 7. Inventories

	2022	2021
	\$	\$
Supplies	1,265,944	1,189,690
Fuel	184,609	135,743
Other	167,278	17,090
	1,617,831	1,342,523
Less: provision for inventory obsolescence	(633,304)	(605,955)
Balance at the end of the year	984,527	736,568

### 8. Related Party Balances and Transactions

	2022	2021
	\$	\$
<b>Due from related party</b>		
Sabana Holdings Limited – Parent Company	3,629,070	3,629,070
<b>Due to related party</b>		
Sabana Holdings Limited – Parent Company	257,587	279,972
<b>Long-term note payable</b>		
Sabana Holdings Limited – Parent Company	1,221,695	1,747,279

The amounts due from and to related parties represent advances. These advances are unsecured, non-interest bearing and with no fixed terms of repayment.

**CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED****Notes to the Financial Statements****December 31, 2022****9. Investment Property**

	<b>Land</b>	<b>Other</b>	<b>Total</b>
	<b>\$</b>	<b>Buildings</b>	<b>\$</b>
		<b>\$</b>	<b>\$</b>
<b>Year ended December 31, 2022</b>			
Opening net book value	–	287,657	287,657
Disposal	–	–	–
Depreciation	–	(20,390)	(20,390)
Closing net book value	–	267,267	267,267
<b>At December 31, 2022</b>			
Cost	–	1,019,511	1,019,511
Accumulated depreciation	–	(752,244)	(752,244)
Net book value	–	267,267	267,267

	<b>Land</b>	<b>Other</b>	<b>Total</b>
	<b>\$</b>	<b>Buildings</b>	<b>\$</b>
		<b>\$</b>	<b>\$</b>
<b>Year ended December 31, 2021</b>			
Opening net book value	91,000	308,046	399,046
Disposal	(91,000)	–	(91,000)
Depreciation	–	(20,389)	(20,389)
Closing net book value	–	287,657	287,657
<b>At December 31, 2021</b>			
Cost	–	1,019,511	1,019,511
Accumulated depreciation	–	(731,854)	(731,854)
Net book value	–	287,657	287,657

The investment property amounting to \$267,267 related to Jolly Harbour Sports Center is owned by and scheduled for transfer to the developers in 2023.



# CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

## Notes to the Financial Statements

December 31, 2022

### 10. Property, Plant, and Equipment

	2022							
	Land \$	Utilities \$	Road, Bridges Yard & Seawall \$	Buildings \$	Motor Vehicle \$	Security Boat \$	Furniture, Fixtures & Equipment \$	Total \$
Opening net book value	11,578,178	28,088	3,409,942	1,905,955	10,757	–	110,246	17,043,166
Additions	–	62,022	–	–	27,782	27,000	80,283	179,087
Depreciation	–	(6,765)	(318,140)	(99,895)	(9,793)	(4,500)	(50,747)	(490,110)
<b>Closing net book value</b>	<b>11,578,178</b>	<b>83,345</b>	<b>3,091,532</b>	<b>1,806,060</b>	<b>28,746</b>	<b>22,500</b>	<b>139,782</b>	<b>16,750,143</b>
<b>At December 31, 2022</b>								
Cost	11,578,178	46,016,746	15,920,685	6,192,353	249,153	27,000	1,284,225	81,268,340
Accumulated Depreciation	–	(45,933,401)	(12,829,153)	(4,386,293)	(220,407)	(4,500)	(1,144,443)	(64,518,197)
<b>Net Book Value</b>	<b>11,578,178</b>	<b>83,345</b>	<b>3,091,532</b>	<b>1,806,060</b>	<b>28,746</b>	<b>22,500</b>	<b>139,782</b>	<b>16,750,143</b>

  

	2021							
	Land \$	Utilities \$	Road, Bridges Yard & Seawall \$	Buildings \$	Motor Vehicle \$	Security Boat \$	Furniture, Fixtures & Equipment \$	Total \$
Opening net book value	11,885,476	379,433	3,728,356	1,729,403	17,772	–	102,632	17,843,072
Additions	–	32,448	–	308,525	–	–	62,115	403,088
Disposal	–	–	–	(15,504)	(51,213)	–	(1,160,550)	(1,227,267)
Adjustment to cost	(307,298)	(415,337)	–	–	–	–	(24,343)	(746,978)
Depreciation	–	(158,818)	(318,414)	(120,879)	(7,015)	–	(30,160)	(635,286)
Adjustment to accumulated depreciation	–	190,362	–	–	–	–	–	190,362
Writeback on accumulated depreciation	–	–	–	4,410	51,213	–	1,160,552	1,216,175
<b>Closing net book value</b>	<b>11,578,178</b>	<b>28,088</b>	<b>3,409,942</b>	<b>1,905,955</b>	<b>10,757</b>	<b>–</b>	<b>110,246</b>	<b>17,043,166</b>
<b>At December 31, 2021</b>								
Cost	11,578,178	45,954,724	15,920,685	6,192,353	221,371	–	1,203,942	81,071,253
Accumulated Depreciation	–	(45,926,636)	(12,510,743)	(4,286,398)	(210,614)	–	(1,093,696)	(64,028,087)
<b>Net Book Value</b>	<b>11,578,178</b>	<b>28,088</b>	<b>3,409,942</b>	<b>1,905,955</b>	<b>10,757</b>	<b>–</b>	<b>110,246</b>	<b>17,043,166</b>

## CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

### Notes to the Financial Statements

December 31, 2022

The following property, plant and equipment are owned by and scheduled for transfer to the developers in 2023:

	2022
	\$
Land	11,578,178
Buildings	1,806,060
Total	13,384,238

#### 11. Trade and Other Payables

	2022	2021
Accounts payable	954,619	1,194,113
Accrued liabilities	358,389	225,203
Antigua and Barbuda Sales Tax payable	110,883	165,908
Others	417,728	8,140
	1,841,619	1,593,364

#### 12. Share Capital

	2022	2021
	\$	\$
Authorized, issued and fully paid 5,000 ordinary shares of no par value	5,000	5,000

#### 13. Contributed Surplus

	2022	2021
	\$	\$
Excess fair value of Company's net assets	10,980,535	10,980,535
Conversion of debt to equity	102,168,671	100,971,301
Transfer to accumulated deficit	(81,393,266)	(81,393,266)
	31,755,940	30,558,570

## CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

### Notes to the Financial Statements

December 31, 2022

#### 14. Revenue

	2022	2021
	\$	\$
JH homeowners' fees	9,840,558	7,696,829
Utilities revenues	468,013	5,826,090
Commercial center fees	300,000	1,996,598
Infrastructure and maintenance fees	266,479	453,323
Rental income	–	140,677
Commission income	58,867	–
Land sales	–	7,851,380
Other revenues	164,673	73,057
	<b>11,098,590</b>	<b>24,037,954</b>

#### 15. Taxation

The Government of Antigua and Barbuda has granted tax concessions to the Company. Thus, the Company is exempt from corporate income tax for a period of twenty (20) years ending in the year 2042.

#### 16. Contracts, Commitments and Contingencies

The Company, in the ordinary course of business, is a defendant/plaintiff to certain legal cases or claims involving its property owners and other third parties which are under protest, or in on-going mediation, or pending decisions by the courts, the outcome of which are not presently determinable. In the opinion of the management and its legal counsel, the eventual liability arising from these cases or claims, if any, will not have a material effect on the Company's financial position or results of operations.

#### 17. Comparatives

Certain comparative amounts for 2021 have been reclassified to conform with the current year's presentation.