

Caribbean Developments (Antigua) Limited

Financial Statements
December 31, 2023
(Expressed in Eastern Caribbean Dollars)



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, 2023, 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, 2023, 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 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 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

February 29, 2024

St. John's Antigua

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CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

Statement of Financial Position


As at December 31, 2023

(Expressed in Eastern Caribbean Dollars)

	Notes	2023	2022
ASSETS			
Current Assets			
Cash and cash equivalents	5	3,716,940	1,943,468
Trade and other receivables	6	1,840,789	3,514,327
Inventories	7	1,521,515	984,527
Due from related parties	8	1,276,460	3,629,070
Property tax recoverable		—	1,221,695
Total Current Assets		8,355,704	11,293,087
Non-current Assets			
Investment property	9	—	267,267
Property, plant, and equipment	10	6,825,748	16,750,143
Total Non-current Assets		6,825,748	17,017,410
Total Assets		15,181,452	28,310,497
LIABILITIES AND EQUITY			
Current Liabilities			
Trade and other payables	11	2,433,924	1,841,619
Advance deposits		278,716	307,794
Due to related parties	8	243,486	257,587
Income tax payable	16	—	500
Total Current Liabilities		2,956,126	2,407,500
Non-current Liabilities			
Long-term note payable	8	—	1,221,695
Retirement payable	12	283,417	—
Total Non-current Liabilities		283,417	1,221,695
Total Liabilities		3,239,543	3,629,195
Equity			
Common stock	13	5,000	5,000
Contributed surplus		19,543,927	31,755,940
Accumulated deficit		(7,607,018)	(7,079,638)
Total Equity		11,941,909	24,681,302
Total Liabilities and Equity		15,181,452	28,310,497

See accompanying Notes to the Financial Statements.

Approved by the Board of Directors on February 29, 2024.

 Director

1

 Director

CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED**Statement of Comprehensive Loss**

For the year ended December 31, 2023

(Expressed in Eastern Caribbean Dollars)

	Notes	2023	2022
Revenue	14	10,884,490	11,098,590
Cost of sales		(138,992)	(62,068)
Gross profit		10,745,498	11,036,522
General, administrative, and selling expenses			
Employee benefits and related expenses		2,645,828	1,984,857
Repairs and maintenance		2,315,080	1,270,172
Security		1,341,612	1,388,513
Utilities		1,227,235	1,272,767
Bad debt expense, net		737,031	2,741,014
Rent		600,000	600,000
Depreciation		554,697	515,811
Management fees		540,011	616,174
Insurance		274,714	16,120
Bank Charges		197,089	35,929
Property tax		158,847	202,750
Legal and professional fees		147,749	202,100
Waste disposal charges		145,523	128,319
Vehicle fuel		64,884	61,703
Cleaning expense		63,098	24,783
Other expenses		275,058	158,059
		11,288,456	11,219,071
Loss from operations		(542,958)	(182,549)
Other income			
Others		15,578	7,702
		15,578	7,702
Net loss before income tax		(527,380)	(174,847)
Income tax expense		—	—
Total comprehensive loss for the year		(527,380)	(174,847)

See accompanying Notes to the Financial Statements.

CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED**Statement of Cash Flows**

For the year ended December 31, 2023
(Expressed in Eastern Caribbean Dollars)

	Notes	2023	2022
Cash flows from operating activities			
Net loss before taxes		(527,380)	(174,847)
Adjustments for non-cash items:			
Gain on disposal of PPE		—	(10,000)
Bad debt expense		737,032	2,741,014
Depreciation on PPE	10	539,404	495,421
Depreciation on investment property	9	15,293	20,390
Interest reversal		—	973,489
Working capital changes:			
Trade and other receivables		936,505	(3,460,585)
Inventories		(536,988)	(247,959)
Due from related parties		2,352,610	
Property tax recoverable		1,221,695	525,584
Trade and other payables		592,306	248,255
Income tax payable		(500)	(6,500)
Advance deposits		(29,078)	(196,766)
Due to related parties		(14,101)	(22,385)
Retirement payable		283,417	—
Net cash generated by operating activities		5,570,215	885,111
Cash flows from investing activities			
Increase in property, plant and equipment		(2,551,734)	(192,398)
Net cash used in investing activities		(2,551,734)	(192,398)
Cash flows from financing activities			
Sinking fund		—	(163,334)
Long-term note payable		(1,221,695)	(525,584)
Contributed surplus		(23,314)	1,197,370
Net cash (used in)/generated from financing activities		(1,245,009)	508,452
Increase in cash and cash equivalents for the year		1,773,472	1,201,165
Cash and cash equivalents at the beginning of the year		1,943,468	742,303
Cash and cash equivalents at the end of the year		3,716,940	1,943,468

See accompanying Notes to the Financial Statements.

CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED**Statement of Changes in Equity**

For the year ended December 31, 2023

(Expressed in Eastern Caribbean Dollars)

	Common stock Shares	Amount	Contributed surplus	Accumulated deficit	Total
Balance as of December 31, 2021	5,000	5,000	30,558,570	(7,878,280)	22,685,290
Total comprehensive loss for the year			–	(174,847)	(174,847)
Reversal of interest			–	973,489	973,489
Increase in capital contribution			1,197,370	–	1,197,370
Balance as of December 31, 2022	5,000	5,000	31,755,940	(7,079,638)	24,681,302
Total comprehensive loss for the year	–	–	–	(527,380)	(527,380)
Transfer of properties to related parties			(12,188,699)		(12,188,699)
Decrease in capital contribution	–	–	(23,314)	–	(23,314)
Balance as of December 31, 2023	5,000	5,000	19,543,927	(7,607,018)	11,941,909

CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

Notes to the Financial Statements

December 31, 2023

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 property management. 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 February 29, 2024.

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 years ending December 31, 2023 and 2022 amounting to \$527,380 and \$174,847, respectively, 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.

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 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. 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 loss. Any balance outstanding at 90 days or greater is automatically reserved for at the end of each period.

CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

Notes to the Financial Statements

December 31, 2023

Inventories

Inventories are stated at the lower of cost and net realized value (estimated selling price less costs to complete and sell). 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 loss.

Investment Property

The developer owned 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 loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is recognized in the statement of comprehensive loss on a straight-line basis to allocate their cost over the estimated useful lives 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

Notes to the Financial Statements

December 31, 2023

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 loss.

Trade and other payables

Trade and other payables are recognized initially at the transaction price. 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 loss.

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.

CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

Notes to the Financial Statements

December 31, 2023

Expenses

Expenses are recognized in the statement of comprehensive loss 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 loss on a straight-line basis over the period of the lease.

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 loss.

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 surplus represent amounts converted to paid-in capital not supported by issuance of shares.

Events after Reporting Period

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

CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

Notes to the Financial Statements

December 31, 2023

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. 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 loss. 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 an accrual basis at the point of invoicing and, in the case of monthly community fees, it is recognized on the 1st of every month.

5. Cash and Cash Equivalents

	2023	2022
	\$	\$
Petty cash fund	4,267	4,267
Cash in banks	3,712,673	1,939,201
Total cash and cash equivalents	3,716,940	1,943,468

CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED**Notes to the Financial Statements****December 31, 2023****6. Trade and Other Receivables**

	2023	2022
	\$	\$
Trade receivables	5,434,055	10,825,044
Other receivables	147,555	493,095
	5,581,610	11,318,139
Less: provision for impairment of trade receivables	(3,812,611)	(7,865,018)
	1,768,999	3,453,121
Prepayments	71,790	61,206
Total trade and other receivables	1,840,789	3,514,327

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

	2023	2022
	\$	\$
Balance at the beginning of the year	7,865,018	5,877,375
Increase/(decrease) during the year	(4,052,407)	1,987,643
Balance at the end of the year	3,812,611	7,865,018

7. Inventories

	2023	2022
	\$	\$
Supplies	2,066,875	1,265,944
Fuel	175,091	184,609
Other	51,845	167,278
	2,293,811	1,617,831
Less: provision for inventory obsolescence	(772,296)	(633,304)
Balance at the end of the year	1,521,515	984,527

8. Related Party Balances and Transactions

	2023	2022
	\$	\$
Due from related party		
Sabana Holdings Limited – Parent Company	–	3,629,070
Porto Palma Services Limited – Entity under common Ownership/Directorship	1,200,014	–
Eastern Caribbean Marina and Boatyard Limited – Entity under common Ownership/Directorship	76,446	–
Total	1,276,460	3,629,070

CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

Notes to the Financial Statements

December 31, 2023

	2023 \$	2022 \$
Due to related party		
Sabana Holdings Limited – Parent Company	234,595	257,587
Eastern Caribbean Marina and Boatyard Limited – Entity under common Ownership/Directorship	8,891	–
Total	243,486	257,587

Long-term note payable

Sabana Holdings Limited – Parent Company	–	1,221,695
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The amounts due from and to related parties represent advances including the gratuitous grant money, which was paid to Porto Palma Services Ltd in order to properly reflect the cash balance owned by the community at year end. These advances are unsecured, non-interest bearing and, in the case of the due to Sabana Holding Ltd., have no fixed terms of repayment.

The related party transactions during the year are as follows:

Related Party	Relationship	Significant Transactions	2023 \$	2022 \$
Caribbean Developments (Antigua) Ltd.	Entity under common ownership / directorship	General and administrative expense	3,630,914	3,068,557
		Rent expense	600,000	600,000

9. Investment Property

The developer owned investment property related to Jolly Harbour Sports Center has a carrying value of 267,267 as of December 31, 2022. The said property has commenced transfer to Stardust Marina Residence Limited in 2023 (see note 10 for further details). Depreciation expense recognized related to this property in 2023 and 2022 amounted to \$15,594 and \$20,390, respectively.

CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

Notes to the Financial Statements

December 31, 2023

10. Property, Plant, and Equipment

	2023								
	Construction in progress \$	Land \$	Utilities \$	Road, Bridges Yard & Seawall \$	Buildings \$	Motor Vehicle \$	Security Boat \$	Furniture, Fixtures & Equipment \$	Total \$
Opening net book value	13,968	11,578,178	83,345	3,091,532	1,806,060	28,746	22,500	125,814	16,750,143
Transfer, net	–	(10,228,178)	–	–	(1,708,547)	–	–	–	(11,936,725)
Additions	1,029,897	–	1,186,319	–	–	187,831	–	147,687	2,551,734
Depreciation	–	–	(34,568)	(318,414)	(97,513)	(30,564)	(5,400)	(52,945)	(539,404)
Closing net book value	1,043,865	1,350,000	1,235,096	2,773,118	–	186,013	17,100	220,556	6,825,748
At December 31, 2023									
Cost	1,043,865	1,350,000	47,203,065	15,920,685	–	436,984	27,000	1,417,944	67,399,543
Accumulated Depreciation	–	–	(45,967,969)	(13,147,567)	–	(250,971)	(9,900)	(1,197,388)	(60,573,795)
Net Book Value	1,043,865	1,350,000	1,235,096	2,773,118	–	186,013	17,100	220,556	6,825,748

	2022								
	Construction in progress \$	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	13,968	–	62,022	–	–	27,782	27,000	66,315	179,087
Depreciation	–	–	(6,765)	(318,140)	(99,895)	(9,793)	(4,500)	(50,747)	(490,110)
Closing net book value	13,968	11,578,178	83,345	3,091,532	1,806,060	28,746	22,500	125,814	16,750,143
At December 31, 2023									
Cost	13,968	11,578,178	46,016,746	15,920,685	6,192,353	249,153	27,000	1,270,257	81,268,340
Accumulated Depreciation	–	–	(45,933,401)	(12,829,153)	(4,386,293)	(220,407)	(4,500)	(1,144,443)	(64,518,197)
Net Book Value	13,968	11,578,178	83,345	3,091,532	1,806,060	28,746	22,500	125,814	16,750,143

CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

Notes to the Financial Statements

December 31, 2023

As of December 31, 2023, the Company has commenced the transfer of developer owned lands and buildings with net book value of \$10,228,178 and \$1,708,547, respectively, to the appropriate Sabana Holdings Ltd owned subsidiaries namely Eastern Caribbean Marina & Boatyard Limited, Stardust Marina Residences Limited, Sesteo Holdings Limited, and JH Commercial Ventures Limited.

Although the legal transfer has not been completed as of December 31, 2023, management has determined that the transfer of the asset is imminent, and substantial progress has been made toward finalizing the transaction. The transfer of control over the asset is highly probable and represents an adjusting event requiring recognition in the financial statements for the reporting period ended December 31, 2023, in accordance with International Financial Reporting Standards (IFRS) for Small and Medium-sized Entities (SMEs). Correspondingly, the financial statements have been adjusted to recognize the impending transfer of the asset to the corresponding parties as of December 31, 2023.

11. Trade and Other Payables

	2023	2022
	\$	\$
Accounts payable	1,366,900	954,619
Accrued liabilities	436,053	358,389
Unearned interest revenue	419,916	348,153
Antigua and Barbuda Sales Tax payable	180,877	110,883
Others	30,178	69,575
Total trade and other payables	2,433,924	1,841,619

12. Retirement Payable

The Company provides retirement benefits to its employees in the form of defined contribution plans. The retirement payables represent the amounts owed by the entity to its employees as of the reporting date for services rendered up to that date.

The retirement payables are recognized in the financial statements at their present value, which is determined using actuarial assumptions based on the expected future cash outflows.

The movement in the retirement payables during the reporting period is as follows:

	2023
	\$
Balance at the beginning of the year	—
Add: Accrued during the year	283,417
Less: Payments made during the year	—
Balance at the end of the year	283,417

CARIBBEAN DEVELOPMENTS (ANTIGUA) LIMITED

Notes to the Financial Statements

December 31, 2023

13. Equity

	2023	2022
	\$	\$
Authorized:		
5,000 common stocks at no par value	—	—
Issued:		
5,000 common stocks at 1.00 issue price	5,000	5,000

14. Revenue

	2023	2022
	\$	\$
JH homeowners' fees	9,755,025	9,840,558
Utilities revenues	406,496	468,013
Commercial center fees	300,000	300,000
Infrastructure and maintenance fees	226,946	266,479
Club sewage	73,990	1,012
Commission income	7,906	58,867
Other revenues	114,127	163,661
Total revenue	10,884,490	11,098,590

15. Lease Contract

The Company leases office premises, security huts, warehouse, and sports center under an operating lease arrangement with Porto Palma Services Limited. The lease agreement is effective from September 7, 2021 and will remain effective unless terminated by either party. The total operating lease expense recognized in the statement of comprehensive loss related to this lease for the years 2023 and 2022 amounted to \$600,000 for each year.

16. Taxation

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

17. 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 Using from these cases or claims, if any, will not have a material effect on the Company's financial position or results of operations.

18. Comparatives

Certain comparative amounts for 2022 have been reclassified to conform with the current year's presentation.