Fout! Bladwijzer niet gedefinieerd.

Caribbean Developments (Antigua) Limited

Separate Financial Statements
(Unaudited)
December 31, 2009
(expressed in Eastern Caribbean dollars)

Compilation Report

To the Shareholder of
Caribbean Developments (Antigua) Limited

On the basis of information provided by management we have compiled, in accordance with the International Standard on Related Services #4410 applicable to compilation engagements, the balance sheet of Caribbean Developments (Antigua) Limited as of December 31, 2009 and statements of income and cash flows for the year then ended. Management is responsible for these financial statements. We have not audited or reviewed these financial statements and accordingly express no assurance thereon.

Chartered Accountants
[ ]
St. John's, Antigua

Caribbean Developments (Antigua) Limited

Separate Balance Sheet

(Unaudited) Fout! Tekstfragment niet gedefinieerd.**As at December 31, 2009**

(expressed in Eastern Caribbean dollars)

	2009 $	2008 $
Assets		
Current assets		
Cash	**200,899**	1,850,525
Accounts receivable and prepayments (note 5)	**5,319,041**	5,628,277
Inventories (note 6)	**1,414,239**	1,599,975
Land and villas held for sale (note 7)	**19,401,013**	22,186,892
Due from related parties (note 9)	**23,785,413**	15,512,679
	50,120,605	46,778,348
Non-current Assets		
Investment in subsidiary (note 8)	**1**	1
Investment property (note 10)	**8,272,570**	8,547,407
Property, plant and equipment (note 11)	**68,680,927**	71,609,840
	76,953,498	80,157,248
Total assets	**127,074,103**	126,935,596
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 12)	**15,075,349**	14,597,997
Income tax payable (note 17)	**674,715**	674,715
Advance deposits	**407,330**	223,285
Deposits on villas and land	**32,311,062**	31,888,810
Current portion of borrowings (note 13)	**82,953**	128,522
Due to related parties (note 9)	**3,504,841**	1,758,530
Deferred land sales (note 9)	**42,311,737**	44,327,888
	94,367,987	93,599,747
Non-current liabilities		
Borrowings (note 13)	**87,632**	173,663
Total liabilities	**94,455,619**	93,773,410
Shareholder's equity		
Share capital (note 14)	**5,000**	5,000
Capital reserve	**128,456**	128,456
Contributed surplus (note 15)	**26,562,711**	26,562,711
Retained earnings	**5,922,317**	6,466,019
Total equity	**32,618,484**	33,162,186
Total liabilities and shareholder's equity	**127,074,103**	126,935,596

The notes on pages 1 to 22 are an integral part of these financial statements.

Approved by the Board of Directors on [ ]

____________________________Director ____________________________ Director

Caribbean Developments (Antigua) Limited

Separate Statement of Comprehensive Income

(Unaudited) Fout! Tekstfragment niet gedefinieerd.**For the year ended December 31, 2009**

(expressed in Eastern Caribbean dollars)

	2009 $	2008 $
Departmental revenue		
Maintenance operations and infrastructure costs	**11,841,238**	13,084,272
Real estate	**7,747,357**	15,497,473
Commercial centre	**1,978,365**	2,112,855
Administration and marketing	**1,134,216**	3,017,509
Golf and fitness centre	**680,303**	896,664
Security	**231,642**	233,005
Jolly Harbour Sports Club	**155,250**	174,481
Grounds	**21,720**	22,950
	23,790,091	35,039,209
Departmental expenses		
Maintenance operations and infrastructure costs	**9,908,338**	10,176,835
Administration and marketing	**3,616,194**	7,109,878
Real estate	**3,341,391**	3,965,927
Security	**2,990,042**	3,160,795
Grounds	**1,536,569**	1,519,863
Golf and fitness centre	**1,798,092**	1,303,397
Commercial centre	**1,186,481**	1,286,624
Jolly Harbour Sports Club	**250,408**	252,958
	24,627,515	28,776,277
Net departmental (expenses) income	**(837,424)**	6,262,932
Finance (costs) income		
Interest income	**321,712**	239,275
Interest expense	**(27,990)**	(36,188)
	293,722	203,087
(Loss) income before taxation	**(543,702)**	6,466,019
Taxation (note 17)	**–**	–
Net (loss) income for the year and comprehensive income for the year	**(543,702)**	6,466,019

The notes on pages 1 to 22 are an integral part of these financial statements.

Caribbean Developments (Antigua) Limited

Separate Statement of Changes in Equity
(Unaudited) Fout! Tekstfragment niet gedefinieerd.**For the year ended December 31, 2009**

(expressed in Eastern Caribbean dollars)

	Sha capit	**Capital reserve $**	**Contributed surplus $**	**Retain earni (accumulated De**	
Balance at December 31, 2007	5,000	128,456	107,955,977	(81,393,266)	26,696,167
Net comprehensive income for the year	–	–	–	6,466,019	6,466,019
Transfer of contributed surplus to deficit (note 15)	–	–	(81,393,266)	81,393,266	–
Balance at December 31, 2008	5,000	128,456	26,562,711	6,466,019	33,162,186
Net comprehensive loss for the year	–	–	–	(543,702)	(543,702)
Balance at December 31, 2009	**5,000**	**128,456**	**26,562,711**	**5,922,317**	**32,618,484**

The notes on pages 1 to 22 are an integral part of these financial statements.

Caribbean Developments (Antigua) Limited

Separate Statement of Cash Flows

(Unaudited) Fout! Tekstfragment niet gedefinieerd.**For the year ended December 31, 2009**

(expressed in Eastern Caribbean dollars)

	2009 $	2008 $
Cash flows from operating activities		
(Loss) income for the period before taxation	**(543,702)**	6,466,019
Items not affecting cash		
Depreciation on property, plant and equipment	**3,273,805**	3,221,558
Depreciation on investment property	**274,837**	266,248
Provision for impairment of property, plant and equipment	**–**	1,569,431
Provision for receivables impairment	**–**	723,232
Provision for stock obsolescence	**169**	–
(Gain) loss on sale of property, plant and equipment	**(13,000)**	4,441,454
Interest expense	**27,990**	36,188
Interest income	**(321,712)**	(239,274)
Operating income before changes in working capital	**2,698,387**	16,484,856
(Increase) decrease in accounts receivable and prepayments	**309,236**	406,127
Decrease in inventory	**185,567**	517,126
Decrease in land and villas held for sale	**2,785,879**	11,927,565
Increase (decrease) in accounts payable and accrued expenses	**477,352**	10,014,480
Increase in advanced deposits	**184,045**	39,598
Increase (decrease) in deposits on villas and land	**422,252**	2,570,808
Decrease in deferred land sales	**(2,016,151)**	–
	5,046,567	41,960,560
Income taxes paid	**–**	(106,889)
Interest paid	**(27,990)**	(36,188)
Interest received	**321,712**	239,274
Net cash from operating activities	**5,340,289**	42,056,757
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	**13,000**	79,725
Purchase of property, plant and equipment	**(344,892)**	(1,712,274)
Purchase of investment property	**–**	(154,080)
Net cash used in investing activities	**(331,892)**	(1,786,629)

Caribbean Developments (Antigua) Limited

Separate Statement of Cash Flows ...*continued*

(Unaudited) Fout! Tekstfragment niet gedefinieerd.**For the year ended December 31, 2009**

(expressed in Eastern Caribbean dollars)

	2009 $	2008 $
Cash flows from financing activities		
Net repayments/advances to related parties	**(6,526,423)**	(40,626,178)
Repayment on bank loan	**(131,600)**	(102,781)
Proceeds from bank loan	**–**	138,920
Net cash used in financing activities	**(6,658,023)**	(40,590,039)
Decrease in cash for the year	**(1,649,626)**	(319,911)
Cash and cash equivalents at beginning of year	**1,850,525**	2,170,436
Cash and cash equivalents at end of year	**200,899**	1,850,525

The notes on pages 1 to 22 are an integral part of these financial statements.

(expressed in Eastern Caribbean dollars)

1 Corporate status and principal activity

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 Company is a wholly owned subsidiary of Jolly Harbour AG (JHAG), a company incorporated in Liechtenstein.

On November 29, 2005, the shares of JHAG were acquired by Mirrow View Holdings, Inc. (Mirrow View), a company incorporated in the BVI. Mirrow View is a wholly owned subsidiary of La Perla Living Corporation Limited, a company incorporated in Gibraltar. The ultimate parent company of Mirror View is LPL Trust, a company also incorporated in Gibraltar.

On November 3, 2006, JHAG, including its wholly owned subsidiary, was sold and transferred by Mirrow View to Geert Duizendstraal.

On December 31, 2007, shares of JHAG were sold to La Perla Investments, B.V. (formerly named La Perla Living Real Estate, B.V.), a company incorporated in the Netherlands.

The principal activity of the Company is real estate and property development, as well as property management. It comprises of villas and parcels of land for sale, a marina, a commercial centre and a golf course. Effective January 1, 2007, marina operations were transferred to a separate entity, East Caribbean Marina & Boatyard Limited (ECMB).

The Company's registered office is located at No. 11 Old Parham Road, St. John's, Antigua.

2 Significant accounting policies

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

The Company has prepared these separate financial statements to present non-consolidated information for the benefit of its shareholders and for the purpose of complying with the Antigua and Barbuda Income Tax Act.

The Company has also prepared consolidated financial statements in accordance with IFRS for the Company and its subsidiary (the "group"). In the consolidated financial statements, subsidiary undertakings – those companies in which the group, directly or indirectly, has an interest of more than half of the voting rights or otherwise has power to exercise control over the operations – have been fully consolidated.

(expressed in Eastern Caribbean dollars)

2 Significant accounting policies … *continued*

a) Basis of preparation … continued

Users of these separate financial statements should read them together with the group's consolidated financial statements as at and for the period ended December 31, 2009 in order to obtain full information on the financial position, results of operations and cash flows of the group as a whole.

Certain new standards, amendments and interpretations to existing standards have been published that become effective during the current financial year. The Company has assessed the relevance of all such new standards, amendments and interpretations and has concluded that these will not be relevant.

New and amended standards adopted by the company as of January 1, 2009:

- IFRS 7 'Financial instruments – Disclosures' (amendment) – effective January 1, 2009. The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy.

- IAS 1 (revised). 'Presentation of financial statements' – effective January 1, 2009. The revised standard prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owners changes in equity in a statement of comprehensive income. As a result the company presents in the statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the statement of comprehensive income. Comparative information has been re-presented so that it also is in conformity with the revised standard.

Standards, amendments and interpretation to existing standards that are not yet effective and have not been early adopted by the company:

- IAS 1 (amendment), 'Presentation of financial statements'. The amendment is part of the IASB's annual improvements project published on April 2009. The amendment provides clarification that the potential settlement of a liability by the issue of equity is not relevant to its classification as current or non current. By amending the definition of current liability, the amendment permits a liability to be classified as non-current (provided that the entity has an unconditional right to defer settlement by transfer of cash or other assets for at least 12 months after the accounting period) nothwithstanding the fact the entity could be required by the counterparty to settle in shares at any time. The company will apply IAS 1 (amendment) from January 1, 2010. It is not expected to have a material impact on the company's financial statements.

(expressed in Eastern Caribbean dollars)

2 Significant accounting policies … *continued*

b) Going concern

The Company has been experiencing difficulties in generating sufficient cash flows from operations to meet its short term obligations. It had a working capital deficit of $44,247,382. Cash flow projections indicate that additional funding will be required to meet future shortfalls and at the date of the approval of the balance sheet by the Directors, the source of funding has yet to be determined.

The Company's ability to continue as a going concern is dependent on generating positive cash flows from operations and/or asset sales. The Company owns unencumbered property that can be sold to generate funds in the short term. In addition, prudent working capital management is conducted.

The Directors believe that the requisite asset sales will be achieved and/or that the company will be able to meet its obligations through short-term working capital management. The directors therefore believe that the going concern basis is appropriate.

c) Financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognized if the Company becomes a party to the contractual provision of the instrument. Financial assets are derecognized if the Company's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial assets to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e. the date the Company commits itself to purchase or sell the asset. Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled.

d) Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents consist of cash on hand and deposits with banks.

(expressed in Eastern Caribbean dollars)

2 Significant accounting policies … *continued*

e) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within administration and marketing expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in the income statement.

f) Trade payables

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

g) Inventories

Inventories are measured at the lower of cost and net realizable value, with cost being determined on a first-in, first-out basis. Cost of inventories consists of purchase price, import duties and other taxes, transport, handling and other costs incurred in bringing the inventories to their present location and condition. It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

h) Land and villas held for sale

Land and villas held for sale are stated at the lower of cost and net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Villa cost represents those amounts directly associated with the acquisition, development and construction of the villas. Indirect costs that do not specifically relate to villas are expensed as incurred.

i) 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.

(expressed in Eastern Caribbean dollars)

2 Significant accounting policies … *continued*

i) Investment property … continued

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.

j) Property, plant and equipment

Items of property, plant and equipment, except for land and land improvements, are measured at cost less accumulated depreciation and impairment losses, if any. Land and land improvements are 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 income during the financial period in which they are incurred.

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

Utilities	20 years
Roads, bridges, yard and seawall	50 years
Buildings	25 – 50 years
Jetty and marina	40 – 50 years
Furniture, fixtures and equipment	4 – 10 years
Marina vessels and motor vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet 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 income.

(expressed in Eastern Caribbean dollars)

2 Significant accounting policies … *continued*

k) Impairment

Financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of the asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognized in the statement of income. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised.

Non-financial assets

Assets that have an indefinite useful life, for example land, are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

l) Revenue recognition

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:

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.

Rental revenues

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.

Other income

Other income is recognized on an accrual basis.

(expressed in Eastern Caribbean dollars)

2 Significant accounting policies … *continued*

m) Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of the expenditures expected to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

n) 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 income on a straight-line basis over the period of the lease.

o) Taxation

The Company follows the liability method of accounting for taxation, whereby provision is made for the actual tax payable and the future tax liability resulting from temporary differences is provided for at the currently enacted income tax rate. Deferred tax assets are only recognized when it is probable that future taxable profits will be available against which the temporary differences may be utilized.

p) Foreign currency transactions

Functional and presentation currency

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.

Transactions and balances

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 profit and loss account.

q) Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(expressed in Eastern Caribbean dollars)

3 Financial risk management

a) Financial risk factors

The Company's operating and investing activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's risk management focuses on actively securing the Company's short to medium term cash flows by minimizing the exposure to financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the company is exposed to are described below:

i) Market risk

Foreign exchange risk
In the normal course of business, the Company enters into transactions denominated in Eastern Caribbean dollars, United States (US) dollars or Euros. Therefore, the Company's exposure to currency risk is limited, based on fluctuations in the exchange rate between the US dollar and Euro. The Company regularly monitors outstanding financial assets and liabilities in US dollars and Euros and maintains them at a level responsive to the current exchange rates so as to minimize the risks related to these foreign currency denominated assets and liabilities.

Cash flow and fair value interest rate risk
The Company has no significant exposure to interest rate risk as the Company's financial assets and liabilities are non-interest bearing except for long-term loan (note 13). The Company obtains borrowing arrangements with the most favourable interest available without increasing its foreign currency exchange exposure. The Company's income and operating cash flows are substantially independent of changes in market interest rates.

Price risk
The Company is not exposed to price risk as the Company does not hold any equity security investments. The Company is not exposed to commodity price risk.

ii) Credit risk

Credit risk arises from the possibility that counterparties may default on their obligations to the Company. Credit risk arises from cash and cash equivalents, deposit with banks, as well as credit exposures to property owners and purchasers and related parties, including outstanding receivables and committed transactions. The Company monitors its outstanding trade receivables on an ongoing basis. The Company has made adequate provision for any potential credit losses and the amount of the Company's maximum exposure to credit risk is indicated by the carrying amount of its financial assets.

As at December 31, 2009, there is no significant concentration of credit risk with any property owners. However, there is significant concentration of credit risk in the amount due from related parties (see note 9).

(expressed in Eastern Caribbean dollars)

3 Risk management ... *continued*

a) Financial risk factors … continued

ii) Credit risk … continued

The Company's exposure to credit risk is concentrated as detailed below:

Geographical concentration of assets and liabilities

Geographical sector risk concentrations within the receivables and payables are as follows:

	Assets $	%	Liabilities $	%
At December 31, 2009				
Antigua and Barbuda	5,933,893	21	15,306,613	90
United States of America	17,674	–	–	–
Europe	22,043,686	77	1,795,066	10
Others	688,636	2	–	–
	28,683,889	100	17,101,679	100
At December 31, 2008				
Antigua and Barbuda	7,261,403	34	7,003,464	42
United States of America	4,413,452	22	–	–
Europe	9,466,101	44	9,878,533	58
	21,140,956	100	16,881,997	100

Industry Sectors

The following table breaks down the Company's main exposure at their carrying amounts as categorised by the industry sectors of the counterparties.

	Financial institutions $	Corporate client $	Individuals $	Total $
Cash deposits with banks	194,530	–	6,369	200,899
Accounts receivables	8,661	2,436,819	2,252,098	4,697,577
Due from related parties	–	23,785,413	–	23,785,413
At December 31, 2009	**203,191**	**26,222,232**	**2,258,467**	**28,683,889**
At December 31, 2008	**1,853,669**	**17,566,816**	**2,500,729**	**21,921,214**

(expressed in Eastern Caribbean dollars)

3 Risk management *... continued*

a) Financial risk factors … continued

ii) Credit risk *… continued*

Management does not expect any losses from non-performance by these counterparties, except for those which have been provided for in accounts receivable (see note 5).

iii) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash balances and the availability of funding from an adequate amount of committed credit facilities. The Company maintains a balance between the continuity of funding flexibility through financing from its related parties which are sufficient to meet reasonable expectations of its short-term obligations.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balance due within 12 months equal their carrying balance as the impact of discounting is not significant.

	Within 1 year $	**1 to 5 years** $	**Over 5 years** $	**Total** $
As at December 31, 2009				
Liabilities				
Accounts payable and accrued liabilities	15,075,349	–	–	15,075,349
Income tax payable	674,715	–	–	674,715
Advance deposits	407,330	–	–	407,330
Deposits on villas and land	32,311,062	–	–	32,311,062
Deferred land sales	42,311,737	–	–	42,311,737
Due to related parties	3,504,841	–	–	3,504,841
Bank borrowing	82,953	87,632	–	170,585
Total financial liabilities (contractual maturity)	**94,367,987**	**87,632**	**–**	**94,455,619**
As at December 31, 2008				
Liabilities				
Accounts payable and accrued liabilities	14,597,997	–	–	14,597,997
Advance deposits	223,286	–	–	223,286
Deposits on villas and land	31,888,810	–	–	31,888,810
Deferred land sales	44,327,888	–	–	44,327,888
Due to related parties	1,758,530	–	–	1,758,530
Bank borrowing	156,924	361,605	–	518,529
Total financial liabilities (contractual maturity)	92,953,435	361,605	–	93,315,040

(expressed in Eastern Caribbean dollars)

3 Risk management ... *continued*

b) Fair value of financial assets and liabilities

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 is best evidenced by a quoted market value, if one exists. With the exception of cash, none of the company's financial instruments are traded in a formal market.

The Company has determined that carrying amounts of cash, receivables, accounts payable, accrued expenses, advanced deposits, deposits on villas and land, and loans payable reasonably approximate their fair value due to their short term nature.

c) Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

4 Critical accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Judgements, estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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 collectibility of the accounts. These factors include, but are not limited to the length of the Company's relationship with debtors, their payment behaviour and known market factors. The Company reviews the age and status of receivables, and identifies accounts that are to be provided with 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. Were the actual final outcome to differ by 10% from management's estimates, the carrying value would change by $181,778.

(expressed in Eastern Caribbean dollars)

5 Accounts receivable and prepayments

	2009 $	2008 $
Trade receivables	**6,522,108**	5,472,974
Other	**(6,753)**	184,258
	6,515,355	5,657,232
Less: provision for impairment of trade receivables	**(1,817,778)**	(1,099,222)
	4,697,577	4,558,010
Prepayments	**621,464**	1,070,267
	5,319,041	5,628,277

The fair values of trade and other receivables approximates their carrying values above.

As of December 31, 2009, trade receivables of $2,402,283 (2008: $1,366,195) were considered impaired and provided for based on the Company's accounting policy (see note 2). The amount of the provision was $1,817,778 (2008: $1,099,222). The aging of these receivables is as follows:

	2009 $	2008 $
Overdue by 1 to 30 days	**173,911**	–
Overdue by 31 to 60 days	**166,063**	138,117
Overdue by 61 to 90 days	**157,182**	128,856
Overdue by more than 91 days	**1,905,127**	1,099,222
	2,402,283	1,366,195

The other class within trade and other receivables do not contain impaired assets.

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

	2009 $	2008 $
Beginning of period	**1,099,222**	472,252
Provision for receivables impairment	**718,556**	723,232
Receivables written off during the year as uncollectible	**–**	(96,262)
End of period	**1,817,778**	1,099,222

(expressed in Eastern Caribbean dollars)

5 Accounts receivable and prepayments … *continued*

The creation and release of provision for impaired receivables have been included in administration and marketing expenses in the income statement.

The maximum exposure of credit risk at the reporting date is the fair value of each class of receivable mentioned above. The company does not hold any collateral as security.

6 Inventories

	2009 $	2008 $
Supplies	**1,514,706**	1,708,055
Fuel	**163,677**	157,300
Other	**54,909**	53,673
	1,733,292	1,919,028
Less: provision for obsolescence	**(319,053)**	(319,053)
	1,414,239	1,599,975

The recovering of inventory write down amounting to $219,372 (2008: $57,079) was recognised in the balance sheet.

7 Land and villas held for sale

	2009 $	2008 $
Land	**19,401,013**	22,186,892

As at December 31, 2006, 80 lots of land in Harbour Island held for sale were committed to third parties in partial consideration of services provided to La Perla Living Corporation Limited, a related party (note 9).

(expressed in Eastern Caribbean dollars)

8 Investment in subsidiary

	2009 $	2008 $
Jolly Harbour Villas Limited (100% owned)		
1 ordinary share of no par value	**1**	1

9 Related party transactions

The Company has transactions with related parties as described below.

	2009 $	2008 $
Due from related parties		
Jolly Harbour AG	**16,667,285**	4,869,959
Mirrow View Holdings Inc.	**5,376,400**	5,376,400
Laurance Nielsen Ltd	**688,637**	4,402,171
Jolly Harbour Town Centre	**455,361**	234,461
Eastern Caribbean Marina Boatyard Ltd	**395,321**	496,520
Jolly Harbour Golf & Country Club	**201,405**	132,164
Jolly Harbour Villas Limited	**1,004**	1,004
	23,785,413	15,512,679
Due to related parties		
Non Such Development Company Limited	**1,387,191**	1,135,092
Clean Lease	**1,212,981**	–
La Perla Living Holding BV	**345,194**	369,205
Charter and Rupert Kenlock	**322,584**	–
La Perla international Living BV	**139,164**	149,301
La Perla International Living SL	**97,727**	104,932
	3,504,841	1,758,530

The amounts due from and to related parties represent advances. These advances are unsecured, non-interest bearing and with no fixed terms of repayment. The companies are related by virtue of having common shareholders and/or directors.

On November 29, 2005, Mirrow View Holdings Inc. acquired the shares of Jolly Harbour AG, the parent company of the Company, which resulted in a significant change in the Company's management and ownership.

On November 3, 2006, the company's immediate parent, Jolly Harbour AG, was sold to Geert Duizendstraal.

On December 31, 2007, shares of Jolly Harbour AG were sold to La Perla Investment, B.V. (formerly named La Perla Living Real Estate, B.V.), a company incorporated in the Netherlands.

(expressed in Eastern Caribbean dollars)

9 Related party transactions ... *continued*

On April 4, 2007, the Company entered into a settlement agreement with its director Geert Duizendstaal and a third party, where the sales proceeds of 84 lots on Harbour Island will be paid to the third party or their nominee as remuneration for services rendered to the La Perla Group. It has been agreed that the third party will be responsible to pay for all transfer taxes/stamp duties (including the vendor's part) in relation to the land sales. The total consideration to be paid to the Company by the director for the 84 lots has been estimated at $49,110,188. This amount has been debited to the account of Mr. Geert Duizendstraal, and the proceeds have been accounted for as deferred land sales. As plot sales are consummated, the Company recognizes the sales value in revenue and the deferred land sales account is reduced by the amount of the sales proceeds collected by the aforementioned third party. Upon the ultimate sale of the 84 plots, any difference between the deferred land sales account and the sales proceeds collected by the third party will be accounted for as advances to/from Mr. Geert Duizendstraal.

The amount due from Mirror View Holdings represents deposits received on behalf of the company relating to the sale of the company's golf course asset.

Details of management compensation, shown as part of administration and marketing expenses in the statement of comprehensive income are shown below:

	2009 $	2008 $
Salaries	–	645,597
Benefits	–	137,008
	–	782,605

10 Investment property

	Land $	Villas $	Other buildings $	Total $
At December 31, 2007				
Cost	1,300,000	287,343	10,613,971	12,201,314
Accumulated depreciation	–	(148,597)	(3,393,142)	(3,541,739)
Net book amount	1,300,000	138,746	7,220,829	8,659,575
Period ended December 31, 2008				
Opening net book amount	1,300,000	138,746	7,220,829	8,659,575
Additions	–	–	154,080	154,080
Depreciation charge	–	(11,494)	(254,754)	(266,248)
Closing net book amount	1,300,000	127,252	7,120,155	8,547,407

(expressed in Eastern Caribbean dollars)

10 Investment property *... continued*

	Land $	Villas $	Other buildings $	Total $
At December 31, 2008				
Cost	1,300,000	287,343	10,768,051	12,355,394
Accumulated depreciation	–	(160,091)	(3,647,896)	(3,807,987)
Net book amount	1,300,000	127,252	7,120,155	8,547,407
Period ended December 31, 2009				
Opening net book amount	1,300,000	127,252	7,120,155	8,547,407
Additions	–	–	–	–
Depreciation charge	–	(11,494)	(263,343)	(274,837)
Closing net book amount	**1,300,000**	**115,758**	**6,856,812**	**8,272,570**
At December 31, 2009				
Cost	1,300,000	287,343	10,768,051	12,355,394
Accumulated depreciation	–	(171,585)	(3,911,239)	(4,082,824)
Net book amount	**1,300,000**	**115,758**	**6,856,812**	**8,272,570**

The Company leases out its commercial and sports centre and marina warehouse included in "Other Buildings" under various operating leases (see note 18).

The fair value of the commercial and sports centre as determined by an independent firm of appraisers on June 30, 2010 is estimated to be $49,064,059.

Amounts included in the income statement relating to investment property are as follows:

	2009 $	2008 $
Income		
Rental income	**1,917,917**	1,982,157
Direct expenses		
Insurance	**284,427**	343,032
Depreciation	**315,797**	266,248
Maintenance	–	50,513

(expressed in Eastern Caribbean dollars)

11 Property, plant and equipment

		co	Utili	Ro brid yar sea	Buildin	Ma vessels r vehi	Furniture fixtures & equipmen	
Year ended December 31, 2008								
Opening net book amount	33,822,681	12,322,231	9,492,358	15,490,596	6,623,077	653,235	805,556	71,609,840
Additions	–	–	382,680	–	6,909	155,650	1,167,035	1,712,274
Disposals	(4,477,288)	–	–	–	–	(132,878)	(1,071,653)	(5,681,819)
Transferred to investment property	–	–	–	–	–	–	–	–
Impairment	–	(1,569,431)	–	–	–	–	–	(1,569,431)
Depreciation charge	–	–	(1,972,954)	(443,379)	(172,364)	(196,557)	(436,304)	(3,221,558)
Writeback on disposals	–	–	–	–	–	88,987	1,071,653	1,160,640
Closing net book amount	**29,345,393**	**10,752,800**	**7,902,084**	**15,047,217**	**6,457,622**	**568,437**	**1,536,287**	**71,609,840**
At December 31, 2008								
Cost	29,345,393	10,752,800	46,018,036	22,168,929	8,620,249	2,170,460	3,382,040	122,735,639
Accumulated depreciation	–	–	(38,115,952)	(7,121,712)	(2,162,627)	(1,602,023)	(1,845,753)	(50,848,067)
Net book amount	**29,345,393**	**10,752,800**	**7,902,084**	**15,047,217**	**6,457,622**	**568,437**	**1,536,287**	**71,609,840**

(expressed in Eastern Caribbean dollars)

11 Property, plant and equipment …*continued*

	]	co	Utilit	R bric ya seawall2006	Buildi	Ma vessel veh	Furnitur fixtures equipme	
Year ended December 31, 2009								
Opening net book amount	29,345,393	10,752,800	7,902,084	15,047,217	6,457,622	568,437	1,536,287	71,609,840
Additions	–	–	31,548	–	92,286	14,366	206,692	344,892
Disposals	–	–	–	–	–	(67,160)	–	(67,160)
Depreciation charge	–	–	(1,985,150)	(443,379)	(172,949)	(189,727)	(482,600)	(3,273,805)
Writeback on disposals	–	–	–	–	–	67,160	–	67,160
Closing net book amount	**29,345,393**	**10,752,800**	**5,948,482**	**14,603,838**	**6,376,959**	**393,076**	**1,260,379**	**68,680,927**
At December 31, 2009								
Cost	29,345,393	10,752,800	46,049,584	22,168,929	8,712,535	2,117,666	3,588,732	122,735,639
Accumulated depreciation	–	–	(40,101,102)	(7,565,091)	(2,335,576)	(1,724,590)	(2,328,353)	(54,054,712)
Net Book Amount	**29,345,393**	**10,752,800**	**5,948,482**	**14,603,838**	**6,376,959**	**393,076**	**1,260,379**	**68,680,927**

Certain motor vehicles have been pledged as collateral to secure the bank loan (see note 12). The total value of the collateral pledge is $458,031 (2007: $344,457).

(expressed in Eastern Caribbean dollars)

12 Accounts payable and accrued liabilities

	2009 **$**	**2008** **$**
Accounts payable	**2,629,879**	3,783,930
Accrued liabilities	**643,794**	444,075
Stamp duties and property taxes payable	**386,179**	848,565
Other payables	**11,415,497**	9,521,426
	15,075,349	14,597,996

13 Borrowings

	2009 **$**	**2008** **$**
Loan for the purchase of vehicles bearing interest of 12% per annum repayable in equal monthly instalments of principle and interest in the amount of $4,899 through to February 2010 and secured by a bill of sale over several vehicles.	**–**	57,671
Loan for the purchase of vehicles bearing interest of 12% per annum repayable in equal monthly instalments of principal and interest in the amount of $4,587 through to July 2011, and secured by a bill of sale over several vehicles.	**79,133**	121,848
Loan for the purchase of vehicle bearing interest of 11% per annum repayable in equal monthly instalments of principal and interest in the amount of $3,591 through to June 2012 and secured by bill of sale over 2008 Nissan Civilian Bus	**91,452**	122,666
	170,585	302,185
Less: current portion	**(82,953)**	(128,522)
Long term portion	**87,632**	173,663

The aggregate maturities of the long-term loan are as follows:

	2009 **$**	**2008** **$**
Between 1 and 2 years	**79,133**	219,371
Between 2 and 5 years	**91,452**	82,814
	170,585	302,185

(expressed in Eastern Caribbean dollars)

14 Share capital

	2009 $	2008 $
Authorised, issued and fully paid		
5,000 ordinary shares of no par value	**5,000**	5,000

15 Contributed surplus

During the year ended March 31, 1985, the issued shares of the Company were sold to Jolly Harbour AG (JHAG) in an arm's length transaction. By the established purchase price of the shares, it was determined that there was an excess in the fair value of the Company's net assets over their recorded net book value amounting to $10,980,535 on the purchase date.

As part of the accounting for the change in ownership, the new shareholder attributed this excess value to the Company's land and land improvements with a corresponding credit to contributed surplus.

On December 20, 2005, JHAG waived $96,975,442 in debt to the company. This debt waiver was treated by the Company as a debt conversion to equity resulting in a reduction in the due to shareholder balance by EC$96,975,442 and an increase in contributed surplus.

On March 11, 2011, the board of directors resolved that $81,393,266 of the contributed surplus be transferred to accumulated deficit effective January 1, 2008.

16 Expenses by nature

	2009 $	2008 $
Salaries, wages and employee benefits	**7,525,038**	8,166,454
Infrastructure and maintenance charges	**6,483,035**	6,705,581
Depreciation	**3,548,644**	3,487,806
Changes in inventories and land and villas held for sale	**3,401,205**	3,784,053
Other expenses	**1,504,675**	1,903,458
Duties, taxes and insurance	**924,220**	897,619
Legal and professional fees	**810,345**	1,538,643
Loss (gain) on disposal of property, plant and equipment	**(13,000)**	–
Impairment charges (recovery)	**443,353**	723,232
Impairment of property, plant and equipment	**–**	1,569,431
	24,627,515	28,776,277

(expressed in Eastern Caribbean dollars)

17 Taxation

The Company was exempt from the payment of corporate income taxes for a period of 10 years from 1993 to 2002. On December 8, 2003, the Government of Antigua and Barbuda granted the Company an extension to the income tax holiday for another 3 years expiring on October 31, 2006. The Company was granted an exemption from the payment of corporate income taxes for a period of 25 years effective June 27, 2007.

Income tax payable

	2009 $	2008 $
Balance, beginning of year	**674,715**	781,604
Income tax expense	**–**	–
Income tax payments	**–**	(106,889)
Balance, end of year	**674,715**	674,715

Income tax reconciliation

	2009 $	2008 $
Net (loss) income for the year	**(543,702)**	6,466,019
Income tax expense at 25% statutory rate	**(135,926)**	1,616,505
Movement in deferred tax not recognised	**386,921**	181,313
Effect of permanent difference	**30,366**	412,953
Income tax holiday	**(281,361)**	(2,210,771)
	–	–

A net deferred tax asset resulting from temporary differences of $474,797 (2008: $295,562) has not been recognized due to the uncertainty of its recovery against future taxable profits. The net deferred tax asset arises as follows:

	2009 $	2008 $
Depreciation in excess of tax allowances	**474,797**	295,562

Tax losses have been fully utilized to reduce taxable income during the year. These losses are yet to be agreed by the Commissioner of Inland Revenue.

(expressed in Eastern Caribbean dollars)

18 Contracts, commitments and contingencies

a. The Company leases out units in its commercial centre for periods of 1-3 years. The agreements are renewable under certain terms and conditions.

b. The Company, in the ordinary course of business, is a defendant/plaintiff to certain legal cases or claims involving its property owners which are under protest 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.

c. The Company has given a guarantee in the amount of US$10 million as security in respect of a bank loan taken out by a related company, Mirrow View Holdings Inc.

19 Comparatives

Where necessary, comparative figures have been reclassified to conform with changes in presentation in the current period.

Caribbean Developments (Antigua) Limited

Additional Information on Separate Financial Statements
(Unaudited)
December 31, 2009
(expressed in Eastern Caribbean dollars)

Caribbean Developments (Antigua) Limited

Separate Schedule 1 – Real Estate Operations

(Unaudited) Fout! Tekstfragment niet gedefinieerd.**For the year ended December 31, 2009**

(expressed in Eastern Caribbean dollars)

	2009 $	2008 $
Revenues		
Land sales	**7,728,575**	15,497,473
Seawall revenue	**18,782**	–
	7,747,357	15,497,473
Expenses		
Cost of land sold	**2,785,879**	2,518,904
Commissions	**426,080**	1,113,807
Stamp duties	**122,711**	37,117
Legal and professional fees	**5,850**	255,056
Property taxes	**871**	18,001
Insurance	**–**	23,042
	3,341,391	3,965,927
Net departmental income	**4,405,966**	11,531,546

Caribbean Developments (Antigua) Limited

Separate Schedule 2 – Jolly Harbour Sports Club
(Unaudited) Fout! Tekstfragment niet gedefinieerd.**For the year ended December 31, 2009**

(expressed in Eastern Caribbean dollars)

	2009 **$**	**2008** **$**
Revenues		
Other	**146,746**	20,456
Rental income	**6,352**	144,540
Membership	**2,152**	9,485
	155,250	174,481
Expenses		
Depreciation	**66,601**	54,795
Repairs and maintenance	**49,725**	48,125
Salaries and wages	**46,613**	55,863
Legal and professional fees	**42,748**	42,550
Insurance	**28,289**	25,642
Equipment rental	**14,052**	1,914
Postage, telephone and fax	**1,301**	856
Cleaning	**425**	–
Office expenses	**313**	7,073
Advertising and promotion	**200**	–
Miscellaneous	**141**	–
Travel and entertainment	**–**	619
Bank charges	**–**	15,521
Total departmental expenses	**250,408**	252,958
Net departmental loss	**(95,158)**	(78,477)

Caribbean Developments (Antigua) Limited

Separate Schedule 3 – Commercial Centre Operations

(Unaudited) Fout! Tekstfragment niet gedefinieerd.**For the year ended December 31, 2009**

(expressed in Eastern Caribbean dollars)

	2009 $	2008 $
Revenues	**1,978,365**	2,112,855
Rental income		
Expenses		
Salaries and wages	**417,119**	538,138
Insurance	**284,427**	343,032
Depreciation	**253,258**	235,376
Repairs and maintenance	**96,998**	107,946
Cleaning	**75,047**	27,561
Equipment rental	**19,138**	22,249
Advertising and promotion	**18,252**	–
Severance	**11,727**	–
Postage, telephone and fax	**7,124**	8,527
Office expenses	**3,386**	2,916
Miscellaneous	**5**	879
	1,186,481	1,286,624
Net departmental income	**791,884**	826,231

Caribbean Developments (Antigua) Limited

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Separate Schedule 4 – Golf and Fitness Centre

(Unaudited) Fout! Tekstfragment niet gedefinieerd.**For the year ended December 31, 2009**

(expressed in Eastern Caribbean dollars)

	2009 $	2008 $
Revenues		
Green fees	**193,937**	273,677
Memberships	**184,888**	153,173
Food and beverage	**91,373**	131,189
Cart rentals	**86,869**	108,704
Club rentals	**45,794**	75,158
Merchandise and ball sales	**44,915**	89,792
Other	**32,527**	64,971
	680,303	896,664
Expenses		
Salaries and wages	**738,232**	808,823
Bad debts	**662,724**	–
Depreciation	**138,361**	138,079
Cost of merchandise, food and beverage sales	**66,535**	114,225
Insurance	**65,313**	83,916
Repairs and maintenance	**63,542**	60,916
Credit card charges	**11,637**	14,442
Equipment rental	**11,629**	34,614
Postage, telephone and fax	**9,773**	9,591
Office expenses	**9,187**	7,622
Subscriptions and donations	**4,534**	4,239
Advertising and promotion	**4,290**	963
Cleaning	**3,019**	16,900
Severance pay	**2,700**	–
Duties and licenses	**1,890**	645
Bank charges	**1,852**	1,754
Miscellaneous	**1,274**	5,468
Legal and professional fees	**1,200**	1,200
Travel and entertainment	**400**	–
	1,798,092	1,303,397
Net departmental loss	**(1,117,789)**	(406,733)

Caribbean Developments (Antigua) Limited

Separate Schedule 5 – Maintenance Operations and Infrastructure Costs
(Unaudited) Fout! Tekstfragment niet gedefinieerd.**For the year ended December 31, 2009**

(expressed in Eastern Caribbean dollars)

	2009 $	200
Revenues		
Community charges	**5,938,567**	5,584,8
Electricity fees	**4,196,620**	5,464,1
Water fees	**784,341**	837,688
Marina utilities and services	**548,532**	780,603
Sewage charges	**187,190**	197,527
Maintenance charges	**161,101**	195,645
Other income	**24,887**	23,834
	11,841,238	13,084,2
Expenses		
Fuel and electricity charges, production & maintenance	**4,502,445**	4,437,2
Depreciation	**2,577,770**	2,574,9
Salaries and wages	**1,072,438**	1,381,1
Water production and consumption	**903,614**	1,049,9
Insurance	**278,732**	131,562
Infrastructure maintenance fees	**242,532**	243,945
Repairs and maintenance	**239,578**	276,487
Severance pay	**34,344**	–
Equipment rental	**23,338**	15,041
Infrastructure materials and supplies	**13,115**	37,264
Legal and professional fees	**10,230**	19,280
Postage, telephone and fax	**5,738**	6,019
Office expenses	**4,464**	3,983
	9,908,338	10,176,8
Net departmental income	**1,932,900**	2,907,4

Caribbean Developments (Antigua) Limited

Separate Schedule 6 - Security

(Unaudited) Fout! Tekstfragment niet gedefinieerd.**For the year ended December 31, 2009**

(expressed in Eastern Caribbean dollars)

	2009 $	**200**
Revenues		
Security services to ECMB	**185,364**	150,660
Other	**46,278**	64,953
Security services internal allocation	**–**	17,392
	231,642	233,005
Expenses		
Salaries and wages	**2,528,601**	2,555,57
Depreciation	**227,560**	216,118
Insurance	**60,386**	53,503
Equipment rental	**35,984**	–
Fuel	**35,505**	65,781
Security cost and equipment	**35,294**	25,692
Repairs and maintenance	**27,940**	28,776
Severance	**13,900**	42,672
Postage, telephone and fax	**13,719**	–
Office expenses	**11,138**	14,769
Cleaning	**15**	12,490
Staff transport	**–**	65,732
Miscellaneous	**–**	5,647
Utilities	**–**	74,037
	2,990,042	3,160,79
Net departmental loss	**(2,758,400)**	(2,927,79

Caribbean Developments (Antigua) Limited

Separate Schedule 7 - Grounds

(Unaudited) Fout! Tekstfragment niet gedefinieerd.**For the year ended December 31, 2009**

(expressed in Eastern Caribbean dollars)

	2009 $	200
Revenues		
Other income	**21,720**	22,950
Expenses		
Salaries and wages	**1,067,657**	1,116,5
Garbage removal	**246,908**	206,597
Repairs and maintenance	**111,709**	102,992
Vehicle fuel	**42,847**	50,971
Depreciation	**38,665**	20,085
Insurance	**18,943**	16,645
Miscellaneous	**7,908**	5,141
Severance pay	**1,932**	912
	1,536,569	1,519,8
Net departmental loss	**(1,514,849)**	(1,496,9

Caribbean Developments (Antigua) Limited

Separate Schedule 8 – Administration and Marketing

(Unaudited) Fout! Tekstfragment niet gedefinieerd.**For the year ended December 31, 2009**

(expressed in Eastern Caribbean dollars)

	2009 $	20
Revenues		
Other income	**932,001**	876,527
Rental income	**189,215**	197,962
Gain on disposal of property, plant and equipment	**13,000**	1,943,
	1,134,216	3,017,
Expenses		
Salaries and wages	**1,582,483**	1,667,
Legal and professional fees	**750,317**	1,228,
Depreciation	**246,430**	248,389
Head office charges	**192,409**	331,342
Insurance	**187,259**	201,575
Subscriptions and donations	**116,931**	78,144
Advertising and promotion	**102,284**	260,722
Repairs and maintenance	**68,675**	84,268
Credit card charges	**67,597**	–
Equipment rental	**67,073**	55,899
Exchange loss	**48,382**	136,907
Office expenses	**43,086**	46,962
Postage, telephone and fax	**39,565**	42,904
Travel and entertainment	**33,704**	77,216
Bank charges	**33,325**	27,005
Miscellaneous	**29,061**	88,620
Severance pay	**7,295**	–
Stock obsolescence provision	**169**	241,517
Cleaning	**149**	–
Bad debts	**–**	723,232
Impairment of property, plant and equipment	**–**	1,569,
	3,616,194	7,109,
Net departmental loss	**(2,481,978)**	(4,092,