Financial Statements of

NEWTON BUSINESS PARK PROJECT COMPANY LIMITED

March 31, 2012

NEWTON BUSINESS PARK PROJECT COMPANY LIMITED

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors Newton Business Park Project Company Limited

We have audited the accompanying financial statements of the Newton Business Park Project Company Limited (the "Company"), which comprise the statement of financial position as at March 31, 2012, the statements of changes in equity, comprehensive loss and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2012, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Without qualifying our opinion, we draw attention to Note 2 in the financial statements. The Authority incurred a net loss of $63,526 during the year ended March 31, 2012 and as of that date the Authority had an accumulated deficit of $12,133,920 (2011: $12,070,394). These factors, as set forth in Note 2, raise substantial doubt that the Authority will be able to continue as a going concern.

KPMG

Chartered Accountants
Bridgetown, Barbados
February 4, 2016

NEWTON BUSINESS PARK PROJECT COMPANY LIMITED

Statement of Financial Position

As at March 31, 2012
With comparative figures for 2011

(Expressed in Barbados dollars)

		2012	2011
Assets			
Current assets			
Cash and cash equivalents (note 3)	$	62,380	62,485
Accounts receivable		2,500	8,875
		64,880	71,360
Development projects		-	10,446
Total Assets	$	64,880	81,806
Liabilities and Shareholder's Deficiency			
Current liabilities			
Due to related party (note 4)	$	12,197,800	12,151,200
Total Liabilities		12,197,800	12,151,200
Shareholder's Deficiency			
Share capital (note 5)		1,000	1,000
Deficit		(12,133,920)	(12,070,394)
Total Shareholder's Deficiency		(12,132,920)	(12,069,394)
Total Liabilities and Shareholder's Deficiency	$	64,880	81,806

See accompanying notes to financial statements.

Approved on behalf of the Board:

.... **Director** .... **Director**

NEWTON BUSINESS PARK PROJECT COMPANY LIMITED

Statement of Changes in Equity

For the year ended March 31, 2012
With comparative figures for 2011

(Expressed in Barbados dollars)

		Share Capital	Accumulated Deficit	Total
Closing balance March 31, 2010	$	1,000	(12,066,801)	(12,065,801)
Comprehensive loss for the year		-	(3,593)	(3,593)
Closing balance March 31, 2011		1,000	(12,070,394)	(12,069,394)
Comprehensive loss for the year		-	(63,526)	(63,526)
Closing balance March 31, 2012	$	1,000	(12,133,920)	(12,132,920)

See accompanying notes to financial statements.

NEWTON BUSINESS PARK PROJECT COMPANY LIMITED

Statement of Comprehensive Loss

For the year ended March 31, 2012
With comparative figures for 2011

(Expressed in Barbados dollars)

		2012	2011
Expenditure			
Administration	$	21,230	2,756
Legal fees on disposal of buildings		26,850	-
Loss on disposal of buildings		15,446	837
Net loss, being comprehensive loss for the year	$	63,526	3,593

See accompanying notes to financial statements.

NEWTON BUSINESS PARK PROJECT COMPANY LIMITED

Statement of Cash Flows

For the year ended March 31, 2012
With comparative figures for 2011

(Expressed in Barbados dollars)

		2012	2011
Cash flows from operating activities			
Net loss	$	(63,526)	(3,593)
Adjustments for:			
Loss on disposal of buildings		15,446	-
Operating excess of revenue over expenditure before working capital changes		(48,080)	(3,593)
Decrease in accounts receivable		6,375	19,031
Increase in due to related party		46,600	13,964
Net cash from operating activities		4,895	29,402
Cash flows from investing activities			
Additions to development projects – net		(5,000)	(10,446)
Net cash used in investing activities		(5,000)	(10,446)
Net (decrease) increase in cash and cash equivalents		(105)	18,956
Cash and cash equivalents - beginning of year		62,485	43,529
Cash and cash equivalents - end of year (note 3)	$	62,380	62,485

See accompanying notes to financial statements.

1. Establishment. Principal Activity and Principal Place of Business

Newton Business Park Project Company Limited (NBPPCL) was incorporated on June 12, 2001 as the Special Purpose Vehicle Company established under a Build Own Transfer (BOT) arrangement set up to carry out construction works at the Newton Business Park Project – Phase 1. It is a wholly owned subsidiary of Barbados Investment and Development Corporation.

The Company's principal place of business is located at Princess Alice Highway, St. Michael.

2. Going Concern

These financial statements have been prepared on the basis of accounting principles applicable to a "going concern" which assumes that the Company will continue in operation for the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course of operations.

As at March 31, 2012, the Company had an accumulated deficit of $12,133,920 (2011: $12,070,394) arising out of losses incurred over several years. The Company's operating results and financial position raise significant doubt about its ability to continue its operations in the foreseeable future.

These financial statements do not reflect adjustments that would be necessary if the "going concern" assumption were not appropriate because management believes that the actions already taken or planned will mitigate the adverse conditions and events which raise doubts about the validity of the "going concern" assumption used in preparing these financial statements.

If the “going concern” assumption were not appropriate for these financial statements, then adjustments would be required to the carrying values of assets and liabilities and the reported revenue and expenses and the balance sheet classifications used.

3. Significant Accounting Policies

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB).

These financial statements were approved by the Board of Directors on February 4, 2016.

Significant accounting policies are as follows:

(a) Basis of preparation

The financial statements are presented in Barbados dollars and are prepared on the historical cost basis.

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS) requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

(b) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flows statement, cash and cash equivalents comprise cash on hand and deposits held at call with other banks with original maturities of 90 days or less.

(c) Development projects

Recognition and measurement

Development projects are measured at cost less accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

Borrowing costs related to the acquisition, construction or production of qualifying assets, are capitalized during the period of the acquisition, construction or production of the asset.

Gains and losses on disposal of an item of development projects are determined by comparing the proceeds from disposal with the carrying amount of development projects, and are recognized net within “other income” in the statement of comprehensive loss.

3. Significant Accounting Policies, continued

(d) Impairment

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is an indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive loss.

(e) Accounts receivable

Trade receivables are carried at original invoice amount less an estimate for doubtful receivables based on a review of all outstanding amounts at the year end. The provision for doubtful receivables is based on the specific identification of doubtful receivables. Additions to the provision are charged to current operations. As receivables become uncollectible they are written off against the provision.

(f) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. They are subsequently stated at amortised cost with any difference between cost and redemption value recognised in the statement comprehensive loss over the period of the borrowing on an effective interest basis.

(g) Foreign currency translation

(i) Functional and presentation currency

Both the functional and presentation currency of the Company is Barbados Dollars.

(ii) Transactions & balances

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

(h) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

(Expressed in Barbados dollars)

4. New Standards and Interpretations not yet Adopted

At the date of authorization of these financial statements, certain new standards have been issued which were effective at the reporting date, and have not been applied in preparing these financial statements as follows (effective date included):

- IFRS 9 – Financial Instruments (2009) – January 1, 2013
- Revised IAS 24 – Related Party Disclosures (2009) – January 1, 2013

The application of these interpretations will not have a material impact on the Company's consolidated financial statements in the period of application.

5. Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise:

		2012	2011
Cash and bank balances	$	62,380	62,485

6. Related Party Balances and Transactions

		2012	2011
Due to parent: Barbados Investment and Development Corporation	$	12,197,800	12,151,200

The amount due to the parent and is unsecured and has no stated terms of repayment.

7. Share Capital

Authorised:
The Company is authorised to issue an unlimited number of common shares.

		2012	2011
Issued:			
1,000 (2011: 1,000) common shares	$	1,000	1,000

8. Financial Risk Management

Overview
The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, set appropriate risk limits and controls, and monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and structured environment in which all employees understand their roles and obligations.

Credit risk
Credit risk is the risk of financial loss to the Company if a member or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Trade and other receivables
The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it has sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The liquidity position is monitored daily; management seeks to maintain levels of cash deposits which are sufficient to meet reasonable expectation of its short term obligations.

6. Financial Risk Management; continued

Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Capital management
The Board's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business.

There were no changes to the Company's approach to capital management during the year.

7. Taxation

Under the Companies Act of Barbados, the Company is exempt from payment of all taxes on income.