

**Annual report 2018**

**Canawaima Management Company N.V.**



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## Accountant's compilation report

The financial statements of **Canawaima Management Company N.V.** have been compiled by using the information provided by you . The financial statements comprise the balance sheet as at 31 December 2018 and the profit and loss account for the year 2018 with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.

This compilation engagement has been performed by us in accordance with Surinam law, and the standard 'Compilation engagements', which is applicable to accountants. The standard requires us to assist you in the preparation and presentation of the financial statements in accordance with generally accepted accounting principles. To this end we have applied our professional expertise in accounting and financial reporting.

In a compilation engagement, you are responsible for ensuring that you provide us with all relevant information and that this information is correct. Therefore, we have conducted our work, in accordance with the applicable regulations, on the assumption that you have fulfilled your responsibility. To conclude our work, we have read the financial statements as a whole to consider whether the financial statements as presented correspond with our understanding of **Canawaima Management Company N.V.** We have not performed any audit or review procedures which would enable us to express an opinion or a conclusion as to the fair presentation of the financial statements.

During this engagement we have complied with the relevant ethical requirements. You and other users of these financial statements may therefore assume that we have conducted the engagement in a professional, competent and objective manner and with due care and integrity and that we will treat all information provided to us as confidential.

Paramaribo, 28 April 2023

**Sheoratan Registeraccountants N.V.**

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## Management report

### General

We provide you with this, the financial statements of CANAWAIMA MANAGEMENT COMPANY N.V. for the year 2018, comprising the balance sheet, profit and loss statement and related notes. The financial statements were compiled by Sheoratan Registeraccountants N.V.

### Financial review

### Operating results

In SRD	2018		2017	
<b>Income</b>	<b>2,196,096</b>	<b>100.0%</b>	2,096,786	100.0%
Cost of sales	864,348	39.4%	706,567	33.7%
<b>Gross profit</b>	<b>1,331,748</b>	<b>60.6%</b>	1,390,219	66.3%
<b>Operating expenses</b>				
Personnel expenses	1,636,802	74.5%	1,777,005	84.7%
Depreciation	102,320	4.7%	119,070	5.7%
Other operating expenses	1,039,574	47.3%	2,793,928	133.2%
<b>Total operating expenses</b>	<b>2,778,696</b>	<b>126.5%</b>	4,690,003	223.7%
<b>Net-result</b>	<b>-1,446,948</b>	<b>-65.9%</b>	-3,299,784	-157.4%
Financial income and expenses	-2,206	-0.1%	-222,930	-10.6%
Miscellaneous income and expenses	-	0.0%	30,791	1.5%
<b>Net-result before tax</b>	<b>-1,449,154</b>	<b>-66.0%</b>	-3,491,923	-166.5%

Paramaribo, April 28, 2023



Terminal Manager,

Mr. L. Daniel

## Financial statements 2018

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## Balance sheet at December 31, 2018

In SRD	Note	2018	2017
<b>ASSETS</b>			
<b>Fixed assets</b>			
Tangible fixed assets	1	536,078	587,572
<b>Current assets</b>			
Receivables	2	11,190,032	8,037,218
Cash and cash equivalents	3	922,115	594,586
<b>Total current assets</b>		<b>12,112,147</b>	<b>8,631,804</b>
<b>TOTAL ASSETS</b>		<b>12,648,225</b>	<b>9,219,376</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	4		
Share capital		5,000	5,000
General reserve		-6,028,153	-2,536,230
Result for the year		-1,449,154	-3,491,923
<b>Total equity</b>		<b>-7,472,307</b>	<b>-6,023,153</b>
<b>Long term liabilities</b>	5	<b>122,303</b>	<b>122,303</b>
<b>Short term liabilities</b>	6	<b>19,998,229</b>	<b>15,120,226</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>12,648,225</b>	<b>9,219,376</b>




Terminal Manager

Mr. L. Daniel



President Commissioner

Mrs. S. Nabibaks



Member

Mr. M. Amafo

## Comprehensive statement of income 2018

In SRD	Toelichting	2018	2017
<b>Income</b>	<b>7</b>	<b>2,196,096</b>	<b>2,096,786</b>
Cost of sales		864,348	706,567
<b>Gross profit</b>		<b>1,331,748</b>	<b>1,390,219</b>
<b>Operating expenses</b>			
Personnel expenses	<b>8</b>	<b>1,636,802</b>	<b>1,777,005</b>
Depreciation	<b>9</b>	<b>102,320</b>	<b>119,070</b>
Other operating expenses	<b>10</b>	<b>1,039,574</b>	<b>2,793,928</b>
<b>Total operating expenses</b>		<b>2,778,696</b>	<b>4,690,003</b>
<b>Net-result</b>		<b>-1,446,948</b>	<b>-3,299,784</b>
Financial income and expenses	<b>11</b>	<b>-2,206</b>	<b>-222,930</b>
Miscellaneous income and expenses	<b>12</b>	<b>-</b>	<b>30,791</b>
<b>Net-result before tax</b>		<b>-1,449,154</b>	<b>-3,491,923</b>
Income tax		-	-
<b>Net-result after tax</b>		<b>-1,449,154</b>	<b>-3,491,923</b>



**Terminal Manager**

Mr. L. Daniel



**President Commissioner**

Mrs. S. Nabibaks



**Member**

Mr. M. Amafo

## Statement of changes in equity for the year ended December 31, 2018

In SRD	Share Capital	General reserve	Result for the year	Total
<b>Balance at January 01, 2017</b>	5,000	-382,920	-2,153,310	<b>-2,531,230</b>
Addition result 2016 to general reserve	-	-2,153,310	2,153,310	-
Result 2017	-	-	-3,491,923	<b>-3,491,923</b>
<b>Balance at December 31, 2017</b>	<b>5,000</b>	<b>-2,536,230</b>	<b>-3,491,923</b>	<b>-6,023,153</b>
Addition result 2017 to general reserve	-	-3,491,923	3,491,923	-
Result 2018	-	-	-1,449,154	<b>-1,449,154</b>
<b>Balance at December 31, 2018</b>	<b>5,000</b>	<b>-6,028,153</b>	<b>-1,449,154</b>	<b>-7,472,307</b>



**Terminal Manager**

Mr. L. Daniel



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**Member**

Mr. M. Amafo



## Cash flow statement for the year ended December 31, 2018

In SRD	2018	2017
<b>Cash flow from operating activities</b>		
Net profit	-1,449,154	-3,491,923
Adjustments for:		
Depreciation	102,320	119,070
Provision	-	-
	102,320	119,070
Changes in working capital:		
Receivables	-3,152,814	-1,857,194
Short term liabilities	4,878,005	4,400,515
	1,725,191	2,543,321
Net cash flow from operating activities	378,357	-829,532
<b>Cash flow from investing activities</b>		
Investment in tangible fixed assets	-50,828	-
Desinvestment in tangible fixed assets	-	-
Net cash flow from investing activities	-50,828	-
<b>Cash flow from financing activities</b>		
Change in long term receivables	-	-
Change in long term liabilities	-	-
Net cash flow from financing activities	-	-
<b>Net increase/decrease in cash and cash equivalents</b>	<b>327,529</b>	<b>-829,532</b>
Cash and cash equivalents at the beginning of the year	594,586	1,424,118
Cash and cash equivalents at the end of the year	922,115	594,586



**Terminal Manager**

Mr. L. Daniel



**Member**

Mr. M. Amafo



**President Commissioner**

Mrs. S. Nabibaks

## General notes to the financial statements

### Activities

CANAWAIMA MANAGEMENT N.V. was established on April 27, 1999. The following objectives are stated in article two of the articles of association:

1. "managing and operating the Canawaima ferry service and terminals;
2. act as agent, representative and in any other capacity for third parties, in relation to acts and transactions related to the foregoing objective;
3. to perform all that which belongs to the above in the broadest sense of the word, including participation in and management of other companies with a similar or similar purpose, insofar as permitted by law; "

### General principles

#### Accounting policies

These financial statements have been prepared in accordance with generally accepted accounting principles.

#### Continuity assumption/going concern

The 2021 statutory annual accounts of CANAWAIMA MANAGEMENT N.V. have been prepared by the board on a going concern basis.

All the assets and liabilities are valued at the nominal value, unless otherwise indicated below notes. In the profit and loss statement, the income and expenses are recognized which result from the activities during the financial year.

Assets and liabilities denominated in foreign currencies are converted at the exchange rate of the Central Bank of Suriname as at December 31, 2018. The exchange rates used for the Suriname Dollar (SRD) at balance sheet date are:

Currency	31-Dec-18	31-Dec-17
USD	7.520	7.520

The differences related to changes in exchange rates are recognized in the profit and loss statement. In the profit and loss statement, turnover and costs, insofar as denominated in foreign currency, have been converted to the functional currency of the company at the free-market exchange rates at the dates of the transactions.

**Accounting policies***Tangible fixed assets*

Tangible fixed assets are defined as historical cost less straight-line depreciation based on the expected economic life of the respective assets.

The depreciation rates used are as follows:

Renovation building	10.0%
Inventory	20.0% - 33.3%
Transport	33.3%

*Receivables*

Receivables are stated at nominal value less a provision for doubtful debts.

*Cash and cash equivalents*

Cash and cash equivalents includes cash in hand, deposits held at call with banks.

*Current liabilities*

These items relate to liabilities with a maturity of in principle less than one year and are recognized at nominal value.

## **Principles for determining results**

### *Sales*

The net sales are revenues from the sales/supply of goods and services to customers less discounts granted to customers.

### *Operating costs*

The costs are based on historical accounting principles and are determined partly with due observance of the aforementioned principles of valuation. The costs are allocated to the reporting year to which they relate. Profits are accounted for in the year in which the goods were delivered or the services were provided. Losses are taken into account in the year in which they are foreseen.

Depreciation shall be time-proportionate on the basis of the expected economic life span. Acquisitions in the year are depreciated in time.

### *Result*

The year result is determined by the income to reduce the costs and expenses over the same period. These benefits are attributed to the year where the related work done by sales and delivery. Losses and risks arising from the end of the year are incorporated if for the preparation of financial statements known.

## **Accounting policies for preparing the cash flow statement**

The cash flow statement is prepared according to the indirect method. The cash flow statement consists of bank balances and cash flows.

## Notes to the balance sheet at December 31, 2018

**1. Tangible fixed assets**

In SRD	Renovation building	Inventory	Transport	Total 2018	Total 2017
<b>Depreciation percentages</b>	<b>10.00%</b>	<b>20.0% - 33.3%</b>	<b>33%</b>		
Purchase price at january, 1	985,527	489,307	562,386	<b>2,037,220</b>	2,037,220
Investments	-	-	50,828	<b>50,828</b>	-
Desinvestments	-	-	-	-	-
Purchase price at december, 31	985,527	489,307	613,214	<b>2,088,048</b>	2,037,220
Cumulative depreciation at januari, 1	457,533	485,969	506,148	<b>1,449,650</b>	1,330,578
Depreciation	88,697	2,187	11,436	<b>102,320</b>	119,070
Des-depreciation	-	-	-	-	-
Cumulative depreciation at december, 31	546,230	488,156	517,584	<b>1,551,970</b>	1,449,648
<b>Bookvalue at december, 31</b>	<b>439,297</b>	<b>1,151</b>	<b>95,630</b>	<b>536,078</b>	<b>587,572</b>

## 2. Receivables

In SRD	2018	2017
Management fee to be received	8,358,716	6,553,916
Prepayments	67,761	75,332
Loan u/g	92,675	92,675
Other receivables	2,670,880	1,315,295
<b>Balance at december, 31</b>	<b>11,190,032</b>	<b>8,037,218</b>

## 3. Cash and cash equivalents

In SRD	2018	2017
Cash and Bank SRD	463,549	320,148
Cash and Bank USD	458,566	274,438
<b>Balance at december, 31</b>	<b>922,115</b>	<b>594,586</b>

## 4. Equity

### Share capital

The authorized share capital is SRD 5,000 and is divided in 5000 shares of nominal SRD 1, which is fully issued and paid.

## 5. Long term liabilities

In SRD	2018	2017
Provision	122,303	122,303
<b>Balance at december, 31</b>	<b>122,303</b>	<b>122,303</b>

## Provision

In SRD	Balance 01 jan.	Contribution	Release	Balance 31 dec.
Provision for maintenance ferry	122,303	-	-	<b>122,303</b>
<b>Balance at december, 31</b>	<b>122,303</b>	-	-	<b>122,303</b>

## 6. Short term liabilities

In SRD	2018	2017
Pensions payable	<b>291,895</b>	291,899
Accrued liabilities	<b>190,156</b>	148,044
Canawaima Ferry Services Inc.	<b>19,505,733</b>	14,669,839
Wages to be paid	<b>10,445</b>	10,444
<b>Balance at december, 31</b>	<b>19,998,229</b>	15,120,226

## Notes to the comprehensive statement of income 2018

**7. Income**

In SRD	2018	%	2017	%
Management fee	1,804,800	82.2%	1,804,800	86.1%
Canteen	-	0.0%	10,413	0.5%
Energy	217,173	9.9%	111,122	5.3%
Rent King's Enterprises	67,707	3.1%	88,306	4.2%
Rent Simextra International N.V.	99,264	4.5%	82,145	3.9%
Other	7,152	0.3%	-	0.0%
<b>Total income</b>	<b>2,196,096</b>	<b>100.0%</b>	<b>2,096,786</b>	<b>100.0%</b>

The management agreement between “The Canawaima Ferry Service Incorporated” and “Canawaima Management Company N.V. has been entered into on November 05, 1998 for a period of 5 years. The management fee is USD 240,000 per year. The agreement has expired and no new agreement has been concluded, nevertheless the management fee from the agreement has been maintained.

**8. Personnel expenses**

In SRD	2018	2017
Wages and salaries	1,533,790	1,632,558
Social costs	87,480	52,521
Other personnel expenses	15,532	91,926
<b>Total personnel expenses</b>	<b>1,636,802</b>	<b>1,777,005</b>



## Wages and salaries

In SRD	2018	2017
Salaries	1,438,944	1,390,109
Allowances	5,271	1,500
Overtime	-	91,664
Holiday allowance and bonuses	89,575	149,285
<b>Total wages and salaries</b>	<b>1,533,790</b>	<b>1,632,558</b>

## Social costs

In SRD	2018	2017
Suriname accident regulation premium	2,430	1,744
Medical insurance	84,420	50,777
Medical expenses	630	-
<b>Total social costs</b>	<b>87,480</b>	<b>52,521</b>

## Other personnel expenses

In SRD	2018	2017
Canteen costs	3,178	14,810
Workwear & footwear	-	24,988
Maintenance manager's house	700	5,105
Third-party costs	750	2,400
Other	10,904	44,623
<b>Total other personnel expenses</b>	<b>15,532</b>	<b>91,926</b>

**9. Depreciation**

In SRD	2018	2017
Depreciation renovation building	88,697	88,697
Depreciation inventory	2,187	30,373
Depreciation transport	11,436	-
<b>Total depreciation</b>	<b>102,320</b>	<b>119,070</b>

**10. Other operating expenses**

In SRD	2018	2017
Ferry costs	62,996	851,924
Housing expenses	499,329	835,690
Sales expenses	67,550	249,501
Transport expenses	109,156	186,998
Office expenses	69,383	94,840
Machine expenses	41,752	46,410
General expenses	189,408	528,565
<b>Total other operating expenses</b>	<b>1,039,574</b>	<b>2,793,928</b>

## Ferry costs

In SRD	2018	2017
Rent boat	860,848	706,567
Maintenance Ferry	38,523	811,924
Dock costs	24,473	40,000
<b>Total ferry costs</b>	<b>62,996</b>	<b>851,924</b>

## Housing expenses

In SRD	2018	2017
Water	20,450	8,300
Maintenance buildings, terrain & jetty	49,500	153,817
Security	1,515	-
Fuel for generators	411,216	660,424
Other housing expenses	16,648	13,149
<b>Total housing expenses</b>	<b>499,329</b>	<b>835,690</b>

## Sales expenses

In SRD	2018	2017
Marketing & advertising	3,663	2,890
Travelling expenses	35,972	67,126
Representations expenses	25,530	55,200
Donations and gifts	-	11,513
Other sales expenses	2,385	112,772
<b>Total sales expenses</b>	<b>67,550</b>	<b>249,501</b>

## Transport expenses

In SRD	2018	2017
Fuel expenses	24,874	39,010
Insurance	2,617	21,046
Maintenance and repair	14,056	83,153
Transport crew	64,909	43,539
Other transport expenses	2,700	250
<b>Total transport expenses</b>	<b>109,156</b>	<b>186,998</b>

## Office expenses

In SRD	2018	2017
Office supplies	57,262	40,210
Purchase of small inventory	-	11,048
Maintenance inventory	-	15,547
Telephone expenses	12,121	14,051
Other office expenses	-	13,984
<b>Total office expenses</b>	<b>69,383</b>	<b>94,840</b>

## Machine expenses

In SRD	2018	2017
Repair and maintenance machines	41,752	46,410
<b>Total machine expenses</b>	<b>41,752</b>	<b>46,410</b>

## General expenses

In SRD	2018	2017
Bankcharges	1,855	2,868
Accountants expenses	42,112	66,412
Consultancy expenses	-	61,031
Remuneration	124,005	382,882
Contributions	-	3,500
Business asset insurance	7,571	2,524
Other general expenses	13,865	9,348
<b>Total general expenses</b>	<b>189,408</b>	<b>528,565</b>

**11. Financial income and expenses**

In SRD	2018	2017
Interest received	-224	-5,630
Differences in rate of exchange	2,430	228,560
<b>Total financial income and expenses</b>	<b>2,206</b>	<b>222,930</b>

**12. Miscellaneous income and expenses**

In SRD	2018	2017
Various income	-	-30,791
<b>Total miscellaneous income and expenses</b>	<b>-</b>	<b>-30,791</b>

## Other information

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Terminal manager financial year

Mr. L. Daniel