

**Annual report 2019**

**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 2019 and the profit and loss account for the year 2019 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 2019, 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	2019		2018	
<b>Income</b>	<b>2,207,998</b>	<b>100.0%</b>	2,196,096	100.0%
Cost of sales	526,187	23.8%	864,348	39.4%
<b>Gross profit</b>	<b>1,681,811</b>	<b>76.2%</b>	1,331,748	60.6%
<b>Operating expenses</b>				
Personnel expenses	1,472,397	66.7%	1,636,802	74.5%
Depreciation	172,956	7.8%	102,320	4.7%
Other operating expenses	1,306,809	59.2%	1,039,574	47.3%
<b>Total operating expenses</b>	<b>2,952,162</b>	<b>133.7%</b>	2,778,696	126.5%
<b>Net-result</b>	<b>-1,270,351</b>	<b>-57.5%</b>	-1,446,948	-65.9%
Financial income and expenses	1,560	0.1%	-2,206	-0.1%
Miscellaneous income and expenses	-	0.0%	-	0.0%
<b>Net-result before tax</b>	<b>-1,268,791</b>	<b>-57.5%</b>	-1,449,154	-66.0%

Paramaribo, April 28, 2023



Terminal Manager,

Mr. L. Daniel

## Financial statements 2019

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## Balance sheet at December 31, 2019

In SRD	Note	2019	2018
<b>ASSETS</b>			
<b>Fixed assets</b>			
Tangible fixed assets	1	1,064,689	536,078
<b>Current assets</b>			
Receivables	2	10,308,085	11,190,032
Cash and cash equivalents	3	1,530,419	922,115
<b>Total current assets</b>		<b>11,838,504</b>	<b>12,112,147</b>
<b>TOTAL ASSETS</b>		<b>12,903,193</b>	<b>12,648,225</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	4		
Share capital		5,000	5,000
General reserve		-7,477,307	-6,028,153
Result for the year		-1,268,791	-1,449,154
<b>Total equity</b>		<b>-8,741,098</b>	<b>-7,472,307</b>
<b>Long term liabilities</b>	5	<b>122,303</b>	<b>122,303</b>
<b>Short term liabilities</b>	6	<b>21,521,988</b>	<b>19,998,229</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>12,903,193</b>	<b>12,648,225</b>



Terminal Manager

Mr. L. Daniel



President Commissioner

Mrs. S. Nabibaks



Member

Mr. M. Amafo



## Comprehensive statement of income 2019

In SRD	Note	2019	2018
<b>Income</b>	<b>7</b>	<b>2,207,998</b>	2,196,096
Cost of sales		526,187	864,348
<b>Gross profit</b>		<b>1,681,811</b>	1,331,748
<b>Operating expenses</b>			
Personnel expenses	<b>8</b>	<b>1,472,397</b>	1,636,802
Depreciation	<b>9</b>	<b>172,956</b>	102,320
Other operating expenses	<b>10</b>	<b>1,306,809</b>	1,039,574
<b>Total operating expenses</b>		<b>2,952,162</b>	2,778,696
<b>Net-result</b>		<b>-1,270,351</b>	-1,446,948
Financial income and expenses	<b>11</b>	<b>1,560</b>	-2,206
Miscellaneous income and expenses		-	-
<b>Net-result before tax</b>		<b>-1,268,791</b>	-1,449,154
Income tax		-	-
<b>Net-result after tax</b>		<b>-1,268,791</b>	-1,449,154



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, 2019

In SRD	Share Capital	General reserve	Result for the year	Total
<b>Balance at January 01, 2018</b>	5,000	-2,536,230	-3,491,923	<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>
Addition result 2018 to general reserve	-	-1,449,154	1,449,154	-
Result 2019	-	-	-1,268,791	<b>-1,268,791</b>
<b>Balance at December 31, 2019</b>	<b>5,000</b>	<b>-7,477,307</b>	<b>-1,268,791</b>	<b>-8,741,098</b>



**Terminal Manager**

Mr. L. Daniel



**President Commissioner**

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## Cash flow statement for the year ended December 31, 2019

In SRD	2019	2018
<b>Cash flow from operating activities</b>		
Net profit	-1,268,791	-1,449,154
Adjustments for:		
Depreciation	172,956	102,320
Provision	-	-
	172,956	102,320
Changes in working capital:		
Receivables	881,947	-3,152,813
Short term liabilities	1,523,760	4,878,004
	2,405,707	1,725,191
Net cash flow from operating activities	1,309,872	378,357
<b>Cash flow from investing activities</b>		
Investment in tangible fixed assets	-701,568	-50,828
Desinvestment in tangible fixed assets	-	-
Net cash flow from investing activities	-701,568	-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>	608,304	327,529
Cash and cash equivalents at the beginning of the year	922,115	594,586
Cash and cash equivalents at the end of the year	1,530,419	922,115



**Terminal Manager**

Mr. L. Daniel



**President Commissioner**

Mrs. S. Nabibaks



**Member**

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## 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, 2019. The exchange rates used for the Suriname Dollar (SRD) at balance sheet date are:

Currency	31-Dec-19	31-Dec-18
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, 2019

**1. Tangible fixed assets**

In SRD	Renovation building	Inventory	Transport	Total 2019	Total 2018
<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	613,214	<b>2,088,048</b>	2,037,220
Investments	112,170	537,510	51,888	<b>701,568</b>	50,828
Desinvestments	-	-	-	-	-
Purchase price at december, 31	1,097,697	1,026,817	665,102	<b>2,789,616</b>	2,088,048
Cumulative depreciation at januari, 1	546,230	488,157	517,584	<b>1,551,971</b>	1,449,650
Depreciation	94,586	55,339	23,031	<b>172,956</b>	102,320
Des-depreciation	-	-	-	-	-
Cumulative depreciation at december, 31	640,816	543,496	540,615	<b>1,724,927</b>	1,551,970
<b>Bookvalue at december, 31</b>	<b>456,881</b>	<b>483,321</b>	<b>124,487</b>	<b>1,064,689</b>	<b>536,078</b>

## 2. Receivables

In SRD	2019	2018
Management fee to be received	10,151,876	8,358,716
Prepayments	60,190	67,761
Loan u/g	92,675	92,675
Other receivables	3,344	2,670,880
<b>Balance at december, 31</b>	<b>10,308,085</b>	<b>11,190,032</b>

## 3. Cash and cash equivalents

In SRD	2019	2018
Cash and Bank SRD	1,340,669	463,549
Cash and Bank USD	189,750	458,566
<b>Balance at december, 31</b>	<b>1,530,419</b>	<b>922,115</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	2019	2018
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>-</b>	<b>-</b>	<b>122,303</b>

## 6. Short term liabilities

In SRD	2019	2018
Pensions payable	<b>291,892</b>	291,895
Accrued liabilities	<b>232,268</b>	190,156
Canawaima Ferry Services Inc.	<b>20,814,193</b>	19,505,733
Wages to be paid	<b>10,445</b>	10,445
Other	<b>173,190</b>	-
<b>Balance at december, 31</b>	<b>21,521,988</b>	19,998,229

## Notes to the comprehensive statement of income 2019

**7. Income**

In SRD	2019	%	2018	%
Management fee	1,804,800	81.7%	1,804,800	82.2%
Canteen	-	0.0%	-	0.0%
Energy	186,366	8.4%	217,173	9.9%
Rent King's Enterprises	87,866	4.0%	67,707	3.1%
Rent Simextra International N.V.	128,966	5.8%	99,264	4.5%
Other	-	0.0%	7,152	0.3%
<b>Total income</b>	<b>2,207,998</b>	<b>100.0%</b>	<b>2,196,096</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	2019	2018
Wages and salaries	1,405,520	1,533,790
Social costs	50,827	87,480
Other personnel expenses	16,050	15,532
<b>Total personnel expenses</b>	<b>1,472,397</b>	<b>1,636,802</b>

## Wages and salaries

In SRD	2019	2018
Salaries	1,347,517	1,438,944
Allowances	-	5,271
Holiday allowance and bonuses	58,003	89,575
<b>Total wages and salaries</b>	<b>1,405,520</b>	<b>1,533,790</b>

## Social costs

In SRD	2019	2018
Suriname accident regulation premium	3,193	2,430
Medical insurance	10,034	84,420
Pensions	37,600	-
Medical expenses	-	630
<b>Total social costs</b>	<b>50,827</b>	<b>87,480</b>

## Other personnel expenses

In SRD	2019	2018
Canteen costs	6,957	3,178
Maintenance manager's house	-	700
Third-party costs	-	750
Other	9,093	10,904
<b>Total other personnel expenses</b>	<b>16,050</b>	<b>15,532</b>

## 9. Depreciation

In SRD	2019	2018
Depreciation renovation building	94,586	88,697
Depreciation inventory	55,339	2,187
Depreciation transport	23,031	11,436
<b>Total depreciation</b>	<b>172,956</b>	<b>102,320</b>

## 10. Other operating expenses

In SRD	2019	2018
Ferry costs	151,203	62,996
Housing expenses	673,842	499,329
Sales expenses	30,139	67,550
Transport expenses	173,827	109,156
Office expenses	35,739	69,383
Machine expenses	132,014	41,752
General expenses	110,045	189,408
<b>Total other operating expenses</b>	<b>1,306,809</b>	<b>1,039,574</b>

### Ferry costs

In SRD	2019	2018
Rent boat	446,668	860,848
Maintenance Ferry	151,203	38,523
Dock costs	-	24,473
<b>Total ferry costs</b>	<b>151,203</b>	<b>62,996</b>

## Housing expenses

In SRD	2019	2018
Water	54,666	20,450
Maintenance buildings, terrain & jetty	194,077	49,500
Security	31,122	1,515
Fuel for generators	392,580	411,216
Other housing expenses	1,397	16,648
<b>Total housing expenses</b>	<b>673,842</b>	<b>499,329</b>

## Sales expenses

In SRD	2019	2018
Marketing & advertising	3,967	3,663
Travelling expenses	20,580	35,972
Representations expenses	3,156	25,530
Other sales expenses	2,436	2,385
<b>Total sales expenses</b>	<b>30,139</b>	<b>67,550</b>

## Transport expenses

In SRD	2019	2018
Fuel expenses	136,755	24,874
Insurance	1,234	2,617
Maintenance and repair	32,338	14,056
Transport crew	3,500	64,909
Other transport expenses	-	2,700
<b>Total transport expenses</b>	<b>173,827</b>	<b>109,156</b>

## Office expenses

In SRD	2019	2018
Office supplies	13,050	57,262
Purchase of small inventory	2,195	-
Maintenance inventory	5,490	-
Telephone expenses	15,004	12,121
<b>Total office expenses</b>	<b>35,739</b>	<b>69,383</b>

## Machine expenses

In SRD	2019	2018
Rent machines	110,140	-
Repair and maintenance machines	20,124	41,752
Other machine expenses	1,750	-
<b>Total machine expenses</b>	<b>132,014</b>	<b>41,752</b>



## General expenses

In SRD	2019	2018
Bankcharges	4,572	1,855
Accountants expenses	42,112	42,112
Remuneration	33,870	124,005
Legal costs	14,900	-
Contributions	1,120	-
Business asset insurance	7,571	7,571
Other general expenses	5,900	13,865
<b>Total general expenses</b>	<b>110,045</b>	<b>189,408</b>

## 11. Financial income and expenses

In SRD	2019	2018
Interest received	-1,580	-224
Differences in rate of exchange	20	2,430
<b>Total financial income and expenses</b>	<b>-1,560</b>	<b>2,206</b>

## Other information

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Terminal manager financial year

Mr. L. Daniel