

Eppley Caribbean Property Fund Limited SCC- Development Fund
(formerly Fortress Caribbean Property Fund Limited SCC)
Unaudited Consolidated Statement of Financial Position
As at December 31, 2018
(expressed in Barbados dollars)

	Unaudited December 31, 2018 \$	Unaudited December 31, 2017 \$	Audited September 30, 2018 \$
Assets			
Real estate available-for-sale	13,732,522	17,706,777	14,187,766
Investment in associated company	5,569,757	4,829,691	5,573,363
Accounts receivable and prepaid expenses	385,456	369,465	420,175
Cash & cash equivalents	1,310,033	543,770	1,020,453
Other assets	64,284	91,426	-
Total assets	21,062,052	23,541,129	21,201,757
Liabilities			
Accounts payable and accrued expenses	214,828	371,070	199,089
Security and advanced deposits	262,817	296,330	283,914
Due to related parties	852,220	1,136,376	847,230
Total liabilities	1,329,865	1,803,776	1,330,233
Total assets less liabilities	19,732,187	21,737,353	19,871,524
Equity			
Share capital	28,626,291	28,626,291	28,626,291
Retained earnings	(8,894,104)	(6,888,938)	(8,754,767)
Total shareholders' funds	19,732,187	21,737,353	19,871,524
Net asset value per share	\$0.36	\$0.40	\$0.36

Approved:



Director
January 29th, 2019



Director

Eppley Caribbean Property Fund Limited SCC- Development Fund
(formerly Fortress Caribbean Property Fund Limited SCC)
Unaudited Consolidated Statement of Comprehensive Income
For the three-month period October 1, 2018 - December 31, 2018
 (expressed in Barbados dollars)

	Unaudited three months to	Unaudited three months to	Audited Year ended
	October 1, 2018 - December 31, 2018	October 1, 2017 - December 31, 2017	September 30, 2018
	\$	\$	\$
Revenue			
Share of loss on investments accounted for using the equity method	(3,606)	(6,269)	(26,526)
Interest income	-	1,815	3,267
Other income	1,851	-	25,106
Total investment (loss)/income	(1,755)	(4,454)	1,847
Expenses			
Impairment loss on real estate available for re-sale	-	73,600	1,386,278
Net carrying costs of real estate available for re-sale	121,088	40,116	156,934
Audit, listing and other professional fees	13,829	17,637	143,437
Fund management fees	34,290	30,787	133,290
Investment advisor fees	34,290	30,787	133,290
Net (gain)/loss on sale of real estate available for re-sale	(71,690)	29,924	119,528
Loss on purchase of investment	-	-	2,700
Directors and subcommittee fees	4,499	4,139	10,422
Office and administrative expenses	1,276	1,260	4,835
Interest expense	-	12,167	21,833
Operating expenditure	137,582	240,417	2,112,547
Total comprehensive loss for the period	(139,337)	(244,871)	(2,110,700)
(Loss) per share	\$(0.00)	\$(0.00)	\$(0.04)

Eppley Caribbean Property Fund Limited SCC- Development Fund
(formerly Fortress Caribbean Property Fund Limited SCC)
Unaudited Consolidated Statement of Changes in Equity
For the three-month period October 1, 2018 - December 31, 2018
 (expressed in Barbados dollars)

	Attributable to Fund shareholders		
	Share capital	Retained earnings	Total
	\$	\$	\$
Balance- September 30, 2017	28,626,291	(6,644,067)	21,982,224
Loss for the year	-	(2,110,700)	(2,110,700)
Balance- September 30, 2018	28,626,291	(8,754,767)	19,871,524
Loss for the period	-	(139,337)	(139,337)
Balance- December 31, 2018	28,626,291	(8,894,104)	19,732,187

Eppley Caribbean Property Fund Limited SCC- Development Fund
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Unaudited Consolidated Statement of Changes in Equity
For the three-month period October 1, 2017 - December 31, 2017
 (expressed in Barbados dollars)

	Attributable to Fund shareholders		
	Share capital	Retained earnings	Total
	\$	\$	\$
Balance- September 30, 2016	28,731,519	(4,693,572)	24,037,947
Treasury shares (note 19)	(105,228)	74,840	(30,388)
Loss for the year	-	(2,025,335)	(2,025,335)
Balance- September 30, 2017	28,626,291	(6,644,067)	21,982,224
Loss for the period	-	(244,871)	(244,871)
Balance- December 31, 2017	28,626,291	(6,888,938)	21,737,353

Eppley Caribbean Property Fund Limited SCC- Development Fund
(formerly Fortress Caribbean Property Fund Limited SCC)
Unaudited Consolidated Statement of Cashflows
For the three-month period October 1, 2018 - December 31, 2018
 (expressed in Barbados dollars)


	Unaudited three months to October 1, 2018 - December 31, 2018	Unaudited three months to October 1, 2017 - December 31, 2017	Audited Year ended September 30, 2018
	\$	\$	\$
Cash flows from operating activities			
Total comprehensive (loss) for the period	(139,337)	(244,871)	(2,110,700)
Adjustment for:			
Share of (loss) of investments accounted for using the equity method	3,606	6,269	26,526
Net (gain)/loss on sale of real estate available for re-sale	(71,690)	29,924	119,528
Impairment loss on real estate available for re-sale	-	73,600	1,386,278
Loss on purchase of investments	-	-	2,700
Interest income	-	(1,815)	(3,267)
Interest expense	-	12,167	21,833
Operating loss before working capital changes	(207,421)	(124,726)	(557,102)
Decrease in accounts receivable and prepaid expenses	34,719	77,839	27,128
(Increase) in other assets	(64,284)	(91,426)	-
Increase/(decrease) in accounts payable and accrued expenses	32,691	(115,309)	(263,602)
(Decrease) in security deposits	(21,097)	(6,599)	(19,015)
Net (increase) in due to related parties	4,990	256,808	(32,339)
Net proceeds from sale of real estate available for re-sale	603,622	499,076	2,615,805
Additions to real estate available for re-sale	(76,688)	-	-
Cash generated from operations	306,532	495,663	1,770,875
Interest received	-	1,815	3,267
Interest paid	(16,952)	(5,433)	(38,785)
Net cash generated from operating activities	289,580	492,045	1,735,357
Cash flows from investing activities			
Investment in associated companies	-	-	(814,629)
Distributions from associated companies	-	-	48,000
Net cash (used) in investing activities	-	-	(766,629)
Net increase in cash and cash equivalents	289,580	492,045	968,728
Cash and cash equivalents at beginning of the period	1,020,453	51,725	51,725
Cash and cash equivalents at end of the period	1,310,033	543,770	1,020,453

Eppley Caribbean Property Fund Limited SCC – Development Fund
(formerly Fortress Caribbean Property Fund Limited SCC)

Directors' Statement – For the three-month period October 1, 2018 - December 31, 2018

The **Eppley Caribbean Property Fund Limited SCC (formerly Fortress Caribbean Property Fund Limited SCC)** – Development Fund share realised a loss of \$139,337 for the quarter ended December 31, 2018 (unaudited) compared to a loss of \$244,871 over the same period in 2017 (unaudited). The net asset value is \$0.36 per share down from \$0.40 a year earlier. The net assets are \$19.7 million compared to \$21.7 million for the same period in 2017.

During the quarter ended December 31, 2018, a unit at Villas on The Green (VOTG) was sold, resulting in a gain of \$71,690. The share price of the Development Fund Share on the **Barbados Stock Exchange (BSE)** as at December 31, 2018 was \$0.21, a discount of 42% to the net asset value.


Chairman