

Bobby's Marina Shipyard Holding N.V.

Financial Statements for year 2019

CONTENTS

Reports

Financial Statements

1	Balance Sheet as of December 31, 2019	1-2
2	Statement of Income 2019	3
3	Notes to the financial statements	4
3-1	General Remarks	5-6
3-2	Notes to the Balance Sheet	7-8
3-3	Notes to the Statement of Income	9
3-4	Fiscal position	10

Total Pages

BALANCE SHEET AS OF DECEMBER 31, 2019

A s s e t s

	2019	2018
	USD	USD
Fixed Assets		
Tangible Fixed Assets	4,801,716	4,900,944
Tangible Fixed Assets	3,000	3,000
Current Assets		
Receivables	1,107,300	1,116,450
Other	42	-
Cash at bank and in hand	578,324	581,635
	1,685,666	1,698,085
Total Assets	6,490,383	6,602,029

E q u i t y a n d L i a b i l i t i e s

	2019	2018
	USD	USD
Shareholders' Equity		
Share Capital Issued and Paid	180,000	180,000
Additional paid in capital	2,120,000	2,120,000
Retained Earnings	654,511	274,538
Result for the year	237,164	379,973
	3,191,675	2,954,511
Provisions	111,099	-
Long-term liabilities	2,857,945	3,348,675
Current Liabilities	329,664	298,843
Total Equity And Liabilities	6,490,383	6,602,029

STATEMENT OF INCOME 2019

	2019	2018
	USD	USD
Rental and rent revenues	666,700	754,201
Turnover tax	33,734	37,675
	<u>632,966</u>	<u>716,526</u>
Expenses		
Housing	4,835	-
Operating	-	-
General	8,185	28,560
Depreciation and Amortization	99,228	104,168
	<u>112,248</u>	<u>132,728</u>
	520,718	583,798
Interest Income/(Expenses)	<u>(172,455)</u>	<u>(203,825)</u>
Net Income on Ordinary Activities Before Taxation	348,263	379,973
Tax on result Ordinary Activities	(111,099)	-
Net Income	<u><u>237,164</u></u>	<u><u>379,973</u></u>

NOTES TO THE FINANCIAL STATEMENTS

General remarks

The Company was incorporated on April 23, 2008 and is established on Sint Maarten. The Company's principal objectives are:

- for own account, acquire, possess, encumber, alienate and develop commercial projects and / or the right of interest in immovable property;
- the renting, leasing, mortgaging of and in general the encumbering of immovable property and the right of or interest in immovable property.

Bobby's Marina N.V. and Marina and Development Consultants Ltd. Are each 50% shareholder of the company. All transactions with related parties are conducted at arm's length basis. Interest is charged on group company balances.

Principles of valuation

Tangible fixed assets

Tangible fixed assets are valued at historical cost less accumulated depreciation. Depreciation is calculated according to the straight line method over the estimated useful lives of the assets.

Tangible fixed assets are being depreciated over the following periods:

Buildings and leasehold improvements	40 years
Equipment	5 years
Other	5 years

The residual value used for the calculation of the depreciation expenses is 10%.

Financial fixed assets

The company has a 100% participation in Bobby's Megayard B.V. The participation is valued at costprice.

Receivables

Receivables are being presented at their nominal value net of provisions for uncollectability as deemed necessary.

Provisions

The provision for deferred tax reflects the temporary difference between the commercial book value of the fixed assets as presented in the financial statements and their fiscal value, and is stated at 34.5%. The difference in valuation is a result of applying the fiscal accelerated depreciation.

Long-term liabilities

Long-term liabilities are carried at amortized cost, being the amount received taking account of any premium or discount, less transaction cost.

Other assets and liabilities

All other assets and liabilities are being presented at their nominal value.

Recognition of income and expenses

Gross-margin is the balance of net sales less cost of goods sold. Net sales are being defined as income from sales less discounts and commissions

Expenses are being recognized according to the accrual method, taking the valuation principles as mentioned above into consideration.

Income is recognized when goods are delivered or services rendered. Losses are taken into account when foreseeable.

Depreciation is taken into account on a linear basis over the estimated useful lives of the assets.

Taxes are being calculated based on the profit as presented. Tax-exempt items and fully or partial deductible items are being taken into account. Taxes on extraordinary income are attributed

The provision for deferred tax reflects the temporary difference between the commercial book value of the fixed assets as presented in the financial statements and their fiscal value, and is stated at 34.5%. The difference in valuation is a result of applying the fiscal accelerated depreciation.

NOTES TO BALANCE SHEET

	2019	2018
Tangible fixed assets	USD	USD
Land	2,514,028	2,514,028
Leasehold improvements, steel pilings and house	2,176,912	2,241,399
Equipment and software	110,777	145,517
	<u>4,801,716</u>	<u>4,900,944</u>

Movement can be summarized as follows:

	Land	Leasehold impr. steel pilings & hous	Equipment & software	Total
Cost at Jan. 01, 2019	2,514,028	2,784,629	263,582	5,562,239
Investments	-	-	-	-
Disinvestments	-	-	-	-
Cost at Dec. 31, 2019	<u>2,514,028</u>	<u>2,784,629</u>	<u>263,582</u>	<u>5,562,239</u>
Accu. Dep. at Jan 1, 2019	-	(543,230)	(118,065)	(661,295)
Disinvestments	-	-	-	-
Depreciation 2019	-	(64,488)	(34,740)	(99,228)
Accu. Dep. at Dec 31, 2019	<u>-</u>	<u>(607,718)</u>	<u>(152,805)</u>	<u>(760,523)</u>
Book Value at Dec 31, 2019	<u>2,514,028</u>	<u>2,176,911</u>	<u>110,777</u>	<u>4,801,716</u>

Financial fixed assets

Participation Bobby's Megayard B.V.	<u>3,000</u>	<u>3,000</u>
-------------------------------------	---------------------	--------------

Receivables

Trade debtors	<u>1,107,300</u>	<u>1,116,450</u>
---------------	-------------------------	------------------

No provision was formed.

Other receivables and deposits

Security deposits	<u>-</u>	<u>-</u>
-------------------	----------	----------

Cash at bank and in Hand

WIB USD Account	<u>578,324</u>	<u>581,635</u>
-----------------	-----------------------	----------------

<u>2019</u>	<u>2018</u>
USD	USD

Share capital issued and paid up

The authorized share capital amounts to USD 180,000 and has been fully paid up.

Retained Earnings

Balance as of Jan 1	654,510	274,537
Result	237,164	379,973
Balance as of December 31	<u>891,674</u>	<u>654,510</u>

In anticipation of the decision of the general meeting of shareholders, the profit of the financial year 2019 has been added to the other reserves (retained earnings).

Long-term liabilities

Bobby's Marina N.V. loan	1,207,656	1,414,205
MDC loan	1,207,019	1,413,597
Yard mortgage WIB Bank	340,379	397,354
House Fuente loan	102,891	123,519
	<u>2,857,945</u>	<u>3,348,675</u>

Bobby's Marina loan and MDC loan

Five (=5% interest was charged on the loans Bobby Marina and MDC. No redemption schedule has been agreed upon.

House Fuente loan

WIB issued a loan of USD 260,000 for a parcel of land with thereonstanding building located at De La Fuente Street 22 in Cole Bay on 30th September 2009. The loan will be repaid in 180 monthly installments of USD 2,337. The interest rate is 7% per annum.

There is corporate guarantee of Bobby's Marina for the amount of USD 130,000 and corporate guarantee of Marina and Development Consultant (MDC) for the amount of USD 130,000.

Current Liabilities

Rental Deposit Bobby's Megayard B.V.	15,000	15,000
Accounts payable	314,664	282,144
Deposit payable	-	1,700
	<u>329,664</u>	<u>298,844</u>

NOTES TOT THE STATEMENTS OF INCOME

	<u>2019</u>	<u>2018</u>
	USD	USD
Depreciation		
Buldings, leasehold improvements, steel pilings and house	64,488	65,300
Equipment and software	34,740	38,868
	<u>99,228</u>	<u>104,168</u>
Housing		
Maintenance buildings expenses	<u>4,835</u>	-
Operating		
Equipment rentals	<u>-</u>	<u>-</u>
General		
Equipment maintenance and general	805	591
Licenses and permits	1,046	1,046
Legal and professional fees	3,525	23,335
Insurances	2,268	2,268
Bankcharges	391	110
Dues and subscriptions	1,210	1,210
	<u>9,245</u>	<u>28,560</u>
Interest		
Loan Bobby's Marina N.V.	70,710	79,248
Loan MDC	70,680	79,219
Loan house and yard	31,065	45,358
	<u>172,455</u>	<u>203,825</u>

FISCAL POSITION

	<u>2019</u>	<u>2019</u>	<u>2019</u>
	USD	USD	USD
Profit tax payable over 2019 can be summarized as follows:			
Net income before taxation according to the statement of income for the year ended December 31, 2019			348,263
Turnover tax: 10% of USD		33,734	3,373
Investment allowance 2018: 2019: no investments 2018: no investments			- -
Commercial depreciation Fiscal depreciation	99,228 <u>(421,255)</u>		(322,027)
Offset fiscal loss 2011			(29,610)
Taxable amount			<u><u>(0)</u></u>
No profit tax becomes payable.			
The following specification of the compensated losses can be given:			
2011 (compensated USD 29,610)			<u><u>-</u></u>

Balance sheet as of December 31, 2019

Unaudited	2019		2018	
	USD	USD	USD	USD
<i>Assets</i>				
Fixed assets				
Land	2,514,028		2,514,028	3
Leasehold improvements	1,603,631		1,648,543	3
House Fuente Street	225,959		233,931	3
Steel pilings	347,322		358,926	3
Equipment	110,777		145,517	3
Software	-		-	3
		4,801,717		4,900,945
Financial fixed assets		3,000		3,000 4
Current assets				
Accounts receivable	1,107,300		1,116,450	6
Security deposits	-		-	7
Other	42		-	
Cash and banks	578,324		581,634	8
		1,685,666		1,698,084
		<u>6,490,383</u>		<u>6,602,029</u>
<i>Equity and liabilities</i>				
Equity				
Share capital, issued and paid up	180,000		180,000	9
Additional paid in capital	2,120,000		2,120,000	9
Retained earnings	654,510		274,537	9
Result for the year	237,164		379,973	9
		3,191,674		2,954,510
Provisions				
Deferred profit tax		111,099		
Long-term liabilities				
Bobby's Marina N.V. loan	1,207,656		1,414,204	11
MDC loan	1,207,019		1,413,597	11
Yard mortgage	340,379		397,354	11
Loan House	102,891		123,519	11
		2,857,945		3,348,674
Current liabilities				
Accounts payable	314,665		282,145	12B
Rental deposit	15,000		16,700	12D
Other payables	-		-	12D
		329,665		298,845
		<u>6,490,383</u>		<u>6,602,029</u>

Statement of income for the year 2019

Unaudited	2019		2018		
	USD	USD	USD	USD	
Rental income	500,400		587,401		15
Sales equipment rental	<u>166,300</u>		<u>166,800</u>		15
		666,700		754,201	15
Turnover tax		<u>33,734</u>		<u>37,675</u>	15
Gross margin		632,966		716,526	15
Expenses					
Housing expenses	4,835		-		18
Operating expenses	-		-		18
General expenses	8,185		28,560		18
Depreciation expenses	<u>99,228</u>		<u>104,168</u>		17
		112,248		132,728	
Operating result		520,718		583,798	
Interest revenues (expenses)		<u>(172,455)</u>		<u>(203,825)</u>	19
Result before profit tax		348,263		379,973	
Taxes		<u>111,099</u>		-	20
Result for the year		<u><u>237,164</u></u>		<u><u>379,973</u></u>	

Name: Bobby's Marina Shipyard Holding B.V.
 Trial Balance 2019

Accountno	Description	Debit	Credit	
1000	Suspense Account			1
1001	WIB 800019404	578,323.76		2
1020	Petty Cash			3
1200	AR	1,107,300.00		4
1240	Inter-company	0		5
1490	Participation Megayard	3,000.00		6
1520	Bobby's Marina N.V.			7
1530	MDC	-		8
1550	Bobby's Megayard	42.40	-	9
1570	Deposits	-		10
1600	Steel Pilings	464,199.60		11
1715	Accum Depr Steel Piling		105,273.54	12
1755	Accum Depreciation Equipm			13
1770	House Fuente Street	324,148.72		14
1775	Fuente depreciation		90,217.85	15
1780	Equipment	239,524.96		16
1790	Accum Depr Equipm		94,008.00	17
1800	Vehicles	49,496.16		18
1810	Vehicles depreciation		49,496.00	19
1840	Software	24,056.94		20
1842	Software depreciation		24,056.94	21
1850	Land	2,514,027.99		22
1990	Building Improvements	1,996,280.38		23
1995	Accum Depr Bulding Impr		347,737.60	24
1900	Incorporatoin Cost			25
2000	Accounts Payable		314,664.79	26
2260	Deposits payable		-	27
2270	Rental deposits		15,000.00	28
2280	C/a BM Group Holding	-		29
2282	BMG Interest AP	277,258.25		30
2287	MDC Interest AP	277,258.25		31
2290	Accounting fees payable / Match Adv AP		-	32
2300	TOT payable	-		33
2500	Bobby's Marina Long term loan		1,414,204.46	34

2520 MDc Long term loan		1,413,597.10	35	
2540 Yard mortgage		339,852.24	36	
2550 Loan House Fuente St 500368004		102,890.85	37	
3010 Retained earnings		764,466.46	38	
3020 Issued Share Capital		180,000.00	39	
3040 Paid in Surplus		2,120,000.00	40	
3200 Owners equity	109,956.25		41	
3999 Closing acc	-		42	
4006 Sales Equipment Rental		166,300.00	43	
4014 Sales Services		500,400.02	44	
4140 Finance charges				
6100 Equipment rental	-		45	
6120 R & M General	805.00		46	
6130 R & M Buildings	4,834.79		47	
6140 R & M Equipm	-			
6200 Office exp	-		48	
6250 Fuel exp	0		49	
6270 Security exp	-		50	
6290 Dues & subscriptions	150.00			
6310 licenses and permits	1,046.35		51	
6320 Legal & professional fees	3,525.00		52	
6330 Insurance	2,267.50		53	
6340 Printing en reproduction	-		54	
6370 Turnover tax exp	33,734.02		55	
6390 Finance charges			56	
6400 Interest exp	30,538.13		57	
6410 Bank Charges	391.38		58	
6460 Bank Diff	-			
			59	
	0.02	8,042,165.83	8,042,165.85	60
	ok	ok		61
		77,292.17	666,700.02	62
		(589,407.85)		63
				64

Corrections BMSH
2019

GL nr	GL Description	Description of adjustm	Balance sheet		Profit & Loss Account		Section
			D	C	D	C	
1	6470 Depr. Equipm	Depreciation exp			34,740.00		
	1755 Depr Equipment	Depreciation exp		34,740.00			
	6470 Depr House Fuente S	Depreciation exp			7,972.00		
	1775 Depr House Fuente S	Depreciation exp		7,972.00			
	6470 Depr leasehold impr	Depreciation exp			44,911.92		
	1995 Leasehold impro	Depreciation exp		44,911.92			
	6470 Depr steel pilings	Depreciation exp			11,604.00		
	1605 umulated depr Steel pil	Depreciation exp		11,604.00			
2	6401 Interest Bobby's M loan	Interest 5% 20179			70,710.20		ok
	6402 Interest MDC loan	Interest 5% 20179			70,679.86		ok
	2500 Bobby's Marina Long t	Interest 5% 20179		70,710.20			ok
	2520 MDc Long term loan	Interest 5% 20179		70,679.86			ok
3	2540 WIB Loan 0103	Correction interest loan WIB		526.44			ok
	6400 Interest WIB Loans	Correction interest loan WIB			526.44		ok
	9200 Deferred Profit tax	Profit tax 2019			111,099.34		ok
	2600 Provision profit tax	Profit tax 2019		111,099.34			ok
			0.00	352,243.76	352,243.76		
Total P&L effect:					352,243.76		

payal

ACCOUNT LEAD SHEET

section: 9 doc.: 1

Name: Bobby's Marina Shipyard Holding B.V.

Equity

Page 1

Specification						
Account number	Description	year end			prior year	
		trail balance 12/31/2018	correcties	report 12/31/2018		
		USD	USD	USD	USD	
3020	Shareholder capital	180,000		180,000	180,000	
3040	Additional paid in capital	2,120,000		2,120,000	2,120,000	
3010	Retained earnings	764,466		764,466	764,466	
3200	Owners equity / Retained e	-109,956		-109,956	-489,929	654,510 ok
3999	Closing acc	-		-		
	Result	237,164		237,164	379,973	654,510 ok
	Total equity	3,191,674	-	3,191,674	2,954,510	
	Control equity		Control result			
3	4,801,717	15	632,966	722,729	Sales/COS	
4	3,000	16	-		Personnel exp	
6	1,107,300	17	99,228	88,921	Depreciation	
7	-	18	13,020	359,502	Other operating exp	
7B	42	19	172,455	200,441	Interest exp etc.	
8	578,324	20	111,099		Taxes	
	-				Other income/expense	
	-	Total	237,164	73,865		
	-	Profit/loss	237,164			
	-	Difference	-			
	-					
10	111,099					
11	2,857,945					
12A	-					
12B	314,665					
12C	-					
12D	15,000					
	-					
Total	3,191,674					
Equity	3,191,674					
Diff.	-0					
Total	3,191,674	-	3,191,674	2,954,510		

ACCOUNT LEAD SHEET

section: 12B	doc.: 1
--------------	---------

Name: Bobby's Marina Shipyard Holding B.V.

Accounts payable	Page 1
-------------------------	--------

Specification						
		year end			prior year	
		trail balance 12/31/2018	correcties	report 12/31/2018		
Account number	Description	USD	USD	USD	USD	
2000	Accounts Payable	314,665		-	282,145	12B-2 Spec is lower bec of timing diff
				314,665		
				-		
				-		
				-		
				-		
				-		
				-		
				-		
				-		
				-		
				-		
				-		
	Total	314,665	-	314,665	282,145	

ACCOUNT LEAD SHEET

section: 15 doc.: 1

Name: Bobby's Marina Shipyard Holding B.V.

Sales

Page 1

Specification		year end			prior year	
Account number	Description	trail balance 12/31/2018	correcties	report 12/31/2018		
		USD	USD	USD	USD	
4006	Sales equipment rental	166,300		166,300	166,800	166,800
4014	Rent BM - other serv.	500,400		500,400	587,401	580,600
				-		12 x 47,250 FKG rental BM rental
						747,400
						747,400 Sales
6370	Turnover tax	33,734		33,734	37,675	747,400
						9,150 AR mutation
						756,550
						5%
						37,828
						33,734
	Total	632,966	-	632,966	716,526	

Jan	1,227.50
Feb	4,492.50
March	3,277.00
April	4,342.50
May	2,995.00
June	2,100.00
July	3,980.00
Aug	3,377.50
Sept	2,432.00 receipt is on 2014-09
Oct	2,475.00
Nov	2,305.00
Dec	730.00

Declared for 2015 - 33,734
 USD USD
 - ok

ACCOUNT LEAD SHEET

section: 17	doc.: 1
-------------	---------

Name: Bobby's Marina Shipyard Holding B.V.

Depreciation

Specification						
		year end			prior year	
		trail balance 12/31/2018	correcties	report 12/31/2018		
Account number	Description	USD	USD	USD	USD	
				-		
6470	Depreciation Steel Pilings		11,604	11,604	11,604	3-2'
6470	Depreciation Leasehold Impr.		44,912	44,912	44,912	3-2'
6470	Depreciation Equipment		34,740	34,740	38,868	3-2'
6470	Depreciatoin Vehicles			-	-	3-2'
6470	Depreciation House F St		7,972	7,972	8,784	3-2'
6470	Depreciation software			-	-	3-2'
	Total	-	99,228	99,228	104,168	

ACCOUNT LEAD SHEET

section: 18 doc.: 1

Name: Bobby's Marina Shipyard Holding B.V.

Other operating expenses

Specification						
		year end			prior year	
		trail balance 12/31/2018	correcties	report 12/31/2018		
Account number	Description	USD	USD	USD	USD	
6060	Utilities water			-		ok
6070	Utilities electricity			-		ok
6130	RM buildings	4,835		4,835		
	Housing			4,835	-	
				-		
6100	Equipment Rental	-		-		18-2
	Operating					
6120	R & M General	805		805	591	ok
6140	R & M Equipm	-		-	-	
6200	Office exp	-		-	-	ok
6250	Fuel exp	-		-	-	ok
6270	Security other	-		-	-	ok
6290	Dues and subscription	150		150	1,210	
6310	Licenses and permits	1,046		1,046	1,046	ok
6320	Legal and prof fees	3,525		3,525	23,335	ok
6330	Insurance	2,268		2,268	2,268	ok, tr
6340	Printing en reproduction	-		-	-	
6410	Bank Charges	391		391	110	ok
6460	Bank diff	-		-	-	
6500	Correction prev years			-		
	General			8,185	28,560	
				-		
	Total	13,020	-	13,020	28,560	

ACCOUNT LEAD SHEET

section: 19 doc.: 1

Name: Bobby's Marina Shipyard Holding B.V.

Interest income / expense

Specification						
		year end			prior year	
		trail balance 12/31/2018	correcties	report 12/31/2018		
Account number	Description	USD	USD	USD	USD	
						7,276
						23,666
				-	-	30,941
6400	Interests loans	30,538	526.44	31,065	45,358	19-2 ll
4140	Finance charges	-		-	-	ok
6401	Interest Bobby's M loan		70,710	70,710	79,248	5%
6402	Interest MDC loan		70,680	70,680	79,219	5%
				-	-	
				-	-	
				-	-	
	Total	30,538	141,916	172,455	203,825	30,941

Name: Bobby's Marina Shipyard Holding B.V.

Subject: Fiscal position

				2019	2019
				USD	ANG
Result before taxes				348,263	619,909
Turnover tax, 10% not deductible	33,734.02			3,373	6,005
Representation / restaurant expen	-	20%		-	
Gifts	-	20%		-	
Investment allowance:					
no investments for 2018				-	-
no investments for 2019					-
Commercial depreciation	99,228				
Fiscal depreciation	(421,255)				-
				(322,027)	
					-
Offset fiscal loss 2011				(29,610)	(52,706)
TAXABLE RESULT				(0)	(0)
No profit tax becomes payable.	34,5 %			(0)	(0)

2011	29,610	(29,610)		-	-
Total				-	-