

ANTIGUA PRINTING AND PUBLISHING LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2015

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INDEPENDENT ACCOUNTANTS' REPORT TO THE SHAREHOLDERS OF
ANTIGUA PRINTING AND PUBLISHING LIMITED

We have reviewed the Statement of Financial Position of Antigua Printing and Publishing Limited as at 30th June 2015 and the related Statements of Comprehensive Income and Changes in Shareholders Equity for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our review.

We conducted our review in accordance with International Standards of Review for Small and Medium Sized Entities. Those standards require that we plan and perform our review to obtain reasonable assurance that the financial statements are free of material misstatement. A review is less scope and the depth examination than an audit but includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. A review also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We did not perform an audit

In our opinion, the financial statements set out on pages 2 to 10 which are in agreement with the books of the Company are properly drawn up, so as to present fairly the state of affairs of the Antigua Printing and Publishing Limited at 30th June, 2015 and the results of its operations for the year then ended in accordance with companies law and International Financial Reporting Standards for SMEs.

Emphasis of Matter (Note 13)

The company's registration status has been unclear for several years as its structure and operation is substantially that of a private limited company, however, due to the number of registered shareholders the company registry has suggested that it qualifies as a public company.

Antigua & Barbuda:
8th November 2016



Allen, Thomas & Associates
Chartered Accountants

ANTIGUA PRINTING AND PUBLISHING LIMITED**STATEMENT OF FINANCIAL POSITION****AT 30TH JUNE 2015****(Expressed in Eastern Caribbean Dollars)**

Assets	Notes	<u>2015</u>	<u>2014</u>
Current Assets			
Cash at bank and on hand		166,782	96,546
Accounts Receivable and prepayments	4	414,069	412,402
Inventory and work-in-progress	5	572,433	385,164
		-----	-----
Total Current Assets		1,153,284	894,112
		-----	-----
Non-Current Assets			
Plant and Machinery	6	1,407,997	1,433,570
		-----	-----
Total Assets		\$2,561,281	\$2,327,682
		=====	=====
Liabilities and Shareholders' Equity:			
Current Liabilities			
Accounts Payable and accruals	7	450,808	395,189
Note payable		2,000	2,000
		-----	-----
Total Current Liabilities		452,808	397,189
		-----	-----
Non-Current Liabilities			
Shareholders Advance		766,906	640,581
		-----	-----
Total Non-Current Liabilities		766,906	640,581
		-----	-----
Total Liabilities		1,219,714	1,037,770
		-----	-----
Shareholders' Equity:			
Share Capital	8	190,000	190,000
Revaluation Reserve	9	1,468,037	1,468,037
Share Premium	10	100	100
Accumulated Deficit		(316,570)	(368,225)
		-----	-----
Total Shareholders' Equity		1,341,567	1,289,912
		-----	-----
Total Liabilities and Shareholders' Equity:		\$2,561,281	\$2,327,682
		=====	=====

Approved on behalf of the Board:

: Director-----
: Director

The notes on pages 6 to 13 form part of these financial statements.

ANTIGUA PRINTING AND PUBLISHING LIMITED**STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 30TH JUNE 2015****(Expressed in Eastern Caribbean Dollars)**

	<u>2015</u>	<u>2014</u>
Sales	1,186,314	1,135,787
Cost of Goods Manufactured and Sold - (Schedule 1) Page 14	(864,747)	(1,004,127)
	-----	-----
Gross Margin - :27.11%: 2014: 11.59:%	321,567	131,660
Sundry Income	49,048	26,252
	-----	-----
Income Before Indirect Expenses	370,615	157,912
	-----	-----
Indirect Expenses		
Administrative (Schedule 2) Page 15	306,153	287,053
Interest and bank charges	4,745	4,480
	-----	-----
	310,898	291,533
	-----	-----
Profit Before taxation	59,717	(133,621)
Provision for Taxation	(8,062)	-
	-----	-----
Total Comprehensive Loss for the Year	\$51,655	\$(133,621)
	=====	=====

ANTIGUA PRINTING AND PUBLISHING LIMITED**STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY**
FOR THE YEAR ENDED 30THJUNE 2015

(Expressed in Eastern Caribbean Dollars)

	Share Capital	Share Premium	Accumulated Deficit	Revaluation Reserve	Total
Equity at - 30 th June 2013	190,000	100	(234,604)	1,468,037	1,423,533
Comprehensive Loss (Page 3)	-	-	(133,621)	-	(133,621)
	-----	-----	-----	-----	-----
Equity at – 30 th June 2014 (Page 2)	190,000	100	(368,225)	1,468,037	1,289,912
Comprehensive Income (Page 3)	-	-	51,655	-	51,655
	-----	-----	-----	-----	-----
Equity at – 30 th June 2015 (Page 2)	\$190,000	\$100	\$(316,570)	\$1,468,037	\$1,341,567
	=====	=====	=====	=====	=====

ANTIGUA PRINTING AND PUBLISHING LIMITED**STATEMENT OF CASH FLOWS**
FOR THE YEAR ENDED 30TH JUNE 2015

(Expressed in Eastern Caribbean Dollars)

	<u>2015</u>	<u>2014</u>
Operating Activities		
Net Comprehensive Income for the year	51,655	(133,621)
Add: Non cash item – Depreciation	27,073	30,761
	-----	-----
	78,728	(102,860)
(Increase)/Decrease in Inventory and work-in-progress	(187,269)	126,917
Increase/(Decrease) in Payables	55,619	9,929
(Increase)/Decrease in Receivables and Prepayments	(1,667)	(27,636)
	-----	-----
Net Operating Activity	(133,317)	109,210
	-----	-----
Investing Activities		
(Decrease) Purchase of Plant and Equipment	(1,500)	(3,580)
	-----	-----
	(1,500)	(3,580)
Financing Activities		
Increase/(Decrease) Due to Directors	126,325	-
	-----	-----
	126,325	-
Net Increase/(Decrease) in cash	70,236	2,770
Cash Balance - Beginning of year	96,546	93,776
	-----	-----
Cash Balance - End of year	\$166,782	\$96,546
	=====	=====

(Page 6)

ANTIGUA PRINTING AND PUBLISHING LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30th JUNE 2015****(Expressed in Eastern Caribbean Dollars)****1. Incorporation and Principal Activities**

The company was incorporated under section 358 of the Companies 1948 of the laws of Antigua and Barbuda on 25 April 1970 and as amended by the companies Act 1995. It is primarily engaged in offset printing services, the design of stationery, manufacture, sale and distribution of printed products and materials.

2. Basis of Preparation**a) Statement of Compliance**

The accounting policies primarily follow the guidelines of Antigua Printing and Publishing Limited Financial and Accounting Guidelines. Otherwise, the accounting policies conform to International Financial Reporting Standards (IFRS).

These financial statements were approved by the Board of Directors on 4th November 2016.

b) Basis of Measurement

The financial statements are prepared under the historical cost convention.

c) Functional and Presentation Currency

These financial statements are prepared in Eastern Caribbean Dollars, which was the functional currency of the reporting entity for the financial year under review.

d) Use of Estimates and Judgment

The preparation of the financial statement in conformity with the International Financial Reporting Standards (IFRS) requires the Management to judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. Accounting Policies**a) Foreign Currency Translations**

Foreign currency transactions during the year have been converted at the exchange rates ruling at the date of these transactions. Foreign currency assets and liabilities at the year-end have been translated at the rates ruling at the Balance Sheet date.

b) Inventories

Inventories are stated at the lower of cost and the estimated net realizable value of separate items.

c) Cash and cash equivalents

For the purpose of the cash flow statements, cash and cash equivalents comprise cash on hand and deposits with banks of less than ninety days maturity and bank overdrafts. In the balance sheet, bank overdrafts, are included in current liabilities.

ANTIGUA PRINTING AND PUBLISHING LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30th JUNE 2015

(Continued)

(Expressed in Eastern Caribbean Dollars)

3. Accounting Policies - Continuedd) Plant and Equipment

Fixed Assets are stated at cost less accumulated depreciation. The costs of repairs and replacements of a routine nature are charged to operations, whilst expenditures improving or extending the useful lives of the assets that are capitalized. Depreciation is computed on the straight line basis at rates considered adequate to write off the cost of depreciable fixed assets, less salvage value, over their estimated useful lives. The annual rates are:

Building	2% per annum
Machinery and Equipment	7% per annum
Furniture & Fittings	5% per annum
Computer Hardware	33 ¹ / ₃ % per annum
Motor Vehicle	20% per annum
Container	20% per annum

e) Impairment

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

f) Trade receivables

Trade receivables are carried at original invoice amount less provision made for the impairment of these receivables. Such provision for impairment of trade receivable is established if there is objective evidence that the company will not be able to collect all amounts due according to the original terms receivables. The amount of the provision is the difference between the carrying amount and the recoverable amount.

g) Investmentsi) Investment Securities Held to Maturity

Investment securities with fixed maturity profiles where management has both the intent and the ability to hold to maturity are classified as held to maturity. Securities held to maturity are initially recognized at cost and are subsequently re-measured at amortized cost less provision for impairment losses. Interest income earned while holding securities is reported as interest income.

ii) Investment Securities Available for Sale

Investment securities intended to be held for an indefinite period of time, which may be sold in response to the needs for liquidity or changes in interest rates, exchange rates or equity prices are classified as available for sale. Available for sale financial assets are initially recognised at cost and are subsequently re-measured at fair value based on quoted bid prices.

ANTIGUA PRINTING AND PUBLISHING LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30th JUNE 2015**(Continued)****(Expressed in Eastern Caribbean Dollars)****3. Accounting Policies - Continued**iii) Un-quoted Investments

Unquoted equity instruments for which fair values cannot be reliably measured are recognised at cost less Impairment. When the securities are disposed of or impaired, the related accumulated fair value adjustments are included in the Income as gains or losses from investments.

h) Interest - Bearing Borrowing

Interest bearing borrowings are recognised initially at fair value less attributable transaction cost. Subsequent to initial recognition, interest bearing borrowing are stated at amortized cost with any difference between cost and redemption value being recognised in the statement of Comprehensive Income over the borrowings on an effective interest basis.

i) Interest Income

Interest Income is recognised on the accruals basis in the statement of Comprehensive Income, using the effective interest method.

i) Related Parties

A party is related to the Company, if:

Directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the Company (this includes, parents, subsidiaries and fellow subsidiaries); has an interest in the Company that gives its significant influence over the company; or has joint control over the Company;

i) The party is and associate of the Company;

ii) The party is a joint venture in which the Company is a venture;

iii) The party is a member of the key management personnel of the Company or its parent

iv) The party is a close member of the family or any individual referred to in (i) or (iii)

v) The party is the entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or

vi) The party is a post employment benefit plan for the benefit of employees of the Company or of any Company that is a related party of the Company.

ANTIGUA PRINTING AND PUBLISHING LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30th JUNE 2015**(Continued)****(Expressed in Eastern Caribbean Dollars)**

4. Accounts Receivable and Prepayments	<u>2015</u>	<u>2014</u>
Trade Receivables	511,823	496,245
Less: Provision for bad debts	(111,288)	(111,288)
	-----	-----
	400,535	384,957
Withholding Tax	4,571	4,571
Prepaid Expenses	-	12,934
Staff Loan	11,008	5,259
Due From TBSL	(1,644)	4,282
Other Receivable	(401)	399
	-----	-----
(Page 2)	\$414,069	\$412,402
	=====	=====
5. Inventory	<u>2015</u>	<u>2014</u>
Paper	241,926	192,900
Less: Provision for obsolescence	(2,000)	(3,000)
	-----	-----
	239,926	189,900
Supplies	243,918	123,090
Spare Parts	66,327	61,647
Work-in-progress	22,262	10,527
	-----	-----
(Page 2)	\$572,433	\$385,164
	=====	=====

ANTIGUA PRINTING AND PUBLISHING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2015

(Continued)

(Expressed in Eastern Caribbean Dollars)

7. Accounts Payable and Accruals	<u>2015</u>	<u>2014</u>
Trade Creditors	197,370	141,965
Consumption Tax	249	249
Social Security	3,524	3,404
Medical Benefits	2,652	2,809
Education Levy	3,536	2,058
Personal Income Tax Payable	238	412
Payroll Insurance	4,103	4,103
Provision for Taxation	181,427	182,365
Dividend Payable	25,210	25,210
Other payable	32,500	32,500
Union Dues payable	-	114
	-----	-----
(Page 2)	\$450,808	\$395,189
	=====	=====

8. Share Capital	<u>2015</u>	<u>2014</u>
Authorized		
1,900 shares of \$100 each	\$190,000	\$190,000
	=====	=====
Issued and fully paid		
1,900 shares of \$100 each	\$190,000	\$190,000
	=====	=====
9. Revaluation Reserve	<u>2015</u>	<u>2014</u>
Revaluation as at: 30 th June 2003	341,599	341,599
Revaluation as at: 30 th June 2004	1,126,438	1,126,438
	-----	-----
(Page 2)	\$1,468,037	\$1,468,037
	=====	=====

The increase in the revaluation reserve resulted from a valuation exercise carried out by Lewis Simon and Partners Consulting Engineers on 6th November 2003.

10. Share Premium	<u>2015</u>	<u>2014</u>
(Page 2)	\$100	\$100
	===	===

The share premium represents the difference between the par value of the shares and the amount paid by the shareholders for the shares.

ANTIGUA PRINTING AND PUBLISHING LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30th JUNE 2015

(Continued)

(Expressed in Eastern Caribbean Dollars)

11. Capital Commitment & Contingent Liabilities	<u>2015</u>	<u>2014</u>
None	\$-	\$-
	====	=====

a. Contingent Liability

There is no pending or threatened litigation against Antigua Printing and Publishing Limited as at the financial year end.

12. Related Parties	<u>2015</u>	<u>2014</u>
Directors Fees	33,000	33,000
Directors Advance	766,906	640,581
	-----	-----
Total	\$799,906	\$673,581
	=====	=====

13. Emphasis of Matter

The company's registration status has been unclear for several years as its structure and operation is substantially that of a private limited company, however, due to the number of registered shareholders the company registry has suggested that it qualifies as a public company. Management has disputed that the proposed public company registration and has been trying for several years to have the position regularised.

ANTIGUA PRINTING AND PUBLISHING LIMITED**COST OF GOODS MANUFACTURED AND SOLD
FOR THE YEAR ENDED 30th JUNE 2015
(Expressed in Eastern Caribbean Dollars)**

<u>Schedule 1</u>	<u>2015</u>	<u>2014</u>
Direct Materials		
Inventory, beginning of year	374,637	501,621
Purchases of materials	430,471	254,749
	-----	-----
	805,108	756,370
Less: Inventory end of year	(550,171)	(374,637)
	-----	-----
Direct Material Consumed	254,937	381,733
Direct Labour	531,040	524,156
Factory Overhead		
Depreciation	14,405	17,773
Light, Power and Water	32,206	38,443
Repairs –Plant	43,894	42,089
	-----	-----
	90,505	98,305
	-----	-----
Manufacturing Costs Incurred During The Year	876,482	1,004,194
Add: Work in progress, beginning of year	10,527	10,460
	-----	-----
	887,009	1,014,654
Less: Work in progress, end of year	(22,262)	(10,527)
	-----	-----
	(Page 3)	
	\$864,747	\$1,004,127
	=====	=====

ANTIGUA PRINTING AND PUBLISHING LIMITED**SCHEDULE OF ADMINISTRATIVE EXPENSES****FOR THE YEAR ENDED 30th JUNE 2015****(Expressed in Eastern Caribbean Dollars)**

<u>Schedule 2</u>	<u>2015</u>	<u>2014</u>
Advertising and Promotion	403	403
Audit fee	12,000	12,000
Directors' Fees	45,000	33,000
Depreciation	12,668	12,972
Insurance	31,929	28,607
Legal and Professional Fees	22,222	23,902
Motor Vehicle Operating	18,825	17,012
Office Supplies and Stationery	5,488	6,748
Postage, Telephone and Telex	16,930	18,768
Repairs Office Equipment	2,811	1,377
Salaries and Wages	91,093	93,893
Bonus	8,656	10,844
Social Security and Medical Benefits Contributions	6,503	6,868
Pest Control	3,300	3,300
Repair & Maintenance	21,284	9,289
Uncategorized Expenses	1,866	-
Property Tax	4,500	7,500
Donations	300	570
License, Rates and Taxes	375	
	-----	-----
(Page 3)	\$306,153	\$287,053
	=====	=====