

STICHTING FUNDACION PARKE NACIONAL
ARIKOK

FINANCIAL STATEMENTS

YEAR ENDED
DECEMBER 31, 2014

STICHTING FUNDACION PARKE NACIONAL ARIKOK

YEAR ENDED DECEMBER 31, 2014

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June 2, 2015
fdk - 0302

To the Board and Management of Stichting Fundacion Parke Nacional Arikok
San Fuego 70
St. Cruz, Aruba

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the financial statements 2014 of Stichting Fundacion Parke Nacional Arikok, established in Aruba, consisting of the balance sheet per December 31, 2014, the income statement for the year 2014 and the accompanying notes, comprising a summary of the accounting policies and other explanatory information.

Responsibility of Board and Management

The Board and Management are responsible for the preparation and fair representation of these financial statements, in accordance with the accounting policies generally accepted in the Netherlands. The Board and Management have elected to prepare the financial statements in accordance with accounting principles generally accepted in the Netherlands. Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the foundation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the foundation's internal control.



An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for qualified opinion

The comparative financial information in these financial statements is derived from the financial statements of the previous year on which a qualified auditor's opinion, dated December 9, 2014, has been issued, based on the following: "The balance sheet includes inventories of Afls. 53,739. This balance has been derived from the company's accounting records. The foundation has no proper registration and no proper control in place to monitor the movement of the inventory items. There was no inventory count held at the year ending December 31, 2013. Consequently we were unable to satisfy ourselves as to the completeness, existence and valuation of the inventory by other audit procedures."

These circumstances are still applicable to the current financial year for the December 31, 2014 inventories amounting to Afls. 52,830.

In the financial statements for the years 2011 thru 2013 no provision has been made for a BBO tax liability. The reason for this is that according to management the Foundation is not liable for BBO taxes. As there is uncertainty regarding the BBO liability of the Foundation, management decided to make a provision for the BBO taxes for 2014. If the Foundation is found liable for BBO taxes the BBO liability for the years 2011 thru 2013 amounts to Afls. 38,634.

Opinion

In our opinion, except for the possible effects of the matter described in the Basis for qualified opinion paragraph, the financial statements give a true and fair view of the financial position of the Stichting Fundacion Parke Nacional Arikok as of December 31, 2014 and of the result for the year then ended in accordance with generally accepted accounting principles in the Netherlands.

DE KORT REGISTERACCOUNTANT N.V.

drs. F. R. de Kort RA

STICHTING FUNDACION PARKE NACIONAL ARIKOK

Balance Sheet
Year Ended December 31, 2014
(Stated in Aruban Florins)

ASSETS				LIABILITIES AND CAPITAL			
	Notes	December 31,			Notes	December 31,	
		2014	2013			2014	2013
Fixed Assets				Capital			
Tangible fixed assets	(2)	165,462	252,330	Capital		100	100
				Restricted reserve	(6)	1,000,000	-
				General reserve	(6)	(255,363)	1,139,833
				Net result		(16,631)	(395,195)
		<u>165,462</u>	<u>252,330</u>			<u>728,106</u>	<u>744,738</u>
				Equalization reserve	(7)	58,267	105,165
				Provision for major maintenance expenses	(8)	230,000	-
				Deferred Income	(9)	196,875	-
Current assets				Current liabilities			
Inventory	(3)	30,344	57,580	Trade payables		80,530	94,869
Trade receivables		214,849	62,650	Accrued expenses and			
Prepaid expenses and other receivables	(4)	103,947	51,372	Other payables	(10)	469,151	352,480
Cash and banks	(5)	1,248,327	873,320			<u>549,681</u>	<u>447,349</u>
		<u>1,597,467</u>	<u>1,044,922</u>				
						<u>1,762,929</u>	<u>1,297,252</u>
		<u>1,762,929</u>	<u>1,297,252</u>				

STICHTING FUNDACION PARKE NACIONAL ARIKOK

Income Statement
Year Ended December 31, 2014
(Stated in Aruban Florins)

	Notes	December 31, 2014	2013
Income			
Subsidy		1,902,450	1,926,521
Entrance fees	(11)	1,735,384	1,476,390
Other		26,308	-
		<u>3,664,142</u>	<u>3,402,911</u>
Expenses			
Personnel	(12)	2,590,175	2,865,923
Accommodation	(13)	301,772	294,768
Administrative and general	(14)	343,319	436,150
Transportation	(15)	155,788	139,564
Depreciation	(2)	106,617	103,517
Release equalization reserve		(46,898)	(74,614)
Addition to provision for major maintenance		46,000	-
		<u>3,496,773</u>	<u>3,914,536</u>
Incidental income/(expense)			
Fixed asset disposals		-	(7,623)
Other	(8)	(184,000)	(25,175)
		<u>(184,000)</u>	<u>(32,798)</u>
Net Result		<u>(16,631)</u>	<u>(395,195)</u>

STICHTING FUNDACION PARKE NACIONAL ARIKOK

Cash Flow Statement
Year Ended December 31, 2014
(Stated in Aruban Florins)

	December 31, 2014	2013
Cash flows from operating activities		
Net result	(16,631)	(395,195)
Depreciation expense	106,617	103,517
Net cash flow provided by/ (used) in operating activities before changes in working capital	89,986	(291,678)
Changes in working capital:		
(Increase)/Decrease in inventories	27,236	9,206
(Increase)/Decrease in trade receivables, other receivables and prepaid expenses	204,774	21,763
Increase/(Decrease) in accrued expenses and payables	102,332	104,348
Increase/(Decrease) in equalization reserve	(46,898)	(74,614)
Increase/(Decrease) in provision	230,000	-
Increase/(Decrease) in deferred income	196,875	-
Net cash flow (used) in operating activities	394,757	(230,975)
Cash flows from investing activities		
Capital expenditures (net)	(19,750)	(183,691)
Decrease in financial fixed assets	-	7,623
Net cash flow (used) in investing activities	(19,750)	(176,068)
Net increase/ (decrease) in cash and cash equivalents	375,007	(407,043)
Cash and cash equivalents at beginning of year	873,320	1,280,363
Cash and cash equivalents at end of year	1,248,327	873,320

STICHTING FUNDACION PARKE NACIONAL ARIKOK

Notes to Financial Statements Year Ended December 31, 2014 (Stated in Aruban Florins)

(1) GENERAL INFORMATION

Stichting Fundacion Parke Nacional Arikok was founded in Aruba on September 26, 2003. The main objective of the foundation is to manage the natural park "Parke Nacional Arikok" taking into account the applicable laws with regards to the Parke Nacional Arikok and the policies of the government of Aruba related to nature protection and management of nature parks.

BASIS OF PREPARATION

These financial statements were prepared in accordance with generally accepted accounting principles in the Netherlands ("Richtlijnen van de Nederlandse Raad voor de Jaarverslaggeving") and are further based on the going concern assumption.

PRINCIPLES OF FOREIGN EXCHANGE TRANSLATIONS

The company books are carried in Afl. Transactions and balances in US\$ are translated into Afl. at the fixed exchange rate of US \$ 1.00 = Afl. 1.75

ACCOUNTING POLICIES

The preparation of the financial statements requires Management to form opinions and to make estimates and assumptions the applications of principles and the reported values of assets and liabilities and of revenues and expenditure. Actual results may differ from these estimates.

PRINCIPLES OF VALUATION

Properties & Equipment

Fixed assets are stated at historical cost less accumulated depreciation.

Depreciation is calculated as per the straight-line method based on the estimated useful life of the asset involved.

Where applicable, an estimated amount of residual value into account.

Inventories

Inventories are valued at the level cost or net realizable value.

Receivables

Receivables are stated at nominal value less applicable allowance for doubtful accounts which gives an insight in the source of funds and their application

STICHTING FUNDACION PARKE NACIONAL ARIKOK

**Notes to Financial Statements
Year Ended December 31, 2014
(Stated in Aruban Florins)**

All Other Assets and liabilities

Unless, otherwise stated, all other assets and liabilities are shown at cost.

PRINCIPLES OF PROFIT & LOSS ACCOUNTING

Income and expense items are presented on an accrual basis.

STATEMENT OF CASH FLOWS

The statement of Cash Flows has been prepared in accordance with the indirect method which gives an insight in the source of funds and their application.

The statement of Cash Flows is subdivided in accordance with the activities to which they relate.

STICHTING FUNDACION PARKE NACIONAL ARIKOK

**Notes to Financial Statements
Year Ended December 31, 2014
(Stated in Aruban Florins)**

(2) FIXED ASSETS

TANGIBLE FIXED ASSETS

	Land Improvements	Tools, Machinery & Equipment	Furniture, Fixture & Equipment	Vehicles Equipment	Total
<u>Cost</u>					
At Jan 01, 2014	66,790	35,108	244,414	214,271	560,583
Additions 2014	-	-	-	19,750	19,750
At Dec 31, 2014	66,790	35,108	244,414	234,021	580,333
<u>Depreciation</u>					
At Jan 1, 2014	(37,948)	(29,361)	(189,304)	(51,641)	(308,254)
Changes	(6,011)	(5,094)	(26,054)	(69,458)	(106,617)
At Dec 31, 2014	(43,959)	(34,455)	(215,358)	(121,099)	(414,871)
Net book value	22,831	653	29,056	112,922	165,462

(2) FIXED ASSETS

Depreciation of fixed assets is based on the following percentages:

- Land improvements	10%
- Plant, machinery and equipment	50%
- Furniture, fixture and equipment	20%
- Vehicles equipment	33%

(3) INVENTORY

	December 31, 2014	2013
Inventory	52,830	57,580
Provision obsolete stock	(22,486)	-
	30,344	57,580

STICHTING FUNDACION PARKE NACIONAL ARIKOK

**Notes to Financial Statements
Year Ended December 31, 2014**

(Stated in Aruban Florins)

(4) PREPAID EXPENSES AND OTHER RECEIVABLES

	December 31,	
	2014	2013
Trade deposits	5,625	5,393
S.V.B.	39,442	1,999
Employees	11,900	3,400
Prepaid insurance	10,080	9,366
Prepayments	12,383	9,624
Other	24,517	21,590
	<u>103,947</u>	<u>51,372</u>

(5) CASH AND BANKS

	December 31,	
	2014	2013
Cash on hand	5,391	5,198
CMB Bank N.V. Current account	294,864	297,197
CMB Bank N.V. Sales account	392,493	297,866
CMB Bank N.V. Savings account	102,586	101,959
Aruba Bank N.V. Current account	247,806	91,005
Aruba Bank N.V. Savings account	196,740	79,302
Aruba Bank N.V. Current account	(10)	-
Cash in transit	8,457	793
	<u>1,248,327</u>	<u>873,320</u>

(6) RESERVE

(A) RESTRICTED RESERVE

As per Board's resolution and included in the budget an amount of Afl. 1,000,000.- has been assigned as restricted reserve to buy land and as such expand the current territory.

(B) GENERAL RESERVE

	December 31,	
	2014	2013
Beginning balance	1,139,833	269,330
Net result prior fiscal years	(395,196)	870,503
Allocated to restricted reserve	(1,000,000)	-
Ending balance	<u>(255,363)</u>	<u>1,139,833</u>

STICHTING FUNDACION PARKE NACIONAL ARIKOK

**Notes to Financial Statements
Year Ended December 31, 2014
(Stated in Aruban Florins)**

(7) EQUALIZATION RESERVE

	December 31,	
	2014	2013
Beginning balance	105,165	179,799
Depreciation	(46,898)	(66,991)
Disposals, depreciation disposals and impairment (net)	-	(7,623)
Ending balance	<u>58,267</u>	<u>105,165</u>

The equalization reserve accounting is applied to certain investments made on fixed assets in order to offset the depreciation expenses.

(8) PROVISION FOR MAJOR MAINTENANCE EXPENSES

	December 31,	
	2014	2013
Beginning balance	-	-
Dotation 2014	46,000	-
Dotation previous years	184,000	-
Ending balance	<u>230,000</u>	<u>-</u>

The provision for major maintenance expenses has been introduced to fund the major maintenance expenses to the properties to be executed in fiscal year 2015.

(9) DEFERRED INCOME

Deferred income refers to a substantial sale as per the end of the fiscal year of entrance bracelets to one major tour operator. Considering that this transaction relates to services to be provided in coming fiscal years, the related income has been reported as deferred income.

STICHTING FUNDACION PARKE NACIONAL ARIKOK

**Notes to Financial Statements
Year Ended December 31, 2014
(Stated in Aruban Florins)**

(10) ACCRUED EXPENSES AND OTHER PAYABLES

	December 31, 2014	2013
Social security	47,206	81,058
Pension	190,120	95,375
Vacation allowance payable	68,886	72,950
Vacation days	16,169	-
Rent San Fuego 64	121,817	103,097
Other	24,953	-
	<u>469,151</u>	<u>352,480</u>

(11) ENTRANCE FEES

	2014	2013
Locals	104,544	84,207
Tourists	1,661,061	1,401,655
Other	14,017	14,226
Wristbands at cost	(19,285)	(23,698)
B.B.O. expenses	(24,953)	-
	<u>1,735,384</u>	<u>1,476,390</u>

(12) PERSONNEL EXPENSES

	2014	2013
Salaries	1,957,001	2,176,970
Vacation allowance	137,425	143,117
S.V.B. sickness refund	(73,639)	(93,715)
G.O.I./ W.O.I. contributions	177,775	173,376
A.Z.V. contributions	172,794	179,564
S.V.B. premiums	54,474	56,603
Cessantia	1,520	1,760
Casual help	22,875	111,894
Uniforms	40,803	44,291
Pension premiums	47,372	33,054
Vacation days accrual	16,169	-
Other	35,606	39,009
	<u>2,590,175</u>	<u>2,865,923</u>

STICHTING FUNDACION PARKE NACIONAL ARIKOK

**Notes to Financial Statements
Year Ended December 31, 2014
(Stated in Aruban Florins)**

(13) ACCOMODATION EXPENSES

	<u>2014</u>	<u>2013</u>
Rent building	26,520	7,800
Rent office equipment	15,357	37,455
Electricity	23,584	25,251
Water	6,034	6,355
Property repair and maintenance	15,570	32,428
Furniture, fixture and equipment	39,916	11,758
Fire and burglary insurance	20,324	20,390
Sanitary supplies and services	70,740	70,644
Security and safety	68,895	68,025
Other	14,832	14,662
	<u>301,772</u>	<u>294,768</u>

(14) ADMINISTRATIVE & GENERAL EXPENSES

	<u>2014</u>	<u>2013</u>
Stationary and office supplies	35,569	57,318
Telephone	40,918	52,479
Postage and courier services	79	141
Professional fees	135,249	176,067
Automation	13,249	17,930
Promotion	86,995	102,599
Travel and lodging	642	14,076
Bank charges	11,838	9,411
Cash and foreign exchange difference	(9,464)	(7,755)
Provision inventory	22,486	-
Insurance	-	208
Other	5,758	13,676
	<u>343,319</u>	<u>436,150</u>

(15) TRANSPORTATION EXPENSES

	<u>2014</u>	<u>2013</u>
Fuel	94,250	81,720
Motor vehicle tax	16,028	14,824
Repair and maintenance	22,387	20,074
Lease	23,123	22,620
Other	-	326
	<u>155,788</u>	<u>139,564</u>