



Has the company applied for listing on the Eastern Caribbean Securities Exchange [ X ] *Yes* [ ] *No*

**Listed on June 26<sup>th</sup>, 2003**

Date of Issue of this Registration Statement: July 18<sup>th</sup> 2011

**THIS DISCLOSURE DOCUMENT CONTAINS ALL OF THE REPRESENTATIONS BY THE COMPANY CONCERNING THIS OFFERING, AND NO PERSON SHALL MAKE DIFFERENT OR BROADER STATEMENTS THAN THOSE CONTAINED HEREIN. INVESTORS ARE CAUTIONED NOT TO RELY UPON ANY INFORMATION NOT EXPRESSLY SET FORTH IN THIS DISCLOSURE DOCUMENT, OR THE PROSPECTUS PUBLISHED IN RESPECT OF THIS ISSUE. INVESTMENT IN BUSINESSES INVOLVES A CERTAIN DEGREE OF RISK, AND INVESTORS SHOULD NOT INVEST IN THIS OFFERING UNLESS THEY CAN AFFORD TO LOSE THEIR INVESTMENT IN ITS ENTIRETY. IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.**

**This Disclosure Document, together with Financial Statements and other Attachments, consists of a total of 37 pages.**

**PART I**  
**OFFER STATISTICS FOR SECURITIES OFFERING**

Type of securities offered: \_\_\_\_\_

Maximum number of securities offered \_\_\_\_\_

Minimum number of securities offered \_\_\_\_\_

Offer Price Per Share \_\_\_\_\_

Total proceeds:      If maximum sold: \$ \_\_\_\_\_      If minimum sold: \$ \_\_\_\_\_

Offered Securities as a percentage of issued and outstanding Securities \_\_\_\_\_

Market Capitalisation at Offer Price \_\_\_\_\_

Price Earnings Ratio \_\_\_\_\_

Date of Opening of Subscription List \_\_\_\_\_

Date of Closing of Subscription List \_\_\_\_\_

Is a commissioned selling agent selling the securities in this offering?       *Yes*       *No*

If yes, what commission is charged? \_\_\_\_\_ %

Is there other compensation to selling agent(s)?       *Yes*       *No*

Is there an escrow of proceeds until minimum is obtained  
and allocations made?       *Yes*       *No*

Copies of the Prospectus in respect of which this form is issued can be obtained from:

\_\_\_\_\_  
(name and address)

Person(s) to contact at the company with respect to this offering:

\_\_\_\_\_  
This offering has been registered for offer and sale in the following territories:

**Territory**

**Effective Date**

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

**PART II  
OFFERING PRICE FACTORS**

1. If the securities offered are common stock, or are exercisable for or convertible into common stock, the following factors may be relevant to the price at which the securities are being offered.

2. What were net, after-tax earnings for the last financial year? (If losses, show in parenthesis.)

Total \$ \_\_\_\_\_ (\$ \_\_\_\_\_ per share)

3. If the company had profits, show offering price as a multiple of earnings.

$$\frac{\text{Offering Price Per Share}}{\text{Net After-Tax Earnings Last Year Per Share}} = \text{(price/earnings)}$$

4. (a) What is the net tangible book value of the company? (If deficit, show in parenthesis.) For this purpose, net tangible book value means total assets (exclusive of copyrights, patents, goodwill, research and development costs and similar intangible items) minus total liabilities.

\$ \_\_\_\_\_ (\$ \_\_\_\_\_ per share)

- (b) State the dates on which the company sold or otherwise issued securities during the last 12 months, the amount of such securities sold, the number of persons to whom they were sold, any relationship of such persons to the company at the time of sale, the price at which they were sold and, if not sold for cash, a concise description of the consideration.
5. (a) What percentage of the outstanding securities of the company will the investors in this offering have? (Assume exercise of outstanding options, warrants or rights and conversion of convertible securities, if the respective exercise or conversion prices are at or less than the offering price).

If the maximum is sold: \_\_\_\_\_ %

If the minimum is sold: \_\_\_\_\_ %.

- (b) What post-offering value is management implicitly attributing to the entire company by establishing the price per security set forth under Part I, or exercise or conversion price if common stock is not offered? (Total outstanding securities after offering times offering price, or exercise or conversion price if common stock is not offered.)

If maximum is sold: **PART III**  
**DESCRIPTION OF SECURITIES**

1. Description of Share Capital

a) Authorised

TYPE/CLASS	AMOUNT
Common Stock	100,000,000

b) Issued

TYPE/CLASS	AMOUNT
Common Stock (EC\$1.00 par)	52,000,000

2. The securities offered hereby are: N/A

NUMBER	TYPE
<input type="checkbox"/>	Common Stock
<input type="checkbox"/>	Preferred or Preference Stock
<input type="checkbox"/>	Notes, Bonds or Debentures
<input type="checkbox"/>	Other

3. These securities have:

Yes	No	
<input type="checkbox"/>	<input type="checkbox"/>	Cumulative voting rights
<input type="checkbox"/>	<input type="checkbox"/>	Other special voting rights
<input type="checkbox"/>	<input type="checkbox"/>	Pre-emptive rights to purchase in new issues of securities
<input type="checkbox"/>	<input type="checkbox"/>	Preference as to dividends or interest
<input type="checkbox"/>	<input type="checkbox"/>	Preference upon liquidation
<input type="checkbox"/>	<input type="checkbox"/>	Other special rights or preferences (specify):

Explain:

4. Are the securities convertible?  Yes  No

If so, state conversion price or formula.

Date when conversion becomes effective: \_\_\_/\_\_\_/\_\_\_

Date when conversion expires: \_\_\_/\_\_\_/\_\_\_

5. Provide details of any bonus securities or stock dividends in the last two years

**PART IV  
USE OF PROCEEDS**

1. The following table sets forth the use of the proceeds from this offering:

	If Minimum <u>Amount</u>	<u>%</u>	If Maximum <u>Amount</u>	<u>%</u>
	\$ _____	100%	\$ _____	100%
<b>Total Proceeds</b>				
<b>Less: Offering Expenses</b>				
Commissions and Finders Fees				
Legal & Accounting				
Copying & Advertising				
Other (Specify):				
<b>Net Proceeds from Offering</b>				
<b>Use of Net Proceeds</b>				
<b>Total Use of Net Proceeds</b>		<u>100%</u>		<u>100%</u>

2. (a) If funds from sources other than this offering are to be used in conjunction with the proceeds from this offering, state the amounts and sources of such other funds, and whether the funds are firm or contingent. If contingent, explain.
- (b) If any material part of the proceeds is to be used to discharge indebtedness, describe the terms of such indebtedness, including interest rates. If the indebtedness to be discharged was incurred within the current or previous financial year, describe the use of the proceeds of such indebtedness.
- (c) If any material amount of the proceeds is to be used to acquire assets, other than in the ordinary course of business, briefly describe and state the cost of the assets and other material terms of the

acquisitions. If the assets are to be acquired from senior officers, directors, employees or principal stockholders of the company or their associates, give the names of the persons from whom the assets are to be acquired and set forth the cost to the company, the method followed in determining the cost, and any profit to such persons.

- (c) If any amount of the proceeds is to be used to reimburse any senior officer, director, employee or stockholder for services already rendered, assets previously transferred, or monies loaned or advanced, or otherwise, provide the name(s) of employee(s) and stockholder(s) and the terms of the transaction.

**PART V  
PLAN OF DISTRIBUTION**

1. Applications will be accepted for a minimum of \_\_\_\_\_ securities and thereafter in multiples of \_\_\_\_\_
2. If Applications for securities exceed the number being offered, indicate how the allocations will be made:
3. If application is not accepted or is accepted for a smaller number of securities than applied for, will the balance of the application money be returned with/without interest to the applicant.
4. The underwriter(s) or selling agent(s) (that is, the persons selling the securities as agent for the company for a commission or other compensation) in this offering are:

Name: _____	Name: _____
Address: _____	Address: _____
Telephone No. ( ) _____	Telephone No. ( ) _____
Fax No ( ) _____	Fax No: ( ) _____
Email Address: _____	Email Address _____

5. Underwriting Details (Commissions, Over-allotment Options, Responsibility for Unsold Securities, Services Provided, etc)
6. If this offering is not being made through selling agents, the names of persons at the company through which this offering is being made:



Name: \_\_\_\_\_ Name: \_\_\_\_\_  
Address: \_\_\_\_\_ Address: \_\_\_\_\_  
Telephone No.( ) \_\_\_\_\_ Telephone No.( ) \_\_\_\_\_  
Fax No ( ) \_\_\_\_\_ Fax No:( ) \_\_\_\_\_

7. (a) If this offering is limited to a special group, such as employees of the company, describe the limitations and any restrictions on resale that apply:
- (b) Will the securities offered be held in physical form or in a book-entry dematerialised form.
- (c) Will the securities (if held in physical form) or the electronic record (if held as a book entry position in dematerialised format) bear a legend notifying holders of restrictions identified in Part V (7)(a)?
- [ ] Yes [ ] No
- (d) Explain the nature of any resale restrictions on outstanding securities, and when those restrictions will terminate, if this can be determined:

**PART VI  
OFFER STATISTICS FOR REGISTRATION**

8. For issues of securities within the past five years indicate the type of securities offered.

Is the offering still open? [ ] Yes [ ] No

Amount Subscribed: \_\_\_\_\_

Date of Opening of Subscription List \_\_\_\_\_

Date of Closing of Subscription List \_\_\_\_\_

Price per security: \$ \_\_\_\_\_

Total proceeds: \$ \_\_\_\_\_

Was the offering:     Over-subscribed             Under-subscribed

This offering was registered for offer and sale in the following territories:

<b>Territory</b>	<b>Effective Date</b>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

**PART VII  
THE COMPANY**

1. (a) Provide brief history of the company since its inception to the present time.

**The Company was incorporated in 1973 to acquire and operate, as a going concern, the trading and other assets of J W Thurston and Company Limited and H F Wildy and Company Limited, companies associated with trading, development, agriculture and finance for over 150 years. In 1974, the Company purchased substantial trading stocks and agencies from A M Losada Ltd, thereby consolidating its trading base.**

**The Company owns all of the land and buildings from which its trading businesses are conducted and has developed a wide range of businesses in construction materials, general hardware, vehicles and spares, agricultural products, home furnishings, school and office equipment and supplies and maritime services.**

**Over the years, the Company has purchased and established several subsidiaries through which it has diversified its operations. The Group includes subsidiary companies that provide specialized services such as aircraft handling, auto rentals and hire purchase financing, general and life insurances, real estate development, hotel operations, group tours and mortgage and consumer financing.**

**In addition to being a trader, the company is also a holding company for investments in various subsidiaries and associated companies.**

**The Company was re-registered under the Companies Act of 1996 and is permitted to increase or reduce its stated capital, redeem or purchase any of its shares, or issue any part of capital.**

- (b) Provide a description of the developments in the company's main line of business including accomplishments and future plans.

**PERFORMANCE REVIEW**

**GENERAL TRADING**

While the **Home and Building Depot** in St Kitts performed creditably, albeit with substantially reduced profits as a result of the decline in construction activity, all the remaining retail departments, including **Home and Building Depot** in Nevis, **Automotive Divisions, Drinks Depot, City Drug Store and Business Equipment** turned in disappointing results for varying reasons.

## SERVICES

Our Shipping Agencies have not recovered from the continuing low volumes of imported cargo handled at our ports and, as they did last year, performed well below forecasts.

TDC Rentals Ltd recorded a decline in profitability. There were increases in its vehicle rental revenues and its operating costs. Hire purchase financing activities and revenues contracted.

TDC Rentals (Nevis) Ltd experienced a dramatic fall-off in profitability as its vehicle rental revenues and the sale of used vehicles declined while expenses grew. There was some marginal growth in the Hire Purchase business.

## FINANCE & INSURANCE

St Kitts and Nevis Finance Company Limited (FINCO) reported improved results for the year with growth in its loan portfolio and customers' deposits. During the year, the company embarked on an initiative to acquire funds from the Sugar Industry Diversification Foundation (SIDF) to finance mortgage lending. Subsequent to year-end, an agreement was signed under which the SIDF will make available one third of qualifying mortgages of \$400,000.00 or less. Under this scheme, financing will be extended at concessionary rates. We are also happy to report that we were successful in our efforts to acquire a line of credit for mortgage financing, from a reputable regional financial institution. This will boost the company's capacity to offer long term financing.

During the year, the staff received extensive training in Risk Management and Credit Analysis. A complete review of the company's operations was conducted by a team of two experienced former bankers to ensure that the best practices relevant to financial institutions were being observed. They have now been engaged as consultants to assist with the implementation of recommended improvements and to advise on the future development of the company.

St Kitts Nevis Insurance Company Ltd (SNIC) was a major contributor to the Group's profit for the period under review despite the substantial loss sustained as a result of the "haircut" taken on the Company's investment in Government bonds. There were no catastrophic losses during the year and motor claims were minimal. The company has commenced the process to become rated by A.M. Best, a leading international rating agency in the insurance industry. We believe that this will augur well for the company's reputation and future development.

## TOURISM

Ocean Terrace Inn Ltd (OTI) continued to experience many challenges, some of which are common in the local industry. Low occupancy levels and depressed rates, especially in the "dull" season have severely impacted the hotel's revenues. Despite several cost cutting measures the hotel made another substantial loss for the year.

In order to resuscitate the hotel and stem these losses the Directors (while not ruling out all other options), hired a consulting firm headed by an experienced and reputable former hotelier with many years of experience in the industry in the Caribbean. The consultants have reviewed and are assisting with the implementation of their recommendations on all aspects of the hotel plant and operations, including food and beverage, reservations, guest relations and sales and marketing.

**TDC Airline Services Ltd** did not perform as expected and again made a small loss for the year under review. There were some reductions in flights by one of our principals due to lack of demand for regional travel. During the year, the company took over the management of the provision of the aircraft equipment handling service at the R L B International Airport, formerly provided by the St Christopher Air and Seaports Authority. Management continues to aggressively pursue all available opportunities and is optimistic of a turnaround.

After resuming its service into Nevis towards the end of the previous financial year, American Eagle, a major principal of **TDC Airline Services (Nevis) Ltd** discontinued its service into the island early in the year under review. Cape Air, a small airline that utilizes nine seater aircrafts, has filled the void. The other carriers that service the island also reduced their flights. The flight reductions, use of smaller aircrafts, low sales volumes and debt write-offs caused the company to perform poorly.

**TDC Tours Ltd** performed well as it maintained its business relationships with the cruise lines and the Four Seasons Resort during the year. We expect further improvement in the company's performance as the cruise sector continues to expand.

During the year, the company increased its shareholding in the **St Kitts Bottling Company Ltd** to 51.67% of its outstanding shares. As a subsidiary, the year end was changed to make it co-terminus with the rest of the Group so the reporting period spans nineteen months. The company's profits improved appreciably over last year's.

## **REAL ESTATE DEVELOPMENT**

The level of sales generated by **TDC Real Estate and Construction Ltd** at Sunrise Hills and **Conaree Estates Ltd** at Atlantic View Residences was disappointing. Three of the five units that were started in the previous year at Sunrise Hills and the two at Atlantic Views were delivered. No new home or villa construction at either development was started during the year.

**The Cable Bay Hotel Development Company.** Following a major redesign and restructuring of the project, Phase III at Oceans Edge commenced with the construction of 30 beach front and poolside units. However, due to the dramatic reduction in demand from lifestyle purchasers, the project was forced to target the highly competitive economic citizenship market.

The success of Oceans Edge is heavily dependent on the improved prospects for tourism and the longevity of the Economic Citizenship Programme.

## ASSOCIATED COMPANIES

St Kitts Masonry Products Ltd reported reduced sales and profits for the year as it took the brunt of the impact of the downturn in activity in the construction sector.

MAICO, our associate insurance company in Anguilla, improved its performance and made an increased contribution to the company's results.

- (c) Describe how these products or services are to be produced or rendered and how and when the company intends to carry out its activities. If the company plans to offer a new product(s), state the present stage of development, including whether or not a working prototype(s) is in existence. Indicate if completion of development of the product would require a material amount of the resources of the company, and the estimated amount.

**Management has no plans for new products or services at this time.**

- (d) Describe specifically the marketing strategies the company is employing or will employ in penetrating its market or in developing a new market. Indicate how and by whom, its product or services are or will be marketed (such as advertising, personal contact by sales representative, etc.), how its marketing structure operates or will operate and the basis of its marketing approach including any marketing studies.

**Due to the diversity of TDC as a Group of Companies, marketing in and of itself is quite a challenge. To achieve some degree of success the Group uses the full spectrum of Marketing mix elements. These of course, include Personal selling, Advertising, Public Relations and Publicity, and Sales Promotion. For example, the Home and Building utilizes much advertising coupled with Sales Promotion (coupons, vouchers, discounts, etc.) For the Auto Division, however, this unit uses advertising as well but it also places much emphasis on personal selling because of the product groups/categories that it carries. The Group utilizes Public Relations initiatives on a daily basis in a number of donations, sponsorships and contributions (financial and otherwise) that it makes to Clubs and Organizations and to the Nation at large.**

**Recently, the TDC Group of Companies also refocused its efforts and is now becoming even more "client-centric". That is, the Company is currently pouring more resources into improving the before sale, during sale and after sale service that our Clients receive. Via continuous employee training, the development and deployment of new policies and the pairing of modern technology, TDC is now striving to move more toward developing long term relationships with its patrons instead of merely considering one time, static transactions. Of course, as we all know, to influence change in a firm's organizational culture and climate requires time, money and much intellectual capacity but the Company has made the commitment.**

From an environmental analysis standpoint, the market is exceptionally volatile. New competitors and even veteran competitors with new Marketing strategies, continue to keep the market in flux. This has, therefore, meant that TDC has had to implement new programs that include Market and Marketing research, Segmentation Marketing, Loyalty Programs, etc. All these are aimed at providing added value to our clients. Another approach being used now is integrated marketing, where the Marketing efforts of all the units that make up the Group of Companies are cohesively linked to ensure that there is synergy throughout the Company.

- (f) Describe generally the principal properties (such as real estate, plant and equipment, patents, etc.) that the company owns, indicating also what properties it leases and a summary of the terms under those leases, including the amount of payments, expiration dates and the terms of any renewal options. Indicate what properties the company intends to acquire in the immediate future, the cost of such acquisitions and the sources of financing it expects to use in obtaining these properties, whether by purchase, lease or otherwise.

**ST KITTS**

**Basseterre  
Fort Street**

**TDC Mall – Fort Street (Bank of Nova Scotia, Ballahoo Restaurant, Miscellaneous Stores, TDC Head Office)**

**Central and Independence  
Square Street**

**Car Rentals and Hire Purchase (TDC Rentals Ltd)**

**Central Street**

**Insurance company offices (SNIC)**

**Recently developed property at Fort and Central Streets occupied by City Drug Store (2005) Ltd and several tenants.**

**Bank and West Independence  
Square Street**

**Corner building (West Independence Square and Bank Street) currently houses Airline Services, FINCO offices and offices of PricewaterhouseCoopers.**

**Bank Street**

**Vacant area of approximately 11,000 square feet used as a parking lot for TDC Rentals vehicles, TDC Staff and the general public. Considerable potential for commercial development – offices, retail, etc.**

**Basseterre – Newtown,  
Bay Road**

**The Sands Complex – A mixed residential and commercial complex. Eight units remain to be sold.**

<b>Fortlands (OTI)</b>	<b>The Ocean Terrace Inn, Pelican Cove Marina, OTI Pieces of Eight. Hotel with several restaurants and bars.</b>
<b>Ponds Industrial Site</b>	<b>Former factory shell used as the Automotive Division, and a factory shell, owned by Dan Dan Garments Ltd, used as warehouse.</b>
<b>Frigate Bay Road</b>	<b>Home and Building Depot – over five acres of land with buildings</b>  <b>Approximately 1.5 acres of prime commercial land, located directly west of the former Wholesale Division of Delisle Walwyn &amp; Co Ltd.</b>
<b>Frigate Bay</b>	<b>Approximately 3.27 acres of land for residential development at Frigate Bay overlooking the golf course. A villa development has commenced construction. Twenty-eight villas have been completed; another five are under construction.</b>  <b>4,000 square foot lot at the corner of the western approach road to South Frigate Bay beach.</b>
<b>South East Peninsula</b>	<b>One lot at Banana Bay – 22,000 square feet</b>
<b>Conaree Lands</b>	<b>One developed lot remaining for sale</b>  <b>Approximately 1.54 acres of partially developed land on which a middle income development has started. Eleven homes have already been built and sold.</b>
 <b><u>NEVIS</u></b>	
<b>Charlestown</b>	<b>TDC Plaza - Main Street Building (Offices and retail spaces.)</b>  <b>Longstone Property (Office and Rental Spaces); historic building on 18,210 square feet of land.</b>
<b>Pinneys</b>	<b>Home and Building Depot Automotive Division</b>



**Lumber Yard and Drinks Depot  
Cement Warehouse  
General Offices**

**Long Point**

**Land and Building - Shipping Department adjacent to Port Facilities.  
3.42 acres has long term potential as the area around the Port develops.**

**Prince William Street**

**4,000 plus square feet, not being used at this time.**

**Prince William and  
Market Streets (opposite  
Shell Bulk Depot)**

**Area of 7,232 square feet with a warehouse.  
Formerly used as retail space. Now rented to local furniture manufacturer.**

**Clark Estate**

**56 acres of prime land adjacent to the Four Seasons Estates. Slated for future development for high end villa development.**

- (g) **Description of the industry in which the company sells its products or services. (Where applicable, include any recognised trends within that industry. Describe that part of the industry and the territory in which the business competes).**

**St Kitts Nevis Anguilla Trading and Development Company Limited is incorporated and headquartered in St Kitts. It trades in building and home supplies, business and school supplies, auto and auto spares and is a ships' agent. It is the Parent Company of a diversified trading, manufacturing and service Group. A list of subsidiary companies with their main activities is given below:-**

**GENERAL TRADING AND AGENCIES:**

**TDC Nevis Ltd**

**Traders of building and home supplies, business and school supplies, auto and auto spares, shipping agents.**

**CITY DRUG STORE (2005) LTD  
CITY DRUG STORE (NEVIS) LTD**

**Traders of stationery, school and office supplies, furniture and equipment. Retailer of prescription and non-prescription drugs and health and beauty aids.**

**St Kitts Bottling Co Ltd -(51.67%)**

**Manufacturers, bottlers and importers of aerated beverages and bottled water.**

**AUTO RENTALS AND HIRE  
PURCHASE FINANCING**

TDC Rentals Ltd  
TDC Rentals (Nevis) Ltd

Auto and appliances rentals and hire  
purchase financing

**LIFE AND GENERAL INSURANCE  
AND REINSURERS:**

St Kitts Nevis Insurance Co Ltd (SNIC)

Primary, general and life insurance business

SNIC (Nevis) Ltd

General insurance agent

East Caribbean Reinsurance Co Ltd

Reinsurance company for general insurance  
business

**FINANCE**

St Kitts Nevis Finance Co Ltd (FINCO)

Taking of time deposits and making mortgage and  
consumer loans

Mercator Caribbean Trust Company

Offshore financial service providers

**AIRLINE AGENTS AND TOUR  
OPERATORS**

TDC Airline Services Ltd  
TDC Airline Services ( Nevis ) Ltd.

General sales and aircraft handling agents for  
several international and regional airlines.

TDC Tours Ltd

Provider of destination management services.  
Group and individual tour operators and  
transportation managers.

**REAL ESTATE DEVELOPMENT:**

TDC Real Estate and Construction Ltd  
Conaree Estates Ltd

Developers of condos and residential  
housing lots

Dan Dan Garments Ltd

Owner of commercial building/factory shell

TDC Real Estate and Construction  
Company (Nevis) Ltd

Owner of 54 acres of prime land suitable for  
upscale residences

**HOTEL OPERATOR:**

Ocean Terrace Inn OTI Pieces of Eight Ltd Pelican Cove Marina Ltd	Operators of a business and tourist class hotel with several restaurants and bars
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**SHIPPING SERVICES**

Sakara Shipping – NV – Tortola, BVI	Dormant
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**ASSOCIATED COMPANIES**

(Holding between 20% and 50%)

**MANUFACTURERS**

St Kitts Masonry Products- (50%)	Manufacturers of concrete blocks and pre-mix concrete
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**INSURERS:**

Malliouhana Anico Insurance Co Ltd – 25%	General Insurance Company providing motor, property, liability insurance coverage
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**OTHER INVESTMENTS**

**HOTEL DEVELOPMENT**

Cable Bay Hotel Development Co Ltd – 18%	Company was established to develop a resort at Frigate Bay, St Kitts
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- (h) Indicate current and future forms of competition, (whether by price, service or otherwise). Name the company's main actual and/or potential competitors. Indicate the relative size, financial and market strengths of the company's competitors and/or its anticipated competitors. State bases on which the company can effectively compete with these and other companies within the industry.

**Recent years have witnessed the establishment of better organized and better capitalized competitors, including some from outside the region. These and other factors have resulted in some erosion of the Group's share of the market for its core trading businesses. However, management's vigilant focus on inventory purchasing and management, marketing initiatives, technological innovation, and expense control has paved the way for a new era of improved performance for the Company.**

**While there has not been a formal ranking of local companies in recent years, it is generally accepted that TDC is the largest non-banking enterprise. Based on the published results of similar companies, the Group leads in terms of sales in trading, aircraft handling and auto rentals and is second in general insurance and hire purchase financing. The Group's finance company is the largest non-bank financial institution in the Federation.**

- (i) Indicate the extent to which the company's operations have depended or are expected to depend upon patents, copyrights, trade secrets, know-how or other proprietary information. Describe the steps taken to secure and protect the company's intellectual property. (Include use of confidentiality agreements, covenants-not-to-compete and the like).

**The Company's operations do not depend upon patents, copyrights, trade secrets etc.**

- (j) State whether the company's business, products or properties have been subject to material regulation (including environmental regulation). Indicate the nature and extent of regulation and its effect or potential effects upon the company and its operations.

**The Company's business, products or properties have not been subject to material regulation.**

- (k) State names of the company's subsidiaries. Outline their business purposes. Give names of primary owners. (Indicate whether this information is included in the Financial Statements attached hereto).

**(Wholly-owned and resident in St Kitts-Nevis except where otherwise stated)**

**GENERAL TRADING:**

**TDC Nevis Ltd**

**Traders of building and home supplies, business and school supplies, auto and auto spares, shipping agents.**

**AUTO RENTAL AND HIRE PURCHASE**

**TDC Rentals Ltd**

**Financing auto and appliances rentals and hire purchase financing**

**TDC Rentals (Nevis) Ltd**

## **INSURANCE AND REINSURANCE:**

<b>St Kitts Nevis Insurance Co Ltd (SNIC)</b>	<b>Primary, general and life insurance business</b>
<b>SNIC (Nevis) Ltd</b>	<b>General and life insurance business</b>
<b>East Caribbean Reinsurance Co Ltd (80%) Anguilla</b>	<b>Reinsurance Company for general insurance business</b>

## **FINANCE:**

<b>St Kitts Nevis Finance Co Ltd (FINCO)</b>	<b>Taking of time deposits and making mortgage and consumer loans</b>
<b>MERCATOR Caribbean Trust Co Ltd – (51%)</b>	<b>Offshore financial service providers</b>

## **AIRLINE AGENTS AND TOUR OPERATORS:**

<b>TDC Airline Services Ltd</b>	<b>General sales and aircraft handling agents</b>
<b>TDC Airline Services (Nevis) Ltd</b>	<b>for several international and regional airlines</b>
<b>TDC Tours Ltd</b>	<b>Provider of destination management services group and individual tour operators and transportation managers</b>

## **REAL ESTATE DEVELOPMENT:**

<b>TDC Real Estate &amp; Construction Limited}</b>	<b>Developers of condos and residential housing lots</b>
<b>Conaree Estate Ltd}</b>	
<b>Dan Dan Garments Ltd</b>	<b>Owner of factory shell that is leased for warehousing</b>
<b>TDC Real Estate and Construction Co (Nevis) Ltd</b>	<b>Owner of 54 acres of prime land suitable for upscale residences.</b>

## **HOTEL OPERATOR:**

<b>Ocean Terrace Inn Ltd</b>	<b>Operators of business and tourist class hotel and</b>
<b>OTI Pieces of Eight Ltd</b>	<b>restaurants and bars</b>
<b>Pelican Cove Marina Ltd</b>	

## SHIPPING SERVICES

**Sakara Shipping – (Tortola) BVI** The Company owned an inter island vessel that was leased to the Parent Company. That ferry capsized and was sold after salvage. The company is now inactive.

## ASSOCIATED COMPANIES: (Holding between 20% and 50%)

### MANUFACTURERS

**St Kitts Masonry Products  
Limited – 50%**

**Manufacturers of concrete blocks and pre mix  
concrete**

### INSURERS:

**Malliouhana Anico Insurance  
Co Ltd – 25% (Anguilla)**

**General Insurance Company providing  
motor, property, liability insurance coverage**

- (l) State whether the company is a subsidiary. If so, describe the business of the parent company. Indicate what percentage of the company is owned by the parent.

**The St Kitts Nevis Anguilla Trading and Development Company Limited (TDC) is a public company and the parent company of several subsidiaries and associated companies.**

- (m) Summarise the material events in the development of the company including any material acquisitions or mergers during the past five years.

- 2 List in order of importance the factors, which are the most substantial risks to an investor (i.e., those factors which constitute the greatest threat that the investment will be lost in whole or in part, or will not provide an adequate return).

**The international financial and economic crises have had significant negative impact on the local economy. This has resulted in reductions in long stay visitor tourist arrivals. Several planned tourism related developments have been affected. However, management continues to closely monitor these events as they impact the company's operations through its direct participation in the tourism sector and as a service provider and merchant to the sector.**

**The continuing increase in crime locally represents a considerable threat to tourism development, investor confidence, the economy and the peace and tranquillity of the country.**

Attach Additional Sheets if needed

3. Indicate whether the company is having or anticipates having within the next 12 months any cash flow or liquidity problems and whether or not it is in default or in breach of any note, loan, lease or other indebtedness or financing arrangement requiring the company to make payments.

**The Company is not having or anticipating any immediate cash flow or liquidity problems. It does not anticipate any default on any debt either.**

1. Indicate whether proceeds from this offering will satisfy the company's cash requirements for the next 12 months, and whether it will be necessary to raise additional funds. State the source of additional funds, if known.

N/A

**PART VIII  
CAPITALIZATION**

5. Indicate the capitalisation of the company as of the most recent balance sheet date (adjusted to reflect any subsequent stock splits, stock dividends, recapitalisations or refinancings) and as adjusted to reflect the sale of the minimum and maximum amount of securities in this offering and the use of the net proceeds therefrom:

	<b>Amount Outstanding</b>		
	As of:	<u>As Adjusted</u>	
	<u>31/01/2012</u>	<u>Minimum</u>	<u>Maximum</u>
Debt:			
Short-term debt (average interest rate <u>8</u> %)	\$29,703,738	\$ _____	\$ _____
Long-term debt (average interest rate 7%)	\$26,904,142	\$ _____	\$ _____
Total debt	\$56,607,880	\$ _____	\$ _____
Stockholders equity (deficit):			
Preferred stock - par or stated value (by class of preferred in order of preferences)			
	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____
Common stock--par or stated value	\$52,000,000	\$ _____	\$ _____
Additional paid in capital	\$ 0	\$ _____	\$ _____
Retained earnings (deficit)	\$93,190,872	\$ _____	\$ _____
Reserves	\$9,896,346	\$ _____	\$ _____
Total Capitalisation	\$155,087,218	\$ _____	\$ _____

**6. Capital Commitments and Contingent Liabilities**

- a. The Company is committed for call on the unpaid portion of shares in its wholly-owned subsidiary, St Kitts Nevis Insurance Company Limited, in the amount of \$500,000 (2008 = \$500,000) and \$70,000 in respect of TDC Tours Limited (2008 - \$70,000)
- b. At 31<sup>st</sup> January 2012, the Parent Company guaranteed bank loans and overdrafts on behalf of subsidiary companies totalling \$4,600,000 (2011- \$4,600,000);
- c. At 31<sup>st</sup> January 2012, commitments in respect of open Letters of Credit established in the normal course of business amounted to \$1,438,452 (2011 = \$2,646,000)
- d. The Company is committed to investment in Cable Bay Development Hotel project for an additional amount of \$5,480,102 (2011 = \$5,480,102);

**PART IX  
DIVIDEND POLICY**

7. If the company has within the last five years paid dividends, provide the following:

<b>DATE</b>	<b>AMOUNT</b>	<b>* % OF NET INCOME</b>	<b>DIVIDEND PER SHARE</b>
2008	3,120,000	29.5	6 cents
2009	3,120,000	35.6 (restated)	6 cents
2010	3,120,000	40.7	6 cents
2011	3,120,000	38.0	6 cents
2012	3,120,000	131.0	6 cents

**\*After Taxation**

8. Outline any projections or plans for payment of dividends over the next two years?



COMPANY	2013/2014	2012/2013
	\$	\$
<b>General Merchants and Shipping</b>	<b>2,500,000</b>	<b>2,000,000</b>
<b>Insurance and Finance</b>	<b>6,000,000</b>	<b>5,000,000</b>
<b>Rentals, Airlines and Hotel Operation</b>	<b>(800,000)</b>	<b>(1,000,000)</b>
<b>Real Estate Development and Property</b>	<b>500,000</b>	<b>300,000</b>
<b>Budget for Profit Before Tax for the Parent Company and the Subsidiaries</b>	<b>8,200,000</b>	<b>6,300,000</b>
<b>Budgeted Profit Before Tax for Tax Free Companies</b>	<b>450,000</b>	<b>250,000</b>
<b>Budget Profit Before Tax for Companies Subject to Taxation</b>	<b>7,750,000</b>	<b>6,050,000</b>
<b>Tax (35%)</b>	<b>2,700,000</b>	<b>2,117,500</b>
<b>Budget Report after Tax</b>	<b>5,050,000</b>	<b>3,932,500</b>
<b>Number of Shares</b>	<b>52,000,000</b>	<b>52,000,000</b>
<b>E.P.S.</b>	<b>9.7¢</b>	<b>7.5¢</b>
<b>Dividend Payout Ratio</b>	<b>41.18%</b>	<b>53%</b>
<b>Dividends</b>	<b>2,080,000</b>	<b>2,080,000</b>
<b>D.P.S.</b>	<b>\$.04</b>	<b>\$.04</b>

## PART X

### OFFICERS AND KEY PERSONNEL OF THE COMPANY

#### 1. EXECUTIVE OFFICERS

**Position:** Chairman

**Name:** Dennis Michael Arthur Morton

**Age:** 62

**Mailing Address:** P O Box 142, Fort Street, Basseterre, St Kitts

**Telephone No.:** ( 869 – 465 – 2511

List jobs held during past five years. Give brief description of responsibilities. Include names of employers.

Mr Morton became a Group Executive Director in 1983; Chairman/Chief Executive Officer in 2001, Managing Director of St Kitts Masonry Products Limited in 1999. He is President of the St Kitts Nevis Chamber of

Industry and Commerce; Director of Cave Hill School of Business; Deputy Chairman of the Eastern Caribbean Securities Exchange; Honorary Consul General of the Republic of Turkey to St Kitts and Nevis; Honorary Warden for the Canadian Government in St Kitts and Nevis; former Deputy Chairman of the Social Security Board of St Kitts-Nevis; former Director of St Kitts Nevis Development Bank.

Education (degrees or other academic qualifications, schools attended, and dates):

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Also a Director of the company       Yes       No

If retained on a part time basis, indicate amount of time to be spent dealing with company matters:

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**Name:** Earle Austin Kelly

**Position:** Finance Director

**Age:** 52

**Mailing Address:** P O Box 142

Basseterre

St Kitts

**Telephone No.:** ( 869 – 465 - 2511 )

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List jobs held during the last five years. Give brief description of responsibilities. Include names of employers.

Mr Kelly became a Group Executive Director in 2000; Group Finance Director in 2002; Director/Company Secretary of St Kitts Masonry Products Ltd; Chairman of the Board of St Kitts Bottling Company Limited

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Education (degrees or other academic qualifications, schools attended, and dates):

**Holds a Bachelors in Accounting (B.A) and a Masters in Business Administration (M.B.A.)**

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Also a Director of the company           

If retained on a part time basis indicate amount of time to be spent dealing with company matters:

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**Name:** Nicolas Narayan Menon      **Position:** Director  
**Age:** 43

**Mailing Address:** P O Box 142, Fort Street, Basseterre, St Kitts

**Telephone No. :** (869) 465 – 2511

List jobs held during the past five years. Give brief description of responsibilities. Include names of employers.

Mr Menon became a Group Executive Director in 2000; Director of St Kitts Bottling Company Ltd; President of Hotel and Tourism Association (HTA);

Education (degrees or other academic qualifications, schools attended, and dates):

**Holds Bachelor of Science and Masters Degrees in Business Administration**

Also a Director of the company       Yes       No

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**Name:** Ernie France      **Age:** 44

**Mailing Address:** P O Box 142  
Basseterre  
St Kitts

**Telephone No.** 869-469-5430

Mr France was named a director in January, 2007. He has worked with the company for nearly twenty years in various capacities and has served on the boards of directors of several subsidiary companies of the Group. He is also a Director of St Kitts Bottling Company Limited (SKBC) and a Director of the Hotel and Tourism Association, Nevis.

**Education:** Bachelors Degree in Business Administration

Also a Director of the company       Yes       No

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**Name:** Mr Glenville R. Jeffers      **Position:** Director

**Mailing Address:** P O Box 142, Fort Street      **Age:** 45  
Basseterre  
St Kitts

**Telephone No:** (869) 465-2511

Mr Jeffers was named a Director February 1, 2011. He has worked with the company for over 25 years and served in various capacities as Accounts Clerk, Accounting Supervisor, Chief Accountant and General Manager of the company's Business Equipment Depart and Home and Building Depots. He is President of St Kitts-Nevis Amateur Athletic Association and Secretary General of St Kitts-Nevis Olympic Association.

Holds a Bachelors Degree in Business Administration from Pace University.

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## 2. DIRECTORS OF THE COMPANY

Information concerning non-Executive Directors:

**Name:** Jacques A Cramer

**Position:** Director

**Age:** 78

**Mailing Address:** P O Box 142

Fort Street

Basseterre, St Kitts

Telephone No.: 869-465-2511

List jobs held during the past five years. Give brief description of responsibilities. Include names of employers.

Mr Cramer is a founding Director of the TDC Group; Principal of J Cramer Real Estate; Former Director of Brimstone Hill Fortress National Park; Former member of the Public Service Commission and Police Service Commission of St Kitts-Nevis; Former Director of Development and Finance Corp; Former Chairman of the Eastern Caribbean Currency Authority (now Eastern Caribbean Central Bank); Honorary Warden for Canada in St Kitts-Nevis; Honorary Consul for Israel in St Kitts and Nevis.

Education (degrees or other academic qualifications, schools attended, and dates):

Also a Director of the company     Yes     No

**Name:** Mr Charles Lucien Wilkin Q.C.

**Position:** Director

**Age:** 63

**Mailing Address:** P O Box 142

Fort Street

Basseterre, St Kitts

Telephone No.: ( 869 – 465 - 2511 )

Mr Wilkin became a Director of the Group in 1978. Became a Barrister-at-law in 1971 having gained a M.A. degree from Cambridge University; became a Queen's Counsel in 1998. He has been the Senior Partner at the law firm of Kelsick, Wilkin and Ferdinand since 1988.

Education (degrees or other academic qualifications, schools attended, and dates):

**Holds M.A. Degree from Cambridge University, United Kingdom**

Also a Director of the company       Yes       No

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**Name:** Mrs Myrna Rosina Walwyn      **Position:** Director

**Mailing Address:** P O Box 142, Fort Street      **Age:** 57  
Basseterre  
St Kitts

**Telephone No:** (869) – 465 – 2511

Mrs Walwyn became a Director in 2000; became a Barrister-at-law in 1980; member of the Middle Temple Inns of the Courts of London; Senior Partner of the law firm, Myrna Walwyn & Associates.

Education (degrees or other academic qualifications, schools attended, and dates):

**Holds a BSc.(Hons) degree in Social Sciences and MA degrees in LS and Sociology.**

Also a Director of the company       Yes       No

**Name:** Dr Clive Elton Ramus Ottley      **Position:** Director

**Mailing Address:** P O Box 142, Fort Street      **Age:** 69  
Basseterre  
St Kitts

**Telephone No:** (869) 465- 2511

**Dr Ottley became a Director in 1990. He is a retired Obstetrician/Gynaecologist. He currently owns and manages a software development and consultancy firm.**

Education (degrees or other academic qualifications, schools attended, and dates):

**Holds M.B and B.S degrees and is a fellow of the Royal College of Obstetrics and Gynaecology**

Also a Director of the company      Yes      No

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**Name:**                      Mr Kenneth Norman Kelly                      **Position:** Director

**Mailing Address:**     P O Box 142, Fort Street                      **Age:** 77  
                                    Basseterre

St Kitts

**Telephone No.:**        (869) 465 – 2511

Mr Kelly became a Director in 1990. He is a Merchant and Realtor; in 1960 established Barker and Kelly (Partners) Limited, a supermarket operator, importer/wholesaler and ship's agent; he is the developer of several housing estates in St Kitts.

Education (degrees or other academic qualifications, schools attended, and dates):

Also a Director of the company      Yes      No

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**Name:**                      Mr Melvin Edwards                      **Position:** Director

**Mailing Address:**     Mourne Fortune                      **Age:** 59  
                                    P O Box 1670  
                                    Castries

St Lucia

**Telephone No.:**        (869) 465 – 2511

Mr Edwards became a Director in 2005. He is an experienced regional Management Consultant, a capacity in which he has advised several regional and international institutions and governments. He is a former President of the Caribbean Confederation of Credit Unions and the World Council of Credit Unions.

Education (degrees or other academic qualifications, schools attended, and dates):

**Holds a B.A and M.Sc. Degrees**

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**Name:**                      Ms Maritza S. Bowry                      **Position:** Company Secretary/Chief Accountant

**Mailing Address:**     P O Box 142, Fort Street                      **Age:** 38  
                                    Basseterre

St Kitts

**Telephone No:** (869) 465 – 2511

Appointed Company Secretary and Group Chief Accountant in 2001; former Assistant Manager, TDC Airline Services Ltd; holds a BSc Degree in Accounting and Economics and a MBA with a concentration in Finance.

**3. Number of Directors: 11**

If Directors are not elected annually, or are elected under a voting trust or other arrangement, explain:

At the Annual General Meeting every year one third of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest to one third, shall retire from office.

**4. Summarise Articles of Association or Bylaws which are relevant to Directors**

**At the Annual General Meeting every year one third of the directors for the time being, or if their number is not three or a multiple of three, then the number nearest to one third, shall retire from office.**

**The directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.**

**A retiring director shall be eligible for re-election. The company at the meeting at which a director retires in manner aforesaid may fill the vacated office by electing a person thereto, and in default the retiring director shall if offering himself for re-election be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such director have been put to the meeting and lost.**

**No persons other than the director retiring at the meeting shall unless recommended by the directors be eligible for election to the office of director at any general meeting unless not less than three nor more than twenty one days before the date appointed for the meeting there shall have been left at the registered office of the company notice in writing, signed by a member duly qualified to attend and vote at the meeting for which notice is given, of his intention to propose such purpose for election, and also notice in writing signed by that person of his willingness to be elected.**

**The Company may from time to time by ordinary resolution increase or reduce the number of directors, and may determine in what rotation the increased or reduced number is to go out of office.**

**The Company may by ordinary resolution, remove any director before the expiration of his period of office notwithstanding in those regulations or in any agreement between the Company and such director.**

**The Company may by ordinary resolution, appoint another person in place of a Director removed from office under the immediately preceding regulation, and without prejudice to the powers of the Directors under regulation 106 the Company in general meeting may appoint any person to be a Director either to fill a casual vacancy or as an additional Director. A person appointed in place of a Director so removed or to fill such a vacancy shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.**

**The Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors shall not at any time exceed the number fixed in accordance with these regulations. Any Director so appointed shall hold office only until the next following Annual General Meeting, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.**



**PART XI**

**SUBSTANTIAL STOCKHOLDERS**

1. (a) Principal owners of the company (those who beneficially own more than 5% of the common and preferred stock presently outstanding whether directly or indirectly) starting with the largest common stockholder. Indicate by endnote any transaction where the consideration was not cash. State the nature of any such consideration.

**SECURITIES NOW HELD:**

<b>Name: Address:</b>	<b>Class of Securities:</b>	<b>No. of Securities:</b>	<b>% of Total</b>
<b>Jacques A Cramer</b>	<b>Common Shares</b>	<b>4,940,000</b>	<b>9.5%</b>
<b>Michael L King</b>	<b>Common Shares</b>	<b>2,432,000</b>	<b>6.6%</b>

- (b) Include all common stock issuable upon conversion of convertible securities and show conversion rate per share as if conversion has occurred.

**UPON CONVERSION:**

<b>Name: Address:</b>	<b>Class of Securities:</b>	<b>Conversion Rate:</b>	<b>No. of Securities upon Conversion</b>	<b>% of Total*</b>

- Current holding of securities if conversion option were exercised.

## **SUBMISSION OF MATTERS TO A VOTE OF SHAREHOLDERS**

If any matter was submitted during the past year (or as likely to be put forward in the next six months) to a vote of shareholders, through the solicitation of proxies or otherwise, furnish the following information:

- a) The date of the meeting and whether it was an annual or special meeting.

**The 38<sup>th</sup> Annual General Meeting was held at the Fishermans Wharf, Fortlands, Basseterre on Thursday, June 30<sup>th</sup> 2011, at 5:00 p.m.**

- b) If the meeting involved the election of directors, the name of each director elected at the meeting and the name of each director whose term of office as a director continued after the meeting.

**The meeting involved the election of Directors to replace those retiring by rotation.**

**Directors, who retired by rotation, were Earle A. Kelly, Charles L Wilkin, Clive E. Ottley and Jacques A Cramer. All Directors were unanimously re-elected.**

**The other directors whose term of office continued are D. Michael Morton, Melvin R. Edwards, Kenneth N. Kelly, Glenville R Jeffers, Nicolas N. Menon, Ernie A France and Myrna R Walwyn.**

## **PART XII**

### **LITIGATION**

1. Describe any past litigation or administrative action which has had a material effect upon the company's business, financial condition, or operations, including any litigation or action involving the company's Officers, Directors or other key personnel. State the names of the principal parties, the judgement and amounts involved.

**There are no past, pending or threatened litigation or administrative action which has had or may have a material effect upon the Company's business, financial condition, or operations, including any litigation or action involving the Company's Officers, Directors or other key personnel.**

## PART XIII

### MISCELLANEOUS FACTORS

1. Provide any additional information considered necessary to clarify any potentially misleading or incomplete information in this Registration Statement.

**There are no other material factors, either adverse or favourable, that will or could effect the Company's business.**

## PART XIV

### FINANCIAL STATEMENTS

(Not Applicable for Annual Registration Statement Updates)

1. Attach Auditor's Report. Attach current audited financial statements, audited financial statements for the last three financial years and the most recent un-audited financial statement if next audited statement is due in less than six months; or the most recent un-audited quarterly statement if the next audited statement is due in more than six months, or pro-forma financial statements, whichever is applicable. If the company has acquired another business since the beginning of the last financial year the assets or net income of which were in excess of 20% of those for the company, show pro-forma combined financial statements as if the acquisition had occurred at the beginning of the company's last financial year.

We have audited the accompanying consolidated financial statements of **St. Kitts Nevis Anguilla Trading and Development Company Limited and its Subsidiaries ( the Group)** which comprise the Consolidated Financial Position as at 31 January 2012, and the Consolidated Statement of Income, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity'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 audit opinion.

## Opinion

In our opinion, the Consolidated Financial Statements give a true and fair view of the financial position of the Group as of 31 January, 2012, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

**P K F**  
Chartered Accountants

BASSETERRE-ST KITTS

09 July, 2012

## PART XV

### MANAGEMENT'S DISCUSSION AND ANALYSIS OF CERTAIN RELEVANT FACTORS

1. If the company's financial statements show losses from operations, explain the causes underlying these losses and what steps the company has taken or is taking to address these causes.

**The Company's financial statements do not show losses from operations.**

2. Describe any trends in the company's historical operating results. Indicate any changes now occurring in the underlying economics of the industry or the company's business, which, in the opinion of Management, will have a significant impact (either favourable or adverse) upon the company's results of operations within the next 12 months. Give a rough estimate of the probable extent of the impact, if possible.

**Due to the ongoing slowdown of economic activity locally in the vital construction and tourism industries, the results of the company have continued to fall over the last three years.**

**The introduction of the Value Added Tax (V.A.T.) in November 2010 has created considerable concern throughout the country, in respect of its impact on the cost of living and consumer demand. Its implementation has resulted in an increase in operating costs of the company across the board.**

**The recent debt restructuring and the I.M.F. program has resulted in a dramatic cut back in government expenditure that in the past fuelled construction from which the Company benefited.**

**PART XVI**

**SIGNATURES**

A Director, the Chief Executive and Financial Officers of the company shall sign this Registration Statement on behalf of the company. By so doing each certifies that he has made diligent efforts to verify the material accuracy and completeness of the information herein contained. By submitting this Registration Statement to the ECSRC, each Director, the Chief Executive Officer and the Chief Financial Officer of the company agree to make himself available to each investor prior to the time of investment, and to respond to questions and otherwise confirm the information contained herein. The Directors, the Chief Executive Officer and the Chief Financial Officer hereby undertake to make the exhibits to this Registration Statement, or as is provided by law, available to each investor, prior to the making of any investment by such investor.

The Chief Financial Officer by signing this form is hereby certifying that the financial statements submitted fairly state the company's financial position and results of operations, or receipts and disbursements, as of the dates and period(s) indicated. The Chief Financial Officer further certifies that all financial statements submitted herewith are prepared in accordance with International Accounting Standards consistently applied (except as stated in the notes thereto) and (with respect to year-end figures) including all adjustments necessary for fair presentation under the circumstances.

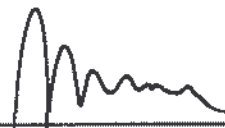
Name of Chief Executive Officer:

Name of Chief Financial Officer:

D. Michael Morton

Earle A. Kelly

  
\_\_\_\_\_  
Signature

  
\_\_\_\_\_  
Signature

Date: August 01, 2012

Date: August 01, 2012