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

	Unaudited March 31, 2018 $	Unaudited March 31, 2017 $	Audited September 30, 2017 $
Assets			
Real estate available-for-sale	17,248,444	19,714,771	18,309,377
Investment in associated company	4,823,860	4,848,953	4,835,960
Accounts receivable and prepaid expenses	378,707	350,333	447,303
Other assets	77,855	91,426	-
Due from related parties	-	-	48,000
Cash and cash equivalents	147,276	156,412	51,725
Total assets	**22,676,142**	**25,161,895**	**23,692,365**
Liabilities			
Accounts payable and accrued expenses	320,301	390,250	479,644
Security and advanced deposits	290,729	290,855	302,929
Due to related parties	529,665	777,120	927,568
Total liabilities	**1,140,695**	**1,458,225**	**1,710,141**
Total assets less liabilities	**21,535,447**	**23,703,670**	**21,982,224**
Equity			
Share capital	28,626,291	28,726,252	28,626,291
Retained earnings	(7,090,844)	(5,022,582)	(6,644,067)
Total shareholders' funds	**21,535,447**	**23,703,670**	**21,982,224**
Net asset value per share	**$ 0.40**	**$ 0.43**	**$ 0.40**

Approved by:

Geoffrey Cave

Director **Director**

Date: April 27th, 2018

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

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Approved by:

Director **Director**

Date: April 27th, 2018

Fortress Caribbean Property Fund Limited SCC- Development Fund
Unaudited Consolidated Statement of Comprehensive Income
For the six month period October 1, 2017 - March 31, 2018
(expressed in Barbados dollars)

	Unaudited Six months to October 1, 2017- March 31, 2018 $	Unaudited Six months to October 1, 2016- March 31, 2017 $	Audited Year ended September 30, 2017 $
Revenue			
Interest income	1,815	-	-
Other income	28,404	-	-
Net gain on financial assets at fair value through profit or loss	-	-	(28,086)
Total investment income	**30,219**	-	**(28,086)**
Expenses			
Impairment loss on real estate available for re-sale	73,600	-	1,405,394
Net carrying costs of real estate available for re-sale	79,442	176,841	257,238
Share of loss of investments using equity accounting	12,100	15,093	-
Fund management fees	59,963	44,926	89,144
Investment advisor fees	59,963	44,926	89,144
Net loss/(gain) on sale of real estate available for re-sale	60,650	(28,125)	(28,125)
Audit, listing and other professional fees	103,327	61,214	133,231
Interest expense	18,166	4,630	25,630
Directors and subcommittee fees	8,279	8,279	16,558
Office and administrative expenses	1,506	4,693	9,035
Operating expenditure	**476,996**	**332,477**	**1,997,249**
Total comprehensive loss for the period	**(446,777)**	**(332,477)**	**(2,025,335)**
Earnings per share	**$ (0.01)**	**$ (0.01)**	**$ (0.04)**

Fortress Caribbean Property Fund Limited SCC- Development Fund
Unaudited Consolidated Statement of Cashflows
For the six month period October 1, 2017 - March 31, 2018
(expressed in Barbados dollars)

	Unaudited Six months to October 1, 2017- March 31, 2018 $	Unaudited Six months to October 1, 2016- March 31, 2017 $	Audited Year ended September 30, 2017 $
Cash flows from operating activities			
Total comprehensive loss for the period	**(446,777)**	**(332,477)**	**(2,025,335)**
Adjustment for:			
Net gain on financial assets at fair value through profit or loss	-	-	-
Share of loss of investments accounted for using the equity meth	12,100	15,093	28,086
Net loss on sale of real estate available for re-sale	60,650	(28,125)	(28,125)
Impairment charge for receivables	-	-	-
Impairment loss on real estate available for re-sale	73,600	-	1,405,394
Interest income	(1,815)	-	-
Interest expense	18,166	4,630	25,630
Operating loss before working capital changes	**(284,076)**	**(340,879)**	**(594,350)**
Net decrease in accounts receivable and prepaid expenses	68,596	114,002	17,032
Net decrease in accounts payable and accrued expenses	(149,346)	(140,622)	(70,310)
Decrease in due from related parties	48,000	48,000	737,778
Due to related parties	(397,903)	587,330	-
Increase in security deposits	(12,200)	22,011	37,667
Increase in other assets	(77,855)	(91,426)	-
Purchases/additions to real estate available for re-sale	-	(1,420,000)	(1,420,000)
Proceeds on sale of real estate available for re-sale	926,683	833,125	833,125
Cash generated from/ (used in) operations	**121,899**	**(388,459)**	**(459,058)**
Interest received	1,815	-	-
Interest paid	(28,163)	(1,048)	(6,548)
Net cash generated from / (used in) operating activities	**95,551**	**(389,507)**	**(465,606)**
Cash flows from financing activities			
Repurchase of shares	-	(1,800)	(30,388)
Net cash used in financing activities	**-**	**(1,800)**	**(30,388)**
Net increase/(decrease) in cash and cash equivalents	**95,551**	**(391,307)**	**(495,994)**
Cash and cash equivalents at beginning of the period	**51,725**	**547,719**	**547,719**
Cash and cash equivalents at end of the period	**147,276**	**156,412**	**51,725**

Fortress Caribbean Property Fund Limited SCC- Development Fund
Unaudited Consolidated Statement of Changes in Equity
For the six month period October 1, 2017 - March 31, 2018
(expressed in Barbados dollars)

	Attributable to Fund shareholders		
	Share capital $	Retained earnings $	Total $
Balance- September 30, 2016	28,731,519	(4,693,572)	**24,037,947**
Loss for the year	-	(2,025,335)	**(2,025,335)**
Repurchase of shares	(105,228)	74,840	**(30,388)**
Balance- September 30, 2017	**28,626,291**	**(6,644,067)**	**21,982,224**
Loss for the period	-	(446,777)	**(446,777)**
Balance- March 31, 2018	**28,626,291**	**(7,090,844)**	**21,535,447**

Fortress Caribbean Property Fund Limited SCC- Development Fund
Unaudited Consolidated Statement of Changes in Equity
For the six month period October 1, 2016 - March 31, 2017
(expressed in Barbados dollars)

	Attributable to Fund shareholders		
	Share capital $	Retained earnings $	Total $
Balance- September 30, 2015	28,731,519	(3,498,562)	**25,232,957**
Loss for the year	-	(1,195,010)	**(1,195,010)**
Balance- September 30, 2016	**28,731,519**	**(4,693,572)**	**24,037,947**
Loss for the period	-	(332,477)	**(332,477)**
Repurchase of shares	(5,267)	3,467	**(1,800)**
Balance- March 31, 2017	**28,726,252**	**(5,022,582)**	**23,703,670**

Fortress Caribbean Property Fund Limited SCC – Development Fund

The **Fortress Caribbean Property Fund Limited SCC – Development Fund** share realized a loss of $446,777 for the six months ended March 31st, 2018 compared to a loss of $332,477 over the same period in 2017. The net asset value is $0.40 per share down from $0.43 a year earlier. The net assets are $21.5 million compared to $23.7 million for the financial year ended September 30, 2017.

During the six months ended March 31st, 2018, the lot at Lion Castle and a unit at Villas on The Green (VOTG) were sold, resulting in a combined loss of $60,650. There was also an impairment loss of $73,600 relating to units at Villas on The Green recorded during this period.

The share price of the Development Share on the **Barbados Stock Exchange (BSE)** as at March 31st, 2018 was $0.16, a discount of 60 % to the net asset value.

Subsequent to the end of the quarter, the sale of the Common shares to **Eppley Fund Managers Limited** was concluded on May 4th, 2018 and the change in the management and administration of the Fund was completed effective that date.