

Audited Financial Statements

**THE LYFORD CAY PROPERTY OWNERS
ASSOCIATION (1971) LIMITED**

31 December 2024

**THE LYFORD CAY PROPERTY OWNERS
ASSOCIATION (1971) LIMITED**
Audited Financial Statements

31 December 2024

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INDEPENDENT AUDITORS' REPORT

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To the Board of Directors of
THE LYFORD CAY PROPERTY OWNERS ASSOCIATION (1971) LIMITED

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Opinion

We have audited the financial statements of Lyford Cay Property Owners Association (1971) Limited ("the Association"), which comprise the statement of financial position as at 31 December 2024, and the statements of comprehensive operations, changes in members' capital and reserves, and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Lyford Cay Property Owners Association (1971) Limited as at 31 December 2024, and its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ("IESBA Code"), and we have fulfilled our other responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

To the Board of Directors of
THE LYFORD CAY PROPERTY OWNERS ASSOCIATION (1971) LIMITED

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit 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 Association's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

To the Board of Directors of

THE LYFORD CAY PROPERTY OWNERS ASSOCIATION (1971) LIMITED

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

21 July 2025

Nassau, The Bahamas


CHARTERED ACCOUNTANTS

**THE LYFORD CAY PROPERTY OWNERS
ASSOCIATION (1971) LIMITED**

Statement of Financial Position
(Expressed in Bahamian dollars)

31 December 2024

	Notes	2024 \$	2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5, 22	2,519,553	2,270,283
Accounts receivable, net	6, 20, 22	2,669,752	2,551,325
Inventories	7	137,402	32,715
Deposits, prepayments and other asset	8	513,337	91,335
		5,840,044	4,945,658
NON-CURRENT ASSET			
Property, plant and equipment, net	9	10,292,383	10,931,614
TOTAL ASSETS		16,132,427	15,877,272
LIABILITIES, MEMBERS' CAPITAL AND RESERVES			
CURRENT LIABILITIES			
Accounts payable and accrued expenses	10, 20, 22	638,878	763,649
Value added tax payable	11	920,928	947,401
Bank overdrafts	5, 22	-	228,143
		1,559,806	1,939,193
NON-CURRENT LIABILITY			
Traffic plan contribution	12	1,000,000	-
MEMBERS' CAPITAL AND RESERVES			
Members' capital subscriptions	13	51,146	51,146
Property, plant and equipment reserve contribution	14	774,834	774,834
Road reserve contribution	15	400,000	400,000
Seawall reserve contribution	16	704,000	704,000
Emergencies and contingencies reserve contribution	17	550,000	550,000
Accumulated surplus		11,092,641	11,458,099
		13,572,621	13,938,079
TOTAL LIABILITIES, MEMBERS' CAPITAL AND RESERVES		16,132,427	15,877,272

COMMITMENT AND CONTINGENCIES

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These financial statements were approved on behalf of the Board of Directors on 21 July 2025 by the following:


Director


Director

See accompanying notes. Independent Auditors' Report pages 1 through 3.

**THE LYFORD CAY PROPERTY OWNERS
ASSOCIATION (1971) LIMITED**

Statement of Comprehensive Operations
(Expressed in Bahamian dollars)

Year ended 31 December 2024

	Notes	2024 \$	2023 \$
INCOME			
Members' assessments, net of discounts	20	8,414,655	8,117,195
Seawall assessment		196,906	192,548
Mailbox rentals		104,005	91,932
Mini-warehouse rental		14,640	15,480
Gain on disposal of property, plant and equipment	9	10,000	5,000
Other		2,750	1,596
Mowing vacant land		1,771	2,287
		8,744,727	8,426,038
EXPENSES			
Expenses, excluding depreciation	5, 6, 18, 19	8,282,608	6,975,292
Depreciation	9	827,577	826,935
		9,110,185	7,802,227
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE YEAR		(365,458)	623,811

See accompanying notes. Independent Auditors' Report pages 1 through 3.

**THE LYFORD CAY PROPERTY OWNERS
ASSOCIATION (1971) LIMITED**

Statement of Changes in Members' Capital and Reserves
(Expressed in Bahamian dollars)

Year ended 31 December 2024

	Members' capital subscriptions (Note 13)	Property, plant and equipment reserve contribution (Note 14)	Road reserve contribution (Note 15)	Seawall reserve contribution (Note 16)	Emergencies and contingencies reserve contribution (Note 17)	Accumulated surplus	Total
	\$	\$	\$	\$	\$	\$	\$
Balances at 1 January 2023	51,146	774,834	298,232	704,000	524,142	10,961,914	13,314,268
Transfers to reserve contributions	-	-	101,768	-	25,858	(127,626)	-
Total comprehensive income for the year	-	-	-	-	-	623,811	623,811
Balances at 31 December 2023	51,146	774,834	400,000	704,000	550,000	11,458,099	13,938,079
Total comprehensive loss for the year	-	-	-	-	-	(365,458)	(365,458)
Balances at 31 December 2024	51,146	774,834	400,000	704,000	550,000	11,092,641	13,572,621

See accompanying notes. Independent Auditors' Report pages 1 through 3.

**THE LYFORD CAY PROPERTY OWNERS
ASSOCIATION (1971) LIMITED**

Statement of Cash Flows
(Expressed in Bahamian dollars)

Year ended 31 December 2024

	Notes	2024 \$	2023 \$
CASH PROVIDED BY (USED IN):			
OPERATING ACTIVITIES			
Total comprehensive (loss) income for the year		(365,458)	623,811
Adjustments for non-cash items:			
Provision for expected credit losses	6, 18	198,489	11,469
Accounts receivable written-off	6	(10,305)	(11,469)
Bad debt recoveries	6, 18	(6,661)	(193,895)
Depreciation	9	827,577	826,935
Gain on disposal of property, plant and equipment	9	(10,000)	(5,000)
Interest expense	18	2,059	3,276
Changes in operating assets and liabilities:			
Increase in accounts receivable, gross		(299,950)	(358,102)
(Increase) decrease in inventories		(104,687)	81,112
(Increase) decrease in deposits, prepayments and other asset		(422,002)	63,786
(Decrease) increase in accounts payable and accrued expenses		(124,771)	110,171
Decrease in value added tax payable		(26,473)	(164,031)
Increase in traffic plan contribution		1,000,000	-
Net cash provided by operating activities		657,818	988,063
INVESTING ACTIVITIES			
Purchases of property, plant and equipment	9	(188,346)	(820,738)
Proceeds from sale of property, plant and equipment	9	10,000	5,000
Net cash used in investing activities		(178,346)	(815,738)
FINANCING ACTIVITY			
Interest paid		(2,059)	(3,276)
NET INCREASE IN CASH AND CASH POSITION		477,413	169,049
Cash and cash position, beginning of the year		2,042,140	1,873,091
CASH AND CASH POSITION, END OF THE YEAR	5	2,519,553	2,042,140
Cash and cash position is represented by:			
Cash and cash equivalents	5, 22	2,519,553	2,270,283
Bank overdrafts	5, 22	-	(228,143)
CASH AND CASH POSITION, END OF THE YEAR		2,519,553	2,042,140

See accompanying notes. Independent Auditors' Report pages 1 through 3.

THE LYFORD CAY PROPERTY OWNERS ASSOCIATION (1971) LIMITED

Notes to Financial Statements

31 December 2024

1. GENERAL INFORMATION AND NATURE OF OPERATIONS

The Lyford Cay Property Owners Association (1971) Limited ("the Association"), was incorporated under The Companies Act, 1992 of the Commonwealth of The Bahamas and is limited by guarantee. In the event of the Association being wound-up, each member is obligated to contribute an amount not exceeding one dollar. The Association provides services for the owners of properties in the Lyford Cay residential estate.

The registered office of the Association is situated on Harbour Road & Lyford Cay Drive, Nassau, The Bahamas. At the end of the year, there were 87 (2023: 86) persons employed by the Association.

2. STATEMENT OF COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS AND GOING CONCERN ASSUMPTION

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The Association has prepared the financial statements on the basis that it will continue to operate as a going concern.

The Association's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise judgment in the process of applying the Association's accounting policies. Actual results could differ from those estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

The Association's financial statements as at and for the year ended 31 December 2024, are authorized for issuance by the Board of Directors effective 21 July 2025.

3. NEW OR REVISED STANDARDS OR INTERPRETATIONS

New and revised standards that are effective for annual periods beginning on or after 1 January 2024

The Association has adopted the following new interpretations, revisions and amendments to IFRS issued by the IASB, which are relevant to and effective for the Association's financial statements for the annual period beginning 1 January 2024:

- Classification of Liabilities as Current or Non-current (Amendments to IAS 1);
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16);
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7); and
- Non-current Liabilities with Covenants (Amendments to IAS 1).

These amendments do not have a significant impact on the financial statements of the Association, therefore the disclosures have not been made.

THE LYFORD CAY PROPERTY OWNERS ASSOCIATION (1971) LIMITED

Notes to Financial Statements

31 December 2024

3. NEW OR REVISED STANDARDS OR INTERPRETATIONS (continued)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Association

At the date of authorization of these financial statements, certain new standards, and amendments to existing standards have been published by the IASB that are not yet effective, and have not been adopted early by the Association. Information on those expected to be relevant to the financial statements is provided below.

Management anticipates that all relevant pronouncements will be adopted in the Association's accounting policies for the first period beginning after the effective date of the pronouncement. New standards, interpretations and amendments that are not yet effective and have not yet been adopted by the Association are as follows:

- Lack of Exchangeability (Amendments to IAS 21);
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and 7);
- IFRS 18, *Presentation and Disclosure in Financial Statements*; and
- IFRS 19, *Subsidiaries without Public Accountability: Disclosures*.

These amendments are not expected to have a significant impact on the Association's financial statements in the period of initial application and therefore the disclosures have not been made.

4. MATERIAL ACCOUNTING POLICIES

Overall considerations

The financial statements have been prepared using the material accounting policies and measurement basis summarized below.

Presentation of financial statements

The financial statements are presented in accordance with IAS 1, *Presentation of Financial Statements* (Revised 2007). The Association has selected to present the "Statement of Comprehensive Operations" in one statement.

Management's use of judgments and estimates

The Association uses accounting estimates and assumptions in the preparation of financial statements. Although these estimates are based on management's best knowledge of current events and transactions, actual results may ultimately differ from those estimates. The effect of any changes in estimates will be recorded in the Association's financial statements when determinable.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

THE LYFORD CAY PROPERTY OWNERS ASSOCIATION (1971) LIMITED

Notes to Financial Statements

31 December 2024

4. MATERIAL ACCOUNTING POLICIES (continued)

Management's use of judgments and estimates (continued)

The following presents a summary of these significant estimates and judgments:

Estimates

Estimation of useful lives of property, plant and equipment

The Association estimates that the useful lives of its property, plant and equipment are estimated based on the period over which these assets are expected to be available for use. The estimated useful lives of property, plant and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets. In addition, estimation of the useful lives of the property, plant and equipment is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above.

Estimation of provisions for expected credit losses ("ECLs") on accounts receivables

The Association uses a provision matrix to calculate ECLs for accounts receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance, as applicable).

The provision matrix is initially based on the Association's historical observed default rates. The Association will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Association's historical credit loss experience and forecast of economic conditions may also not be representative of property owner's actual default in the future. The information about the ECLs on the Association's accounts receivables is disclosed in Note 6.

Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognized when the Association becomes a party to the contractual provisions of the financial instrument.

THE LYFORD CAY PROPERTY OWNERS ASSOCIATION (1971) LIMITED

Notes to Financial Statements

31 December 2024

4. MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Recognition and derecognition (continued)

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those accounts receivable that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortized cost;
- fair value through profit or loss (FVTPL); and
- fair value through other comprehensive income (FVOCI).

In the periods presented the Association does not have any financial assets categorized as FVOCI.

The classification is determined by both:

- the Association's business model for managing the financial asset; and
- contractual cash flow characteristics of the financial asset

All income and expenses relating to financial assets that are recognized in profit or loss are presented within "income" or "expenses".

Subsequent measurement of financial assets

Financial assets at amortized cost

Financial assets are measured at amortized cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortized cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

THE LYFORD CAY PROPERTY OWNERS ASSOCIATION (1971) LIMITED

Notes to Financial Statements

31 December 2024

4. MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Subsequent measurement of financial assets (continued)

Financial assets at amortized cost (continued)

As at 31 December 2024, the Association's cash and cash equivalents, accounts receivable and other asset fall into this category.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than "hold to collect" or "hold to collect and sell" are categorized at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

Assets in this category are measured at fair value with gains or losses recognized in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

As at 31 December 2024, the Association had no financial assets at FVTPL.

Classification and subsequent measurement of financial liabilities

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Association designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortized cost using the effective interest method, except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognized in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within "expenses".

The Association's financial liabilities includes accounts payable and accrued expenses. These are measured at amortized cost using the effective interest rate method. Discounting, however, is omitted where the effect of discounting is immaterial.

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognize expected credit losses - the "expected credit loss (ECL) model". Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortized cost and FVOCI, accounts receivable, contract assets recognized and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

THE LYFORD CAY PROPERTY OWNERS ASSOCIATION (1971) LIMITED

Notes to Financial Statements

31 December 2024

4. MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Impairment of financial assets (continued)

Recognition of credit losses is no longer dependent on the Association first identifying a credit loss event. Instead the Association considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ("Stage 1"); and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ("Stage 2");
- "Stage 3" would cover financial assets that have objective evidence of impairment at the reporting date. "12-month expected credit losses" are recognized for the first category while "lifetime expected credit losses" are recognized for the second category.

The Association recognizes an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Association expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Association considers a financial asset in default when contractual payments are 120 days past due and are considered impaired and provided with allowance at 100%.

However, in certain cases, the Association may also consider a financial asset to be in default when internal or external information indicates that the Association is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Association. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Accounts receivable and contract assets

The Association makes use of a simplified approach in accounting for accounts receivable as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Association uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

THE LYFORD CAY PROPERTY OWNERS ASSOCIATION (1971) LIMITED

Notes to Financial Statements

31 December 2024

4. MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Accounts receivable and contract assets (continued)

The Association assesses impairment of accounts receivable on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due.

Financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or has expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of comprehensive operations.

Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand, cash at bank and short term deposits with contractual maturities of three months or less from the placement date.

Accounts receivable

Accounts receivable are carried at original invoice amount less provision for impairment. A provision for impairment of accounts receivable is established when there is objective evidence that the Association will not be able to collect all amounts due according to the original terms of the invoice. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of expected cash flows, discounted at the market rate. When a receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against provision for impairment in the statement of comprehensive operations.

Inventories

Inventories include supplies to be consumed in the rendering of services to the members and are stated at cost, which is determined using the first-in, first-out (FIFO) method.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impaired loss if any.

THE LYFORD CAY PROPERTY OWNERS ASSOCIATION (1971) LIMITED

Notes to Financial Statements

31 December 2024

4. MATERIAL ACCOUNTING POLICIES (continued)

Property, plant and equipment (continued)

Freehold land is not depreciated. Depreciation on other assets is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Building	25 years
Gatehouse	20 years to 30 years
Fire station	20 years to 25 years
Vehicles and equipment	3 years to 15 years
Road development and improvements	25 years to 30 years

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the statement of comprehensive operations.

Repairs and maintenance costs are charged to the statement of comprehensive operations during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Association. Major renovations are depreciated over the remaining useful life of the related asset.

Deferred revenue

Deferred revenue arises from owners' assessments paid in advance and is amortized in the statement of comprehensive operations over the assessment period.

Impairment of non-financial assets

An assessment is made at each financial position date to determine whether there is any indication of impairment of any assets, or whether there is any indication that an impairment loss previously recognized for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is computed as the higher of the asset's value in use or its net selling price.

An impairment loss is recognized only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to operations in the period in which it arises unless the asset is carried at a revalued amount in which case the impairment is charged to the revaluation increment of the said asset.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however, not to an amount higher than the carrying amount that would have been determined (net of any depreciation), had no impairment loss been recognized for the asset in prior years.

A reversal of an impairment loss is credited to current operations.

THE LYFORD CAY PROPERTY OWNERS ASSOCIATION (1971) LIMITED

Notes to Financial Statements

31 December 2024

4. MATERIAL ACCOUNTING POLICIES (continued)

Related party balances and transactions

Transactions between related parties are based on terms similar to those offered to non-related parties. Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions and the parties are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Association are measured using the currency of the primary economic environment in which the Association operates (the functional currency). The financial statements are presented in Bahamian dollars ("BSD"), which is the Association's functional and presentation currency.

Transactions and balances

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the rate of exchange prevailing at the statement of financial position date. Non-monetary assets and liabilities in currencies other than ("BSD") are translated to ("BSD") at the rate of exchange on the transaction date. Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the date of the transaction.

All exchange differences arising on translation are included in the statement of comprehensive operations as expenses excluding depreciation.

Income and expenses

Income comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Association's activities. Income is shown net of discounts.

Income is recognized at over time, when (or as) the Association satisfies performance obligations by transferring the promised services to its customers.

To determine whether to recognize revenue, the Association follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognizing revenue when/as performance obligation(s) are satisfied.

THE LYFORD CAY PROPERTY OWNERS ASSOCIATION (1971) LIMITED

Notes to Financial Statements

31 December 2024

4. MATERIAL ACCOUNTING POLICIES (continued)

Income and expenses (continued)

The Association provides services, including property maintenance, fire and security, landscaping, seawall maintenance, road paving and mail services, to owners of Lyford Cay residential estate. These services are provided at a fixed-rate based on square footage of buildings, per acreage of undeveloped land, linear footage of canal wall and size of mail box.

Other income and expenses are accounted for on an accrual basis.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Provisions, contingent liabilities and contingent assets

Provisions are recognized when present obligations as a result of a past event will probably lead to an outflow of economic resources from the Association and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events, for example, product warranties granted legal disputes or onerous contracts. Restructuring provisions are recognized only if a detailed formal plan for the restructuring has been developed and implemented, or management has at least announced the plan's main features to those affected by it. Provisions are not recognized for future operating losses. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Association can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset. However, this asset may not exceed the amount of the related provision.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. In those cases, where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized, unless it was assumed in the course of a business combination. In a business combination, contingent liabilities are recognized on the acquisition date when there is a present obligation that arises from past events and the fair value can be measured reliably, even if the outflow of economic resources is not probable.

THE LYFORD CAY PROPERTY OWNERS ASSOCIATION (1971) LIMITED

Notes to Financial Statements

31 December 2024

4. MATERIAL ACCOUNTING POLICIES (continued)

Provisions, contingent liabilities and contingent assets (continued)

They are subsequently measured at the higher amount of a comparable provision as described above and the amount recognized on the acquisition date, less any amortization. Possible inflows of economic benefits to the Association that do not yet meet the recognition criteria of an asset are considered contingent assets.

Events after the reporting date

Events after the reporting date that provide additional information about the Association's position at the reporting date (adjusting events) are reflected in the financial statements. Events after the reporting date that are not adjusting events, if any, are disclosed when material to the Association's financial statements.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at 31 December 2024 are comprised of the following:

	2024	2023
	\$	\$
Cash and cash equivalents:		
Term deposits	1,654,000	1,654,000
Cash at bank	864,553	615,283
Cash on hand	1,000	1,000
Total cash and cash equivalents	2,519,553	2,270,283
Bank overdrafts:		
FirstCaribbean International Bank (Bahamas) Limited	-	138,671
RBC Royal Bank (Bahamas) Limited	-	89,472
Total bank overdrafts	-	228,143
Net cash and cash position	2,519,553	2,042,140

The term deposits and cash at bank do not earn any interest. Term deposits are placed on a 30-day period depending on the immediate cash requirements of the Association.

The Association has a \$3,000,000 overdraft facility with CIBC FirstCaribbean International Bank (Bahamas) Limited. The overdraft facility is secured by first legal mortgage over the Association's land and buildings, together with an assignment of the buildings and their contents insurance coverage. Interest is paid by the Association on the overdraft at 4.50% (NAPR* +0.25%). The Association also has a \$500,000 overdraft facility with RBC Royal Bank (Bahamas) Limited. Interest is paid by the Association on the overdraft at 5.25% (NAPR* +1%).

Interest expense incurred and paid by the Association on the bank overdrafts during the year amounted to \$1,114 (2023: \$1,224), and was included in administration and operations expenses, as a part of expenses, excluding depreciation, in the statement of comprehensive operations.

**THE LYFORD CAY PROPERTY OWNERS
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Notes to Financial Statements

31 December 2024

6. ACCOUNTS RECEIVABLE, NET

Accounts receivable, net, as at 31 December 2024 consist of the following:

	2024	2023
	\$	\$
Accounts receivable, gross (Note 20)	4,056,617	3,756,667
Less: Allowance for expected credit losses	(1,386,865)	(1,205,342)
	2,669,752	2,551,325

Movement in the allowance for expected credit losses during the year is as follows:

	2024	2023
	\$	\$
Balance, beginning of the year	1,205,342	1,399,237
Provision for expected credit losses (Note 18)	198,489	11,469
Write-off	(10,305)	(11,469)
Recoveries during the year (Note 18)	(6,661)	(193,895)
Balance, end of the year	1,386,865	1,205,342

The aging of the Association's accounts receivable, net as at 31 December 2024 is as follows:

	2024				
	Current	Up to 30	30 - 90	Over 90	Total
Classification	\$	days	Days	days	\$
Neither past due nor impaired	474,977	-	-	-	474,977
Past due, but not impaired	-	-	86,609	2,108,166	2,194,775
Total	474,977	-	86,609	2,108,166	2,669,752

	2023				
	Current	Up to 30	30 - 90	Over 90	Total
Classification	\$	days	Days	days	\$
Neither past due nor impaired	854,236	118,669	-	-	972,905
Past due, but not impaired	-	-	114,167	1,464,253	1,578,420
Total	854,236	118,669	114,167	1,464,253	2,551,325

7. INVENTORIES

Inventories as at 31 December 2024 consist of can liners amounting to \$137,402 (2023: \$32,715).

8. DEPOSITS, PREPAYMENTS AND OTHER ASSET

Deposits, prepayments and other asset as at 31 December 2024 are comprised of the following:

	2024	2023
	\$	\$
Utility deposits	15,104	15,104
Prepayments	378,193	76,231
Other asset	120,040	-
	513,337	91,335

**THE LYFORD CAY PROPERTY OWNERS
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Notes to Financial Statements

31 December 2024

9. PROPERTY, PLANT AND EQUIPMENT, NET

Property, plant and equipment, net for the year ended 31 December 2024 are comprised of the following:

	Freehold land	Road development & improvement	Building	Gatehouse	Fire station	Vehicles & equipment	Total
	\$	\$	\$	\$	\$	\$	\$
Cost:							
Balances 1 January 2023	788,646	7,089,714	1,641,106	1,952,755	1,452,318	4,681,264	17,605,803
Additions	-	85,778	-	-	-	734,960	820,738
Disposals	-	-	-	-	-	(105,847)	(105,847)
Balance 31 December 2023	788,646	7,175,492	1,641,106	1,952,755	1,452,318	5,310,377	18,320,694
Additions	-	15,200	-	-	-	173,146	188,346
Disposals	-	-	-	-	-	(151,254)	(151,254)
Balances 31 December 2024	788,646	7,190,692	1,641,106	1,952,755	1,452,318	5,332,269	18,357,786
Accumulated depreciation:							
Balances 1 January 2023	-	1,112,524	941,692	642,809	408,197	3,562,770	6,667,992
Depreciation	-	238,932	65,871	84,854	52,820	384,458	826,935
Disposals	-	-	-	-	-	(105,847)	(105,847)
Balances 31 December 2023	-	1,351,456	1,007,563	727,663	461,017	3,841,381	7,389,080
Depreciation	-	241,200	41,630	84,854	52,820	407,073	827,577
Disposals	-	-	-	-	-	(151,254)	(151,254)
Balances 31 December 2024	-	1,592,656	1,049,193	812,517	513,837	4,097,200	8,065,403
Carrying value:							
31 December 2024	788,646	5,598,036	591,913	1,140,238	938,481	1,235,069	10,292,383
31 December 2023	788,646	5,824,036	633,543	1,225,092	991,301	1,468,996	10,931,614

During the year, fully depreciated vehicles were sold for \$10,000 (2023: \$5,000), which resulted in a gain on disposal of property, plant and equipment of the same amount. The land and building of the Association were pledged as security for bank overdraft facility (Note 5).

THE LYFORD CAY PROPERTY OWNERS ASSOCIATION (1971) LIMITED

Notes to Financial Statements

31 December 2024

10. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses as at 31 December 2024 are comprised of the following:

	2024	2023
	\$	\$
Accounts payable (Note 20)	428,706	429,364
Accrued expenses	210,172	334,285
	638,878	763,649

11. VALUE ADDED TAX

On 1 January 2015, the Government of The Bahamas implemented the Value Added Tax ("VAT") regime, with three (3) categories for goods and services, which includes two rates of VAT of 7.5% and 0%, and a third category classified as Exempt. The Association has registered with the Ministry of Finance and is a VAT registrant with a VAT certificate and Tax Identification Number 100157792. The Association as a result, charges VAT on assessment income and other services on behalf of the Government, and is required to submit the net taxes collected on a quarterly basis. The VAT rate was increased to 12% effective 1 July 2018, and effective 1 January 2022, the VAT Bill and Regulations was again amended, changing the rate from 12% to 10%.

As a VAT registrant, the Association is allowed to apply its input tax against its output tax, and net the amount of VAT outstanding. As of 31 December 2024, the net amount of VAT due to The Bahamas Government by the Association amounted to \$920,928 (2023: \$947,401).

12. TRAFFIC PLAN CONTRIBUTION

In November 2024, the Association entered into an agreement with Eastmor Properties Limited ("Eastmor") whereby the Association provided its approval for the construction of three (3) buildings, each not exceeding five (5) stories and comprising condominium units, with a total of not more than fifty (50) condominium units in subdivision number three (3) of Lyford Cay.

Under the terms of this agreement, Eastmor paid \$1,000,000 directly to the Association as a contribution toward the development, implementation, and ongoing improvement of a comprehensive plan to address existing traffic congestion and flow issues ("the Traffic Plan"). The agreement stipulates that all funds contributed by Eastmor must be utilized exclusively for the Traffic Plan implementation purposes. The agreement further provides that Eastmor shall pay an additional \$2,000,000 to the Association upon the earlier of: (i) thirty percent (30%) of the project units being under contract with agreed title transfer, or (ii) two years from the agreement date. This additional contribution is also restricted to the Traffic Plan implementation. While the Association retains complete discretion regarding the ultimate Traffic Plan design and implementation, Eastmor has consultation rights once Traffic Plan studies are completed and may make representations to the Association regarding proposed implementation strategies.

As at 31 December 2024, the Association has received \$1,000,000 under this agreement, which has been recognized as a liability in the statement of financial position. No Traffic Plan activities have commenced as at the year end.

THE LYFORD CAY PROPERTY OWNERS ASSOCIATION (1971) LIMITED

Notes to Financial Statements

31 December 2024

12. TRAFFIC PLAN CONTRIBUTION (continued)

The contingent additional contribution of \$2,000,000 represents a potential future obligation dependent upon the specified starting events outlined in the agreement.

13. MEMBERS' CAPITAL SUBSCRIPTIONS

From 1983, capital subscriptions were no longer levied on new members. Included in capital subscriptions of \$51,146 (2023: \$51,146) are subscriptions received from past members, which will be refunded on demand. There were no refunds made during the years ended 31 December 2024 and 2023.

14. PROPERTY, PLANT AND EQUIPMENT RESERVE CONTRIBUTION

In 1984, the Board of Directors considered it appropriate to establish a permanent reserve as a means to fund past and future property, plant and equipment purchases. Total property, plant and equipment reserve contribution at year-end amounted to \$774,834 (2023: \$774,834), and there were no transfers to this account during the years ended 31 December 2024 and 2023.

15. ROAD RESERVE CONTRIBUTION

In 1993, the Board of Directors considered it appropriate to establish a permanent reserve as a means to fund past and future road works. Total road reserve contribution at year-end amounted to \$400,000 (2023: \$400,000), and there were no transfers to this account during the year (2023: \$101,768).

16. SEAWALL RESERVE CONTRIBUTION

In 1992, the Board of Directors considered it appropriate to establish a permanent reserve as a means to fund past and future seawall repairs. Total seawall reserve contributions at year-end amounted to \$704,000 (2023: \$704,000), and there were no transfers to this account during the years ended 31 December 2024 and 2023.

17. EMERGENCIES AND CONTINGENCIES RESERVE CONTRIBUTION

In 1993, the Board of Directors considered it appropriate to establish a permanent reserve as a means to cover emergency expenses. Total emergencies and contingencies reserve contribution at year-end amounted to \$550,000 (2023: \$550,000), and there were no transfers to this account during the year (2023: \$25,858).

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31 December 2024

18. EXPENSES, EXCLUDING DEPRECIATION

Expenses, excluding depreciation during the year consist of the following:

	Note	2024 \$	2023 \$
Sanitation			
Wages - garbage collection and garden cuttings		840,032	757,963
Garbage dump cost		191,742	180,005
Vehicle and equipment operating (net of transportation recovery)		160,731	157,634
Staff medical	19	130,083	123,844
Garbage can liners		75,234	81,112
Pension	19	23,649	29,115
Uniforms and sundry		21,673	19,981
National insurance		18,180	15,419
Repairs and maintenance		12,632	6,852
Tools and equipment		10,052	5,849
Training and certification		7,020	1,325
		1,491,028	1,379,099
Landscape maintenance			
Wages		440,643	454,125
Mosquito control		98,616	85,255
Staff medical	19	69,866	67,865
Verge maintenance and improvements		63,842	112,934
Vehicle and equipment operating		47,364	48,772
Water - irrigation		27,575	10,112
Tools and equipment		18,933	24,881
Pension	19	11,768	11,044
Sundry		4,090	3,826
Uniforms		4,063	3,360
Repairs and maintenance		3,968	2,590
Soil		2,417	3,579
National insurance		(496)	16,023
		792,649	844,366
Mail service			
Wages		76,417	76,277
Staff medical	19	13,979	13,091
Transportation allowance		3,960	3,960
Pension	19	3,814	3,614
National insurance		3,452	3,787
Sundry		286	325
		101,908	101,054

**THE LYFORD CAY PROPERTY OWNERS
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Notes to Financial Statements

31 December 2024

18. EXPENSES, EXCLUDING DEPRECIATION (continued)

	Note	2024 \$	2023 \$
Security			
Salaries and wages		1,659,583	1,502,751
Staff medical	19	231,744	213,793
Repairs and maintenance		168,234	139,340
Guard dogs and dog house		124,374	70,294
Vehicle and equipment operating		80,070	75,926
Access control supplies (net ID credit)		64,837	120,659
Security consultants		59,579	70,451
National insurance		56,263	50,376
Pension	19	49,783	50,756
Sundry security		21,565	30,682
Transportation allowance		13,300	12,920
Uniforms		11,174	7,990
Gates and fences		6,397	16,283
Training		-	15,550
		2,546,903	2,377,771
Fire			
Salaries and wages		416,646	374,838
Staff medical	19	50,933	44,917
Fire and transportation allowance		35,410	22,965
Uniforms		18,931	2,203
Fire vehicle and equipment operating		17,178	24,409
Pension	19	13,917	12,883
National insurance		11,874	10,888
Training		6,900	7,000
Sundry fire		3,157	3,771
Fire extinguishers		1,016	-
		575,962	503,874
Road maintenance			
Drainage		24,162	34,499
Patching and paving		21,800	35,344
Supplies, sign etc.		5,835	4,976
		51,797	74,819
Seawall maintenance			
Seawall maintenance		502,759	238,929

**THE LYFORD CAY PROPERTY OWNERS
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Notes to Financial Statements

31 December 2024

18. EXPENSES, EXCLUDING DEPRECIATION (continued)

	Notes	2024 \$	2023 \$
Administration and operations			
Legal and audit fees		484,437	266,162
Salaries and wages		425,494	391,789
Telephone and utilities		292,111	297,543
Insurance and license		203,307	188,907
Provision for expected credit losses	6	198,489	11,469
Supplies and sundry		120,365	138,184
DHHS Ambulance Service		112,822	-
Computer loading / training		73,774	76,918
Real property tax		68,409	31,718
Lyford Cay hospital subsidy		60,000	60,000
Special project fund		58,673	94,061
Staff medical	19	42,068	38,779
Other charges		20,844	(10,856)
Pension	19	19,012	18,532
Repairs and maintenance		17,412	1,800
Transportation allowance		10,820	10,820
National insurance		9,934	8,483
Newsletter and publications		3,000	17,850
Miscellaneous		2,500	3,690
Interest	5	2,059	3,276
Vehicle and equipment operating		733	150
Bad debt recoveries	6	(6,661)	(193,895)
		2,219,602	1,455,380
Total expenses, excluding depreciation		8,282,608	6,975,292

19. PENSION PLAN, RETIREMENT PROVISION AND HEALTH INSURANCE

On 1 February 1988, the Association adopted a Defined Contribution Pension Plan, administered by an insurance company, for all employees under the age of 60 on that date. The Association contributes an amount equal to 5% of employees' gross salaries to the plan with the member employees contributing an equal sum. During the year, the Association's costs amounted to \$121,943 (2023: \$125,944), which includes administrative fees of \$11,016 (2023: \$10,716), and was disclosed as pension expense and included in various department expenses in Note 18, as a part of expenses, excluding depreciation, in the statement of comprehensive operations.

On 1 April 1998, the Association adopted a defined health insurance plan, administered by an insurance company, for all employees on that date. The health plan for the employees is fully funded by the Association. The Association's employees pay 100% of the premiums for any dependent coverage under this plan. The Association's costs for the year amounted to \$538,673 (2023: \$502,289), and was disclosed as staff medical and included in various department expenses in Note 18, as a part of expenses, excluding depreciation, in the statement of comprehensive operations.

THE LYFORD CAY PROPERTY OWNERS ASSOCIATION (1971) LIMITED

Notes to Financial Statements

31 December 2024

20. RELATED PARTY BALANCES AND TRANSACTIONS

The financial statements include various balances and transactions with companies within Lyford Cay having directors or officers in common with the Association. These are summarized as follows:

	2024	2023
	\$	\$
Balances:		
Accounts payable and accrued expenses (Note 10)	483	-
Accounts receivable, net (Note 6)	-	17,397
Transaction:		
Members' assessments	337,270	463,311

21. COMMITMENT AND CONTINGENCIES

As at the reporting date, the Association is involved in certain legal matters arising in the normal course of its operations. Due to the inherent uncertainties associated with legal proceedings, the ultimate resolution of these matters and any associated financial impact cannot currently be determined with certainty. Management, in consultation with legal counsel, has evaluated the potential outcomes of these cases and has determined that no provision is required in the financial statements at this time, as the likelihood of an outflow of resources is not considered probable or the amount of liability cannot be reliably estimated. The Association, supported by its legal counsel, continues to actively monitor and assess these ongoing legal matters. Should circumstances change and liabilities become probable and estimable, appropriate provisions will be made in future periods.

22. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Association is exposed to various types of risks in the normal course of business, including credit and liquidity risks. The Association's financial performance is dependent on its ability to understand and effectively manage these risks.

Credit risk

Credit risk arises from the failure of a counterparty to perform according to the terms of the contract. The Association's exposure to credit risk arises from its cash at bank, term deposits and accounts receivable. Credit risk is managed by restricting counterparties to approved, well-established, high quality financial institutions.

The following table presents the Association's maximum exposure to credit risk in relation to its financial assets.

	2024	2023
	\$	\$
Cash and cash equivalents (excluding cash on hand)	2,518,553	2,269,283
Accounts receivable, net	2,669,752	2,551,325
	5,188,305	4,820,608

An analysis of the Association's accounts receivables for past due amounts as at 31 December 2024 and 2023 is disclosed in Note 6.

THE LYFORD CAY PROPERTY OWNERS ASSOCIATION (1971) LIMITED

Notes to Financial Statements

31 December 2024

22. RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk

The objective of liquidity management is to ensure the availability of sufficient funds to honor all of the Association's financial commitments. Management is responsible for maintaining an adequate level of liquid assets which could be sold immediately to meet cash requirements for normal operating activities. All recorded liabilities are due within one year.

Below is the maturity profile of the Association's financial assets and liabilities as at 31 December, based on contractual undiscounted payments:

	2024			Total
	Due on demand \$	Less than 1 year \$	Over 1 year \$	
Financial assets				
Cash and cash equivalents (excluding cash on hand)	2,518,553	-	-	2,518,553
Accounts receivable, net	-	2,669,752	-	2,669,752
	2,518,553	2,669,752	-	5,188,305
Financial liabilities				
Accounts payable and accrued expenses	-	638,878	-	638,878
Liquidity gap	2,518,553	2,030,874	-	4,549,427
	2023			Total
	Due on demand \$	Less than 1 year \$	Over 1 year \$	
Financial assets				
Cash and cash equivalents (excluding cash on hand)	2,269,283	-	-	2,269,283
Accounts receivable, net	-	2,551,325	-	2,551,325
	2,269,283	2,551,325	-	4,820,608
Financial liabilities				
Bank overdraft	228,143	-	-	228,143
Accounts payable and accrued expenses	-	763,649	-	763,649
	228,143	763,649	-	991,792
Liquidity gap	2,041,140	1,787,676	-	3,828,816

23. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Association's objectives when managing capital are to safeguard the Association's ability to continue as a going concern in order to facilitate the payment of expenses and capital expenditure for maintaining the Lyford Cay area for the homeowners.

**THE LYFORD CAY PROPERTY OWNERS
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Notes to Financial Statements

31 December 2024

23. CAPITAL MANAGEMENT POLICIES AND PROCEDURES (continued)

In order to maintain or adjust the capital structure the Association may establish reserves by assessing a capital charge on its members, returning capital to the members or selling assets to reduce financial liabilities.

24. EVENTS AFTER THE REPORTING DATE

The Association evaluated the impact of all post-reporting date events through 21 July 2025, which is the date the financial statements were available to be issued.

There were no adjusting or non-adjusting subsequent events that need to be disclosed in the financial statements.

Independent Auditors' Report pages 1 through 3.