

Ciboney Group Limited

Consolidated Balance Sheet

May 31, 2004

| | Notes | 2004 | 2003 (Restated) |
|--|-------|--------------------|--------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 4 | 93,212,179 | 88,545,716 |
| Resale agreements | 5 | 67,047,902 | 64,728,970 |
| Accounts receivable | 6 | 35,038,590 | 109,711,413 |
| Current portion of time-share receivable | 9 | 13,317,079 | 9,932,683 |
| Current portion of note receivable | 11 | 144,391,845 | - |
| Income tax recoverable | | <u>6,822,619</u> | <u>5,818,608</u> |
| | | <u>359,830,214</u> | <u>278,737,390</u> |
| CURRENT LIABILITIES | | | |
| Bank overdraft (unsecured) | | - | 796,608 |
| Accounts payable and accrued charges | 7 | 154,238,401 | 202,250,903 |
| Interest payable | | 151,818,882 | 29,057,170 |
| Current portion of long-term loans | 14 | 90,574,126 | 82,259,994 |
| Owed to parent company | | 167,558,698 | 167,558,698 |
| Owed to ultimate parent company | | <u>3,155,485</u> | <u>3,155,485</u> |
| | | <u>567,345,592</u> | <u>485,078,858</u> |
| NET CURRENT LIABILITIES | | (207,515,378) | (206,341,468) |
| UNQUOTED EQUITY INVESTMENT, at cost | | | |
| TIME-SHARE RECEIVABLE | 9 | - | 300,000 |
| | | - | 15,203,691 |

| | | | |
|-------------------------------|----|----------------------|----------------------|
| PROPERTY, PLANT AND EQUIPMENT | 10 | 44,215,811 | 629,292,476 |
| NOTE RECEIVABLE | 11 | 713,063,815 | - |
| | | <u>\$549,764,248</u> | <u>438,454,699</u> |
| | | ===== | ===== |
| Financed by: | | | |
| STOCKHOLDERS' NET DEFICIT | | | |
| Share capital | 12 | 54,600,000 | 54,600,000 |
| Reserves | | 321,049,298 | 321,049,298 |
| Accumulated deficit | | <u>(385,730,678)</u> | <u>(743,967,473)</u> |
| | | (10,081,380) | (368,318,175) |
| DEFERRED INCOME | 13 | - | 125,730,094 |
| LONG-TERM LOANS | 14 | 559,845,628 | 677,820,459 |
| MINORITY INTEREST | | - | 3,222,321 |
| | | <u>\$549,764,248</u> | <u>438,454,699</u> |
| | | ===== | ===== |

The financial statements on pages 2 to 20 were approved for issue by the Board of Directors on November 3, 2004 and signed on its behalf by:

Geoffrey Messado
Director

Patrick Hylton
Director
