

**PUBLIC DISCLOSURE AUTHORISED**

**CARIBBEAN DEVELOPMENT BANK**



Statement of Interim Financial Position (Unaudited)

For the Nine Months Ended September 30, 2018

*(Expressed in thousands of United States Dollars unless otherwise stated)*

This Document is being made publicly available in accordance with the Bank's Information Disclosure Policy.

**December 2018**

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**STATEMENT OF FINANCIAL POSITION**  
**As of September 30, 2018**  
**(expressed in thousands of United States dollars)**

	<u>2018</u>	<u>December 31, 2017</u>
<b>Assets</b>		
<b>Cash Resources</b>		
Cash and cash equivalents	\$135,113	\$85,961
<b>Investments</b>		
Debt securities at fair value through profit or loss	351,271	353,491
<b>Receivables</b>		
Receivables and prepaid assets	10,026	14,248
Cash collateral on derivatives	8,400	6,675
	<u>18,426</u>	<u>20,923</u>
<b>Loans</b>		
Loans outstanding	1,092,185	1,060,082
<b>Receivable from members</b>		
Non-negotiable demand notes	46,291	46,088
Maintenance of value on currency holdings	4,414	4,250
Subscriptions in arrears	661	2,310
	<u>51,366</u>	<u>52,648</u>
<b>Derivative financial instruments</b>	40,621	55,584
<b>Other assets</b>		
Property and equipment	13,042	12,325
<b>Total Assets</b>	<u>\$1,702,024</u>	<u>\$1,641,014</u>

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**STATEMENT OF FINANCIAL POSITION**  
**As of September 30, 2018**  
**(expressed in thousands of United States dollars)**

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	<b>2018</b>	December 31, 2017
	<u>          </u>	<u>          </u>
<b>Liabilities and Equity</b>		
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$7,412	\$4,810
Deferred income	875	875
Post-employment obligations	25,772	25,772
Borrowings	753,921	691,549
Derivative financial instrument	29,530	18,258
	<u>          </u>	<u>          </u>
<b>Total Liabilities</b>	<b>\$817,510</b>	<b>\$741,264</b>
<b>Equity</b>		
Subscriptions matured (net)	383,889	383,889
Retained earnings and reserves	500,625	515,861
	<u>          </u>	<u>          </u>
<b>Total Equity</b>	<b>884,514</b>	<b>899,750</b>
	<u>          </u>	<u>          </u>
<b>Total Liabilities and Equity</b>	<b>\$1,702,024</b>	<b>\$1,641,014</b>
	<u>          </u>	<u>          </u>

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**STATEMENT OF CHANGES IN EQUITY**  
**As of September 30, 2018**  
**(expressed in thousands of United States dollars)**

	<b>Capital Stock</b>	<b>Retained Earnings</b>	<b>Post Employment Obligations</b>	<b>Other Reserves</b>	<b>Total</b>
Balance as of January 1, 2017	\$381,580	\$517,875	(\$16,213)	\$13,260	\$896,502
Net income for the period	-	\$3,353	-	-	3,353
Balance as of September 30, 2017	\$381,580	\$521,228	(\$16,213)	\$13,260	\$899,855
Balance as of January 1, 2018	\$383,889	\$514,641	(\$12,040)	\$13,260	\$899,750
Net loss for the period	-	(15,236)	-	-	(15,236)
<b>Balance as of September 30, 2018</b>	<b>\$383,889</b>	<b>\$499,405</b>	<b>(\$12,040)</b>	<b>\$13,260</b>	<b>\$884,514</b>

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**For the nine months ended September 30, 2018**  
**(expressed in thousands of United States dollars)**

	<u>2018</u>	<u>2017</u>
<b>Interest and similar income</b>		
Loans	\$34,838	\$27,940
Investments and cash balances	5,062	4,156
	<u>39,900</u>	<u>32,096</u>
<b>Interest expense and similar charges</b>		
Borrowings	16,619	15,355
Other financial expenses/(income)	2,342	(1,583)
	<u>18,961</u>	<u>13,772</u>
<b>Net interest income</b>	<u>20,939</u>	<u>18,324</u>
<b>Other (income)/expenses</b>		
Other income	(829)	(555)
Realised and unrealised fair value losses/(gains)	3,102	(1,944)
Administrative expenses	9,903	9,375
Foreign exchange translation	(72)	(90)
	<u>12,104</u>	<u>6,786</u>
<b>Operating income</b>	<u>8,835</u>	<u>11,538</u>
<b>Net income before derivative and foreign denominated borrowing adjustments</b>	<u>8,835</u>	<u>11,538</u>
Derivative fair value adjustment	(25,508)	5,535
Foreign exchange gain/(loss) in translation on borrowings	1,437	(13,720)
	<u>(24,071)</u>	<u>(8,185)</u>
<b>Total comprehensive (loss)/ income for the period</b>	<u>\$(15,236)</u>	<u>\$3,353</u>

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**STATEMENT OF CASH FLOWS**  
**For the nine months ended September 30, 2018**  
**(expressed in thousands of United States dollars)**

	<u>2018</u>	<u>2017</u>
<b>Operating activities:</b>		
Net (loss)/income for the period	\$ (15,236)	\$3,353
Adjustments:		
Unrealised losses/(gains) on debt securities	3,120	(1,944)
Depreciation	1,174	1,145
Derivative fair value adjustment	25,508	(5,535)
Interest income	(39,900)	(32,096)
Interest expense	18,961	13,772
Foreign exchange (gain)/loss in translation	(1,437)	13,720
(Increase)/decrease in maintenance of value on currency holdings	(164)	927
Gain on disposal of asset	-	(237)
<i>Total cash flows used in operating activities before changes in operating assets and liabilities</i>	<u>(7,974)</u>	<u>(6,895)</u>
Changes in operating assets and liabilities		
Decrease/(increase) in receivables and prepaid assets	4,222	(565)
(Increase)/decrease in cash collateral on derivatives	(1,725)	6,805
Increase/(decrease) in accounts payable and accrued liabilities	2,602	(1,214)
Net increase in debt securities at fair value through profit and loss	(1,193)	(62,267)
<i>Cash used in operating activities</i>	<u>(4,068)</u>	<u>(64,136)</u>
Disbursements on loans	(103,993)	(36,433)
Principal repayments on loans	75,188	76,306
Interest received	36,895	29,825
<i>Net cash provided by operating activities</i>	<u>4,022</u>	<u>5,562</u>
<b>Investing activities:</b>		
Purchase of property and equipment	(1,890)	(1,122)
Proceeds from sale of property and equipment	-	809
<i>Net cash used in investing activities</i>	<u>(1,890)</u>	<u>(313)</u>
<b>Financing activities:</b>		
Borrowings:		
New borrowings	134,730	28,759
Repayments on borrowings	(72,773)	(2,773)
Interest paid on borrowings	(16,383)	(12,638)
Decrease in receivables from members	1,446	3,317
<i>Net cash provided by financing activities</i>	<u>47,020</u>	<u>16,665</u>
Net increase in cash and cash equivalents	49,152	21,914
Cash and cash equivalents at beginning of year	85,961	94,207
<b>Cash and cash equivalents at end of period</b>	<u><u>\$135,113</u></u>	<u><u>\$116,121</u></u>

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**SUMMARY STATEMENT OF INVESTMENTS**  
**As of September 30, 2018**  
**(expressed in thousands of United States dollars)**

Schedule 1

	2018				
	USD	EUR	CAD	Other Currencies	All Currencies
Obligations guaranteed by					
Governments	<b>\$242,841</b>	\$-	<b>\$3,825</b>	\$-	<b>\$246,666</b>
Multilateral organisations	<b>101,699</b>	-	<b>1,059</b>	-	<b>102,758</b>
Time deposits	-	-	-	<b>756</b>	<b>756</b>
Sub-total	<b>344,540</b>	-	<b>4,884</b>	<b>756</b>	<b>350,180</b>
Accrued interest	<b>1,061</b>	-	<b>29</b>	<b>1</b>	<b>1,091</b>
Total	<b>\$345,601</b>	\$-	<b>\$4,913</b>	<b>\$757</b>	<b>\$351,271</b>

	December 31, 2017				
	USD	EUR	CAD	Other Currencies	All Currencies
Obligations guaranteed by					
Governments	233,929	\$-	3,982	\$-	237,911
Multilateral organisations	112,333	-	1,097	-	113,430
Time deposits	-	-	-	766	766
Sub-total	346,262	-	5,079	766	352,107
Accrued interest	1,367	-	16	1	1,384
Total	\$347,629	\$-	\$5,095	\$767	\$353,491

**RESIDUAL TERM TO CONTRACTUAL MATURITY**

	2018	2017
One month to three months	\$25,001	\$22,818
Over three months to one year	59,218	27,792
Over one year to five years	261,422	295,468
Over five years to ten years	5,630	7,413
<b>Total</b>	<b>\$351,271</b>	<b>\$353,491</b>

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**SUMMARY STATEMENT OF LOANS**  
**As of September 30, 2018**  
(expressed in thousands of United States dollars)

Member countries in which loans have been made	Total loans approved <sup>1/</sup>	Undisbursed	Loans outstanding	Schedule 2
				Percentage of loans outstanding
ANGUILLA	\$129,694	\$19,248	\$72,375	6.7
ANTIGUA AND BARBUDA	232,311	70,921	118,340	10.9
BAHAMAS	91,353	15,431	18,338	1.7
BARBADOS	363,320	40,075	115,908	10.7
BELIZE	269,592	61,314	105,632	9.7
BRITISH VIRGIN ISLANDS	179,077	50,386	79,472	7.3
CAYMAN ISLANDS	43,057	-	-	-
DOMINICA	62,034	10,734	17,754	1.7
GRENADA	94,664	16,194	38,706	3.6
GUYANA	66,766	2,555	29,213	2.7
JAMAICA	467,659	7,016	181,270	16.7
MONTSERRAT	485	-	-	-
ST. KITTS AND NEVIS	88,528	6,213	29,412	2.7
ST. LUCIA	230,186	32,593	56,357	5.2
ST. VINCENT AND THE GRENADINES	182,644	10,782	78,159	7.2
SURINAME	139,841	83,307	55,284	5.1
TRINIDAD AND TOBAGO	168,654	-	36,266	3.4
TURKS AND CAICOS ISLANDS	15,542	441	2,703	0.2
REGIONAL	20,725	5,593	6,873	0.6
PRIVATE SECTOR	181,249	21,466	42,630	3.9
Sub-total	3,027,383	454,268	1,084,690	100.0
Loan impairment provision	-	-	(6,309)	
Accrued Interest	-	-	13,804	
<b>Total - September 30, 2018</b>	<b>\$3,027,383</b>	<b>\$454,268</b>	<b>\$1,092,185</b>	
Total - December 31, 2017	\$2,960,676	\$463,981	\$1,060,082	

<sup>1/</sup> Net of lapses and cancellations.

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**SUMMARY STATEMENT OF LOANS (continued)**  
**As of September 30, 2018**  
**(expressed in thousands of United States dollars)**

							Schedule 2 (continued)
Currencies Receivable	Loans Out- standing 2017	Net Interest Earned	Disburse- ments	Sub- Total	Repay- ments	Provision for Impairment	Loans Out- standing 2018
United States dollars	\$1,055,885	\$-	\$103,993	\$1,159,878	\$(75,188)	\$-	\$1,084,690
<b>Sub-Total</b>	<b>1,055,885</b>	<b>-</b>	<b>103,993</b>	<b>1,159,878</b>	<b>(75,188)</b>	<b>-</b>	<b>1,084,690</b>
Provision for impairment	(6,309)	-	-	(6,309)	-	-	(6,309)
Accrued interest	10,506	3,298	-	13,804	-	-	13,804
<b>Total - September 30, 2018</b>	<b>\$1,060,082</b>	<b>\$3,298</b>	<b>\$103,993</b>	<b>\$1,167,373</b>	<b>\$(75,188)</b>	<b>-</b>	<b>\$1,092,185</b>
Total - December 31, 2017	\$1,016,926	\$1,983	\$143,196	\$1,162,105	\$(102,023)	\$-	\$1,060,082

MATURITY STRUCTURE OF LOANS OUTSTANDING

October 1, 2018 to December 31, 2018	\$44,367
January 1, 2019 to December 31, 2019	101,793
January 1, 2020 to December 31, 2020	101,446
January 1, 2021 to December 31, 2021	104,679
January 1, 2022 to December 31, 2022	103,875
January 1, 2023 to December 31, 2027	444,887
January 1, 2028 to December 31, 2032	171,972
January 1, 2033 to December 31, 2037	22,317
January 1, 2038 to December 31, 2041	3,158
<b>Total</b>	<b>1,098,494</b>
<b>Less impairment provision</b>	<b>(6,309)</b>
<b>Total loans outstanding</b>	<b>\$1,092,185</b>

CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES  
STATEMENT OF SUBSCRIPTION TO CAPITAL STOCK AND VOTING POWER  
September 30, 2018  
(expressed in thousands of United States dollars)

Schedule 3

Member	No. of Shares	% of Total	Total subscribed capital	Callable capital	Paid-up capital	Subscriptions Matured	Voting Power		Receivable from members, Non-negotiable Demand Notes
							No. of votes	% of total votes	
<b>Regional States and Territories:</b>									
Jamaica	48,354	17.31	\$291,659	\$227,614	\$64,045	\$64,045	48,504	17.14	13,591
Trinidad and Tobago	48,354	17.31	291,659	227,614	64,045	64,045	48,504	17.14	10,699
Bahamas	14,258	5.10	86,001	67,115	18,886	18,885	14,408	5.09	1,612
Guyana	10,417	3.73	62,833	49,038	13,795	13,795	10,567	3.73	3,125
Barbados	9,074	3.25	54,732	42,717	12,015	12,015	9,224	3.26	1,070
Colombia	7,795	2.79	47,017	36,691	10,326	10,326	7,945	2.81	627
Mexico	7,795	2.79	47,017	36,691	10,326	10,326	7,945	2.81	-
Venezuela	7,795	2.79	47,017	36,691	10,326	10,326	7,945	2.81	3,203
Suriname	4,166	1.49	25,128	19,627	5,501	5,061	4,316	1.53	2,805
Brazil	3,118	1.12	18,807	14,687	4,120	2,472	3,268	1.15	-
Haiti	2,187	0.78	13,191	10,296	2,895	2,895	2,337	0.83	-
Belize	2,148	0.77	12,956	10,109	2,847	2,847	2,298	0.81	-
Dominica	2,148	0.77	12,956	10,109	2,847	2,847	2,298	0.81	286
St. Lucia	2,148	0.77	12,956	10,109	2,847	2,847	2,298	0.81	360
St. Vincent and the Grenadines	2,148	0.77	12,956	10,109	2,847	2,847	2,298	0.81	97
Antigua and Barbuda	2,148	0.77	12,956	10,109	2,847	2,847	2,298	0.81	296
St. Kitts and Nevis	2,148	0.77	12,956	10,109	2,847	2,847	2,298	0.81	255
Grenada	1,839	0.66	11,093	8,661	2,432	2,431	1,989	0.70	213
Anguilla /1	455	0.16	2,744	2,141	603	603			14
Montserrat /1	533	0.19	3,215	2,509	706	706			-
British Virgin Islands /1	533	0.19	3,215	2,509	706	706	2,737	0.97	-
Cayman Islands /1	533	0.19	3,215	2,509	706	706			8
Turks and Caicos Islands /1	533	0.19	3,215	2,509	706	706			-
	<u>180,627</u>	<u>64.65</u>	<u>1,089,494</u>	<u>850,273</u>	<u>239,221</u>	<u>237,131</u>	<u>183,477</u>	<u>64.83</u>	<u>38,263</u>
<b>Non-Regional States:</b>									
Canada	26,004	9.31	156,849	122,408	34,441	34,441	26,154	9.24	-
United Kingdom	26,004	9.31	156,849	122,408	34,441	34,441	26,154	9.24	2,150
Italy	15,588	5.58	94,023	73,376	20,647	20,647	15,738	5.56	641
Germany	15,588	5.58	94,023	73,376	20,647	20,647	15,738	5.56	5,549
China	15,588	5.58	94,023	73,376	20,647	20,647	15,738	5.56	-
	<u>98,772</u>	<u>35.35</u>	<u>595,767</u>	<u>464,944</u>	<u>130,823</u>	<u>130,822</u>	<u>99,522</u>	<u>35.17</u>	<u>8,340</u>
<b>Sub-total</b>	<u>279,399</u>	<u>100.00</u>	<u>1,685,261</u>	<u>1,315,217</u>	<u>370,044</u>	<u>367,953</u>	<u>282,999</u>	<u>100.00</u>	<u>46,603</u>
<b>Additional subscriptions</b>									
China			18,804	14,688	4,116	4,116			
Colombia			1,810	905	905	905			
Germany			12,546	9,681	2,865	2,865			
Italy			12,546	9,681	2,865	2,865			
Mexico			6,273	4,841	1,432	1,431			
Venezuela			1,810	905	905	905			
Haiti			2,639	2,060	579	579			
Suriname			12,564	9,814	2,750	1,870			
Brazil			9,403	7,343	2,060	741			
<b>Sub-total</b>	<u>-</u>	<u>-</u>	<u>78,395</u>	<u>59,918</u>	<u>18,477</u>	<u>16,277</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Gross Subscriptions - September 30, 2018</b>	<u>279,399</u>	<u>100.00</u>	<u>\$1,763,656</u>	<u>\$1,375,135</u>	<u>\$388,521</u>	<u>\$384,230</u>	<u>282,999</u>	<u>100.00</u>	<u>\$46,603</u>
Subscriptions Prepayment Discount						(341)			
<b>Net Subscriptions - September 30, 2018</b>						<u>383,889</u>			
Total - December 31, 2017	<u>279,399</u>	<u>100.00</u>	<u>\$1,763,656</u>	<u>\$1,375,135</u>	<u>\$388,521</u>	<u>\$383,889</u>	<u>282,999</u>	<u>100.00</u>	<u>\$46,603</u>

1. In accordance with Article 3 paragraph 4 of the Agreement establishing the Bank and Board of Governors Resolution No. 4/81, these territories are considered as a single member of the Bank for the purpose of Articles 26 and 32 of the Agreement.

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**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**SUMMARY STATEMENT OF BORROWINGS**  
**As of September 30, 2018**  
**(expressed in thousands of United States dollars)**

Schedule 4

	Original amounts 1/	Trans- lation adjust- ments	Repay- ments to date	Currency swap agreements	Undrawn	Out- stand- ing	Due Dates
Short term borrowing:							
Royal Bank of Credit Line of Credit - US	\$40,000	\$-	\$-	\$-	(40,000)	-	2018
	40,000	-	-	-	(40,000)	-	
CDB Market Borrowings:							
4.35% Loan - Yen	60,000	(2,890)	-	-	-	57,110	2030
2.75% Notes - Yen	100,000	10,268	-	-	-	110,268	2022
4.375% Bonds - US\$	300,000	-	-	-	-	300,000	2027
0.297% Bonds - CHF	151,341	(2,912)	-	-	-	148,429	2028
Unamortized transaction costs	(2,077)	1	-	-	-	(2,076)	
Unamortized currency swap	4,095	-	-	(727)	-	3,368	
	613,359	4,467	-	(727)	-	617,099	
European Investment Bank							
Global Loan III - US\$	19,918	-	(1,660)	-	-	18,258	2023
Climate Action Credit - US\$	65,320	-	-	-	(9,178)	56,142	2032
Climate Action Credit 2 - US\$	115,821	-	-	-	(86,791)	29,030	2033
Unamortized transaction costs	(292)	-	-	-	-	(292)	
	200,768	-	(1,660)	-	(95,969)	103,138	
Inter-American Development Bank:							
Loan 926/OC-RG - US\$	19,347	-	(16,565)	-	-	2,782	2021
Loan 2798/BL-RG - US\$	14,000	-	-	-	(5,078)	8,922	2043
Loan 3561/OC - RG	20,000	-	-	-	(15,279)	4,721	2037
	53,347	-	(16,565)	-	(20,357)	16,425	
Agence Francaise de Developpment							
	33,000	-	-	-	(23,000)	10,000	2028
	33,000	-	-	-	(23,000)	10,000	
Sub-total	940,474	4,467	(18,225)	(727)	(179,326)	746,663	
Accrued interest	7,258	-	-	-	-	7,258	
<b>Total - September 30, 2018</b>	<b>\$947,732</b>	<b>\$4,467</b>	<b>\$(18,225)</b>	<b>\$(727)</b>	<b>\$(179,326)</b>	<b>\$753,921</b>	
Total - December 31, 2017	\$963,274	\$6,125	\$(30,391)	\$(968)	\$(246,491)	\$691,549	

1/ Net of cancellations and borrowings fully repaid.

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**SUMMARY STATEMENT OF BORROWINGS (continued)**  
**As of September 30, 2018**  
**(expressed in thousands of United States dollars)**

							Schedule 4
	Out- standing borrow- ings December 31 2017	Trans- lation adjust- ments	Net Interest Paid	Draw- downs	Amorti- sation	Repay- ments	Out- standing borrow- ings Mar 31 2018
Currencies repayable							
United States dollars	\$367,775	\$-	\$-	\$134,899	\$-	\$(72,773)	\$429,901
Swiss Franc	148,657	(228)	-	-	-	-	148,429
Yen	172,678	(1,205)	-	-	(726)	-	170,747
Sub-total	689,110	(1,433)	-	134,899	(726)	(72,773)	\$749,077
Amortised borrowing cost	(2,241)	(4)	-	(169)	-	-	(2,414)
Accrued interest	4,680	-	2,578	-	-	-	7,258
<b>Total - September 30, 2018</b>	<b>\$691,549</b>	<b>\$(1,437)</b>	<b>\$2,578</b>	<b>\$134,730</b>	<b>\$(726)</b>	<b>\$(72,773)</b>	<b>\$753,921</b>
Total - December 31, 2017	\$654,530	\$12,730	\$631	\$29,058	\$(968)	\$(4,432)	\$691,549

MATURITY STRUCTURE OF BORROWINGS OUTSTANDING

October 1, 2018 to December 31, 2018	\$8,918
January 1, 2019 to December 31, 2019	5,369
January 1, 2020 to December 31, 2020	6,635
January 1, 2021 to December 31, 2021	10,207
January 1, 2022 to December 31, 2022	125,524
January 1, 2023 to December 31, 2027	346,053
January 1, 2028 to December 31, 2032	242,319
January 1, 2033 to December 31, 2043	8,896
<b>Total</b>	<b>\$753,921</b>

## **CARIBBEAN DEVELOPMENT BANK ORDINARY CAPITAL RESOURCES**

### **NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the nine months ended September 30, 2018**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

#### **NOTE 1 – NATURE OF OPERATIONS**

##### *Corporate structure*

The Caribbean Development Bank (“CDB” or “the Bank”) is an international organisation established by an Agreement (“Charter”) signed in Kingston, Jamaica, on October 18, 1969 and accepted and ratified by all the member countries which are signatories thereto. The Charter is an international treaty which, together with the instruments of ratification and accession by member countries, is deposited with the United Nations Secretary-General. The Charter entered into force on January 26, 1970 and CDB commenced operations on January 31, 1970. Since then other countries have become members of CDB by acceding to the Charter. The Bank’s headquarters is located in Wildey in the parish of Saint Michael in the island of Barbados.

##### *Purpose and objectives*

CDB is a regional financial institution established for the purpose of contributing to the harmonious economic growth and development of the member countries in the Caribbean (“Region”) and to promote economic cooperation and integration among them, with special and urgent regard to the needs of the less developed members.

Reducing poverty in the region is CDB’s main objective and it finances development projects in its Borrowing Member Countries (“BMCs”) primarily through its Ordinary Capital Resources (“OCR”) which comprises shareholders’ paid-in capital, retained earnings and reserves and borrowings. In advancing this objective, the Bank participates in the selection, study and preparation of projects contributing to poverty reduction and where necessary, provides technical assistance. The BMCs are also shareholders of the OCR and are therefore considered related parties.

##### *Membership*

The membership of the Bank is open to:

- (a) States and Territories of the Region;
- (b) Non-Regional States which are members of the United Nations or any of its specialised Agencies; or of the International Atomic Energy Agency.

The current membership of the Bank is comprised of twenty-three (23) regional states and territories and five (5) non-regional states (2017: 23 regional states and territories and 5 non-regional states).

#### **NOTE 2 – KEY EVENTS**

For the three month period commencing July 1, 2018, the Bank’s interest rate on its variable rate loans was set at 4.50% (2017: 3.80%). This was approved at the 281st Meeting of the Board of Directors (BOD) held on May 28, 2018 and is in accordance with the new policy of setting interest rates on the basis of the weighted average cost of borrowings for the previous three months plus an adjustable spread.

For the period under review, the Bank recorded net interest income of \$20.9mn (2017: \$18.3mn), an increase of \$2.6mn (14.2%) due to the net effect of increases in interest income of \$7.8mn and interest expenses of \$5.2mn. In addition, the increase in administrative and other expenditures of \$5.3mn resulted in operating income of \$8.8mn, a decline of \$2.7mn (39.8%) compared to the previous period.

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the nine months ended September 30, 2018**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 2 – KEY EVENTS...continued**

There was a total comprehensive loss of \$15.2mn (2017: income of \$3.4mn) driven by the negative effects of \$24.1mn relating to the total derivative fair value and foreign exchange impact adjustments compared to \$8.2mn in the previous period. These adjustments are volatile and are determined by external factors, however, derivatives are held to maturity in accordance with approved policy.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of preparation**

This condensed interim financial report for the nine months ended September 30, 2018 was prepared in accordance with IAS 34, ‘*Interim Financial Reporting*’ and does not include all of the information and disclosures required in the audited annual financial statements. This condensed interim financial report should be read in conjunction with the Bank’s audited financial statements in respect of the year ended December 31, 2017.

**Accounting policies**

Accounting policies which are specific in nature are included as part of the disclosures that are relevant to the particular item. The accounting policies that are of a general nature applied in the preparation of these financial statements are set out below.

All policies have been consistently applied to the years presented, except where otherwise stated. Prior year comparatives have been adjusted or amended to conform with the presentation in the current year where applicable.

**New and amended standards and interpretations which are applicable to the Bank**

The Bank applied for the first time certain standards and amendments, which are effective for the reporting period. The Bank has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

The nature and the impact of each new standard and amendment is described below:

- *IFRS 9, Financial Instruments* (Effective January 1, 2018)

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments that replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. IFRS 9 brings together all three aspects of the accounting for financial instruments project: classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Except for hedge accounting, retrospective application is required but providing comparative information is not compulsory. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions.

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the nine months ended September 30, 2018**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES...continued**

**New and amended standards and interpretations which are applicable to the Bank...continued**

The Bank plans to adopt the new standard on the required effective date and will not restate comparative information. The Bank is engaged in a detailed impact assessment of all three aspects of IFRS 9. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the Bank in 2018 when the Bank will adopt IFRS 9. Overall, the Bank expects no significant impact on its statement of financial position and equity except for the effect of applying the impairment requirements of IFRS 9. The dollar value of the impact however has not been finalised. In addition, the Bank will implement changes in classification of certain financial instruments. The Bank does not currently apply hedge accounting.

- *IFRS 15, Revenue from contracts with customers* (Effective January 1, 2018)

In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers, effective for periods beginning on 1 January 2018 with early adoption permitted. IFRS 15 defines principles for recognising revenue and will be applicable to all contracts with customers. However, interest and fee income integral to financial instruments and leases will continue to fall outside the scope of IFRS 15 and will be regulated by the other applicable standards (e.g., IFRS 9, and IFRS 16 Leases).

Revenue under IFRS 15 will need to be recognised as goods and services are transferred, to the extent that the transferor anticipates entitlement to goods and services. The standard will also specify a comprehensive set of disclosure requirements regarding the nature, extent and timing as well as any uncertainty of revenue and corresponding cash flows with customers.

The Bank is currently evaluating the impact of IFRS 15.

- *IFRIC Interpretation 22 Foreign Currency Transactions and Advance Consideration* (Effective January 1, 2018)

The Interpretation clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the de-recognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration. Entities may apply the amendments on a fully retrospective basis. Alternatively, an entity may apply the Interpretation prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

- (i) The beginning of the reporting period in which the entity first applies the interpretation; or

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the nine months ended September 30, 2018**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES ...continued**

**New and amended standards and interpretations which are applicable to the Bank ...continued**

- (ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the interpretation.

The Bank does not currently have non-monetary assets or liabilities relating to advance consideration but will evaluate its impact on present operations.

**NOTE 4 – LOANS**

The distribution of the Bank's loans by country and the analysis of interest and related income earned for the nine months ended September 30, 2018 are shown in Schedule 2.

**NOTE 5 – SEGMENT ANALYSIS**

**Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the person or group that allocates resources to, and assesses the performance of the operating segments of an entity. Under Article 33.4 of the Charter, the President is the Chief Executive Officer ("CEO") of the Bank, and is required to conduct, under the direction of the Board of Directors ("BOD") the current business of the Bank as well as the other matters as set out in this Article. The President has set up a number of management Committees to assist with the discharge of those responsibilities.

In accordance with IFRS 8 – *Operating Segments*, the Bank has one operating segment, its Ordinary Capital Resources ("OCR").

The Bank has determined that the Advisory Management Team ("AMT") is its chief operating decision maker.

The following table presents the outstanding balance of CDB's loans (net of provision for impairment) as of September 30, 2018 and associated interest income, by countries which generated in excess of 10% of the loan interest income for the nine months ended September 30, 2018.

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the nine months ended September 30, 2018**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 5 – SEGMENT ANALYSIS...continued**

**Segment reporting...continued**

Country	Interest income		Loans outstanding	
	2018	2017	September 30, 2018	December 31, 2017
Jamaica	\$5,659	\$5,259	\$198,621	\$202,042
Antigua and Barbuda	4,028	2,516	119,824	87,719
Barbados	3,712	3,489	117,001	117,747
Other	21,439	16,676	656,739	652,574
	<b>\$21,825</b>	<b>\$27,940</b>	<b>\$1,092,185</b>	<b>\$1,060,082</b>

**NOTE 6 – CASH AND CASH EQUIVALENTS**

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following balances with less than three months maturity from the date of acquisition:

	June 30, 2018	December 31, 2017
Due from banks	\$68,044	\$21,863
Time deposits	67,069	64,098
	<b>\$135,113</b>	<b>\$85,961</b>

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the nine months ended September 30, 2018**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 7 – RISK MANAGEMENT**

The Bank's principal financial liabilities, other than derivatives, comprise borrowings and trade and other payables, the main purpose of which is to finance the Bank's operations. The Bank also provides guarantees to its borrowers under set terms and conditions. The Bank's principal financial assets are loans, receivables, cash and short-term deposits and debt securities at fair value through profit and loss that are all derived directly from its operations. The Bank also holds derivative contracts and enters into derivative transactions when deemed necessary by senior management. All derivative activities for risk management purposes are to be undertaken by senior management in accordance with approved Board of Directors (BOD) policy which includes the provision that no trading in derivatives for speculative purposes may be undertaken.

The Bank's BOD sets the governance framework for the Bank by setting the risk and risk appetite framework, and the underlying policies and procedures. Financial risk activities are governed by the policies and procedures and financial risks are identified, measured and managed in accordance with the Bank's approved policies and risk objectives.

The ability to manage these risks is supported by an enterprise wide risk management framework which was approved by the BOD. Operationally, CDB seeks to minimise its risks via the implementation of robust mitigating controls aimed at reducing exposure to achieve adherence to approved risk appetite portfolio limits. The Bank's risk mitigation approaches include adopting processes, systems, policies, guidelines and practices which are reviewed and modified periodically in line with the institution's changing circumstances.

The Bank's Office of Risk Management (ORM) manages, coordinates, monitors and reports on the mitigation of all risks that the Bank faces such as strategic, financial, operational, and reputational risks. The ORM also has the responsibility for recommending and implementing new or amended policies and procedures for effective risk management to the BOD for approval and to ensure that risk awareness is embedded within the Bank's operations and among the Bank's employees. CDB's risk management framework is built around its governance, policies and processes. The risk management governance structure supports the Bank's senior management in their oversight function in the coordination of different aspects of risk management.

The Bank's governance is built around the following committees:

- (i) The Enterprise Risk Committee (ERC);
- (ii) The Loans Committee (LC);
- (iii) The Oversight and Assurance Committee (OAC) and
- (iv) The Advisory Management Team (AMT).

The Office of Institutional Integrity, Compliance and Accountability (ICA) was established to operationalise the strategic framework for integrity, compliance and accountability. ICA is responsible for managing institutional integrity, compliance, anti-money laundering (AML), countering the financing of terrorism (CFT) and financial sanctions, ethics, whistleblowing, and project accountability. ICA reports to the BOD through the OAC.

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the nine months ended September 30, 2018**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 7 – RISK MANAGEMENT**...continued

The Bank is exposed to market risk, credit risk, liquidity risk and operational risk which is overseen by its senior management through established committees with defined roles and responsibilities. Market risk includes currency, interest rate and price risk. The most important types of risk faced by CDB are associated with the borrowing member countries and relate to country credit risk and concentration risk.

The Bank manages limits and controls concentration of credit risk in relation to loans, debt securities, cash and investments, derivative and borrowing counterparties based upon policies approved by the BOD. These financial policies limit the amount of exposure in relation to a single borrower and to groups of borrowers, by counterparties and by type of investments and they are monitored on a monthly basis.

**Fair value of financial assets and liabilities**

***Fair value hierarchy***

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Bank's market assumptions. These two types of inputs have created the following fair value hierarchy:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included in Level 1 for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Inputs for the asset or liability for which the lowest level input that is significant to the fair value measurement is unobservable.

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the nine months ended September 30, 2018**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 7 – RISK MANAGEMENT...continued**

**Fair value of financial assets and liabilities**

Assets measured at fair value:

**September 30**

	<b>2018</b>			
	<b>Quoted prices in active markets (Level 1)</b>	<b>Significant observable inputs (Level 2)</b>	<b>Significant unobservable inputs (Level 3)</b>	<b>Total</b>
<i>Financial assets at fair value through profit and loss</i>				
- Derivative financial instruments	\$-	\$40,621	\$-	\$40,621
<i>Financial assets designated at fair value</i>				
- Debt securities	-	351,271	-	351,271
	<b>\$-</b>	<b>\$391,892</b>	<b>\$-</b>	<b>\$391,892</b>
<i>Financial liabilities designated at fair value through profit or loss</i>				
- Derivative financial instruments	\$-	\$29,530	\$-	\$29,530
	<b>\$-</b>	<b>\$29,530</b>	<b>\$-</b>	<b>\$29,530</b>

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the nine months ended September 30, 2018**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 7 – RISK MANAGEMENT...continued**

**Fair value of financial assets and liabilities...continued**

December 31	2017			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
<i>Financial assets at fair value through profit or loss</i>				
- Derivative financial instruments	\$-	\$55,584	\$-	\$55,584
<i>Financial assets designated at fair value through profit or loss</i>				
- Debt securities	-	353,491		353,491
	<b>\$-</b>	<b>\$409,075</b>	<b>\$-</b>	<b>\$409,075</b>
<i>Financial liabilities designated at fair value through profit or loss</i>				
- Derivative financial instruments	\$-	\$18,258	\$-	\$18,258
	<b>\$-</b>	<b>\$18,258</b>	<b>\$-</b>	<b>\$18,258</b>

**Commitments, guarantees and contingent liabilities**

*Commitments, guarantees and contingent liabilities*

Loan commitments represent amounts undrawn against loans approved by the BOD.

Other commitments comprise a proposed allocation, subject to the approval of the Board of Governors of the Bank, from the net income of the OCR to the operations of the Special Development Fund [SDF (U)] in respect of the four year cycle (Cycle 9) covering the period 2017 to 2020.

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the nine months ended September 30, 2018**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 7 – RISK MANAGEMENT...continued**

**Commitments, guarantees and contingent liabilities...continued**

	<b>2018</b>		
	<b>0-12 months</b>	<b>1-5 years</b>	<b>Total</b>
<b>At September 30</b>			
Loan commitments	\$170,000	\$259,354	\$454,268
Other commitments	5,000	10,000	15,000
Guarantees	12,000	-	12,000
	<b>\$187,000</b>	<b>\$269,354</b>	<b>\$481,268</b>
	<b>2017</b>		
<b>At December 31</b>			
Loan commitments	\$145,000	\$327,892	\$472,892
Other commitments	-	15,000	15,000
Guarantees	12,000	-	12,000
	<b>\$157,000</b>	<b>\$342,892</b>	<b>\$499,892</b>

**Borrowings**

It is the Bank's policy to limit borrowing and guarantees chargeable to the Bank's OCR to 100 percent of the callable capital of its investment grade non-borrowing members plus the paid in capital and retained earnings less receivables from members and other non-cash resources, general banking reserve and the re-measurement reserve (cash reserves). As at September 30, 2018 total outstanding borrowings amounted to \$753.9mn (December 31, 2017: \$691.5mn).

The performance against this policy was as follows:-

	<b>September 30, 2018</b>	<b>December 31, 2017</b>
Borrowing Limit	\$1,409,678	\$1,398,831
Total outstanding and contracted borrowings	\$893,247	\$938,040
Ratio	63.4%	67.1%

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the nine months ended September 30, 2018**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 7 – RISK MANAGEMENT**...continued

**Credit rating**

On May 18, 2018 Standard & Poor's reaffirmed its long-term issuer credit rating at 'AA+' and its short-term credit rating at 'A-1+', both with a Stable outlook.

On May 21, 2018 Moody's Investors Service reaffirmed the Bank's long term issuer rating at 'Aa1' and maintained the Stable outlook.

On March 19, 2018 Fitch Ratings Limited reaffirmed the Bank's Long-Term Issuer Default Rating of 'AA+' with a Stable Outlook and a Short-Term Issuer Default Rating of 'F1+'.

**NOTE 8 – GUARANTEES**

*Guarantees*

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument.

Financial guarantees are initially recognised as a liability in the financial statements at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee, on the date the guarantee was given. Subsequently, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

At its two hundred and forty-ninth meeting held on December 8, 2011, the Bank issued a guarantee in an amount not exceeding the equivalent of \$12 million with respect to Bonds issued by the Government of St. Kitts and Nevis (GOSKN) on a rolling, re-instatable and non-accelerable basis.

The guarantee contains a Counter Guarantee and Indemnity clause whereby the GOSKN undertakes irrevocably and unconditionally agrees to reimburse the Bank for any amount paid under the guarantee together with interest and other charges at a rate specified by the Bank. Where reimbursement to the Bank is not made (in whole or in part) within a period of 90 days of such amounts being paid the Bank such unreimbursed amounts shall be converted to a loan due by the GOSKN to the Bank's OCR.

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**  
**STATEMENT OF FINANCIAL POSITION**  
**As of September 30, 2018**  
(expressed in thousands of United States dollars)

				December 31, 2017		
	UNIFIED	OTHER	TOTAL	UNIFIED	OTHER	TOTAL
<b>Assets</b>						
Cash and cash equivalents	\$18,994	\$-	\$18,994	\$9,006	\$1,864	\$10,870
Debt securities at fair value through profit or loss	308,268	33,364	341,632	320,440	40,536	360,976
Loans outstanding	537,129	22,519	559,648	543,030	13,361	556,391
<b>Receivables</b>						
Accounts receivable	714	-	714	846	-	846
	<b>865,105</b>	<b>55,883</b>	<b>920,988</b>	<b>873,322</b>	<b>55,761</b>	<b>929,083</b>
<b>Receivable from contributors</b>						
Non-negotiable demand notes (Schedule 3)	87,438	-	87,438	74,601	-	74,601
Contribution in arrears	12,233	-	12,233	4,404	-	4,404
	<b>99,671</b>	<b>-</b>	<b>99,671</b>	<b>79,005</b>	<b>-</b>	<b>79,005</b>
<b>Total assets</b>	<b>\$964,776</b>	<b>\$55,883</b>	<b>\$1,020,659</b>	<b>\$952,327</b>	<b>\$55,761</b>	<b>\$1,008,088</b>
<b>Liabilities and Funds</b>						
<b>Liabilities</b>						
Due to banks	\$-	\$318	\$318	\$-	\$-	\$-
Accounts payable	21,120	1,591	22,711	41,534	1,464	42,998
Subscriptions in advance	6,370	-	6,370	9,636	-	9,636
	<b>27,490</b>	<b>1,909</b>	<b>29,399</b>	<b>51,170</b>	<b>1,464</b>	<b>52,634</b>
<b>Funds</b>						
Contributed resources (Schedule 3)						
Contributions	1,317,491	38,464	1,355,955	1,306,327	30,995	1,337,322
Less amounts not yet made available	(71,360)	-	(71,360)	(105,084)	-	(105,084)
Amounts made available	1,246,131	38,464	1,284,595	1,201,243	30,995	1,232,238
Allocation to technical assistance and grant resources	(485,350)	(10,000)	(495,350)	(485,350)	(2,285)	(487,635)
	<b>760,781</b>	<b>28,464</b>	<b>789,245</b>	<b>715,893</b>	<b>28,710</b>	<b>744,603</b>
Accumulated net income (Schedule 4)	\$45,688	\$24,585	\$70,273	\$46,859	\$24,662	\$71,521
Technical assistance and grant resources	130,817	925	131,742	138,405	925	139,330
	<b>937,286</b>	<b>53,974</b>	<b>991,260</b>	<b>901,157</b>	<b>54,297</b>	<b>955,454</b>
<b>Total liabilities and funds</b>	<b>\$964,776</b>	<b>\$55,883</b>	<b>\$1,020,659</b>	<b>\$952,327</b>	<b>\$55,761</b>	<b>\$1,008,088</b>

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**  
**STATEMENT OF COMPREHENSIVE INCOME AND ACCUMULATED NET INCOME**  
**For the nine months ended September 30, 2018**  
**(expressed in thousands of United States dollars)**

	2018			2017		
	UNIFIED	OTHER	TOTAL	UNIFIED	OTHER	TOTAL
<b>Interest and similar income</b>						
Loans	\$9,214	\$257	\$9,471	\$9,239	\$243	\$9,482
Investments and cash balances	666	296	962	5,253	609	5,862
<b>Gross income</b>	<b>9,880</b>	<b>553</b>	<b>10,433</b>	14,492	852	15,344
<b>Expenses</b>						
Administrative expenses	11,056	832	11,888	10,845	683	11,528
Foreign exchange translation	(5)	(202)	(207)	1,019	200	1,219
	<b>11,051</b>	<b>630</b>	<b>11,681</b>	11,864	883	12,747
<b>Total comprehensive (loss)/income for the period</b>	<b>\$(1,171)</b>	<b>\$(77)</b>	<b>\$(1,248)</b>	\$2,628	\$(31)	\$2,597
<b>Accumulated Net Income</b>						
Accumulated net income - beginning of year	\$46,859	\$24,662	\$71,521	\$51,477	\$29,189	\$80,666
Total comprehensive (loss)/income for the period	(1,171)	(77)	(1,248)	\$2,628	(31)	\$2,597
<b>Accumulated net income - end of period</b>	<b>\$45,688</b>	<b>\$24,585</b>	<b>\$70,273</b>	\$54,105	\$29,158	\$83,263

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND (UNIFIED)**  
**STATEMENT OF CASH FLOWS**  
**For the nine months ended September 30, 2018**  
*(expressed in thousands of United States dollars)*

	<u>2018</u>	<u>2017</u>
<b>Operating activities:</b>		
Total comprehensive (loss)/income for the period	\$(1,171)	\$2,628
Adjustments for non-cash items:		
Unrealised loss/(gain) on debt securities at fair value through profit or loss	3,218	(1,537)
Interest income	(13,098)	(12,955)
(Realised)/Unrealised net foreign exchange (losses)/gains	(661)	1,652
<b><i>Total cash flows used in operating profits before changes in operating assets and liabilities</i></b>	<b>(11,712)</b>	<b>(10,212)</b>
Changes in operating assets and liabilities:		
Decrease in accounts receivable	132	(816)
Decrease in accounts payable	(20,414)	(1,527)
<b><i>Cash used in operating activities</i></b>	<b>(31,994)</b>	<b>(12,555)</b>
Disbursements on loans	(16,244)	(15,892)
Principal repayments to the Bank on loans	22,126	22,790
Interest received	13,421	12,999
Net decrease/(increase) in debt securities at fair value through profit or loss	8,650	(49,279)
Technical assistance disbursements	(7,588)	(11,750)
<b><i>Net cash used in operating activities</i></b>	<b>(11,629)</b>	<b>(53,687)</b>
<b>Financing activities:</b>		
Contributions:		
Increase in contributions to be on-lent to BMCs	45,549	20,623
(Decrease)/increase in receivables from contributors	(20,666)	2,173
(Decrease)/increase in subscriptions in advance	(3,266)	7,253
<b><i>Net cash provided by financing activities</i></b>	<b>21,617</b>	<b>30,049</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>9,988</b>	<b>(23,638)</b>
Cash and cash equivalents - beginning of year	<u>9,006</u>	<u>38,840</u>
<b>Cash and cash equivalents end of the period</b>	<b><u>\$18,994</u></b>	<b><u>\$15,202</u></b>

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND (OTHER)**  
**STATEMENT OF CASH FLOWS**  
**For the nine months ended September 30, 2018**  
**(expressed in thousands of United States dollars)**

	<u>2018</u>	<u>2017</u>
<b>Operating activities:</b>		
Total comprehensive loss for the period	\$(77)	\$(31)
Adjustments for non-cash items		
Unrealised loss/(gain) on debt securities at fair value through profit or loss	175	(77)
Interest income	(728)	(775)
Unrealised net foreign exchange (loss)/gain	(246)	315
<b><i>Total cash flows used in operating profits before changes in operating assets and liabilities</i></b>	<b>(876)</b>	<b>(568)</b>
Changes in operating assets and liabilities:		
Increase in accounts payable	445	970
<b><i>Cash used in/(provided by) operating activities</i></b>	<b>(431)</b>	<b>402</b>
Disbursements on loans	(10,080)	-
Principal repayments to the Bank on loans	941	894
Interest received	702	726
Net decrease/(increase) in debt securities at fair value through profit or loss	7,004	(5,393)
<b><i>Net cash used in operating activities</i></b>	<b>(1,864)</b>	<b>(3,371)</b>
<b>Financing activities:</b>		
Net decrease in cash and cash equivalents	(1,864)	(3,371)
Cash and cash equivalents at beginning of year	1,864	3,371
<b>Cash and cash equivalents at end of period</b>	<b>\$-</b>	<b>\$-</b>

**CARIBBEAN DEVELOPMENT BANK  
SPECIAL FUND RESOURCES - SPECIAL DEVELOPMENT FUND  
SUMMARY STATEMENT OF INVESTMENTS**

**As of September 30, 2018**

(expressed in thousands of United States dollars)

Schedule 1

	September 30, 2018			December 31, 2017		
	Market value			Market value		
	UNIFIED	OTHER	TOTAL	UNIFIED	OTHER	TOTAL
Government and Agency Obligations	\$180,840	\$18,491	\$199,331	\$199,060	\$21,897	\$220,957
Supranationals	101,829	14,734	116,563	114,197	18,508	132,705
Time Deposits	-	-	-	-	-	-
Corporate Bonds	24,413	-	24,413	5,693	-	5,693
<b>Sub-total</b>	<b>307,082</b>	<b>33,225</b>	<b>340,307</b>	318,950	40,405	359,355
Accrued Interest	1,186	139	1,325	1,490	131	1,621
<b>Total</b>	<b>\$308,268</b>	<b>\$33,364</b>	<b>\$341,632</b>	\$320,440	\$40,536	\$360,976

**Residual term to contractual maturity**

	2018	2017
One month to three months	\$30,843	\$29,771
Over three months to one year	59,339	46,764
From one year to five years	232,947	260,127
From five years to ten years	18,503	24,314
<b>TOTAL</b>	<b>\$341,632</b>	<b>\$360,976</b>

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUND RESOURCES - SPECIAL DEVELOPMENT FUND (UNIFIED)**  
**SUMMARY STATEMENT OF LOANS**

**As of September 30, 2018**

(expressed in thousands of United States dollars)

Schedule 2

Member countries in which loans have been made	Loans approved but not yet effective	Undisbursed	Loans outstanding	Percentage of total loans outstanding
ANGUILLA	\$425	\$-	\$1,783	0.3
ANTIGUA AND BARBUDA	-	5,663	1,279	0.2
BAHAMAS	750	-	412	0.1
BARBADOS	-	-	109	0.0
BELIZE	-	31,147	46,027	8.6
BRITISH VIRGIN ISLANDS	-	5,679	2,806	0.5
CAYMAN ISLANDS	-	-	-	0.0
DOMINICA	-	47,056	50,455	9.4
GRENADA	-	26,470	75,044	14.1
GUYANA	-	35,666	118,389	22.2
JAMAICA	-	5,129	107,808	20.2
MONTSERRAT	-	355	3,768	0.7
ST. KITTS AND NEVIS	-	7,373	37,406	7.0
ST. LUCIA	8,000	29,874	48,500	9.1
ST. VINCENT AND THE GRENADINES	3,464	30,550	32,915	6.2
SURINAME	-	10,282	430	0.1
TRINIDAD AND TOBAGO	1,000	-	-	0.0
TURKS AND CAICOS ISLANDS	-	-	1,011	0.2
REGIONAL	-	3,121	5,971	1.1
Sub-total	<b>13,639</b>	<b>238,366</b>	<b>534,113</b>	<b>100.0</b>
Accrued Interest			3,016	
<b>Total - September 30, 2018</b>	<b>\$13,639</b>	<b>\$238,366</b>	<b>\$537,129</b>	
Total - December 31, 2017	\$30,471	\$228,428	\$543,030	

1/ Net of lapses and cancellations.

**CARIBBEAN DEVELOPMENT BANK  
SPECIAL FUND RESOURCES - SPECIAL DEVELOPMENT FUND (OTHER)  
SUMMARY STATEMENT OF LOANS**

**As of September 30, 2018**

(expressed in thousands of United States dollars)

			Schedule 2 (continued)
Member countries in which loans have been made	Undisbursed	Loans outstanding	Percentage of total loans outstanding
ANTIGUA AND BARBUDA	\$1,720	\$10,385	46.2
BELIZE	0	4,928	22.0
DOMINICA	0	1,455	6.5
GRENADA	0	126	0.6
JAMAICA	0	800	3.6
ST. KITTS AND NEVIS	0	3,614	16.1
ST. LUCIA	0	281	1.3
ST. VINCENT AND THE GRENADINES	0	835	3.7
Sub-total	<b>1,720</b>	<b>22,424</b>	<b>100.0</b>
Accrued Interest	-	95	
<b>Total - September 30, 2018</b>	<b>\$1,720</b>	<b>\$22,519</b>	
Total - December 31, 2017	\$-	\$13,361	

1/ Net of lapses and cancellations.

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**  
**SUMMARY STATEMENT OF LOANS (Continued)**

As of September 30, 2018

(Expressed in thousands of United States dollars)

			Schedule 2 (contnued)	
Analysis by Contributor	Loans approved but not yet effective	Undis- bursed	Loans Out- standing	Percentage of total loans outstanding
<b>Special Development Fund - Unified</b>				
<b>Members/Contributors</b>				
Members/Contributors	\$13,639	\$238,366	\$534,113	100.0%
Accrued interest	-	-	3,016	
<b>Total - Special Development Fund - Unified</b>	<b>\$13,639</b>	<b>\$238,366</b>	<b>\$537,129</b>	
<b>Special Development Fund - (Other)</b>				
<b>Members</b>				
Germany	\$-	\$-	\$98	0.4
Mexico	-	-	1,370	6.1
Venezuela	-	-	10,851	48.4
	-	-	12,319	54.9
<b>Other Contributors</b>				
Sweden	-	-	25	0.1
United States of America	-	1,720	10,080	45.0
<b>Sub-total-Sdf (Other)</b>	-	1,720	10,105	45.1
Accrued interest			95	
<b>Total - Special Development Fund - (Other)</b>	<b>\$-</b>	<b>1,720</b>	<b>22,519</b>	<b>100</b>
<b>Total SDF - September 30, 2018</b>	<b>\$13,639</b>	<b>\$240,086</b>	<b>\$559,648</b>	
Total - December 31, 2017	\$42,271	\$228,428	\$556,392	

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**  
**SUMMARY STATEMENT OF LOANS (Continued)**  
**For the nine months ended September 30, 2018**  
**(expressed in thousands of United States dollars)**

	Schedule 2					
	(continued)					
	Loans out- standing 2017	Net Interest Earned	Disburse- ments	Sub- Total	Repay- ments	Loans out- standing 2018
Currencies receivable						
<b>(a) Special Development Fund (Unified)</b>						
United States dollars	\$539,995	\$-	\$16,244	\$556,239	\$(22,126)	\$534,113
Subtotal	539,995	-	16,244	556,239	(22,126)	534,113
Accrued interest	3,035	(19)	-	3,016	-	3,016
<b>Total - September 30, 2018</b>	<b>\$543,030</b>	<b>\$(19)</b>	<b>\$16,244</b>	<b>\$559,255</b>	<b>\$(22,126)</b>	<b>\$537,129</b>
Total - December 31, 2017	\$543,145	\$(24)	\$30,045	\$573,166	\$(30,136)	\$543,030
<b>(b) Special Development Fund (Other)</b>						
United States dollars	\$13,284	\$-	\$10,080	\$23,365	\$(941)	\$22,424
Subtotal	13,284	-	10,080	23,365	(941)	22,424
Accrued interest	77	18	-	95	-	95
<b>Total - September 30, 2018</b>	<b>\$13,361</b>	<b>\$18</b>	<b>\$10,080</b>	<b>\$23,460</b>	<b>\$(941)</b>	<b>22,519</b>
Total - December 31, 2017	\$14,560	\$(7)	\$-	\$14,553	\$(1,192)	\$13,361

**MATURITY STRUCTURE OF LOANS OUTSTANDING**

October 1, 2018 to December 31, 2018	\$10,837
January 1, 2019 to December 31, 2019	31,058
January 1, 2020 to December 31, 2020	32,204
January 1, 2021 to December 31, 2021	33,530
January 1, 2022 to December 31, 2026	165,910
January 1, 2027 to December 31, 2031	143,922
January 1, 2032 to December 31, 2036	89,844
January 1, 2037 to December 31, 2041	45,959
January 1, 2042 to December 31, 2046	6,384
<b>Total</b>	<b>\$559,648</b>

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**  
**STATEMENT OF CONTRIBUTED RESOURCES**  
**As of September 30, 2018**

Schedule 3

CONTRIBUTORS	CONTRIBUTIONS					Receivable from members Non negotiable demand notes
	Total approved 1/	Approved but not yet effective 2/	Total contribution agreed	Amounts not yet made available	Amounts made available	
<b>Special Development Fund - Unified</b>						
<u>Members</u>						
Trinidad and Tobago	57,014	-	57,014	6,647	50,367	7,784
Jamaica	54,834	-	54,834	5,540	49,294	15,888
Guyana	31,856	-	31,855	3,085	28,771	4,936
Bahamas	31,855	-	31,855	3,085	28,770	14,908
Barbados	31,851	6,170	25,681	-	25,681	2,832
St. Vincent and the Grenadines	8,101	-	8,101	757	7,345	2,835
Belize	8,088	-	8,088	757	7,332	3,380
St. Kitts and Nevis	8,088	2,954	5,134	-	5,134	2,494
St. Lucia	8,088	-	8,088	757	7,332	2,865
Dominica	7,828	-	7,828	757	7,072	3,281
Grenada	5,490	-	5,490	757	4,734	3,269
Antigua and Barbuda	3,553	664	2,889	-	2,889	777
Anguilla	3,341	1,296	2,045	-	2,045	571
British Virgin Islands	3,341	-	3,341	498	2,843	-
Montserrat	3,341	664	2,677	-	2,677	-
Turks and Caicos Islands	3,341	664	2,677	-	2,677	-
Cayman Islands	3,241	1,901	1,340	-	1,340	-
Haiti	3,497	1,937	1,560	-	1,560	-
Suriname	8,330	-	8,330	2,815	5,515	2,758
Colombia	34,157	-	34,157	1,750	32,407	-
Venezuela	29,006	7,024	21,982	-	21,982	-
Mexico	24,024	7,024	17,000	-	17,000	-
Brazil	5,000	-	5,000	-	5,000	-
Canada	374,703	-	374,703	25,370	349,333	-
United Kingdom	279,266	-	279,266	7,584	271,682	11,737
Germany	110,141	-	110,141	6,598	103,543	7,123
Italy	68,675	-	68,675	1,397	67,279	-
China	54,573	-	54,573	3,209	51,364	-
	1,264,623	30,298	1,234,325	71,360	1,162,965	87,438
<u>Other Contributors</u>						
France	58,254	-	58,254	-	58,254	-
Netherlands	24,902	-	24,902	-	24,902	-
Chile	10	-	10	-	10	-
	1,347,789	30,298	\$1,317,491	71,360	1,246,131	87,438
Technical Assistance Allocation	(485,350)	-	(485,350)	-	(485,350)	-
<b>Sub-total</b>	<b>862,439</b>	<b>30,298</b>	<b>832,141</b>	<b>71,360</b>	<b>760,781</b>	<b>87,438</b>
<b>Special Development Fund - Other</b>						
<u>Members</u>						
Colombia	\$5,000	-	\$5,000	-	\$5,000	-
Mexico 3/	3,067	-	3,067	-	3,067	-
Venezuela	17,473	-	17,473	-	17,473	-
	25,540	-	25,540	-	25,540	-
<u>Other Contributors</u>						
Sweden	2,924	-	2,924	-	2,924	-
<b>Sub-total</b>	<b>28,464</b>	<b>-</b>	<b>28,464</b>	<b>-</b>	<b>28,464</b>	<b>-</b>
<b>Total SDF - 2018</b>	<b>890,903</b>	<b>\$30,298</b>	<b>\$860,605</b>	<b>\$71,360</b>	<b>789,245</b>	<b>\$87,438</b>
SUMMARY						
Members	\$829,715	\$30,298	\$799,417	\$71,360	\$728,057	\$87,438
Other contributors	61,188	-	61,188	-	61,188	-
<b>Total SDF - 2018</b>	<b>\$890,903</b>	<b>\$30,298</b>	<b>\$860,605</b>	<b>\$71,360</b>	<b>\$789,245</b>	<b>\$87,438</b>
Total SDF - 2017	\$891,357	\$41,670	\$849,687	\$105,084	\$744,603	\$74,601

1/ Net of repayments.

2/ Contributions not yet formally pledged by Governments.

3/ Net of appropriation for Technical Assistance of \$10MN

4/ Contributions with fixed repayment dates.

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**  
**STATEMENT OF CONTRIBUTED RESOURCES (Continued)**  
**For the nine months ended September 30, 2018**  
**(expressed in thousands of United States dollars)**

Currencies	Amounts made available 2017	Trans- lation adjust- ments	Drawdowns/ Appropri- ations from Capital 1/	Sub-total	Repay- ments	Schedule 3 Amounts made available 2018
<b>(a) Special Development Fund - (Unified)</b>						
China Renminbi	\$1,576	\$-	\$(1,576)	\$-	\$-	\$-
Euros	13,029	(447)	(5,459)	7,123	\$-	\$7,123
Pounds sterling	6,082	(214)	5,869	11,737	-	11,737
United States dollars	695,206	-	46,715	741,921	-	741,921
<b>Total - September 30, 2018</b>	<b>\$715,893</b>	<b>\$(661)</b>	<b>\$45,549</b>	<b>\$760,781</b>	<b>\$-</b>	<b>\$760,781</b>
Total - December 31, 2017	\$712,276	\$1,953	\$1,664	\$715,893	\$-	\$715,893
<b>(b) Special Development Fund - (Other)</b>						
Swedish kroners	\$3,170	\$(246)	\$-	\$2,924	\$-	\$2,924
United States dollars	25,540	-	-	25,540	-	25,540
<b>Total - September 30, 2018</b>	<b>\$28,710</b>	<b>\$(246)</b>	<b>\$-</b>	<b>\$28,464</b>	<b>\$-</b>	<b>\$28,464</b>
Total - December 31, 2017	\$38,410	\$300	\$(10,000)	\$28,710	\$-	\$28,710

1/ Net of conversions to United States dollars in accordance with the funding Rules of the Unified Special Development Fund.

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**  
**STATEMENT OF ACCUMULATED NET INCOME**

**For the nine months ended September 30, 2018**

(expressed in thousands of United States dollars)

Schedule 4

Contributors	Brought forward 2017	Net Income 2018	Appro- priations	Carried forward 2018
<b>Special Development Fund (Unified)</b>	\$46,859	\$(1,171)	\$-	\$45,688
<b>Special Development Fund (Other)</b>				
<b>Members</b>				
Colombia	1,791	35	-	1,826
Germany	(1,499)	(72)	-	(1,571)
Mexico	3,273	73	-	3,346
Venezuela	7,692	(35)	-	7,657
	11,257	1	\$-	11,258
<b>Other contributors</b>				
Sweden	1,838	130	-	1,968
United States of America	11,567	(208)	-	11,359
	13,405	(78)	\$-	13,327
	24,662	(77)	\$-	24,585
<b>Total Special Development Fund</b>	<b>\$71,521</b>	<b>\$(1,248)</b>	<b>\$-</b>	<b>\$70,273</b>
<b>Summary</b>				
Members	58,116	(1,170)	\$-	56,946
Other contributors	13,405	(78)	-	13,327
<b>Total SDF - September 30, 2018</b>	<b>\$71,521</b>	<b>\$(1,248)</b>	<b>\$-</b>	<b>\$70,273</b>
Total SDF - December 31, 2017	\$80,666	\$(5,145)	\$(4,000)	\$71,521

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**STATEMENT OF FINANCIAL POSITION**

**As of September 30, 2018**

(expressed in thousands of United States dollars, unless otherwise stated)

	<b>2018</b>	December 31, 2017
<b>Assets</b>		
Cash and cash equivalents	<b>\$42,653</b>	\$31,305
Investments at fair value through profit or loss (Schedule 1)	<b>49,730</b>	45,841
Loans outstanding (Schedule 2)	<b>92,321</b>	97,528
<b>Receivable from members</b>		
Non-negotiable demand notes	<b>154,767</b>	160,394
Accounts receivable	<b>20,250</b>	35,749
<b>Total assets</b>	<b>\$359,721</b>	\$370,817
<b>Liabilities and Funds</b>		
<b>Liabilities</b>		
Accounts payable	<b>\$849</b>	\$1,618
Accrued charges on contributions repayable	<b>137</b>	236
	<b>986</b>	1,854
<b>Funds</b>		
Contributed resources (Schedule 3)	<b>\$57,547</b>	\$60,466
Accumulated net income (Schedule 4)	<b>64,075</b>	63,297
	<b>121,622</b>	123,763
Technical assistance and other grant resources (Schedule 5)	<b>237,113</b>	245,200
<b>Total liabilities and funds</b>	<b>\$359,721</b>	\$370,817

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**STATEMENT OF COMPREHENSIVE INCOME AND ACCUMULATED NET INCOME**  
**For the nine months ended September 30, 2018**  
(expressed in thousands of United States dollars, unless otherwise stated)

	<u>2018</u>	<u>2017</u>
<b>Interest and similar income</b>		
Loans	\$1,526	\$1,637
Investments and cash balances	<u>523</u>	<u>658</u>
<b>Total income</b>	<u>2,049</u>	<u>2,295</u>
 <b>Expenses</b>		
Administrative expenses	699	571
Charges on contributions	607	637
Foreign exchange translation	<u>(35)</u>	<u>907</u>
<b>Total expenses</b>	<u>1,271</u>	<u>2,115</u>
<b>Total comprehensive income for the period</b>	<u>\$778</u>	<u>\$180</u>
 <b>Accumulated net income</b>		
<b>Accumulated net income - beginning of year</b>	\$63,297	\$63,732
Total comprehensive income for the period	<u>778</u>	<u>180</u>
<b>Accumulated net income - end of period</b>	<u>\$64,075</u>	<u>\$63,912</u>

**CARIBBEAN DEVELOPMENT BANK  
SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS  
STATEMENT OF CASH FLOWS**

**For the nine months ended September 30, 2018**

(expressed in thousands of United States dollars, unless otherwise stated)

	<u>2018</u>	<u>2017</u>
<b>Operating activities:</b>		
Total comprehensive income for the period	\$778	\$180
Adjustments for non-cash items:		
Net unrealised loss on investments	352	197
Interest income	(2,401)	(2,492)
Interest expense	607	637
Net foreign exchange (gain)/loss	(97)	565
<i>Total cash flow used in operating activities before changes in operating assets and liabilities</i>	<u>(761)</u>	<u>(913)</u>
Changes in operating assets and liabilities		
Decrease in accounts receivable	15,499	178
Decrease/(increase) in non-negotiable demand notes	5,627	(5,245)
(Decrease)/increase in accounts payable	(769)	482
<i>Cash provided by / (used in) operating activities</i>	<u>19,596</u>	<u>(5,498)</u>
Disbursements on loans	(97)	-
Principal repayments on loans	5,110	5,115
Technical assistance disbursements	(16,406)	(19,348)
Interest received	2,458	2,501
Net increase in investments	(4,274)	(14,826)
<i>Net cash provided by/(used in) operating activities</i>	<u>6,387</u>	<u>(32,056)</u>
<b>Financing activities:</b>		
Interest paid	(706)	(736)
Contributions:		
Reimbursement of repayable contributions	(2,652)	(2,642)
Technical assistance contributions	8,319	5,979
<i>Net cash provided by financing activities</i>	<u>4,961</u>	<u>2,601</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>11,348</b>	<b>(29,455)</b>
Cash and cash equivalents at beginning of year	<u>31,305</u>	<u>35,921</u>
<b>Cash and cash equivalents at end of period</b>	<b><u>\$42,653</u></b>	<b><u>\$6,466</u></b>

**CARIBBEAN DEVELOPMENT BANK  
SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS  
SUMMARY STATEMENT OF INVESTMENTS**

**As of September 30, 2018**

(expressed in thousands of United States dollars, unless otherwise stated)

	Schedule 1	
	December 31,	
	<b>2018</b>	2017
<b>Debt securities at fair value through profit or loss</b>		
Government and Agency obligations	<b>\$18,617</b>	\$23,272
Supranationals	<b>10,798</b>	10,283
<b>Other securities at fair value through profit or loss</b>		
Mutual funds	<b>9,217</b>	2,908
Equity investments	<b>11,009</b>	9,256
<b>Sub-total</b>	<b>49,641</b>	45,719
Accrued interest	<b>89</b>	122
<b>Total</b>	<b>\$49,730</b>	\$45,841

<b>Residual Term to Contractual Maturity</b>		
	<b>2018</b>	2017
1 - 3 months	<b>\$21,315</b>	\$16,539
3 months - 1 year	<b>1,222</b>	6,953
1 year - 5 years	<b>27,193</b>	22,349
<b>Total</b>	<b>\$49,730</b>	\$45,841

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUND RESOURCES - OTHER SPECIAL FUNDS**  
**SUMMARY STATEMENT OF LOANS**

**As of September 30, 2018**

(expressed in thousands of United States dollars)

Member countries in which loans have been made	Undisbursed	Loans Outstanding	Schedule 2
			Percentage of total loans outstanding
ANTIGUA AND BARBUDA	-	2,905	3.2
BARBADOS	-	4,614	5.0
DOMINICA	1,300	14,886	16.2
GRENADA	-	19,164	20.8
GUYANA	-	2,524	2.7
JAMAICA	-	23,747	26.0
ST. KITTS AND NEVIS	-	1,947	2.1
ST. LUCIA	1,304	14,813	16.1
ST. VINCENT AND THE GRENADINES	1	6,795	7.4
TRINIDAD AND TOBAGO	-	417	0.5
Sub-total	2,605	91,812	100.0
Accrued Interest	-	509	
<b>Total - September 30, 2018</b>	<b>\$2,605</b>	<b>92,321</b>	
Total - December 31, 2017	\$2,648	\$97,528	

1/ Net of lapses and cancellations.

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**SUMMARY STATEMENT OF LOANS - continued**  
**September 30, 2018**  
(expressed in thousands of United States dollars)

Analysis by Special Fund	Undis- bursed	Out- standing	Schedule 2 (continued) Percent- age of total loans out- standing
<b>MEMBERS</b>			
Trinidad & Tobago	\$-	\$3	0.0
<b>OTHER CONTRIBUTORS</b>			
Caribbean Development Bank	-	44,726	48.8
Nigeria	-	2,570	2.8
Inter-American Development Bank	2,605	32,247	35.0
European Union	-	971	1.1
International Development Association	-	11,295	12.3
<b>Sub-Totals</b>	<b>2,605</b>	<b>91,812</b>	<b>100.0</b>
<b>Accrued Interest</b>	<b>-</b>	<b>509</b>	
<b>Total - September 30, 2018</b>	<b>\$2,605</b>	<b>\$92,321</b>	
<b>Total - December 31, 2017</b>	<b>\$2,648</b>	<b>\$97,528</b>	

1/ Net of lapses and cancellations.

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**SUMMARY STATEMENT OF LOANS (continued)**  
**As of September 30, 2018**

(expressed in thousands of United States dollars, unless otherwise stated)

							Schedule 2 (continued)
<b>Currencies receivable</b>	<b>Loans Out- standing 2017</b>	<b>Trans- lation adjust- ments</b>	<b>Net interest earned</b>	<b>Disburse- ments</b>	<b>Sub- Total</b>	<b>Repay- ments</b>	<b>Loans Out- standing 2018</b>
Euros	\$1,251	\$(43)	\$-	\$-	\$1,208	\$(237)	\$971
Special Drawing Rights	9,695	(127)	-	-	9,568	(437)	9,131
United States dollars	86,049	-	-	97	86,146	(4,436)	81,710
<b>Sub-total</b>	<b>96,995</b>	<b>(170)</b>	<b>-</b>	<b>97</b>	<b>96,922</b>	<b>(5,110)</b>	<b>91,812</b>
Accrued interest	533		(24)		509		509
<b>Total - September 30, 2018</b>	<b>\$97,528</b>	<b>\$(170)</b>	<b>\$(24)</b>	<b>\$97</b>	<b>\$97,431</b>	<b>\$(5,110)</b>	<b>\$92,321</b>
Total - December 31, 2017	\$103,619	\$776	\$(38)	\$56	\$104,413	\$(6,885)	\$97,528

**Maturity structure of loans outstanding**

October 1, 2018 to December 31, 2018	2,272
January 1, 2019 to December 31, 2019	6,889
January 1, 2020 to December 31, 2020	6,887
January 1, 2021 to December 31, 2021	6,876
January 1, 2022 to December 31, 2022	6,879
January 1, 2023 to December 31, 2027	30,706
January 1, 2028 to December 31, 2032	20,044
January 1, 2033 to December 31, 2037	7,170
January 1, 2038 to December 31, 2042	788
January 1, 2043 to December 31, 2047	408
January 1, 2048 to December 31, 2052	3,402
	<u>\$92,321</u>

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**STATEMENT OF CONTRIBUTIONS**  
**As of September 30, 2018**  
(expressed in thousands of United States dollars, unless otherwise stated)

<b>Contributors</b>	Schedule 3	
	<b>Contributions</b>	
	<b>Total</b>	<b>Amounts</b>
	<b>1/</b>	<b>made</b>
		<b>available</b>
<b>Members</b>		
Canada	\$6,537	\$6,537
<b>Other Contributors</b>		
Inter-American Development Bank	\$148	\$148
<b>Contributed resources</b>	<b>6,685</b>	<b>6,685</b>
<b>Other contributors</b>		
Inter-American Development Bank 1/	36,034	36,034
United States of America	493	493
European Union	1,419	1,419
International Development Association	12,916	12,916
<b>Repayable contributions</b>	<b>50,862</b>	<b>50,862</b>
<b>Total - September 30, 2018</b>	<b>\$57,547</b>	<b>\$57,547</b>
Total - December 31, 2017	\$60,466	\$60,466

1/ Net of cancellations and repayments.

**Maturity structure of repayable contributions outstanding**

October 1, 2018 to December 31, 2018	\$532
January 1, 2019 to December 31, 2019	3,022
January 1, 2020 to December 31, 2020	2,866
January 1, 2021 to December 31, 2021	2,703
January 1, 2022 to December 31, 2022	2,444
January 1, 2023 to December 31, 2027	11,843
January 1, 2028 to December 31, 2032	10,313
January 1, 2033 to December 31, 2037	7,390
January 1, 2038 to December 31, 2042	4,933
January 1, 2043 to December 31, 2053	4,816
<b>Total</b>	<b>\$50,862</b>

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**SUMMARY STATEMENT OF CONTRIBUTIONS (continued)**

**As of September 30, 2018**

(Expressed in thousands of United States dollars, unless otherwise stated)

Schedule 3  
(continued)

<b>Currencies repayable</b>	<b>Contri- butions made available 2017</b>	<b>Trans- lation adjust- ments</b>	<b>Drawdowns/ Appropria- tions from Capital</b>	<b>Sub- total</b>	<b>Repay- ments</b>	<b>Contri- butions made available 2018</b>
Canadian dollars	\$1,594	\$(57)	\$-	\$1,537	\$-	\$1,537
Euros	1,785	(61)	-	1,724	(305)	1,419
Special Drawing Rights	11,391	(149)	-	11,242	(465)	10,777
United States dollars	45,696	-	-	45,696	(1,882)	43,814
<b>Total - September 30, 2018</b>	<b>\$60,466</b>	<b>\$(267)</b>	<b>\$-</b>	<b>\$60,199</b>	<b>\$(2,652)</b>	<b>\$57,547</b>
Total - December 31, 2017	\$62,373	\$1,057	\$395	\$63,825	\$(3,359)	\$60,466

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**STATEMENT OF ACCUMULATED NET INCOME**

**As of September 30, 2018**

(expressed in thousands of United States dollars, unless otherwise stated)

	Schedule 4		
<b>Contributors</b>	<b>Brought forward 2017</b>	<b>Net Income/(loss) 2018</b>	<b>Carried forward 2018</b>
General Funds	\$54,645	\$1,168	\$55,813
European Investment Bank	(750)	(8)	(758)
European Union	2,552	(17)	2,535
Inter-American Development Bank	(1,463)	(198)	(1,661)
International Development Association	290	17	307
Nigeria	5,833	(32)	5,801
United States of America	1,844	(25)	1,819
United Kingdom	255	(207)	48
Venezuela	17	2	19
European Commission	76	76	152
BMZ/The Federal Republic of Germany	(2)	2	-
<b>Total -September 30, 2018</b>	<b>\$63,297</b>	<b>\$778</b>	<b>\$64,075</b>
Total - December 31, 2017	\$63,732	\$(435)	\$63,297

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**STATEMENT OF TECHNICAL ASSISTANCE AND OTHER GRANT RESOURCES**  
**As of September 30, 2018**  
(expressed in thousands of United States dollars)

Schedule 5

Contributors	Contributors			Net amounts available
	Total 1/	Amounts made available	Amounts utilised	
<b>Members</b>				
Canada	\$57,029	\$57,029	\$45,544	\$11,485
United Kingdom	186,364	186,364	30,123	156,241
Italy	522	522	252	270
China	677	677	270	407
Venezuela	586	586	-	586
Germany	261	261	220	41
	245,439	245,439	76,409	169,030
<b>Other contributors</b>				
Caribbean Development Bank	243,036	243,036	184,851	58,185
United States of America	1,407	1,407	1,407	-
Inter-American Development Bank	3,895	3,895	3,406	489
Nigeria	193	193	148	45
European Commission	24,719	24,719	17,252	7,467
EIB Climate Action Support	2,184	2,184	287	1,897
World Bank - Improve Public Invest Mgmt	320	320	320	-
Sub-total	275,754	275,754	207,671	68,083
<b>Total - September 30, 2018</b>	<b>\$521,193</b>	<b>\$521,193</b>	<b>\$284,080</b>	<b>\$237,113</b>
Total - December 31, 2017	\$512,874	\$512,874	\$267,674	\$245,200
<b>Summary</b>				
Basic Needs Trust Fund	\$169,750	\$169,750	\$148,027	\$21,723
Other Resources	351,443	351,443	136,053	215,390
<b>Total - September 30, 2018</b>	<b>\$521,193</b>	<b>\$521,193</b>	<b>\$284,080</b>	<b>\$237,113</b>
Basic Needs Trust Fund	\$169,750	\$169,750	\$143,422	\$26,328
Other Resources	\$343,124	\$343,124	\$124,252	\$218,872
Total - December 31, 2017	\$512,874	\$512,874	\$267,674	\$245,200

1/ Net of cancellations and resources fully utilised and expended in non-reimbursable