

INTERIM CONDENSED FINANCIAL STATEMENTS  
(UNAUDITED)

Bahamas Waste Limited  
Three Months Ended March 31, 2018

# Bahamas Waste Limited

## Interim Condensed Financial Statements (Unaudited)

Three Months Ended March 31, 2018

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# Bahamas Waste Limited

## Interim Statement of Financial Position (Unaudited) (Expressed in Bahamian Dollars)

	March 31 2018	December 31 2017
<b>Assets</b>		
<b>Current assets</b>		
Cash	\$ 1,090,023	\$ 1,210,575
Accounts receivable, net	2,516,044	2,322,879
Inventories	778,939	719,069
Prepaid expenses and other receivables	589,017	248,975
Total current assets	<u>4,974,023</u>	<u>4,501,498</u>
<b>Non-current assets</b>		
Loan Receivable	147,296	151,167
Investment in associates	135,186	160,214
Property, plant, and equipment, net	6,469,399	6,489,944
Total non-current assets	<u>6,751,881</u>	<u>6,801,325</u>
Total assets	<u><u>\$ 11,725,904</u></u>	<u><u>\$ 11,302,823</u></u>
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 580,703	\$ 509,313
Total current liabilities	<u>580,703</u>	<u>509,313</u>
<b>Non-current liabilities</b>		
Security deposits	616,456	614,928
Total liabilities	<u>1,197,159</u>	<u>1,124,241</u>
<b>Shareholders' equity</b>		
Share capital and contributed surplus	2,794,113	2,794,113
Treasury shares	(638,475)	(638,475)
Retained earnings	8,373,107	8,022,944
Total shareholders' equity	<u>10,528,745</u>	<u>10,178,582</u>
Total liabilities and shareholders' equity	<u><u>\$ 11,725,904</u></u>	<u><u>\$ 11,302,823</u></u>

### Commitments and contingencies (Note 6)

See accompanying notes to interim condensed financial statements (unaudited).

# Bahamas Waste Limited

## Interim Condensed Statement of Comprehensive Income (Unaudited) (Expressed in Bahamian Dollars)

	<b>Three Months Ended March 31</b>	
	<b>2018</b>	<b>2017</b>
Sales and services rendered	<b>\$ 3,056,284</b>	\$ 2,962,044
Cost of sales and direct expenses	<b>(1,919,740)</b>	(2,001,957)
Gross profit	<b>1,136,544</b>	960,087
<b>Expenses</b>		
Operating	<b>772,634</b>	712,898
Interest and bank charges	<b>13,747</b>	23,926
Total operating expenses	<b>786,381</b>	736,824
Net income being comprehensive income for the period	<b>\$ 350,163</b>	\$ 223,263
Earnings per share ( <i>Note 4</i> )	<b>\$ 0.09</b>	\$ 0.06

*See accompanying notes to interim condensed financial statements (unaudited).*

# Bahamas Waste Limited

## Interim Statement of Changes in Shareholders' Equity (Unaudited) (Expressed in Bahamian Dollars)

	<b>Number of Shares Issued</b>	<b>Share Capital</b>	<b>Contributed Surplus</b>	<b>Treasury Shares</b>	<b>Retained Earnings</b>	<b>Total</b>
Balance at December 31, 2017	4,200,000	\$ 42,000	\$ 2,752,113	\$ (638,475)	\$ 8,022,944	\$ 10,178,582
Purchase of treasury shares	-	-	-	-	-	-
Net income being comprehensive income for the period	-	-	-	-	350,163	350,163
Balance at March 31, 2018	<b>4,200,000</b>	<b>\$ 42,000</b>	<b>\$ 2,752,113</b>	<b>\$ (638,475)</b>	<b>\$ 8,373,107</b>	<b>\$ 10,528,745</b>

  

	<b>Number of Shares Issued</b>	<b>Share Capital</b>	<b>Contributed Surplus</b>	<b>Treasury Shares</b>	<b>Retained Earnings</b>	<b>Total</b>
Balance at December 31, 2016	4,200,000	\$ 42,000	\$ 2,752,113	\$ (584,515)	\$ 7,801,919	\$ 10,011,517
Purchase of treasury shares	-	-	-	(17,911)	-	(17,911)
Net income being comprehensive income for the period	-	-	-	-	223,263	223,263
Balance at March 31, 2017	<b>4,200,000</b>	<b>\$ 42,000</b>	<b>\$ 2,752,113</b>	<b>\$ (602,426)</b>	<b>\$ 8,025,182</b>	<b>\$ 10,216,869</b>

*See accompanying notes to interim condensed financial statements (unaudited)*

# Bahamas Waste Limited

## Interim Statements of Cash Flows (Unaudited) (Expressed in Bahamian Dollars)

	<b>Three Months Ended March 31</b>	
	<b>2018</b>	<b>2017</b>
<b>Operating activities</b>		
Net income being comprehensive income for the period	\$ 350,163	\$ 223,263
Adjustments for items not involving use of cash:		
Depreciation	304,694	329,496
Bad debt expense	40,000	24,400
Share in loss from investment in associates	25,027	
Gain on disposal of property, plant, and equipment	-	(14,737)
Loan Interest Income	3,872	2,125
	<u>723,756</u>	<u>564,547</u>
Change in non-cash working capital items:		
(Increase) decrease in accounts receivable	(233,165)	5,015
(Increase) decrease in inventories	(59,870)	4,106
Increase in prepaid expenses and other receivables	(340,042)	(437,906)
Increase in accounts payable and accrued liabilities	71,390	229,338
Increase in security deposits	1,528	10,645
Net cash flow provided by operating activities	<u>163,597</u>	<u>375,745</u>
<b>Investing activities</b>		
Purchases of property, plant, and equipment	(284,149)	(578,109)
Proceeds from sale of property, plant and equipment	-	14,737
Net cash flow used in investing activities	<u>(284,149)</u>	<u>(563,372)</u>
<b>Financing activities</b>		
Purchases of treasury stock	-	(17,911)
Net cash flow used in financing activities	<u>-</u>	<u>(17,911)</u>
Net change in cash	(120,552)	(205,538)
Cash, at beginning of the period	1,210,575	1,462,647
Cash, at end of the period	<u><u>\$ 1,090,023</u></u>	<u><u>\$ 1,257,109</u></u>

*See accompanying notes to interim condensed financial statements (unaudited).*

# Bahamas Waste Limited

## Notes to Interim Condensed Financial Statements (Unaudited) (Expressed in Bahamian Dollars)

March 31, 2018

### **1. Corporate Information**

Bahamas Waste Limited (the Company) was incorporated under the laws of the Commonwealth of The Bahamas on August 18, 1987. It is engaged in the business of solid and medical waste collection and disposal, including the sale, installation, rental, and maintenance of waste compactors and containers. The Company has publicly traded shares which are registered on the Bahamas International Stock Exchange (BISX).

The quarter ends of the Company fall on March 31, June 30, and September 30, with the year-end of the Company being December 31. The latest audited accounts of the Company were prepared as at December 31, 2017, and the year then ended in its reporting currency Bahamian Dollars.

The interim condensed financial statements (unaudited) for March 31, 2018 were authorized for issue by the directors on May 1, 2018.

### **2. Summary of Significant Accounting Policies**

#### **Basis of Preparation**

These interim condensed financial statements (unaudited) for March 31, 2018 have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting.

The interim condensed financial statements (unaudited) do not include all of the information and Company's disclosures required in the annual financial statements, and should be read in conjunction with the December 31, 2017, audited financial statements.

The accounting policies adopted in the preparation of the interim condensed financial statements (unaudited) are consistent with those followed in the preparation of the Company's annual financial statements for the year ended December 31, 2017.

## Bahamas Waste Limited

### Notes to Interim Condensed Financial Statements (Unaudited) (continued) (Expressed in Bahamian Dollars)

#### 3. Earnings Per Share

Earnings per share of \$0.09 (March 2017 – \$0.06) were calculated based on the shares outstanding at the end of the period, which approximated average shares outstanding during the period.

	<u>2018</u>	<u>2017</u>
Shares outstanding at end of period	<b>3,992,478</b>	4,002,478

#### 4. Related-Party Transactions and Balances

During the quarter, the Company entered into transactions with related parties. All transactions and balances were conducted at arm's length. There were no significant obligations to the related parties for the three months ended March 31, 2018 and 2017.

#### 5. Treasury Stock

On October 24, 2015, the Board of Directors authorized the purchase of up to 10% (420,000) of the Company's outstanding common shares over the 36 month period ending October 31, 2018. During the three months ended March 31, 2018 no common shares were repurchased (March 31, 2017: 5,048).

#### 6. Commitments and Contingencies

The Company guarantees its compactors sales for a 60-day period from the date of purchase. The Company is reimbursed by the manufacturer for any claims paid under such guarantees.