

BAHAMAS FIRST HOLDINGS LIMITED AND SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2020

	<u>31-Mar-20</u>	<u>31-Dec-19</u>	<u>% Variance</u>
ASSETS			
Property and equipment	<u>23,869,312</u>	<u>23,906,687</u>	<u>-0.2%</u>
Investments:			
Cash	21,328,038	76,298,279	-72.0%
Investment in associate - 20% SGI G.B	727,981	727,981	0.0%
Investments	<u>42,730,334</u>	<u>42,834,134</u>	<u>-0.2%</u>
	<u>64,786,353</u>	<u>119,860,394</u>	<u>-45.9%</u>
Goodwill & Intangible assets	<u>6,185,734</u>	<u>6,276,604</u>	<u>-1.4%</u>
Other assets:			
Accounts receivable	33,662,234	27,982,506	20.3%
Deferred commissions cost	5,417,223	5,061,150	7.0%
Deferred reinsurance premiums	44,073,248	36,186,510	21.8%
Unpaid claims recoverable from reinsurers	112,247,328	223,262,060	-49.7%
Leasee right of use	1,010,246	1,071,207	
Sundry receivables and prepayments	<u>8,139,433</u>	<u>6,625,155</u>	<u>22.9%</u>
	<u>204,549,711</u>	<u>300,188,588</u>	<u>-31.9%</u>
TOTAL ASSETS	<u>\$ 299,391,109</u>	<u>\$ 450,232,273</u>	<u>-33.5%</u>
LIABILITIES AND EQUITY			
Current liabilities:			
Corporate bonds payable	7,500,000	7,500,000	0.0%
Bond interest payable	-	116,866	-100.0%
Trade accounts payable / Due to Reinsurers	21,934,240	72,534,806	-69.8%
Unearned commission income	11,227,381	9,300,933	20.7%
Unearned premiums	60,461,761	51,304,050	17.8%
Unpaid claims	131,707,259	244,237,145	-46.1%
Lease liability	1,160,270	1,164,586	-0.4%
Sundry payables and accruals	<u>4,020,156</u>	<u>1,747,158</u>	<u>130.1%</u>
TOTAL LIABILITIES	<u>238,011,067</u>	<u>387,905,544</u>	<u>-38.6%</u>
Equity:			
Share capital / Common shares	365,116	365,116	0.0%
Contributed surplus	14,926,159	14,926,159	0.0%
Preference shares	5,000,000	5,000,000	0.0%
General reserve	4,000,000	4,000,000	0.0%
Revaluation reserve	5,607,394	6,194,064	-9.5%
Retained earnings	<u>27,096,266</u>	<u>27,484,142</u>	<u>-1.4%</u>
Equity attributable to Owners of Parent	<u>56,994,935</u>	<u>57,969,481</u>	<u>-1.7%</u>
Non controlling interest	<u>4,385,106</u>	<u>4,357,248</u>	<u>0.6%</u>
TOTAL EQUITY	<u>61,380,042</u>	<u>62,326,729</u>	<u>-1.5%</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 299,391,109</u>	<u>\$ 450,232,273</u>	<u>-33.5%</u>

BAHAMAS FIRST HOLDINGS LIMITED AND SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME AND RETAINED EARNINGS
FOR THE PERIOD ENDED MARCH 31, 2020

	2020				2019		
	Actual	Budget	Variances		Actual	Variance	% Var.
Total premiums written	38,853,352	43,130,114	(4,276,762)	-9.9%	40,964,254	(2,110,902)	-5.2%
Premiums written for non-Group insurers	1,454,152	1,081,145	373,007	100.0%	1,492,726	(38,574)	-100.0%
Total premiums written by Group insurers	37,399,200	42,048,969	(4,649,769)	-11.1%	39,471,528	(2,072,328)	-5.3%
Premiums ceded to reinsurers	21,564,466	24,339,251	2,774,784	11.4%	22,774,558	1,210,092	5.3%
Net premiums written	15,834,734	17,709,718	(1,874,984)	-10.6%	16,696,970	(862,236)	-5.2%
Unearned premium reserve change	(1,270,972)	(2,546,249)	1,275,277	-50.1%	(2,325,437)	1,054,465	-45.3%
Net premiums earned	14,563,761	15,163,469	(599,708)	-4.0%	14,371,533	192,228	1.3%
Base commissions received:							
Non-group insurers	215,064	98,476	116,588	118.4%	169,947	45,117	26.5%
Reinsurers	3,678,301	3,796,123	(117,822)	-3.1%	3,645,695	32,606	0.9%
Total Underwriting Income	18,494,211	19,058,068	(563,857)	-3.0%	18,187,175	307,037	1.7%
Underwriting expenses:							
Claims incurred-general	1,810,509	2,631,710	821,201	31.2%	2,870,775	1,060,266	36.9%
-health	5,291,568	5,291,568	-	0.0%	5,220,000	(71,568)	-1.4%
Commissions paid: Non Group	2,670,010	2,581,183	(88,827)	-3.4%	2,786,808	116,798	4.2%
Cost of excess of loss reinsurance	1,546,576	1,304,722	(241,854)	-18.5%	1,361,444	(185,132)	-13.6%
Total Underwriting Expenses	11,318,663	11,809,183	490,520	4.2%	12,239,028	920,364	7.5%
Net Underwriting Income	7,175,548	7,248,885	(73,337)	-1.0%	5,948,147	1,227,401	20.6%
Other income:							
Investment and Other Income	(933,520)	421,226	(1,354,746)	-321.6%	455,191	(1,388,711)	-305.1%
Total Income	6,242,028	7,670,111	(1,428,083)	-18.6%	6,403,338	(161,310)	-2.5%
Operating Expenses:							
Salaries and benefits	3,358,196	3,615,363	257,167	7.1%	3,394,707	36,510	1.1%
Staff and Management bonuses	215,000	210,000	(5,000)	-2.4%	210,000	(5,000)	-2.4%
Directors' fees	125,000	105,625	(19,375)	-18.3%	93,069	(31,931)	-34.3%
Staff training	29,617	68,500	38,883	56.8%	33,554	3,937	11.7%
Rent and services	176,575	241,307	64,732	26.8%	274,352	97,777	35.6%
Amortization of lease asset	54,821	99,779	44,958	45.1%	-	(54,821)	#DIV/0!
Leasee finance cost	15,622	18,621	2,999	16.1%	-	(15,622)	#DIV/0!
Government taxes	143,147	150,384	7,237	4.8%	144,910	1,763	1.2%
Repairs and maintenance	63,074	70,156	7,082	10.1%	36,987	(26,087)	-70.5%
Insurance	119,319	129,723	10,404	8.0%	108,187	(11,132)	-10.3%
Communications	144,020	144,509	490	0.3%	139,994	(4,026)	-2.9%
Printing and Office supplies	80,176	142,897	62,721	43.9%	110,726	30,550	27.6%
Travel and business relations	126,287	232,952	106,665	45.8%	168,827	42,540	25.2%
Publicity and advertising	167,235	282,900	115,665	40.9%	182,205	14,970	8.2%
Charitable donations	25,324	22,250	(3,074)	-13.8%	32,605	7,281	22.3%
Memberships and subscriptions	56,929	78,250	21,321	27.2%	56,826	(103)	-0.2%
IT Infrastructure & Support	282,350	259,111	(23,239)	-9.0%	267,579	(14,770)	-5.5%
Professional fees	318,472	209,898	(108,574)	-51.7%	206,746	(111,726)	-54.0%
Sponsorship	17,132	23,750	6,618	27.9%	26,893	9,761	36.3%
Bad debts	42,378	43,500	1,122	2.6%	292,617	250,239	85.5%
Bank chgs & Interest (Loan & Bonds)	517,290	260,014	(257,276)	-98.9%	208,957	(308,333)	-147.6%
Other	63,361	158,719	95,358	60.1%	41,049	(22,312)	-54.4%
Depreciation and amortisation	405,313	437,250	31,938	7.3%	423,970	18,657	4.4%
Total Operating Expenses	6,546,638	7,005,459	458,821	6.5%	6,454,757	(91,881)	-1.4%
Net earnings operating income	(304,610)	664,652	(969,262)	-145.8%	(51,419)	(253,191)	492.4%
Change in FV of AFS investments	(586,670)	14,101	(600,771)	-4260.5%	395,435	(982,105)	-248.4%
Net operating income (loss)	(891,280)	678,753	(1,570,033)	-231.3%	344,015	(1,235,295)	-359.1%
(Earnings)/loss attributable to minority interest	(27,859)	(58,991)	31,132	52.8%	(168,152)	140,293	-83.4%
Comprehensive Income (loss) - Owners of Parent	(919,139)	619,762	(1,538,901)	-248.3%	175,863	(1,095,002)	-622.6%
Preference dividend paid	(87,500)						
Change in Non-Controlling Interest	59,952						
Equity, Beginning	62,326,729						
Equity, Ending	61,380,042						