

INTERIM CONDENSED FINANCIAL STATEMENTS  
(UNAUDITED)

Bahamas Waste Limited  
Twelve Months Ended December 31, 2020

# Bahamas Waste Limited

## Interim Condensed Financial Statements (Unaudited)

Twelve Months Ended December 31, 2020

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# Bahamas Waste Limited

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

	December 31 2020	December 31 2019
<b>Assets</b>		
<b>Current assets</b>		
Cash	\$ 3,579,680	\$ 1,607,261
Accounts receivable, net	1,760,550	2,462,415
Inventories	823,930	816,533
Prepaid expenses and other receivables	211,947	302,695
Total current assets	<u>6,376,107</u>	<u>5,188,903</u>
<b>Non-current assets</b>		
Loan Receivable	0	118,827
Investment in associates	38,485	69,790
Property, plant, and equipment, net	5,641,474	6,488,101
Total non-current assets	<u>5,679,959</u>	<u>6,676,718</u>
Total assets	<u><u>\$ 12,056,066</u></u>	<u><u>\$ 11,865,621</u></u>
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 534,687	\$ 661,246
Total current liabilities	<u>534,687</u>	<u>661,246</u>
<b>Non-current liabilities</b>		
Security deposits	721,964	702,936
Total liabilities	<u>1,256,651</u>	<u>1,364,182</u>
<b>Shareholders' equity</b>		
Share capital and contributed surplus	2,794,113	2,794,113
Treasury shares	(706,800)	(700,200)
Retained earnings	8,712,102	8,407,526
Total shareholders' equity	<u>10,799,415</u>	<u>10,501,439</u>
Total liabilities and shareholders' equity	<u><u>\$ 12,056,066</u></u>	<u><u>\$ 11,865,621</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>Nine Months Ended December 31</b>	
	<b>2020</b>	<b>2019</b>
Sales and services rendered	<b>\$ 11,399,754</b>	\$ 13,073,247
Cost of sales and direct expenses	<b>(6,671,035)</b>	(8,130,098)
Gross profit	<b>4,728,719</b>	4,943,149
<b>Expenses</b>		
Operating	<b>3,982,261</b>	3,822,254
Interest and bank charges	<b>44,102</b>	47,861
Total operating expenses	<b>4,026,363</b>	3,870,115
Net income being comprehensive income for the period	<b>\$ 702,356</b>	\$ 1,073,034
Earnings per share ( <i>Note 3</i> )	<b>\$ 0.18</b>	\$ 0.27

*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, 2018	4,200,000	\$ 42,000	\$ 2,752,113	\$ (675,649)	\$ 8,369,131	\$ 10,487,595
Net income being comprehensive income for the period	—	—	—	—	1,347,668	1,073,034
Purchase of treasury shares				(24,551)	-	(24,551)
Dividends	—	—	—	—	(1,034,639)	(1,034,639)
Balance at December 31, 2019	<b>4,200,000</b>	<b>\$ 42,000</b>	<b>\$ 2,752,113</b>	<b>\$ (700,200)</b>	<b>\$ 8,407,526</b>	<b>\$ 10,501,439</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, 2019	4,200,000	\$ 42,000	\$ 2,752,113	\$ (700,200)	\$ 8,407,526	\$ 10,501,439
Net income being comprehensive income for the period	—	—	—	—	<b>702,356</b>	<b>702,356</b>
Purchase of treasury shares				(6,600)	-	(6,600)
Dividends	—	—	—	—	(397,781)	(397,781)
Balance at December 31, 2020		\$	\$	\$	\$	
	<b>4,200,000</b>	<b>42,000</b>	<b>2,752,113</b>	<b>(706,800)</b>	<b>8,712,102</b>	<b>\$ 10,799,415</b>

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

# Bahamas Waste Limited

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

	<b>Nine Months Ended December 31</b>	
	<b>2020</b>	<b>2019</b>
<b>Operating activities</b>		
Net income being comprehensive income for the period	\$ 702,356	\$ 1,073,034
Adjustments for items not involving use of cash:		
Depreciation	1,255,908	1,268,039
Bad debt expense	842,056	506,866
Write down of obsolete inventory	-	-
(Gain)/Loss on sale of fixed assets	(10,000)	41,136
Share in loss from investment in associates	31,305	31,190
	<u>2,821,625</u>	<u>2,920,266</u>
Change in non-cash working capital items:		
Increase in accounts receivable	(140,191)	(616,904)
Increase in inventories	(7,397)	(58,401)
Decrease in prepaid expenses and other receivables	90,747	230,951
Decrease in Loan receivable	118,827	16,572
Increase in accounts payable and accrued liabilities	(126,558)	78,111
Increase in security deposits	19,027	49,562
Net cash flow provided by operating activities	<u>2,776,081</u>	<u>2,620,157</u>
<b>Investing activities</b>		
Purchases of property, plant and equipment	(409,282)	(1,238,571)
Proceeds from sale of fixed assets	10,000	35,626
Net cash flow used in investing activities	<u>(399,282)</u>	<u>(1,202,945)</u>
<b>Financing activities</b>		
Purchases of treasury stock	(6,600)	(1,034,639)
Dividends	(397,781)	(24,551)
Net cash flow used in financing activities	<u>(404,381)</u>	<u>(1,059,190)</u>
Net change in cash	1,972,419	358,022
Cash, at beginning of the period	1,607,261	1,249,239
Cash, at end of the period	<u>\$ 3,579,680</u>	<u>\$ 1,607,261</u>

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

# Bahamas Waste Limited

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

December 31, 2020

### **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, 2019 and for the year then ended. Its reporting currency is Bahamian Dollars.

The interim condensed financial statements (unaudited) for December 31, 2020 were authorized for issue by the Directors on February 3, 2021.

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

#### **Basis of Preparation**

These interim condensed financial statements (unaudited) for December 30, 2020 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, 2019 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, 2019.

## Bahamas Waste Limited

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

December 31, 2020

#### 3. Earnings per Share

Earnings per share of \$0.18 (December 2019 – \$0.27) were calculated based on the shares outstanding at the end of the period, which approximated average shares outstanding during the period.

	<u>2020</u>	<u>2019</u>
Shares outstanding at end of period	3,978,722	3,980,347

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

During the period, 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 twelve months ended December 31, 2020 and 2019.

#### 5. Treasury Stock

On October 30, 2018, 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, 2021. During the twelve months ended December 31, 2020, 1,000 common shares were repurchased (December 31, 2019: 4,500).

#### 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.