

**INTERIM CONDENSED FINANCIAL STATEMENTS  
(UNAUDITED)**

**Bahamas Waste Limited  
Three Months Ended March 31, 2017**

Bahamas Waste Limited

Interim Condensed Financial Statements (Unaudited)

Three Months Ended March 31, 2017

**Contents**

Interim Statement of Financial Position (Unaudited) .....2

Interim Condensed Financial Statements (Unaudited)

Interim Condensed Statement of Comprehensive Income (Unaudited) .....3

Interim Condensed Statement of Changes in Shareholders' Equity (Unaudited).....4

Interim Condensed Statements of Cash Flows (Unaudited) .....5

Notes to Interim Condensed Financial Statements (Unaudited).....6

## Bahamas Waste Limited

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

	<b>March 31 2017</b>	<b>December 31 2016</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash	\$ 1,257,110	\$ 1,462,647
Accounts receivable, net	2,236,939	2,266,354
Inventories	767,907	772,013
Prepaid expenses and other receivables	606,310	168,406
Total current assets	4,868,266	4,669,420
<b>Non-current assets</b>		
Loan Receivable	162,486	166,165
Investment in associates	247,877	247,877
Property, plant, and equipment, net	6,253,638	6,003,469
Total non-current assets	6,664,001	6,417,511
Total assets	\$ 11,532,267	\$ 11,086,931
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 661,185	\$ 425,331
Value added tax payable	48,272	54,787
Total current liabilities	709,457	480,118
<b>Non-current liabilities</b>		
Security deposits	605,940	595,296
Total liabilities	1,315,397	1,075,414
<b>Shareholders' equity</b>		
Share capital and contributed surplus	2,794,113	2,794,113
Treasury shares (Note 5)	(602,426)	(584,515)
Retained earnings	8,025,183	7,801,919
Total shareholders' equity	10,216,870	10,011,517
Total liabilities and shareholders' equity	\$ 11,532,267	\$ 11,086,931

#### **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)

	Three Months Ended	
	March 31	March 31
	2017	2016
Sales and services rendered	\$ 2,962,044	\$ 2,607,636
Cost of sales and direct expenses	(2,001,957)	(1,685,198)
Gross profit	<u>960,087</u>	<u>922,438</u>
<b>Expenses</b>		
Operating	729,302	689,681
Interest and bank charges	7,521	7,558
Total operating expenses	<u>736,823</u>	<u>697,239</u>
Net income being comprehensive income for the period	<u>\$ 223,264</u>	<u>\$ 225,199</u>
Earnings per share (Note 3)	<u>\$ 0.06</u>	<u>\$ 0.06</u>

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, 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	-	-	-	-	<b>223,264</b>	<b>223,264</b>
Balance at March, 31 2017	<b>4,200,000</b>	<b>42,000</b>	<b>\$ 2,752,113</b>	<b>\$ (602,426)</b>	<b>\$ 8,025,183</b>	<b>\$ 10,216,870</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, 2015	4,200,000	\$ 42,000	\$ 2,752,113	\$ (550,565)	\$ 7,708,809	\$ 9,952,457
Purchase of treasury shares	-	-	-	(3,505)	-	(3,505)
Net income being comprehensive income for the period	-	-	-	-	225,199	225,199
Balance at March, 2016	4,200,000	\$ 42,000	\$ 2,752,113	\$ (553,969)	\$ 7,934,008	\$ 10,174,152

*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</b>	
	<b>March 31</b>	<b>March 31</b>
	<b>2017</b>	<b>2016</b>
<b>Operating activities</b>		
Net income being comprehensive income for the period	\$ 223,264	\$ 225,199
Adjustments for items not involving use of cash:		
Bad debt expense	24,400	43,500
Depreciation	329,496	316,237
Gain on disposal of fixed assets	(14,737)	-
Loan interest income	2,125	-
	<b>564,548</b>	<b>584,936</b>
Change in non-cash working capital items:		
Decrease (Increase) in accounts receivable	5,015	112,767
Decrease (Increase) in inventories	4,106	(8,306)
Increase in prepaid expenses and other receivables	(437,906)	(345,627)
Increase in loan receivable	-	(176,932)
Increase (Decrease) in accounts payable and accrued liabilities	229,338	(31,699)
Increase in security deposits	10,645	792
Net cash flow provided by operating activities	<b>375,746</b>	<b>135,931</b>
<b>Investing activities</b>		
Purchases of property, plant, and equipment	(578,109)	(100,624)
Proceeds from sale of fixed assets	14,737	-
Net cash flow used in investing activities	<b>(563,372)</b>	<b>(100,624)</b>
<b>Financing activities</b>		
Loan receivable Bahamas Sustainable Fuels Ltd.	-	180,433
Purchases of treasury stock	(17,911)	(3,505)
Net cash flow used in financing activities	<b>(17,911)</b>	<b>(176,928)</b>
Net change in cash	(205,537)	212,237
Cash, at beginning of the period	1,462,647	1,279,210
Cash, at end of the period	<b>\$ 1,257,110</b>	<b>\$ 1,491,447</b>
Interest paid	\$ -	\$ -

*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, 2017

### 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, 2016, and the year then ended in its reporting currency Bahamian Dollars.

The interim condensed financial statements (unaudited) for March 31, 2017, were authorized for issue by the directors on April 26, 2017.

### 2. Summary of Significant Accounting Policies

#### Basis of Preparation

These interim condensed financial statements (unaudited) for March 31, 2017, 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, 2016, 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, 2016.

### 3. Earnings Per Share

Earnings per share of \$0.06 (March 2016 – \$0.06) were calculated based on the shares outstanding at the end of the period, which approximated average shares outstanding during the period.

	<u>2017</u>	<u>2016</u>
Shares outstanding at end of period/year	<b>4,200,000</b>	4,200,000

# Bahamas Waste Limited

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

### **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, 2017 and 2016.

### **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 quarter ended March 31, 2017, 5,048 common shares were repurchased (March 2016: 1,000).

### **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.