

INTERIM CONDENSED FINANCIAL STATEMENTS  
(UNAUDITED)

Bahamas Waste Limited  
Nine Months Ended September 30, 2020

Bahamas Waste Limited

Interim Condensed Financial Statements (Unaudited)

Nine Months Ended September 30, 2020

**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>September 30</b>	<b>December 31</b>
	<b>2020</b>	<b>2019</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash	\$ 3,556,376	\$ 1,994,394
Accounts receivable, net	2,292,490	2,276,461
Inventories	822,098	817,110
Prepaid expenses and other receivables	402,941	768,012
Total current assets	7,073,905	5,855,977
<b>Non-current assets</b>		
Loan Receivable	105,844	123,047
Investment in associates	56,747	47,175
Property, plant, and equipment, net	5,829,651	6,496,698
Total non-current assets	5,992,243	6,666,920
Total assets	\$ 13,066,148	\$ 12,522,897
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 817,112	\$ 563,139
Total current liabilities	817,112	563,139
<b>Non-current liabilities</b>		
Security deposits	717,499	698,348
Total liabilities	1,534,611	1,261,487
<b>Shareholders' equity</b>		
Share capital and contributed surplus	2,794,113	2,794,113
Treasury shares	(700,200)	(697,234)
Retained earnings	9,437,624	9,164,531
Total shareholders' equity	11,531,537	11,261,410
Total liabilities and shareholders' equity	\$ 13,066,148	\$ 12,522,897

#### **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 September 30</b>	
	<b>2020</b>	<b>2019</b>
Sales and services rendered	\$ 8,468,805	\$ 9,687,842
Cost of sales and direct expenses	(4,946,520)	(5,939,402)
Gross profit	3,522,285	3,748,440
<b>Expenses</b>		
Operating	2,460,426	2,519,856
Interest and bank charges	31,761	35,153
Total operating expenses	2,492,187	2,555,009
Net income being comprehensive income for the period	\$ 1,030,098	\$ 1,193,431
Earnings per share ( <i>Note 3</i> )	\$ 0.26	\$ 0.30

*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, 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	-	-	-	-	1,030,098	1,030,098
Purchase of treasury shares	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
<b>-Balance at September 30, 2020</b>	<b>4,200,000</b>	<b>\$ 42,000</b>	<b>\$ 2,752,113</b>	<b>\$ (700,200)</b>	<b>\$ 9,437,624</b>	<b>\$ 11,531,537</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, 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	-	-	-	-	1,193,431	1,193,431
Purchase of treasury shares	-	-	-	(21,585)	-	(21,585)
Dividends	-	-	-	-	(398,031)	(398,031)
<b>Balance at September 30, 2019</b>	<b>4,200,000</b>	<b>\$ 42,000</b>	<b>\$ 2,752,113</b>	<b>\$ (697,234)</b>	<b>\$ 9,164,531</b>	<b>\$ 11,261,410</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 September 30</b>	
	<b>2020</b>	<b>2019</b>
<b>Operating activities</b>		
Net income being comprehensive income for the period	\$ 1,030,098	\$ 1,193,431
Adjustments for items not involving use of cash:		
Depreciation	952,121	952,265
Bad debt expense	115,550	118,721
Write down of obsolete inventory	-	-
Gain on sale of fixed assets	(10,000)	(4,000)
Share in loss from investment in associates	13,042	53,805
	<b>2,100,811</b>	<b>2,314,222</b>
Change in non-cash working capital items:		
Increase in accounts receivable	54,374	(42,805)
Increase in inventories	(5,564)	(58,977)
Increase in prepaid expenses and other receivables	(100,246)	(234,366)
Decrease in Loan receivable	12,983	12,350
(Decrease) Increase in accounts payable and accrued liabilities	155,866	(19,996)
Increase in security deposits	14,562	44,973
Net cash flow provided by operating activities	<b>2,232,786</b>	<b>2,015,401</b>
<b>Investing activities</b>		
Purchases of property, plant and equipment	(293,671)	(850,630)
Proceeds from sale of fixed assets	10,000	4,000
Net cash flow used in investing activities	<b>(283,671)</b>	<b>(846,630)</b>
<b>Financing activities</b>		
Purchases of treasury stock	-	(21,285)
Dividends	-	(398,031)
Net cash flow used in financing activities	<b>-</b>	<b>(419,616)</b>
Net change in cash	<b>1,949,115</b>	<b>745,155</b>
Cash, at beginning of the period	<b>1,607,261</b>	<b>1,249,239</b>
Cash, at end of the period	<b>\$ 3,556,376</b>	<b>\$ 1,994,394</b>

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

# Bahamas Waste Limited

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

September 30, 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 September 30, 2020 were authorized for issue by the Directors on November 4, 2020.

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

#### **Basis of Preparation**

These interim condensed financial statements (unaudited) for September 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)

September 30, 2020

#### 3. Earnings per Share

Earnings per share of \$0.26 (September 2019 – \$0.30) were calculated based on the shares outstanding at the end of the period, which approximated average shares outstanding during the period.

	<u>2019</u>	<u>2018</u>
Shares outstanding at end of period	3,980,347	3,979,305

#### 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 nine months ended September 30, 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 nine months ended September 30, 2020, no common shares were repurchased (September 30, 2019: 4,000).

#### 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.