

ICD Utilities Limited
Financial Statements
September 30, 2012
(Unaudited)

ICD Utilities Limited
Statements of Comprehensive Income (loss) (Unaudited)

For the thousands of US dollars	Three months ended September 30		Nine months ended September 30	
	2012	2011	2012	2011
Income				
Equity earnings (loss)	\$1,362,830	\$(320,185)	\$812,172	\$(200,144)
	1,362,830	(320,185)	812,172	(200,144)
Cost of operations				
Directors' fees	-	-	10,000	10,000
Registrar fees	9,950	9,950	29,850	29,850
Stock exchange listing	-	-	5,000	5,000
Professional fees	878	1,250	4,837	4,667
Annual general meeting	14,000	14,074	16,328	15,207
Foreign exchange loss	4,977	-	3,850	-
Other	62	57	173	82
Total cost of operations	29,867	25,331	70,038	64,806
Net comprehensive income (loss)	\$1,332,963	\$(345,516)	\$742,134	\$(264,950)

Appendix A is an integral part of these financial statements.

ICD Utilities Limited
Balance Sheets (Unaudited)

As at thousands of US dollars	September 30 2012	December 31 2011
Assets		
Current assets		
Cash and cash equivalents	\$1,321	\$7,238
Long-term investment	54,678,601	53,866,430
Total assets	\$54,679,922	\$53,873,668
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	\$14,000	\$8,683
Due to related parties	387,998	329,195
Total current liabilities	401,998	337,878
Shareholders' equity		
Share capital, authorized, issued and fully paid: 10,000,000 shares of \$0.10 each	1,000,000	1,000,000
Additional paid in capital	40,250,000	40,250,000
Retained earnings	13,027,924	12,285,790
Total Shareholders' equity	54,277,924	53,535,790
Total liabilities and shareholders' equity	\$54,679,922	\$53,873,668

Appendix A is an integral part of these financial statements.

ICD Utilities Limited
Statements of Cash Flows (Unaudited)

For the thousands of US dollars	Nine months ended September 30	
	2012	2011
Operating activities		
Net comprehensive income (loss)	\$742,134	\$(264,950)
Non-cash items:		
Equity (earnings) loss	(812,172)	200,144
Decrease in accrued interest	-	150
Net change in non-cash operating working capital items	64,121	10,374
Net cash used in operating activities	(5,917)	(54,282)
Cash, beginning of period	7,238	61,575
Cash, end of period	\$1,321	\$7,293

Appendix A is an integral part of these financial statements.

ICD Utilities Limited
Statements of Changes in Shareholders' Equity (Unaudited)

For the nine months ended September 30, 2012

thousands of US dollars	Share Capital	Additional Paid-in Capital	Retained Earnings	Total
Balance, December 31, 2011	\$1,000,000	\$40,250,000	\$12,285,790	\$53,535,790
Net comprehensive income	-	-	742,134	742,134
Balance, September 30, 2012	\$1,000,000	\$40,250,000	\$13,027,924	\$54,277,924

For the nine months ended September 30, 2011

thousands of US dollars	Share Capital	Additional Paid-in Capital	Retained Earnings	Total
Balance, December 31, 2010	\$1,000,000	\$40,250,000	\$12,657,852	\$53,907,852
Net comprehensive loss	-	-	(264,950)	(264,950)
Balance, September 30, 2011	\$1,000,000	\$40,250,000	\$12,392,902	\$53,642,902

Appendix A is an integral part of these financial statements.

Appendix A

Grand Bahama Power Company Limited

Abbreviated Financial Statements

September 30, 2012

(Unaudited)

Grand Bahama Power Company Limited
Statement of Operations (Unaudited)
(thousands of Bahamian Dollars)

	Three months ended September 30		Nine Months ended September 30	
	2012	2011	2012	2011
Operating revenues	\$ 33,673	39,540	\$ 96,089	98,544
Less fuel cost	15,305	27,343	53,682	64,482
Operating revenues net of fuel cost	<u>18,368</u>	<u>12,197</u>	<u>42,407</u>	<u>34,062</u>
Other operating expenses:				
Generation	5,199	3,914	12,254	10,391
Transmission and distribution	1,028	1,105	2,568	2,663
Administration and general	4,787	3,767	12,776	10,275
Amortization of deferred financing cost	149	7	317	28
Depreciation	2,483	2,276	7,335	6,826
Total other operating expenses	<u>13,646</u>	<u>11,069</u>	<u>35,250</u>	<u>30,183</u>
Net operating income	4,722	1,128	7,157	3,879
Other income (expense)	(53)	(143)	164	145
Interest expense	(1,941)	(1,617)	(5,688)	(4,415)
Loss on disposal of assets	(2)	(9)	(9)	(9)
Total net loss, being comprehensive loss for the period	<u>\$ 2,726</u>	<u>(641)</u>	<u>\$ 1,624</u>	<u>(400)</u>

Grand Bahama Power Company Limited
Statement of Financial Position (Unaudited)
(thousands of Bahamian Dollars)

	September 30	December 31
	2012	2011
Assets		
Current assets:		
Cash and cash equivalents	\$ 6,163	\$ -
Receivables:		
Customer accounts and other receivables net of allowance for doubtful receivables of \$5,039 (2011– \$3,671)	20,207	15,123
Unbilled revenues	18,150	14,583
Fuel inventory	6,025	1,646
Materials and supplies	13,472	12,859
Prepayments	3,022	1,923
Total current assets	<u>67,039</u>	<u>46,134</u>
Construction work in process	<u>13,098</u>	<u>53,084</u>
Non-current assets:		
Other assets	24,744	2,587
Property, plant, and equipment		
Land	457	457
Production	155,690	128,255
Transmission and distribution	95,261	94,885
Vehicles and equipment	22,603	21,759
Total property, plant, and equipment	<u>274,011</u>	<u>245,356</u>
Less: accumulated depreciation	<u>(91,744)</u>	<u>(115,990)</u>
Total property, plant, and equipment, net	<u>182,267</u>	<u>129,366</u>
Total assets	<u>\$ 287,148</u>	<u>\$ 231,171</u>
Liabilities and shareholders' equity		
Current liabilities:		
Bank overdraft	\$ -	\$ 7,342
Accounts payable, deposits, and accrued liabilities	18,088	14,419
Amounts due to related parties	58,432	52,947
Long term debt – current portion	9,724	3,900
Total current liabilities	<u>86,244</u>	<u>78,608</u>
Total non-current liabilities	<u>138,901</u>	<u>90,750</u>
Contributions in aid of construction	<u>6,000</u>	<u>6,000</u>
Shareholders' equity		
Common stock, par value \$2.86 per share:		
2,200,000 authorized and 1,821,620 issued	5,210	5,210
Additional paid in capital	19,745	19,745
Retained earnings	32,482	30,858
Accumulated other comprehensive income	<u>(1,434)</u>	<u></u>
Total shareholders' equity	<u>56,003</u>	<u>55,813</u>
Total liabilities and shareholders' equity	<u>\$ 287,148</u>	<u>\$ 231,171</u>

Grand Bahama Power Company Limited
Statements of Changes in Shareholders' Equity (Unaudited)
(thousands of Bahamian Dollars)

For the nine months ended September 30, 2012	Share Capital	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income/(loss)	Total
Balance, December 31, 2011	\$5,210	\$19,745	\$30,858		\$55,813
Total comprehensive income	-	-	1,624		1,624
Total other comprehensive loss				(1,434)	(1,434)
Balance, September 30, 2012	\$5,210	\$19,745	\$32,482	(1,434)	\$56,003

For the nine months ended September 30, 2011	Share Capital	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income/(loss)	Total
Balance, December 31, 2010	\$5,210	\$19,745	\$31,346		\$56,301
Net comprehensive loss	-	-	(400)		(400)
Total other comprehensive income				-	-
Balance, September 30, 2011	\$5,210	\$19,745	\$30,946		\$55,901

Grand Bahama Power Company Limited
Statement of Cash Flows (Unaudited)
(thousands of Bahamian Dollars)

	Nine months ended September 30	
	<u>2012</u>	<u>2011</u>
Operating activities		
Total comprehensive loss for the year	\$ 1,624	\$ (400)
Adjustments to reconcile net comprehensive loss to cash provided by operating activities:		
Amortization of deferred financing cost	317	28
Depreciation	7,334	6,825
Loss on disposal of assets	9	9
Increase in provision for doubtful accounts	1,415	351
	<u>9,075</u>	<u>7,213</u>
Changes in current assets and liabilities:		
Increase in customer accounts and other receivables	(6,499)	(5,909)
Increase in unbilled revenues	(3,567)	(5,412)
Decrease in fuel inventory	(4,379)	(1,294)
Increase in materials and supplies	(616)	(30)
Increase in prepayments	(1,098)	(1,238)
Decrease in other assets	(3,906)	(152)
Decrease in accounts payable, deposits, and accrued liabilities	3,669	6,211
Increase in amounts due to related parties	5,484	32,701
Increase (decrease) in non-current liabilities	(443)	613
Net cash provided by operating activities	<u>(656)</u>	<u>32,303</u>
Investing activities		
Addition to property, plant, and equipment, net	(38,506)	(30,016)
Decrease in deferred financing assets	(317)	(28)
Net cash used in investing activities	<u>(38,823)</u>	<u>(30,044)</u>
Financing activities		
Increase (repayment) of long term debt	<u>52,984</u>	<u>(3,400)</u>
Net cash used in financing activities	<u>52,984</u>	<u>(3,400)</u>
Net decrease in cash and cash equivalents	13,505	(1,141)
Cash and cash equivalents – beginning of year	(7,342)	(1,888)
Cash and cash equivalents – end of period	<u>\$ 6,163</u>	<u>\$ (3,029)</u>