

BENCHMARK (BAHAMAS) LTD.**CONSOLIDATED BALANCE SHEET**
(Expressed in Bahamian Dollars, unaudited)

	June 30, 2014	December 31, 2013 (audited)
PROPERTY, PLANT & EQUIPMENT	27,899	27,284
INVESTMENT PROPERTY	4,511,160	4,508,660
LONG-TERM INVESTMENT	106,548	106,548
CURRENT ASSETS		
Cash at bank	1,416,986	983,264
Due from brokers	2,006,083	2,737,284
Customer advances	678,166	682,589
Other receivables	457,670	413,769
Investments in securities (note 2)	<u>7,985,831</u>	<u>7,308,484</u>
	12,544,736	12,125,390
CURRENT LIABILITIES		
Bank overdraft	162,182	184,304
Payables and accrued expenses	475,332	258,353
Due to customers	11,483,632	11,011,855
Investments – sold short (note 2)	2,335,100	2,293,550
Loan from Parent	--	180,000
Current portion of bank loan	<u>80,850</u>	<u>77,625</u>
	14,537,096	14,005,687
NET CURRENT LIABILITIES	(1,992,360)	(1,880,297)
LONG-TERM BANK LOAN	466,663	481,899
	<u>\$ 2,186,584</u>	<u>\$ 2,280,296</u>

Shareholders' Equity

Ordinary shares	49,591	49,591
Preference shares	5,000,000	5,000,000
Contributed surplus	4,056,273	4,056,273
Retained deficit	<u>(6,919,280)</u>	<u>(6,825,568)</u>
	<u>\$ 2,186,584</u>	<u>\$ 2,280,296</u>

BENCHMARK (BAHAMAS) LTD.**CONSOLIDATED STATEMENT OF OPERATIONS**

(Expressed in Bahamian dollars, unaudited)

	Three months ended	
	<u>June 30, 2014</u>	<u>June 30, 2013</u>
Investment income	36,603	18,827
Fees and commissions	386,234	326,762
	422,837	345,589
<u>General administrative expenses</u>	<u>315,592</u>	<u>282,578</u>
Net investment income	107,245	63,011
Realized and unrealized gain and (loss) on investments		
Net realized gain on investment	96,753	674,929
Net movement in unrealized loss on investments	(183,712)	(509,391)
Net realized and unrealized (loss) gain on investments	(86,959)	165,538
<u>Net income for the period</u>	<u>\$ 20,286</u>	<u>\$228,549</u>
Earnings per share	\$ 0.00	\$0.05
	Six months ended	
	<u>June 30, 2014</u>	<u>June 30, 2013</u>
Investment income	69,604	59,954
Fees and commissions	619,325	453,480
	688,929	513,434
<u>General administrative expenses</u>	<u>602,898</u>	<u>597,007</u>
Net investment income (loss)	86,031	(83,573)
Realized (loss) gain and unrealized (loss) on investments		
Net realized gain on investment	96,693	700,656
Net movement in unrealized loss on investments	(276,436)	(507,467)
Net realized and unrealized (loss) gain on investments	(179,743)	193,189
<u>Net (loss) income for the period</u>	<u>\$(93,712)</u>	<u>\$ 109,616</u>
(Deficit) earnings per share	\$(0.02)	\$0.02

BENCHMARK (BAHAMAS) LTD.**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

Six months ended June 30, 2014 with comparative figures for the six months ended June 30, 2013

(Expressed in Bahamian dollars, unaudited)

	Number of Shares	Ordinary Shares	Preference Shares	Contributed Surplus	Retained Earnings	Total
Balance at December 31, 2012	4,959,111	49,591	5,000,000	4,056,273	(6,988,953)	2,116,911
Net income for the period	--	--	--	--	109,616	109,616
<u>Balance at June 30, 2013</u>	<u>4,959,111</u>	<u>\$49,591</u>	<u>\$5,000,000</u>	<u>\$4,056,273</u>	<u>\$(6,879,337)</u>	<u>\$2,226,527</u>
Balance at December 31, 2013	4,959,111	49,591	5,000,000	4,056,273	(6,825,568)	2,280,296
Net loss for the period	--	--	--	--	(93,712)	(93,712)
<u>Balance at June 30, 2014</u>	<u>4,959,111</u>	<u>\$49,591</u>	<u>\$5,000,000</u>	<u>\$4,056,273</u>	<u>\$(6,919,280)</u>	<u>\$2,186,584</u>

BENCHMARK (BAHAMAS) LTD.**CONSOLIDATED STATEMENT OF CASH FLOWS**

(Expressed in Bahamian dollars, unaudited)

	Six months ended	
	June 30, 2014	June 30, 2013
Cash flows from operating activities:		
Net income (deficit) for the period	\$(93,712)	\$ 109,616
Adjustments for:		
Net realized gain on investment	(96,693)	(700,656)
Net movement in unrealized loss on investments	276,436	507,467
Depreciation and amortization	2,585	15,843
Cash provided (used) by operations before changes in operating assets and liabilities	88,616	(67,730)
Increase in other receivables	(43,901)	(109,370)
Increase in due to customers	482,589	1,523,021
Increase in payables and accrued expenses	216,979	58,837
Net cash provided (used) by operating activities	744,283	1,404,758
Cash flows from investing activities:		
Purchase of fixed assets	(615)	(1,352)
Increase in long term investment	(2,500)	--
Purchase of securities	(1,091,295)	(520,764)
Sale of securities	266,781	1,449,037
Net cash (used) provided by investing activities	(827,629)	926,921
Cash flows from financing activities:		
Preferred share liability repayments	--	(1,000,000)
Parent loan repayment	(180,000)	--
Bank loan repayments	(12,011)	(33,840)
Net cash used by financing activities	(192,011)	(1,033,840)
Net (decrease) increase in cash & cash equivalents	(275,357)	1,297,839
Cash & cash equivalents, beginning of period	3,536,244	4,566,653
Cash & cash equivalents, end of period	\$3,260,887	\$5,864,492

Cash & cash equivalents comprise of cash at bank and brokers less bank overdraft and amounts due to brokers.

BENCHMARK (BAHAMAS) LTD.

EXPLANATORY NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Expressed in Bahamian dollars, unaudited)

1. Accounting policies

These interim financial statements have been prepared in accordance with International Financial Reporting Standards using the same accounting policies and methods of computation as compared with the 2013 audited financial statements.

The consolidated financial statements include the accounts of Benchmark (Bahamas) Ltd. and its wholly owned subsidiaries Benchmark Advisors (Bahamas) Ltd, Alliance Investment Management Ltd (“Alliance”) and Benchmark Properties Ltd (“Properties”).

2. Investments

Investments are comprised of the following:

Industry	June 30, 2014			December 31, 2013		
	Cost	Fair Value	%	Cost	Fair Value	%
<i>Unrestricted</i>						
Biotechnology	85,693	3,276	--	106,073	19,438	--
Construction	173,250	104,900	1	173,250	122,100	2
Entertainment	139,661	28,574	--	139,661	28,574	--
Financial services	3,437,384	5,171,912	65	3,051,579	5,016,310	69
Industrial	3,200,917	2,389,460	31	2,468,565	1,673,563	23
Insurance	214,434	1,402	--	214,433	1,125	--
Technology	21,692	--	--	69,338	160,166	2
Utilities	79,366	26,748	--	60,070	24,700	--
Wholesale & retail	176,961	105,045	1	78,958	43,682	1
Other	224,454	74,249	1	463,122	218,826	3
<i>Fixed Income</i>						
Morgan Stanley Note	78,750	80,265	1	--	--	--
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\$7,832,562 \$7,985,831 100 \$6,825,049 \$7,308,484 100						

BENCHMARK (BAHAMAS) LTD.**EXPLANATORY NOTES TO
INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Bahamian dollars, unaudited)****2. Investments (cont)**

Investments sold short:

<u>Industry</u>	June 30, 2014			December 31, 2013		
	Cost	Fair Value	%	Cost	Fair Value	%
<i>Unrestricted</i>						
Industrial	349,865	981,600	42	349,866	974,550	43
Financial services	132,629	948,700	41	132,629	907,300	37
Other	114,077	404,800	17	114,076	411,700	20
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	\$596,571	\$2,335,100	100	\$596,571	\$2,293,550	100