

Bahamas Property Fund Limited
(Incorporated under the laws of the Commonwealth of The Bahamas)

Consolidated Statement of Financial Position (Unaudited)
As of 30 June 2018
(Expressed in Bahamian dollars)

	30 June 2018 \$	31 December 2017 \$
ASSETS		
Non-current assets		
Investment property	28,500,000	28,500,000
Current assets		
Cash at banks	3,750,275	3,863,254
Trade receivables	1,573,248	433,382
Other assets	454,935	421,774
	<u>5,778,458</u>	<u>4,718,410</u>
Total assets	<u>34,278,458</u>	<u>33,218,410</u>
LIABILITIES		
Non-current liabilities		
Security deposits from tenants	297,135	265,108
	<u>297,135</u>	<u>265,108</u>
Current liabilities		
Accrued expenses and other liabilities	1,740,128	479,270
Unearned rental income	87,727	-
Borrowings	10,366,552	10,730,912
	<u>12,194,407</u>	<u>11,210,182</u>
Total liabilities	<u>12,491,542</u>	<u>11,475,290</u>
EQUITY		
Capital – ordinary shares	12,035,000	12,035,000
Retained earnings	9,751,916	9,708,120
Total equity	<u>21,786,916</u>	<u>21,743,120</u>
Total liabilities and equity	<u>34,278,458</u>	<u>33,218,410</u>

Bahamas Property Fund Limited

Consolidated Statement of Comprehensive Income (Unaudited) For the Six Months Ended 30 June 2018 (Expressed in Bahamian dollars)

	<u>3 Months Ended</u>	<u>6 Months Ended</u>	
	<u>30 June</u>	<u>30 June</u>	<u>30 June</u>
	<u>2018</u>	<u>2018</u>	<u>2017</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>
			[Restated Note 1]
INCOME			
Rental and parking revenue	839,828	1,712,774	1,834,460
Net fair value loss on investment property	-	-	(925,000)
	<u>839,828</u>	<u>1,712,774</u>	<u>909,460</u>
EXPENSES			
Maintenance cost of vacant rental space	502,377	1,099,097	514,625
Parking maintenance	43,267	164,104	146,780
Management fee	35,796	69,482	43,925
Business licence fees	-	24,633	27,605
Professional fees	10,194	20,871	29,266
Directors' fees	4,000	8,000	10,000
Other	41,903	61,078	73,462
	<u>637,537</u>	<u>1,447,265</u>	<u>845,663</u>
Operating profit	202,291	265,509	63,797
Interest income	-	-	-
Interest expense and related charges	(116,325)	(221,713)	(263,856)
Net income/(loss) and total comprehensive income/(loss)	<u>85,966</u>	<u>43,796</u>	<u>(200,059)</u>
<hr/>			
Weighted average number of ordinary shares outstanding	2,407,000	2,407,000	2,407,000
Earnings per share	0.04	0.02	(0.08)

Bahamas Property Fund Limited

Consolidated Statement of Changes in Equity (Unaudited) For the Six Months Ended 30 June 2018 (Expressed in Bahamian dollars)

	Capital – Ordinary Shares \$	Retained Earnings \$	Total \$
As of 1 January 2018	<u>12,035,000</u>	<u>9,708,120</u>	<u>21,743,120</u>
Total comprehensive income	<u>-</u>	<u>43,796</u>	<u>43,796</u>
As of 30 June 2018	<u>12,035,000</u>	<u>9,751,916</u>	<u>21,786,916</u>
Dividends per share	<u>-</u>		
As of 1 January 2017	<u>12,035,000</u>	<u>10,407,504</u>	<u>22,442,504</u>
Total comprehensive loss	<u>-</u>	<u>(699,384)</u>	<u>(699,384)</u>
As of 31 December 2017	<u>12,035,000</u>	<u>9,708,120</u>	<u>21,743,120</u>
Dividends per share	<u>-</u>		

Bahamas Property Fund Limited

Notes to the Consolidated Financial Statements (Unaudited) For the Six Months Ended 30 June 2018 (Expressed in Bahamian dollars)

1. Prior Period Adjustment

The fair values of investment properties recognised in prior years were misstated as a result of discounted cash flow projections omitting cash outflows in relation to maintenance cost of vacant rental space. Accordingly, the consolidated statements of financial position as of 31 December 2016 and 2015 have been restated for the revised fair values of investment properties, and the consolidated statement of comprehensive income for the six (6) months ended 30 June 2017 has been restated to recognise the appropriate change in fair values of investment properties. The table below discloses the specific adjustments to the corresponding figures presented in the consolidated financial statements for the six (6) months ended 30 June 2018:

	Originally Reported \$	Adjustment \$	Restated Value \$
As of 1 January 2017			
Retained earnings	20,099,504	(9,692,000)	10,407,504
Total equity	32,134,504	(9,692,000)	22,442,504
For the six months ended 30 June 2017			
Net fair value loss on investment property	-	(925,000)	(925,000)
Management fee	(90,212)	46,287	(43,925)
Operating profit	942,510	(878,713)	63,797
Net income/(loss) and total comprehensive income/(loss)	678,654	(878,713)	(200,059)