

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

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

	30 September 2018	31 December 2017
	\$	\$
ASSETS		
Non-current assets		
Investment property	<u>28,500,000</u>	<u>28,500,000</u>
Current assets		
Cash at banks	3,042,763	3,863,254
Trade receivables	2,697,578	433,382
Other assets	<u>459,766</u>	<u>421,774</u>
	<u>6,200,107</u>	<u>4,718,410</u>
Total assets	<u><u>34,700,107</u></u>	<u><u>33,218,410</u></u>
LIABILITIES		
Non-current liabilities		
Security deposits from tenants	<u>311,410</u>	<u>265,108</u>
	<u>311,410</u>	<u>265,108</u>
Current liabilities		
Accrued expenses and other liabilities	2,534,170	479,270
Unearned rental income	110,358	-
Borrowings	<u>10,192,973</u>	<u>10,730,912</u>
	<u>12,837,501</u>	<u>11,210,182</u>
Total liabilities	<u><u>13,148,911</u></u>	<u><u>11,475,290</u></u>
EQUITY		
Capital – ordinary shares	12,035,000	12,035,000
Retained earnings	<u>9,516,196</u>	<u>9,708,120</u>
Total equity	<u><u>21,551,196</u></u>	<u><u>21,743,120</u></u>
Total liabilities and equity	<u><u>34,700,107</u></u>	<u><u>33,218,410</u></u>

Bahamas Property Fund Limited

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

	<u>3 Months Ended</u> <u>30 September</u> <u>2018</u> \$	<u>9 Months Ended</u> <u>30 September</u> <u>2018</u> \$	<u>9 Months Ended</u> <u>30 September</u> <u>2017</u> \$ [Restated Note 1]
INCOME			
Rental and parking revenue	672,209	2,384,983	2,718,753
Net fair value loss on investment property	-	-	(1,387,500)
	<u>672,209</u>	<u>2,384,983</u>	<u>1,331,253</u>
EXPENSES			
Maintenance cost of vacant rental space	603,272	1,702,369	821,148
Parking maintenance	63,622	227,726	211,840
Management fee	35,259	104,741	65,887
Business licence fees	-	24,633	30,328
Professional fees	20,580	41,451	40,526
Directors' fees	4,000	12,000	15,000
Other	61,739	122,817	94,256
	<u>788,472</u>	<u>2,235,737</u>	<u>1,278,985</u>
Operating profit/(loss)	(116,263)	149,246	52,268
Interest income	-	-	-
Interest expense and related charges	(119,457)	(341,170)	(384,729)
Net loss and total comprehensive loss	<u>(235,720)</u>	<u>(191,924)</u>	<u>(332,461)</u>
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Weighted average number of ordinary shares outstanding	2,407,000	2,407,000	2,407,000
Loss per share	(0.10)	(0.08)	(0.14)

Bahamas Property Fund Limited

Consolidated Statement of Changes in Equity (Unaudited) For the Nine Months Ended 30 September 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 loss	<u>-</u>	<u>(191,924)</u>	<u>(191,924)</u>
As of 30 September 2018	<u>12,035,000</u>	<u>9,516,196</u>	<u>21,551,196</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 Nine Months Ended 30 September 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 nine (9) months ended 30 September 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 nine (9) months ended 30 September 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 nine months ended 30 September 2017			
Net fair value loss on investment property	(2,205,750)	818,250	(1,387,500)
Management fee	(136,830)	70,943	(65,887)
Operating profit/(loss)	(836,925)	889,193	52,268
Net loss and total comprehensive loss	(1,221,654)	889,193	(332,461)