

# Cave Shepherd & Co. Ltd.

## CAVE SHEPHERD & CO. LIMITED Consolidated Balance Sheet As at September 30, 2011

(With comparatives as at December 31, 2010 and September 30, 2010)

	(Unaudited) Sep 30, 2011 \$	(Audited) December 31, 2010 \$	(Unaudited) Sep 30, 2010 \$
<b>Current Assets</b>			
Cash and cash equivalents	17,279,682	19,168,223	11,017,808
Financial assets held for trading	24,415,587	22,305,382	27,332,943
Trade and other receivables and prepayments	14,695,342	17,191,255	14,185,975
Inventories	5,178,620	4,098,214	3,970,158
Other current assets	5,702,149	4,389,513	6,127,683
	<u>67,271,380</u>	<u>67,152,587</u>	<u>62,634,567</u>
<b>Current Liabilities</b>			
Trade and other payables	4,866,680	4,003,914	3,570,052
Other current liabilities	6,364,702	6,645,437	1,185,038
	<u>11,231,382</u>	<u>10,649,351</u>	<u>4,755,090</u>
<b>Working Capital</b>	56,039,998	56,503,236	57,879,477
Investment in Associates and at Fair Value through Profit and Loss	67,809,508	67,928,896	71,539,684
Intangible Assets and Goodwill	5,629,333	6,262,633	7,670,364
Investment Property	2,560,000	2,560,000	2,560,000
Property, Plant and Equipment	1,102,062	1,285,561	1,480,030
Loan due by associate	8,560,000	8,560,000	8,800,000
Other Long Term Assets	903,242	903,242	627,649
Fixed Income Certificates Payable and Other Long Term Liabilities	<u>(28,837,217)</u>	<u>(25,179,266)</u>	<u>(28,171,255)</u>
	<u>113,766,926</u>	<u>118,824,302</u>	<u>122,385,949</u>
<b>Capital and Reserves attributable to the equity holders of the company</b>			
Share capital	38,850,491	39,113,043	39,572,958
Retained earnings	71,616,202	74,626,932	76,994,506
	<u>110,466,693</u>	<u>113,739,975</u>	<u>116,567,464</u>
<b>Non-controlling interest</b>	3,300,233	5,084,327	5,818,485
	<u>113,766,926</u>	<u>118,824,302</u>	<u>122,385,949</u>

## CAVE SHEPHERD & CO. LIMITED Consolidated Statement of Income For the Nine Months Ended September 30, 2011 (With comparatives for the nine months ended September 30, 2010)

	(Unaudited) Sep 30, 2011 \$	(Unaudited) Sep 30, 2010 \$
<b>Income</b>		
Revenue from operations	11,013,124	11,712,665
Other gains	(264)	1,301,367
<b>Total Income</b>	<u>11,012,860</u>	<u>13,014,032</u>
<b>Expenses</b>		
Other operating expenses	10,029,401	9,541,387
Depreciation, amortisation and impairment	1,023,326	4,315,069
	<u>11,052,727</u>	<u>13,856,456</u>
<b>Net Operating (Loss)/Profit</b>	(39,867)	(842,424)
Share of Results of Associates	565,802	(258,501)
<b>Income/(Loss) Before Taxation</b>	525,935	(1,100,925)
Corporation Tax	(759,941)	(723,264)
<b>Net Loss for the Period</b>	<u>(234,006)</u>	<u>(1,824,189)</u>
<b>Attributable:</b>		
Equity holders of the company	(849,912)	(2,483,837)
Non-controlling interest	615,906	659,648
	<u>(234,006)</u>	<u>(1,824,189)</u>
Earnings per share (EPS) - basic and fully diluted	<u>(\$0.05)</u>	<u>(\$0.13)</u>

## DIRECTORS' STATEMENT

The Cave Shepherd Group recorded a loss of \$0.2 million for the nine months to September 30, 2011 compared to a loss of \$1.8 million for the same period in the prior year. The loss attributable to the equity holders of the company was \$0.85 million compared to \$2.5 million in the prior year. This equates to a negative EPS of 5 cents as compared to a negative 13 cents in the prior year.

During the first half of this year our main retail operation, Duty Free Caribbean, benefited from a modest upturn in our duty free sales to visitors but the uncertainty in international economies caused revenues in the third quarter to be less buoyant. Prospects for the coming Caribbean tourism season appear reasonable and we are still hopeful that we will have a solid final quarter.

The principal financial services companies within our Group, Fortress Fund Managers and Signia Financial Group, continue to perform well in challenging local economic conditions.

The Group's Balance Sheet remains strong with healthy working capital and cash positions.

We expect to finish the year with the overall group showing an improved performance compared to prior year.

  
R. Geoffrey Cave  
Chairman

  
John M. B. Williams  
Chief Executive Officer

15 November 2011