

GRENADA ELECTRICITY SERVICES
COMBINED TRADING SUMMARY AS OF 30/6/09

	June 2009	June 2008
<u>INCOME</u>		
Sales - Non Fuel Charge	36,175,963.15	34,643,082.26
- Fuel Charge	30,439,901.30	45,863,019.54
Unbilled Sales Adjustments	(1,539,131.99)	1,130,768.80
Net Sales	<u>65,076,732.46</u>	<u>81,636,870.60</u>
Sundry Revenue	<u>1,063,129.76</u>	<u>1,701,021.49</u>
TOTAL INCOME	<u>66,139,862.22</u>	<u>83,337,892.09</u>
<u>OPERATING COSTS</u>		
Production less Diesel Consumed	10,756,048.47	8,652,813.17
Diesel Consumed	26,496,169.47	55,186,991.59
Hurricane Provision	1,000,000.02	1,000,000.02
Planning & Engineering	836,861.48	727,542.57
Distribution	<u>7,647,100.33</u>	<u>6,870,831.98</u>
TOTAL OPERATING COSTS	<u>46,736,179.77</u>	<u>72,438,179.33</u>
<u>CORPORATE SERVICES</u>	<u>7,239,582.63</u>	<u>7,090,642.67</u>
PROFIT BEFORE INTEREST	<u>12,164,099.82</u>	<u>3,809,070.09</u>
<u>INTEREST</u>		
Bank Loan Interest	2,340,033.61	2,590,117.97
Other Bank Interest	1,410.61	23,883.38
Consumer Deposit Interest	<u>148,909.69</u>	<u>130,574.80</u>
TOTAL INTEREST COSTS	<u>2,490,353.91</u>	<u>2,744,576.15</u>
PROFIT AFTER INTEREST	<u>9,673,745.91</u>	<u>1,064,493.94</u>
<u>OTHER CHARGES</u>		
Disposal of Fixed Assets	(44,909.27)	(50,245.91)
Donations	477,195.84	55,737.00
Profit Sharing	<u>2,113,320.13</u>	<u>866,691.85</u>
TOTAL OTHER CHARGES	<u>2,545,606.70</u>	<u>872,182.94</u>
PROFIT BEFORE TAXES	7,128,139.21	192,311.00
Corporation Tax @ 30%	<u>2,137,320.29</u>	<u>57,693.30</u>
PROFIT AFTER TAXES	<u>4,990,818.92</u>	<u>134,617.70</u>
Dividends	4,180,000.00	4,180,000.00
RETAINED PROFIT to date	<u>810,818.92</u>	<u>(4,045,382.30)</u>

GRENADA ELECTRICITY SERVICES
Balance Sheet at 30/6/09

	June 2009 EC \$	December 2008 EC \$
ASSETS		
CURRENT ASSETS		
Cash and due from banks	17,722,722.12	11,695,916.95
Hurricane Fund	4,030,589.71	3,976,961.62
Accounts Receivable	27,629,813.13	36,874,677.70
Segregated Retirement Investments	13,436,979.70	13,139,774.44
Other Investments	16,080.00	16,080.00
Inventories	16,175,797.42	14,330,895.78
Prepayments	1,390,308.24	1,189,766.03
	<u>80,402,290.32</u>	<u>81,224,072.52</u>
PRPROPERTY PLANT AND EQUIPMENT		
	76,558,952.24	81,582,453.40
Suspense Jobs in Progress	2,138,702.13	1,891,611.30
Capital Work in Progress	29,164,908.15	23,313,929.04
Deferred Exchange Loss	2,188,810.00	2,188,810.00
	<u>2,188,810.00</u>	<u>2,188,810.00</u>
TOTAL ASSETS	<u>190,453,662.84</u>	<u>190,200,876.26</u>
LIABILITIES AND SHAREHOLDERS EQUITY		
CURRENT LIABILITIES		
Amount Due to Related Company	344,375.82	259,359.40
Accounts Payable and Accrued Expenses	13,636,406.49	14,634,173.08
Consumers' Deposits	7,717,677.22	7,538,264.78
Consumers' Advances for Construction	1,897,877.74	1,770,753.75
Provision for Retirement Benefits	18,189,297.14	18,107,570.17
Provision for Profit Sharing	5,082,860.43	3,940,631.47
Provision for Income Tax	598,687.98	(1,538,632.31)
	<u>47,467,182.82</u>	<u>44,712,120.34</u>
LONG TERM DEBT	66,888,040.83	71,201,135.67
TOTAL LIABILITIES	<u>114,355,223.65</u>	<u>115,913,256.01</u>
SHAREHOLDERS EQUITY		
Stated Capital	32,339,840.00	32,339,840.00
Hurricane Reserve	7,000,000.02	6,000,000.00
Retained Earnings	35,947,780.25	29,444,015.45
Profit to Date after Dividends	810,818.92	6,503,764.80
	<u>76,098,439.19</u>	<u>74,287,620.25</u>
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	<u>190,453,662.84</u>	<u>190,200,876.26</u>

GRENADA ELECTRICITY SERVICES
Balance Sheet at 30/6/09

	June 2009	December 2008
Covenants / Ratios		
Current Ratio - \geq 1.50:1	1.69	1.82
Interest Coverage Ratio - \geq 2:1	7.11	6.58
Debt Service Coverage Ratio - \geq 1.50	2.66	1.86
Bank Borrowing to Equity Ratio - \leq 1.25:1	0.97	1.04
Capital to Total Assets \geq 30%	36.28%	35.90%

GRENADA ELECTRICITY SERVICES LIMITED

Statement of Cash Flows

For the year to 30th June, 2009

	June 2009	December 2008
Operating Activities		
Profit before Income Tax	7,128,139.21	19,422,884.37
Adjustments for:		
Depreciation	7,094,423.53	14,123,098.12
(Profit) / Loss on disposal of fixed assets	<u>(44,909.27)</u>	<u>(2,599,880.48)</u>
	14,177,653.47	30,946,102.01
Changes in Operating Assets / Liabilities		
Decrease / (Increase) in receivables and prepayments	9,044,322.36	(7,988,503.03)
Increase / (Decrease) in accounts payable and accrued charges	(691,230.16)	(2,140,765.99)
(Decrease) / Increase in provision for retirement benefits	81,726.97	1,321,276.33
Decrease / (Increase) in inventory	(1,844,901.64)	1,229,027.14
Increase / (Decrease) in related company balance	85,016.42	165,232.89
Payment of income tax	-	(5,507,083.51)
Increase in provision for profit sharing	<u>1,142,228.96</u>	<u>1,142,957.31</u>
	21,994,816.38	19,168,243.15
Cash provided by operating activities	<u>21,994,816.38</u>	<u>19,168,243.15</u>
Investing Activities		
Disposal of fixed assets	45,000.00	3,637,650.00
Suspense jobs in progress (increase) / decrease	(247,090.83)	(1,204,407.64)
(Increase) in Capital Work in Progress	(5,850,979.11)	(18,933,608.16)
Hurricane Fund Decrease / (Increase)	(53,628.09)	(150,045.58)
Increase in segregated investment	(297,205.26)	(576,977.12)
Increase in consumer contribution to line extension	(172,533.49)	417,167.48
Purchase of fixed assets	<u>(1,898,479.61)</u>	<u>(4,366,081.00)</u>
	(8,474,916.39)	(21,176,302.02)
Cash used in investing activities	<u>(8,474,916.39)</u>	<u>(21,176,302.02)</u>
Financing Activities		
Provision for hurricane insurance reserve	1,000,000.02	2,000,000.00
Loan proceeds	(0.00)	-
Repayment of Loan	(4,313,094.84)	(7,114,131.88)
Dividends paid	<u>(4,180,000.00)</u>	<u>(8,360,000.00)</u>
Cash provided by financing activities	<u>(7,493,094.82)</u>	<u>(13,474,131.88)</u>
Net Increase /(Decrease) in cash and cash equivalents	6,026,805.17	(15,482,190.75)
Net cash - at the beginning of year	<u>11,695,916.95</u>	<u>27,178,107.70</u>
	17,722,722.12	11,695,916.95
- at the end of year	<u>17,722,722.12</u>	<u>11,695,916.95</u>
Represented by		
Cash and due from banks	<u>17,722,722.12</u>	<u>11,695,916.95</u>