

## Consolidated Balance Sheet

As of December 31, 2006 (expressed in Barbados dollars)

	Notes	2006 \$000's	2005 \$000's
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	567,785	546,200
Investment in associates	6	15,965	-
Financial investments	7	70,863	61,766
Other assets	8	220	249
		<b>654,833</b>	<b>608,215</b>
<b>Current assets</b>			
Cash resources	9	39,994	51,683
Trade and other receivables	10	39,378	32,829
Corporation tax recoverable		102	57
Inventories	11	30,093	30,976
		<b>109,567</b>	<b>115,545</b>
<b>Total assets</b>		<b>764,400</b>	<b>723,760</b>
<b>Equity</b>			
Share capital	12	119,433	89,840
Other reserves	13	200,310	188,864
Retained earnings		208,359	195,520
		<b>528,102</b>	<b>474,224</b>
<b>Non-current liabilities</b>			
Borrowings	14	96,699	109,113
Customers' deposits	15	19,819	17,646
Deferred credits	16	45,439	42,934
Deferred tax liability	17	32,197	34,308
		<b>194,154</b>	<b>204,001</b>
<b>Current liabilities</b>			
Trade and other payables	18	25,629	24,582
Provision for other liabilities and charges	19	4,101	7,111
Current portion of borrowings	14	12,414	13,842
		<b>42,144</b>	<b>45,535</b>
<b>Total equity and liabilities</b>		<b>764,400</b>	<b>723,760</b>

Approved by the Board of Directors on March 15, 2007 and signed on its behalf by:



Frank O. McConney - Director



E. L. Greaves - Director

## Consolidated Statement of Changes in Equity

For the year ended December 31, 2006 (expressed in Barbados dollars)

	Preference shares \$000's	Common shares \$000's	Revaluation surplus \$000's	Other reserves \$000's	Retained earnings \$000's	Total \$000's
Balance at December 31, 2004 as previously reported	500	89,554	165,623	109,522	171,993	537,192
Change to the cost model of accounting for property, plant and equipment (Note 27)	-	-	(165,623)	-	-	(165,623)
SIC 12 adjustment - re Self Insurance Fund (Note 27)	-	-	-	69,646	-	69,646
<b>Balance at December 31, 2004 as restated</b>	<b>500</b>	<b>89,554</b>	<b>-</b>	<b>179,168</b>	<b>171,993</b>	<b>441,215</b>
Dividends paid	-	-	-	-	(5,818)	(5,818)
Issue of common shares	-	870	-	-	-	870
Repurchase of common shares	-	(1,084)	-	-	-	(1,084)
Transfer to Self Insurance Fund	-	-	-	9,606	(9,606)	-
Change in fair value of Financial investments	-	-	-	90	-	90
Net income for the year	-	-	-	-	38,951	38,951
<b>Balance at December 31, 2005 as restated</b>	<b>500</b>	<b>89,340</b>	<b>-</b>	<b>188,864</b>	<b>195,520</b>	<b>474,224</b>
Balance at December 31, 2005 as previously reported	500	89,340	154,636	109,522	195,520	549,518
Change to the cost model of accounting for property, plant and equipment (Note 27)	-	-	(154,636)	-	-	(154,636)
SIC 12 adjustment - re Self Insurance Fund (Note 27)	-	-	-	79,342	-	79,342
<b>Balance at December 31, 2005 as restated</b>	<b>500</b>	<b>89,340</b>	<b>-</b>	<b>188,864</b>	<b>195,520</b>	<b>474,224</b>
Dividends paid	-	-	-	-	(6,119)	(6,119)
Issue of common shares	-	29,652	-	-	-	29,652
Repurchase of common shares	-	(59)	-	-	-	(59)
Share issue costs (Note 12)	-	-	-	(494)	-	(494)
Transfer to Self Insurance Fund	-	-	-	11,408	(11,408)	-
Change in fair value of financial investments	-	-	-	532	-	532
Net income for the year	-	-	-	-	30,366	30,366
<b>Balance at December 31, 2006</b>	<b>500</b>	<b>118,933</b>	<b>-</b>	<b>200,310</b>	<b>208,359</b>	<b>528,102</b>

## Consolidated Statement of Income

For the year ended December 31, 2006 (expressed in Barbados dollars)

	Notes	2006 \$000's	2005 \$000's
<b>Operating revenue</b>	20	<b>361,653</b>	339,231
Operating expenses			
Fuel		195,447	176,669
Generation		44,496	30,828
General		36,148	34,161
Distribution		12,585	12,377
Depreciation		37,630	39,574
Foreign exchange (gain)/loss		(111)	60
		<b>326,195</b>	293,669
		<b>35,458</b>	45,562
<b>Other income</b>	21	<b>5,028</b>	3,235
<b>Operating income</b>		<b>40,486</b>	48,797
Interest and finance charges		(6,808)	(7,067)
Share of loss of associated companies	6	(2,800)	-
<b>Income before taxation</b>		<b>30,878</b>	41,730
Taxation	17	(512)	(2,779)
<b>Net income for the year</b>		<b>30,366</b>	38,951
<b>Basic and diluted earnings per share (cents)</b>	24	<b>174.33</b>	254.66

## Consolidated Statement of Cash Flows

For the year ended December 31, 2006 (expressed in Barbados dollars)

	2006 \$000's	2005 \$000's
<b>Cash flows from operating activities</b>		
Income before taxation	30,878	41,730
Adjustments for non-cash items:		
Share of loss of associated companies	2,800	-
Depreciation	37,630	39,574
(Gain)/loss on foreign exchange	(111)	60
(Gain)/loss on disposal of property, plant and equipment	(5)	2
Interest income	(5,028)	(3,235)
Interest expense	6,808	7,067
Net change in provision for other liabilities and charges	(3,010)	277
Deferred charges	29	309
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Operating income before working capital changes	69,991	85,784
Increase in trade and other receivables	(5,865)	(4,862)
Decrease/(increase) in inventories	883	(7,684)
Increase in trade and other payables	1,092	3,074
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Cash generated from operations	66,101	76,312
Interest paid	(6,716)	(6,631)
Corporation tax (paid)/recovered	(45)	2
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Net cash from operating activities	59,340	69,683
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<b>Cash flows (used in)/from investing activities</b>		
Additions to property, plant and equipment	(62,476)	(42,874)
Purchase of financial investments	(8,700)	(7,693)
Decrease/(increase) in fixed term deposits and restricted cash	9,688	(9,020)
Acquisition of associates	(18,765)	-
Proceeds on disposal of property, plant and equipment	10	28
Interest received	4,344	2,470
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Net cash used in investing activities	(75,899)	(57,089)
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<b>Cash flows from/(used in) financing activities</b>		
Share issue costs	(494)	-
Repurchase of common shares	(59)	(1,084)
Issue of common shares	29,652	870
Dividends paid	(6,119)	(5,818)
Repayments of borrowings	(13,842)	(11,503)
Customers' contributions	3,248	2,096
Customers' deposits and accrued interest	2,173	2,025
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Net cash from/(used in) financing activities	14,559	(13,414)
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<b>Net decrease in cash and cash equivalents</b>	(2,000)	(820)
<b>Cash and cash equivalents - beginning of year</b>	28,135	28,955
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<b>Cash and cash equivalents - end of year (note 9)</b>	26,135	28,135
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