

## Consolidated Balance Sheet

As at March 31, 2012

(With comparatives as at March 31, 2011)

	(Unaudited) March 31 2012 \$	(Unaudited) March 31 2011 \$	(Audited) December 31 2011
<b>Current Assets</b>			
Cash and cash equivalents	10,587,111	15,268,787	14,765,043
Financial assets held for trading	30,337,760	26,644,093	29,399,929
Trade and other receivables and prepayments	17,374,489	15,394,525	19,146,113
Inventories	4,706,440	4,153,988	4,845,896
Other current assets	10,067,537	4,307,363	9,813,333
	<b>73,073,337</b>	<b>65,768,756</b>	<b>77,970,314</b>
<b>Current Liabilities</b>			
Trade and other payables	5,128,503	4,374,412	5,036,194
Other current liabilities	6,243,491	4,620,093	12,746,066
	<b>11,371,994</b>	<b>8,994,505</b>	<b>17,782,260</b>
<b>Working Capital</b>	<b>61,701,343</b>	<b>56,774,251</b>	<b>60,188,054</b>
<b>Investment in Associates &amp; at Fair Value through Profit and Loss</b>	<b>72,376,755</b>	<b>69,534,864</b>	<b>70,654,727</b>
<b>Intangible Assets and Goodwill</b>	<b>5,207,133</b>	<b>6,051,533</b>	<b>5,418,233</b>
<b>Investment Property</b>	-	<b>2,560,000</b>	-
<b>Property, Plant and Equipment</b>	<b>987,229</b>	<b>1,157,467</b>	<b>1,012,415</b>
<b>Loan due by associate</b>	<b>5,800,000</b>	<b>8,560,000</b>	<b>5,800,000</b>
<b>Other Long Term Assets</b>	<b>905,192</b>	<b>903,242</b>	<b>905,192</b>
<b>Fixed Income Certificates Payable &amp; Other Long Term Liabilities</b>	<b>(31,975,087)</b>	<b>(27,537,461)</b>	<b>(30,493,972)</b>
	<b>115,002,565</b>	<b>118,003,896</b>	<b>113,484,649</b>
<b>Capital and Reserves attributable to the equity holders of the company</b>			
Share capital	38,689,673	39,113,043	38,689,673
Share option reserve	52,506	-	52,506
Retained earnings	72,877,074	75,986,619	71,509,425
	<b>111,619,253</b>	<b>115,099,662</b>	<b>110,251,604</b>
<b>Non-controlling interest</b>	<b>3,383,312</b>	<b>2,904,234</b>	<b>3,233,045</b>
	<b>115,002,565</b>	<b>118,003,896</b>	<b>113,484,649</b>

## DIRECTORS' STATEMENT

Financial Statements of Cave Shepherd & Co. Limited for the quarter ended March 31, 2012.

The Cave Shepherd Group recorded a profit attributable to equity holders for the quarter ended March 31, 2012 of \$1.37 million, virtually the same as the \$1.36 million recorded in the prior year. This equates to 7 cents per share, the same as in the prior year.

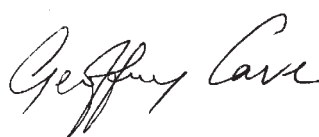
Generally our businesses are performing in line with prior year as the international and local economic climates have not shown any signs of sustained improvement.

Our retail business in Tortola continued to be affected by a decline in cruise passenger numbers in that territory and the Board decided to close the operations effective April 30, 2012.

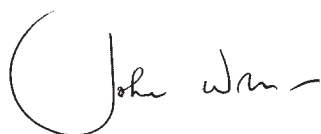
We have also recorded an unrealised loss on financial assets held for trading of \$386 thousand in the current year mainly arising from a write-down of half of the value of our shareholding in Almond Resorts Inc. We will continue to review this investment and will make any further provision for impairment if necessary.

We continue to manage our businesses prudently and remain committed to maintaining the strength of our Balance Sheet with sound working capital and cash positions.

The business climate continues to be challenging in Barbados and the Caribbean as uncertainty in the international arena has had a dampening effect on visitor arrivals and their spending. We expect that this trend will continue for the next quarter.



R. Geoffrey Cave  
Chairman  
Officer  
22 May 2012



John M. B. Williams  
Chief Executive

## Consolidated Statement of Comprehensive Income

For the Three Months Ended March 31, 2012

(With comparatives for the three months ended March 31, 2011)

	(Unaudited) March 31 2012 \$	(Unaudited) March 31 2011 \$	(Audited) December 31 2011
<b>Income</b>			
Revenue from operations	3,808,653	4,334,119	15,838,781
Other gains	-	-	315,213
<b>Total Income</b>	<b>3,808,653</b>	<b>4,334,119</b>	<b>16,153,994</b>
<b>Expenses</b>			
Other operating expenses	3,610,924	3,897,480	12,964,952
Depreciation, amortisation and impairment	330,223	347,359	1,363,327
	<b>3,941,147</b>	<b>4,244,839</b>	<b>14,328,279</b>
<b>Net Operating (Loss)/Profit</b>	<b>(132,494)</b>	<b>89,280</b>	<b>1,825,715</b>
Share of Results of Associates	1,863,733	1,726,628	1,053,229
<b>Income Before Taxation</b>	<b>1,731,239</b>	<b>1,815,908</b>	<b>2,878,944</b>
Corporation Tax	(213,323)	(236,314)	(993,938)
<b>Net Income for the Period</b>	<b>1,517,916</b>	<b>1,579,594</b>	<b>1,885,006</b>
<b>Attributable to:</b>			
Equity holders of the company	1,367,649	1,359,687	1,073,788
Non-controlling interest	150,267	219,907	811,218
	<b>1,517,916</b>	<b>1,579,594</b>	<b>1,885,006</b>
Earnings per share (EPS) - basic and fully diluted	<b>\$0.07</b>	<b>\$0.07</b>	<b>\$0.06</b>

## Consolidated Statement of Changes in Equity

For the Three Months Ended March 31, 2012

(With comparatives as at March 31, 2011)

	Attributable to equity holders of the Company:			Non-controlling Interest	Total
	Share Capital \$	Retained Earnings \$	Share Option Reserve \$		
(Unaudited)				\$	\$
<b>Balance as at December 31, 2010</b>	39,113,043	74,626,932	-	5,084,327	<b>118,824,302</b>
Total comprehensive income for the period	-	1,359,687	-	219,907	<b>1,579,594</b>
Dividends paid to non-controlling interest	39,113,043	75,986,619	-	5,304,234	<b>120,403,896</b>
	-	-	-	(2,400,000)	<b>(2,400,000)</b>
<b>Balance as at March 31, 2011</b>	<b>39,113,043</b>	<b>75,986,619</b>	<b>-</b>	<b>2,904,234</b>	<b>118,003,896</b>
(Audited)					
<b>Balance as at December 31, 2010</b>	39,113,043	74,626,932	-	5,084,327	<b>118,824,302</b>
Total comprehensive income for the year	-	1,073,788	-	811,218	<b>1,885,006</b>
	39,113,043	75,700,720	-	5,895,545	<b>120,709,308</b>
Dividends	-	(3,687,700)	-	-	<b>(3,687,700)</b>
Dividends paid to non-controlling interest	-	-	-	(2,662,500)	<b>(2,662,500)</b>
Employee share options	-	-	52,506	-	<b>52,506</b>
Repurchase of shares	(423,370)	(503,595)	-	-	<b>(926,965)</b>
<b>Balance as at December 31, 2011</b>	<b>38,689,673</b>	<b>71,509,425</b>	<b>52,506</b>	<b>3,233,045</b>	<b>113,484,649</b>
(Unaudited)					
<b>Balance as at December 31, 2011</b>	38,689,673	71,509,425	52,506	3,233,045	<b>113,484,649</b>
Total comprehensive income for the period	-	1,367,649	-	150,267	<b>1,517,916</b>
<b>Balance as at March 31, 2012</b>	<b>38,689,673</b>	<b>72,877,074</b>	<b>52,506</b>	<b>3,383,312</b>	<b>115,002,565</b>

## Consolidated Statement of Cash Flows

For the Three Months Ended March 31, 2012

(With comparatives for the three months ended March 31, 2011)

	(Unaudited) March 31 2012 \$	(Unaudited) March 31 2011 \$	(Audited) December 31 2011
Net cash from operating activities	(2,573,149)	2,660,646	5,291,175
Net cash from investing activities	(1,246,493)	(4,658,783)	(7,679,907)
Net cash from financing activities	(358,290)	(1,901,299)	(2,014,448)
<b>Net decrease in cash and cash equivalents</b>	<b>(4,177,932)</b>	<b>(3,899,436)</b>	<b>(4,403,180)</b>
<b>Net cash at beginning of year</b>	<b>14,765,043</b>	<b>19,168,223</b>	<b>19,168,223</b>
<b>Net cash at end of year</b>	<b>10,587,111</b>	<b>15,268,787</b>	<b>14,765,043</b>