Schedule 2
FORM ECSRC – OR

(Select One)

[X] QUARTERLY FINANCIAL REPORT for the period ended **September 30, 2021**
Pursuant to Section 98(2) of the Securities Act, 2001

OR

[ ] TRANSITION REPORT
for the transition period from______________________to ____________________
Pursuant to Section 98(2) of the Securities Act, 2001
(Applicable where there is a change in reporting issuer's financial year)

Issuer Registration Number: **GRENLEC27091960G**

Grenada Electricity Services Ltd.
(Exact name of reporting issuer as specified in its charter)

Grenada W.I.
(Territory or jurisdiction of incorporation)

Dusty Highway, Grand Anse, St. George's, P.O. Box 381
(Address of principal executive Offices)

(Reporting issuer's:

Telephone number (including area code): **(473) 440-3391**

Fax number: **(473) 440-4106**

Email address: **mail@grenlec.com**

____
(Former name, former address and former financial year, if changed since last report)

(Provide information stipulated in paragraphs 1 to 8 hereunder)

Indicate the number of outstanding shares of each of the reporting issuer's classes of common stock, as of the date of completion of this report. ______________________

CLASS	NUMBER
Ordinary Shares	**19,000,000**

SIGNATURES

A Director, the Chief Executive Officer and Chief Financial Officer of the company shall sign this Annual Report on behalf of the company. By so doing each certifies that he has made diligent efforts to verify the material accuracy and completeness of the information herein contained.

The Chief Financial Officer by signing this form is hereby certifying that the financial statements submitted fairly state the company's financial position and results of operations, or receipts and disbursements, as of the dates and period(s) indicated. The Chief Financial Officer further certifies that all financial statements submitted herewith are prepared in accordance with International Accounting Standards consistently applied (except as stated in the notes thereto) and (with respect to year-end figures) including all adjustments necessary for fair presentation under the circumstances.

Name of Chief Executive Officer (Ag):

Clive Hosten

Signature

Date 29/10/21

Name of Director:

Linda George-Francis

Signature

Date 29/10/21

Name of Chief Financial Officer:

Benedict Brathwaite

Signature

Date 29.10.21

INFORMATION TO BE INCLUDED IN FORM ECSRC-OR

1. Financial Statements

Provide Financial Statements for the period being reported in accordance with International Accounting Standards. The format of the financial statements should be similar to those provided with the registration statement. Include the following:

(a) Condensed Balance Sheet as of the end of the most recent financial year and just concluded reporting period.

(b) Condensed Statement of Income for the just concluded reporting period and the corresponding period in the previous financial year along with interim three, six and nine months of the current financial year and corresponding period in the previous financial year.

(c) Condensed Statement of Cash Flows for the just concluded reporting period and the corresponding period in the previous financial year along with the interim three, six and nine months of the current financial year and the corresponding period in the previous financial year.

(d) By way of *Notes to Condensed Financial Statements*, provide explanation of items in the financial statements and indicate any deviations from generally accepted accounting practices.

2. Management's Discussion and Analysis of Financial Condition and Results of Operation.

Discuss the reporting issuer's financial condition covering aspects such as liquidity, capital resources, changes in financial condition and results of operations during the reporting period. Discussions of liquidity and capital resources may be combined whenever the two topics are interrelated. Discussion of material changes should be from the end of the preceding financial year to the date of the most recent interim report.

The Management's Discussion and Analysis should disclose sufficient information to enable investors to judge:

1. The quality of earnings;
2. The likelihood that past performance is indicative of future performance; and
3. The issuer's general financial condition and outlook.

It should disclose information over and above that which is provided in the management accounts and should not be merely a description of the movements in the financial statements in narrative form or an otherwise uninformative series of technical responses. It should provide management's perspective of the company that enables investors to view the business from the vantage point of management.

The discussion should focus on aspects such as liquidity; capital resources; changes in financial condition; results of operations; material trends and uncertainties and measures taken or to be taken to address unfavourable trends; key performance indicators; and non-financial indicators.

The following table provides information as at September 30, 2021 with comparatives at September 30, 2020 and December 31, 2020 of GRENLEC's compliance with various financial loan covenants. There was an expected improvement in the covenant ratios at the end of the third quarter as compared to the second. The Company maintained a healthy, albeit, marginally weakened liquidity position as compared to the second quarter of 2021. By the end of the third quarter, both the Debt Service Coverage and the Funded Debt to EBITDA ratios were better than the covenants. A review of the data in the table below indicates that the Company's performance is trailing 2020 but is on track to surpass the covenant ratios at year-end.

Covenant Table

	Covenant Ratio	September 2021	September 2020	December 2020
Current Ratio	>= 1.35:1	2.03:1	2.23:1	2.41:1
Debt Service Coverage Ratio	>= 1.75:1	2.63:1	4.62:1	5.19:1
Funded Debt to EBITDA	<= 3:1	2.17:1	1.26:1	1:1

Grenlec's performance improved significantly in the third quarter of the year in comparison to the equivalent period last year. The third quarter continued to see consecutive month on month kWh sales growth, as was the case in the second quarter, with a 9.4% increase for this period compared to the same period of 2020 and a 9% increase as compared to the second quarter of 2021.

By the end of the first nine months of 2021, kWh sales grew by 2.64% as compared to the equivalent period in 2020. St. George's University, our largest Commercial customer, recommenced face-to-face learning in August, for the first time since the beginning of the pandemic, which also led to the reopening of some large student-housing apartments. In addition, the largest hotel on island recorded its highest average monthly occupancy rate of 82%, since the start of the pandemic, in September 2021.

In the first nine months of 2021 the Company's net assets increased from $106.5M to $109M. Non-current assets increased from $113.7M to $129.1M in this period despite depreciation expense of $6.2M. Cash and cash equivalents decreased by 25% from $9.7M at the end of 2020, to $7.3M in the nine months to September 2021. The net decrease in cash and cash equivalents of $2.4M was partially offset by the receipt of insurance settlements of $8.83M, for the irreparably damaged engine in October 2020. Without this injection, the liquidity position at the end of the third quarter would have been substantially worse because of the unfavourable fuel cost recovery rate as fuel prices continued its upward trajectory for the year to date.

Trade receivables increased by 42%, over the first three quarters of 2021, to $17.76M, with all sectors rising. This overall increase was mainly due to: - the increase in fuel prices from $4.65 per imperial gallon in December 2020 to $7.17 per imperial gallon in September 2021; the increase in kWh sales of 2.64%; the slowing down in collections of outstanding balances due to the financial constraints placed on both the domestic and commercial sectors by COVID-19. Debtor days increased by 10.3 days to 38.32 days over the nine months to September 2021. The quality of the accounts receivable portfolio improved with the current portion increasing from 62% of the total portfolio in December 2020 to 76.9% in September 2021, while the amounts outstanding over 90 days reduced from at 22.4% to 15.7% for the same period.

Liquidity and Capital Resources

Provide a narrative explanation of the following (but not limited to):

i) The reporting issuer's financial condition covering aspects such as liquidity, capital resources, changes in financial condition and results of operations.

ii) Any known trends, demands, commitments, events or uncertainties that will result in, or that are reasonably likely to result in, the issuer's liquidity increasing or decreasing in any material way. If a deficiency is identified, indicate the course of action that the reporting issuer has taken or proposes to take to remedy the deficiency.

iii) The issuer's internal and external sources of liquidity and any material unused sources of liquid assets.

iv) Provisions contained in financial guarantees or commitments, debt or lease agreements or other arrangements that could trigger a requirement for an early payment, additional collateral support, changes in terms, acceleration of maturity, or the creation of an additional financial obligation such as adverse changes in the issuer's financial ratios, earnings, cash flows or stock price or changes in the value of underlying, linked or indexed assets.

v) Circumstances that could impair the issuer's ability to continue to engage in transactions that have been integral to historical operations or are financially or operationally essential or that could render that activity commercially impracticable such as the inability to maintain a specified level of earnings, earnings per share, financial ratios or collateral.

vi) Factors specific to the issuer and its markets that the issuer expects will affect its ability to raise short-term and long-term financing, guarantees of debt or other commitment to third parties, and written options on non-financial assets.

vii) The relevant maturity grouping of assets and liabilities based on the remaining period at the balance sheet date to the contractual maturity date. Commentary should provide information about effective periods and the way the risks associated with different maturity and interest profiles are managed and controlled.

viii) The issuer's material commitments for capital expenditures as of the end of the latest fiscal period, and indicate the general purposes of such commitments and the anticipated source of funds needed to fulfil such commitments.

ix) Any known material trends, favorable or unfavorable, in the issuer's capital resources, including any expected material changes in the mix and relative cost of capital resources, considering changes between debt, equity and any off-balance sheet financing arrangements.

Discussion of Liquidity and Capital Resources

(a) Liquidity

As at the end of the third quarter of 2021 the Company recorded a current ratio of 2.03:1 and was in position to meet its operational requirements at a level above the lender institution's benchmark of 1.35:1.

The average electricity rate over the first nine months of 2021 was equivalent to 2020's $0.8/kWh. This was because of the opposite movement in world fuel prices over the first three quarters of 2021 as compared to 2020. Fuel prices generally trended downward in 2020 resulting in an average fuel charge of $0.3622 while the trend was upward for 2021 with an average fuel charge of $0.3523, a decrease of 2.3%.

Cash provided by operating activities for the nine months to September 30, 2021, of $7.1M was 62.8% lower than that for the same period last year. Adjusted profit was $13.07M lower than for the first nine months of 2020 mainly due to fuel cost recovery benefit being less than 2020 by $13.21M; costs associated with the rental of replacement generation of $4.48M; and the newly implemented regulatory fees paid to the PURC based on 2019 of $1.92M paid in March and August 2021. These additional costs were offset by the $8.83M received in settlement of the insurance claim for the failed engine in 2020. Receivables and payables increased by $8.26M and 1.99M respectively, as compared to December 2020, largely due to the increases in fuel price during the first nine months of 2021.

Cash used in investing activities was $14.78M for the first three quarters of 2021 as compared to December 2020. The main factor for this increase was capital spending of $21.19M, $17.65M of which related to the purchase of a 9.8MW Wartsila engine in the final quarter of 2020.

Financing activities in the first nine months of 2021 related mainly to the payment of the regular quarterly dividend of thirteen cents per share and repayment of borrowings as scheduled. In addition, the Company received a $16.2M loan taken to finance the purchase of a replacement engine for the Generation department. This resulted in cash provided by financing activities of $5.26M.

Overall, during the first nine months of the year, the cash position decreased by 25.1% from December 2020's $9.7M to $7.29M. The Company met all its obligations in the period, and, based on its current cash flow projections can be expected to continue to do so for the foreseeable future.

(b) Capital Resources

Non-expansion capital expenditure of $23.54M in the first nine months of 2021 was funded from both internal operations and the full drawdown, of a new loan from CIBC FirstCaribbean in the amount of $16.2M. This loan was negotiated to finance a replacement engine (costed at $16.2M) for a Wartsila engine which failed in the last quarter of 2020.

The Company does not face any significant challenge with regards to capital resources for its recurrent or capital operations. It has an overdraft facility with CIBC FirstCaribbean in the amount of $6M. Additionally, there is $6.5M in certificates of deposits that are not associated with the Hurricane Fund included within the reported $36.5M of financial assets at amortised cost.

Off Balance Sheet Arrangements

Provide a narrative explanation of the following (but not limited to):

i) Disclosures concerning transactions, arrangements and other relationships with unconsolidated entities or other persons that are reasonably likely to materially affect liquidity or the availability of, or requirements for capital resources.

ii) The extent of the issuer's reliance on off-balance sheet arrangements should be described fully and clearly where those entities provide financing, liquidity, market or credit risk support, or expose the issuer to liability that is not reflected on the face of the financial statements.

iii) Off-balance sheet arrangements such as their business purposes and activities, their economic substance, the key terms and conditions of any commitments, the initial on-going relationship with the issuer and its affiliates and the potential risk exposures resulting from its contractual or other commitments involving the off- balance sheet arrangements.

iv) The effects on the issuer's business and financial condition of the entity's termination if it has a finite life or it is reasonably likely that the issuer's arrangements with the entity may be discontinued in the foreseeable future.

None

Results of Operations

In discussing results of operations, issuers should highlight the company's products and services, facilities, and future direction. There should be a discussion of operating considerations and unusual events, which have influenced results for the reporting period. Additionally, any trends or uncertainties that might materially affect operating results in the future should be discussed.

Provide a narrative explanation of the following (but not limited to):

i) Any unusual or infrequent events or transactions or any significant economic changes that materially affected the amount of reported income from continuing operations and, in each case, the extent to which income was so affected.

ii) Significant components of revenues or expenses that should, in the company's judgment, be described in order to understand the issuer's results of operations.

iii) Known trends or uncertainties that have had or that the issuer reasonably expects will have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.

iv) Known events that will cause a material change in the relationship between costs and revenues (such as price increases, costs of labour or materials), and changes in relationships should be disclosed.

v) The extent to which material increases in net sales or revenues are attributable to increases in prices or to increases in the volume or amount of goods or services being sold or to the introduction of new products or services.

vi) Matters that will have an impact on future operations and have not had an impact in the past.

vii) Matters that have had an impact on reported operations and are not expected to have an impact upon future operations

viii) Off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships that have or are reasonably likely to have a current or future effect on the registrant's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

ix) Performance goals, systems and, controls.

The Company's financial performance for the first nine months of 2021, reflected by its profit before interest, showed an 18.1% decrease as compared to the same period in 2020, a decline of $4.9M to $22.14M. The main factors for this decline were the rental of temporary generating units during the first three quarters of 2021 of $4.5M and the $16.53M increase in fuel cost due to rising world fuel prices, as compared to the nine months to September 2020.

While non-fuel revenue increased by 2.4% to $62.4M and fuel revenue also increased by 6.6% to $53.6M, fuel cost in turn increased by a markedly higher 39.4% to $58.5M- resulting in a fuel cost under-recovery for the first nine months of 2021 of $4.9M. The net fuel cost recovery benefit as compared to the equivalent period of 2020 was $3.4M. World fuel prices in the last three months have averaged USD72 per barrel and if this is maintained there should not be further significant under-recovery by the end of the year. Fortunately, during this period, the Company received $8.83M in insurance settlements for a Wartsila engine which failed in the last quarter of 2020 which helped to counteract the impact of the rising fuel prices.

KWh sales grew by 2.64% in the nine months to September 2021 as compared to the same period in 2020. This is behind the budgeted growth in kWh sales for this period by 1.39%. Encouragingly, kWh sales have continued to grow on a month-to-month basis from the second quarter of 2021.

Total revenue to September 2021 increased by 15.35%, to $127.04M as compared to the equivalent period of 2020. The average fuel charge in the first nine months of 2021 was 2.7% less than that for the equivalent period of 2020 which was offset by a comparable increase in kWh sales of 2.64% over the same period. Fuel revenue in the first nine months was 6.58% higher than 2020 due to rising fuel prices. However, the main driver for the increase in total revenue was the insurance settlement received during the third quarter of 2021.

Operating and administrative expenses other than fuel of $46.4M increased by 12.8% in the first nine months of 2021 relative to the $41.1M in the comparative period of 2020. This increase was mainly due to an adverse variance of $3.9M between the years with regards to expenditure in the Generation department. Specifically, most of the unfavourable variance related to the cost to rent generating units, as a temporary replacement for the failed Wartsila engine, in the amount of $4.5M. Additionally, there was a 10% increase in expenses related to the maintenance of the company's transmission and distribution network due to the increased volume of maintenance jobs conducted as compared to the first nine months of 2020. The other departments' expenses were comparative to that of 2020 as tight controls over costs were maintained. Special attention is being paid to cost containment as no change in the non-fuel rate since 2016 means that the Company is dependent on kWh sales growth and efficiency improvements to counter price increases. Over the first nine months of 2021 operating expenses were lower than budget by 2%.

Interest costs of $1.9M in the first nine months of 2021 were in line with 2020's $1.9M.

System losses twelve months rolling average of 6.57% at September 30, 2021 was lower than the 6.94% at the equivalent point in September 2020. The lower system losses would have had a positive impact on the fuel cost recovery rate. It is a key strategic driver for the Company and its importance cannot be over emphasized in the context of the challenging economic conditions under which the Company operates. Management monitors system losses closely with the view of keeping it as low as technically possible.

Fuel efficiency of 15.38kWh's per imperial gallon in the first nine months of 2021 was below the 15.84kWh's per imperial gallon achieved in the same period last year and represents a 2.9% decline. During the final quarter of 2020 the Wartsila #4 engine suffered a catastrophic failure, which resulted in the need to rent a few small units, in the short term. The units were commissioned in December 2020 and remained in use for the first three quarters of 2021. Notably, these units are less efficient than the unit that they replaced, resulting in a negative impact on the fuel efficiency. We expect to see significant improvements to fuel efficiency in the final quarter of 2021 as the rental units were decommissioned in September 2021 and the new unit installed. Fuel efficiency is very important as it is a key performance indicator for the Company and has a significant impact on its financial performance.

3. Disclosure about Risk Factors.

Provide a discussion of the risk factors that may have an impact on the results from operations or on the financial conditions. Avoid generalised statements. Typical risk factors include untested products, cash flow and liquidity problems, dependence on a key supplier or customer, management inexperience, nature of business, absence of a trading market (specific to the securities of the reporting issuer), etc. Indicate if any risk factors have increased or decreased in the time interval between the previous and current filing.

The major risk factors facing the Company continue to be as follows:

- **Hurricanes**

As clearly established after Hurricane Ivan hit Grenada in 2004 when approximately 90% of our distribution system was affected, hurricanes continue to be the most immediate and significant risk being faced. This risk has been partially offset by the strengthening of the distribution system which has been made more robust in the rebuilding period after hurricanes Ivan and Emily. Further the distribution system is maintained in this condition by a consistent pole inspection and replacement program. With each passing period that Grenada is not significantly affected by a hurricane, the Company's Hurricane Reserve increases, and presently it stands at $31.5M which mitigates the main risk exposure associated with post-hurricane recovery. Additionally, the Hurricane Fund of $30.06M is more than the pre-Ivan level of $14M.

It is important to note that the PURC has disclosed its intention to institute an Electricity Disaster Fund (EDF) in the updated draft tariff regulations, which forms part of the draft regulations. The specific guidelines relating to the implementation and management of the EDF will be defined by a procedures document, to be released. The intended purpose of the fund would solely be for natural disasters, and will, for all intents and purposes, replace the existing Hurricane Fund.

- **The 2016 Electricity Act, 2017 Electricity Act and the 2016 Public Regulatory Commission Act**

    - The 2016 EA and the 2016 PURC Acts had commencement dates of August 1, 2016. These Acts fundamentally alter the regulatory and operating framework. Section 71 of the 2016 ESA repealed the Electricity Supply Act, 1994 (ESA 1994). The 2016 ESA separates generation and transmission entities to allow competition in both the generation and distribution areas, and to increase generation by renewable energy. The Act is silent on the issue of whether concessions on customs duties will continue as per the Electricity Supply Act No, 39 of 2013 or be removed altogether. Public Consultation sessions were held during 2020 on the draft regulations under the new Act. The PURC has commenced working groups to address concerns raised and to advance the finalisation of the draft regulations.

    - Discussions are underway between the Company and PURC regarding The Commission's intention to implement an Interim Tariff by the end of 2021. While it is uncertain what the outcome of these discussions will be, there is a likelihood that the Commission may call for a rate reduction. Considering the current climate under which the Company operates, any reduction in non-fuel rates at this time would have a negative impact on its operations.

4. Legal Proceedings.

A legal proceeding need only be reported in the ECSRC – OR filed for the period in which it first became a reportable event and in subsequent interim reports in which there have been material developments. Subsequent Form ECSRC – OR filings in the same financial year in which a legal proceeding or a material development is reported should reference any previous reports in that year. Where proceedings have been terminated during the period covered by the report, provide similar information, including the date of termination and a description of the disposition thereof with respect to the reporting issuer and its subsidiaries.

There were no pending legal proceedings outstanding as at September 30, 2021 that could materially impact on the Company's position.

5. Changes in Securities and Use of Proceeds.

(a) Where the rights of the holders of any class of registered securities have been materially modified, give the title of the class of securities involved. State briefly the general effect of such modification upon the rights of holders of such securities.

There were no changes in securities during the quarter ended September 30, 2021.

(a) Where the use of proceeds of a security issue is different from that which is stated in the registration statement, provide the following:

- Offer opening date (provide explanation if different from date disclosed in the registration statement)

  N/A

- Offer closing date (provide explanation if different from date disclosed in the registration statement)

  N/A

- Name and address of underwriter(s)

  N/A

- Amount of expenses incurred in connection with the offer N/A

- Net proceeds of the issue and a schedule of its use

  N/A

- Payments to associated persons and the purpose for such payments

  N/A

(b) Report any working capital restrictions and other limitations upon the payment of dividends.

None.

6. Defaults upon Senior Securities.

(a) If there has been any material default in the payment of principal, interest, a sinking or purchase fund instalment, or any other material default not satisfied within 30 days, with respect to any indebtedness of the reporting issuer or any of its significant subsidiaries exceeding 5 per cent of the total assets of the reporting issuer and its consolidated subsidiaries, identify the indebtedness. Indicate the nature of the default. In the case of default in the payment of principal, interest, or a sinking or purchase fund instalment, state the amount of the default and the total arrears on the date of filing this report.

Payments of principal and interest to CIBC FirstCaribbean on loans of $48.05M in March 2016, $3.72M in August 2019 and $16.2M in March 2021 were made during the quarter ended September 30, 2021 as per the agreement.

(b) If any material arrears in the payment of dividends have occurred or if there has been any other material delinquency not satisfied within 30 days, give the title of the class and state the amount and nature of the arrears or delinquency.

No arrears in the payment of dividends have occurred and there are no restrictions.

7. Submission of Matters to a Vote of Security Holders.

If any matter was submitted to a vote of security holders through the solicitation of proxies or otherwise during the financial year covered by this report, furnish the following information:

(a) The date of the meeting and whether it was an annual or special meeting.

There were no annual or special meetings held during the third quarter of the year.

(b) If the meeting involved the election of directors, the name of each director elected at the meeting and the name of each other director whose term of office as a director continued after the meeting.

(c) A brief description of each other matter voted upon at the meeting and a statement of the number of votes cast for or against as well as the number of abstentions as to each such matter, including a separate tabulation with respect to each nominee for office.

A description of the terms of any settlement between the registrant and any other participant.

N/A

(d) Relevant details of any matter where a decision was taken otherwise than at a meeting of such security holders.

N/A

Other Information.

The reporting issuer may, at its option, report under this item any information, not previously reported in a Form ECSRC – MC report (used to report material changes), with respect to which information is not otherwise called for by this form, provided that the material change occurred within seven days of the due date of the Form ECSRC-OR report. If disclosure of such information is made under this item, it need not be repeated in a Form ECSRC – MC report which would otherwise be required to be filed with respect to such information or in a subsequent Form ECSRC – OR report.

None

NOTES TO THE FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021

1. Corporate Information

Grenada Electricity Services Limited (the Company) is public and is registered in Grenada. It is engaged in the generation and supply of electricity throughout Grenada, Carriacou and Petit Martinique. The Government of Grenada owns the majority of its shares (71.4%) as of December 24th, 2020. For the 26 years prior, the Company was a subsidiary of Grenada Private Power Limited of which WRB Enterprises, Inc. was the majority owner.

The Company was issued a certificate of continuance under Section 365 of the Companies Act on November 8th, 1996.

The Company operates under the Electricity Act 19 of 2016 and has a licence for the exercise and performance of functions relating to the supply of electricity in Grenada. The Company is listed on the Eastern Caribbean Securities Exchange.

The registered office is situated at Grand Anse, St. George's, Grenada.

2. Basis of Preparation

The interim financial report for the period ended September 30, 2021, has been prepared in accordance with IAS 34, 'Interim Financial Reporting' and should be used in conjunction with the annual financial statements for the year ended December 31, 2020.

3. Significant Accounting Policies

The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the annual financial statements for the year ended December 31, 2020.

4. Use of Judgements and Estimates

In preparing these interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied in the financial statements as at and for the year ended December 31, 2020.

GRENADA ELECTRICITY SERVICES

Statement of Financial Position as at September 30, 2021 - 2020 and December 31, 2020

	Unaudited September 30, 2021 EC $	Unaudited September 30, 2020 EC $	Audited December 31, 2020 EC $
ASSETS			
Non Current Assets			
Property plant and equipment	99,387,564.01	98,212,611.40	102,119,512.92
Right to use assets	2,511,115.86	2,746,752.95	2,792,693.01
Suspense jobs in progress	2,135,227.30	2,396,634.88	1,444,955.25
Capital work in progress	25,049,072.19	9,333,142.23	7,326,586.14
	129,082,979.36	112,689,141.46	113,683,747.32
CURRENT ASSETS			
Inventories	25,560,658.58	27,577,971.14	26,183,870.49
Trade and other receivables	25,481,177.73	18,434,157.51	17,220,008.26
Income tax prepaid	-	-	809,300.10
Retirement benefits prepaid	-	-	63,585.00
Financial assets at amortised cost	36,516,234.27	34,642,853.67	36,452,150.45
Cash and cash equivalents	13,057,014.65	16,393,835.97	9,727,362.19
	100,615,085.23	97,048,818.29	90,456,276.49
TOTAL ASSETS	229,698,064.59	209,737,959.75	204,140,023.81
SHAREHOLDERS EQUITY AND LIABILITIES			
SHAREHOLDERS EQUITY			
Stated capital	32,339,840.00	32,339,840.00	32,339,840.00
Hurricane insurance reserve	31,500,000.03	29,500,000.03	30,000,000.00
Retained earnings	44,120,104.62	39,893,890.45	39,893,890.45
Profit / (Loss) to date after dividends	1,044,261.97	5,139,114.29	4,226,214.17
	109,004,206.62	106,872,844.77	106,459,944.62
Non Current Liabilities			
Customers' deposits	18,165,941.06	17,439,534.04	17,812,605.57
Long-term borrowings	38,665,516.57	29,001,483.26	27,907,491.59
Lease liabilities	2,331,103.23	2,534,617.95	2,602,428.96
Deferred tax liability	11,856,573.67	10,227,649.65	11,856,573.67
	71,019,134.53	59,203,284.90	60,179,099.79
Current Liabilities			
Amount due to related company	-	150,325.97	-
Bank overdraft	5,766,942.24	2,921,905.67	
Short- term borrowings	6,535,966.68	4,375,966.68	4,375,966.68
Trade and other payables	22,892,401.18	21,274,852.03	20,899,514.13
Current portion of lease liabilities	344,528.00	303,851.72	321,166.00
Customers' contribution to line extensions	7,959,947.42	8,106,888.68	7,140,289.79
Provision for retirement benefits	211,053.80	577,236.81	-
Provision for profit sharing	4,235,393.33	4,854,199.03	4,764,042.80
Provision for income tax payable	1,728,490.79	1,096,603.49	-
	49,674,723.44	43,661,830.08	37,500,979.40
TOTAL LIABILITIES	120,693,857.97	102,865,114.98	97,680,079.19
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	229,698,064.59	209,737,959.75	204,140,023.81

GRENADA ELECTRICITY SERVICES
STATEMENT OF COMPREHENSIVE INCOME

	Unaudited Three Months Ended		Unaudited Nine Months Ended		Audited
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	December 31, 2020
INCOME					
Sales - Non Fuel Charge	41,873,607.30	42,341,267.85	62,389,099.73	60,932,491.64	82,649,287.40
- Fuel Charge	36,077,688.31	34,311,321.66	53,592,614.67	50,277,061.82	63,342,134.85
Unbilled Sales Adjustments	1,083,896.22	(682,562.99)	2,006,144.21	(2,362,729.48)	(1,990,505.97)
Net Sales	79,035,191.83	75,970,026.52	117,987,858.61	108,846,823.98	144,000,916.28
Other Income	9,245,778.75	687,880.52	9,050,681.71	1,284,230.77	4,080,035.49
TOTAL INCOME	88,280,970.58	76,657,907.04	127,038,540.32	110,131,054.75	148,080,951.77
OPERATING COSTS					
Production less Diesel Consumed	12,047,100.74	9,255,429.00	17,875,854.01	13,446,281.40	22,085,369.20
Diesel Consumed	38,731,878.46	31,942,403.13	58,510,857.63	41,984,037.35	55,936,153.10
Planning & Engineering	1,311,493.28	1,281,697.48	1,979,085.86	2,106,048.13	2,818,214.16
Distribution	8,133,196.83	7,494,920.15	12,485,478.05	11,366,716.29	16,085,912.15
TOTAL OPERATING COSTS	60,223,669.31	49,974,449.76	90,851,275.55	68,903,083.17	96,925,648.61
CORPORATE SERVICES	9,511,400.15	8,842,479.50	14,050,733.77	14,192,298.05	19,142,818.94
PROFIT BEFORE INTEREST	18,545,901.12	17,840,977.78	22,136,531.00	27,035,673.53	32,012,484.22
INTEREST					
Bank Loan Interest	883,619.56	914,802.66	1,380,263.18	1,370,159.77	1,812,989.20
Other Bank Interest	1,087.66	1,666.62	5,167.78	8,651.51	12,079.90
Consumer Deposit Interest	407,002.53	358,571.29	519,124.04	517,520.17	670,058.62
TOTAL INTEREST COSTS	1,291,709.75	1,275,040.57	1,904,555.00	1,896,331.45	2,495,127.72
PROFIT AFTER INTEREST	17,254,191.37	16,565,937.21	20,231,976.00	25,139,342.08	29,517,356.50
ALLOCATIONS					
Regulatory Fees	1,924,646.00	-	1,924,646.00	-	-
Donations	716,480.13	778,296.87	840,369.36	1,181,967.11	1,375,868.28
Profit Sharing	3,202,502.88	3,312,753.40	4,224,907.75	5,028,049.55	6,182,042.52
TOTAL OTHER CHARGES	5,843,629.01	4,091,050.27	6,989,923.11	6,210,016.66	7,557,910.80
PROFIT BEFORE TAXES	11,410,562.36	12,474,886.94	13,242,052.89	18,929,325.42	21,959,445.70
Corporation Tax @ 30%	2,914,973.54	3,212,968.34	3,287,790.89	4,880,211.10	4,224,307.51
Deferred Tax	-	-	-	-	1,628,924.02
PROFIT AFTER TAXES	8,495,588.82	9,261,918.60	9,954,262.00	14,049,114.32	16,106,214.17
Dividends	4,940,000.00	4,940,000.00	7,410,000.00	7,410,000.00	9,880,000.00
Hurricane Insurance	1,000,000.02	1,000,000.02	1,500,000.03	1,500,000.03	2,000,000.00
RETAINED PROFIT to date	2,555,588.80	3,321,918.58	1,044,261.97	5,139,114.29	4,226,214.17

GRENADA ELECTRICITY SERVICES LIMITED
Statement of Cash Flows

	Unaudited September 30, 2021	Unaudited September 30, 2020	Audited Year Ended December 31, 2020
Operating Activities			
Profit before Income Tax	13,242,052.89	18,929,325.42	21,959,446.00
Adjustments for:			
Depreciation	6,206,779.36	6,274,323.53	8,351,493.00
Loss/ (profit) on disposal of fixed assets	(6,887,188.87)	427,133.86	(99,058.00)
	12,561,643.38	25,630,782.81	30,211,881.00
Changes in Operating Assets / Liabilities			
(Increase) / decrease in receivables and prepayments	(8,261,169.28)	7,485,974.51	8,700,123.00
Increase/ (decrease) in trade and other payables	1,992,887.05	(1,265,555.27)	(1,640,895.00)
Increase in consumers' deposits	353,335.49	170,641.09	543,713.00
Increase in consumers' contribution to line Extensions-refundable	819,657.63	824,165.42	(142,433.00)
Increase/(decrease) in provision for retirement benefits	274,638.80	(105,562.89)	(746,385.00)
Decrease/ (increase) in inventory	623,211.91	(6,968,403.57)	(5,574,302.00)
Increase in related company balance	-	150,325.97	-
Decrease in provision for profit sharing	(528,649.47)	(1,616,213.32)	(1,706,369.00)
	7,835,555.51	24,306,154.75	29,645,333.00
Income tax paid	(750,000.00)	(5,250,000.00)	(6,500,000.00)
Cash provided by operating activities	7,085,555.51	19,056,154.75	23,145,333.00
Investing Activities			
Disposal of property plant and equipment	8,862,640.21	685,740.34	1,213,655.00
Increase in Suspense jobs in progress	(690,272.05)	(892,885.41)	58,794.00
Increase in Capital Work in Progress	(17,722,486.05)	(6,386,530.74)	(4,379,975.00)
Increase in financial assets	(64,083.82)	(205,649.71)	(2,014,946.00)
Increase in customers' contribution to line Extensions- non-refundable	(2,387,735.52)	(553,275.09)	(737,700.00)
Purchase of property, plant and equipment	(2,780,969.12)	(3,879,576.48)	(9,579,913.00)
Cash used in investing activities	(14,782,906.35)	(11,232,177.09)	(15,440,085.00)
Financing Activities			
Dividends paid	(7,410,000.00)	(7,410,000.00)	(9,880,000.00)
Payment of principal portion of lease liabilities	(247,963.73)	(260,364.35)	(322,211.00)
Proceeds from borrowings	16,200,000.00	-	-
Repayment of borrowings	(3,281,975.02)	(3,281,975.01)	(4,375,967.00)
Cash provided by/ (used in) financing activities	5,260,061.25	(10,952,339.36)	(14,578,178.00)
Net Decrease in cash and cash equivalents	(2,437,289.59)	(3,128,361.70)	(6,872,930.00)
Net cash - at the beginning of year	9,727,362.00	16,600,292.00	16,600,292.00
- at the end of period	7,290,072.41	13,471,930.30	9,727,362.00
Represented by			
Cash and cash equivalents (Balance Sheet)	13,057,014.65	16,393,835.97	9,727,362.00
Bank overdraft	(5,766,942.24)	(2,921,905.67)	-
Cash and cash equivalents	7,290,072.41	13,471,930.30	9,727,362.00