

**Schedule 1**  
**FORM ECSRC – K**

**ANNUAL REPORT PURSUANT TO SECTION 98 OF THE SECURITIES ACT OF 2001**

For the financial year ended 31 January 2006

Issuer Registration number

TDC081098KN

St Kitts Nevis Anguilla Trading and Development Company Limited  
(Exact name of reporting issuer as specified in its charter)

Saint Christopher and Nevis

(Territory of incorporation)

Fort Street, Basseterre, St Kitts

(Address of principal office)

Reporting issuer's:

Telephone number (including area code): 1 (869) 465 2511

Fax number: 1 (869) 465 1099

Email address: [earle.kelly@tdcltd.com](mailto:earle.kelly@tdcltd.com) OR [sharon.samuel@tdcltd.com](mailto:sharon.samuel@tdcltd.com)

(Provide information stipulated in paragraphs 1 to 15 hereunder)

Indicate whether the reporting issuer has filed all reports required to be filed by Sections 98 of the Securities Act of 2001 during the preceding 12 months

Yes (x)

No \_\_\_\_\_

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 of EC\$5.00 each	100,000,000

**SIGNATURES**

Name of Chief Executive Officer  
**Dennis Michael Arthur Morton**

Name of Director:  
**Earle Austin Kelly**

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Signature

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Signature

**May 30, 2006**

**May 30, 2006**

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Date

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Date

# January 2006 Annual Filing to ECSRC

## 1. **Business.**

Provide a description of the developments in the main line of business including accomplishments and future plans. The discussion of the development of the reporting issuer's business need only include developments since the beginning of the financial year for which this report is filed.

## PERFORMANCE REVIEW

### TRADING

**Our Automotive Divisions** benefited immensely from the popularity of the new Toyota and Suzuki models. Both divisions achieved impressive gains in profitability, unit sales and market share. The **Home and Building Depots** produced improved results for the year under review. The construction industry remained buoyant fueled by activities related to the construction of facilities for the Cricket World Cup, several tourism related real estate developments and the general expansion and improvements of the housing stock. The **Business Equipment and Stationery** business in St Kitts produced slightly reduced profits while the Nevis operations recovered from the loss making position of the last two years and earned a small profit.

In May 2005, **City Drug Store (2005) Ltd** took over the trading operations of the City Drug Store Ltd. after the related assets of that company were purchased by the Group. The results for the nine month period were very satisfactory and the initial prospects for the business appear positive.

### SERVICES

The **Shipping Agencies** produced good overall results in a business segment that is very competitive and price sensitive. Total tonnage handled on the St.Kitts market continues to grow. However, the absence of a reliable principal serving Nevis has resulted in the contraction of our business on that island.

**TDC Rentals Ltd** performed creditably, albeit below last year's results and management's expectations. The company experienced growth in its vehicle rentals business but hire purchase sales were reduced. The results of **TDC Rentals (Nevis) Ltd.** were rather disappointing as that company generated a net loss for the year. The hire purchase business was rather depressed, and the vehicle rentals showed little growth. Liquidity in the local banking sector and the growing tendency of local customers to take organized shopping trips to the neighbouring islands continue to have a very negative effect on hire purchase sales.

## **FINANCE & INSURANCE**

**St. Kitts and Nevis Finance Company Ltd.(FINCO)** had a mixed year characterized by reduced returns on its investments and loans, the shortage of funds for long term mortgage lending and some growth in its vehicle and consumer financing business.

The company was successful in recovering income from several delinquent accounts for which loan loss provisions had previously been made. Initiatives to increase the company's capacity to provide more long term lending have started and will intensify this year.

**St Kitts Nevis Insurance Company Ltd (SNIC)** experienced no catastrophic events during the year, which had one of the most active hurricane seasons on record. However, the performance of the motor portfolio was less than satisfactory as claims climbed steeply. A new entrant into the local market pursued a policy of aggressively cutting rates to generate business. On some occasions, SNIC had to follow suit to compete and prevent loss in market share. All these factors contributed to reduced profits for the year under review.

## **TOURISM**

**Ocean Terrace Inn** – Low occupancy, depressed average room rates and increased operating expenses combined to return the hotel to a loss making position, after generating a small profit last year. The **Airline Services** companies in both St. Kitts and Nevis experienced another very challenging year because of the reduced volume of aircrafts handled, increased employment costs and provisions for bad debts. **TDC Tours** produced positive results as its cruise and hotel related businesses expanded.

## **ASSOCIATED COMPANIES**

**St Kitts Bottling Company Ltd** produced record profits as the company benefited from the completion of its first full year as distributor of mobile phone cards for a local provider as well as increased sales of soft drinks. A new state of the art PET plant has been ordered and is due to be installed and commissioned within the next six months. Initially, the current plant will operate alongside the new one until it is phased out over time.

**St Kitts Masonry Products Ltd** made a small profit for the year under review. However, its operations continue to be hampered by the unavailability of a reliable and cost effective source of raw materials. Discussions with the government to make suitable lands, available for mining, are ongoing and there are signs that some progress is being made.

**MAICO**, our associated insurance company in Anguilla, continued to generate significant profits and again paid satisfactory dividends.

## **CAPITAL PROJECTS**

The re-development of the company's properties at Central and Fort Streets, Basseterre has started and is progressing well. These premises will accommodate a modern Department Store and Pharmacy on the ground floor and individual shop spaces and a restaurant on the upper level.

During the year, the company restored and improved the “Corner Store” at the intersection of Bank and West Independence Square Streets. The building now accommodates the Airline Services and Tours businesses on the ground floor, and the first floor has been leased.

We also plan to commence construction of a modern vehicle showroom at the Automotive Division at the C.A.Paul Southwell Industrial Site, St. Kitts.

## **REAL ESTATE DEVELOPMENT**

**TDC Real Estate and Construction Company Ltd** has commenced the construction of the first nine of thirty seven villas that will comprise the upscale Sunrise Villas development on 8.67 acres of land, overlooking the golf course, at Frigate Bay. Sales have been steady and the prospects for the success of the project are encouraging.

A housing development for middle income earners, comprising twenty one single family homes, has started on 3.25 acres of land at Conaree, owned by *Conaree Estates Ltd.*

The company and its local partners have succeeded in attracting a new overseas developer that has invested in the **Cable Bay Hotel Development Company**. The developer has taken over the execution of the project, which has been redesigned to include condominiums and a limited number of villa lots.

## **2. Properties.**

Provide a list of properties owned by the reporting entity, detailing the productive capacity and future prospects of the facilities. Identify properties acquired or disposed off since the beginning of the financial year for which this report is filed.

	<u>TOTAL</u>	<u>LAND AND BUILDINGS</u>	<u>GENERAL EQUIPMENT</u>
Cost or Valuation – At Beginning of Year	107,942,140	68,514,603	39,427,537
Additions at Cost	7,662,795	2,542,956	5,119,839
Disposals/Transfers at Cost	<u>(6,802,551)</u>	<u>(5,063,828)</u>	<u>(1,738,723)</u>
Cost or Valuation – At End of Year	<u>108,802,384</u>	<u>65,993,731</u>	<u>42,808,653</u>
Depreciation – At Beginning of Year	23,827,173	1,632,437	22,194,736
Depreciation Charge in Year	4,498,909	-	4,498,909
Depreciation on Disposals	<u>(1,194,588)</u>	<u>-</u>	<u>(1,194,588)</u>
Depreciation – At End of Year	<u>27,131,494</u>	<u>1,632,437</u>	<u>25,499,057</u>
Net Book Value – 31 January 2006	<u>\$81,670,890</u>	<u>\$64,361,294</u>	<u>17,309,596</u>

Net Book Value – 31 January 2005

\$84,114,967

\$66,882,166

\$17,232,801

**ST KITTS**

**Basseterre – Fort Street**

**TDC Mall – Fort Street (Bank of Nova Scotia, Ballahoo Restaurant, Miscellaneous Stores, TDC Head Office)**

**Central/Independence Square Street**

**Car Rentals and Hire Purchase (TDC Rentals Ltd)**

**Central Street**

**Finance and Insurance Offices (FINCO and SNIC)**

**Fort/Central Streets**

**Former home of TDC Airline Services and TDC Tours and TDC Home Center. Building's reconstruction underway.**

**Bank/Independence**

**Corner building restored and occupied by TDC Airlines Services, TDC Tours and a new tenant.**

**Bank Street**

**Vacant area of approximately 11,000 square feet used as a parking lot. Considerable potential for commercial development – offices, retail, etc. Purchased in 1985 for \$2,900,000.**

**Basseterre – Newtown, Bay Road**

**Sands, a mixed residential and commercial condominium complex for sale. Approximately 75% of the units sold.**

**Fortlands (OTI)**

**The Ocean Terrace Inn, Pelican Cove Marina, OTI Pieces of Eight – hotel and restaurants.**

**C A P Southwell Industrial Site**

**Former factory shell used as the Automotive Division, and a factory Shell owned by Dan Dan Garments Ltd used as warehouse.**

**Frigate Bay Road**

**Home and Building Depot**

“ “ “

**Approximately 1.5 acres of prime commercial land currently used as staff facility.**

**Frigate Bay**

**Approximately 8.77 acres of land suitable for upmarket residential development at Frigate Bay overlooking the golf course. Sunrise Hills, a development which will eventually comprise 37 villas, has commenced**

**4,000 square foot lot at corner of western approach road to Frigate Bay South.**

**Sandy Point**

**Sandy Point Branch (Romney Ground) 16,598 square feet of land with retail and warehousing space**

**South East Peninsula**

**One lot at Banana Bay measuring 20,000 square feet**

<b>Conaree Lands</b>	<p><b>one developed lot remaining for sale.</b></p> <p><b>Approximately 3.25 acres of land under development. A middle income housing development consisting of 21 single family homes has started.</b></p>
<b>NEVIS</b>	
<b>Charlestown</b>	<p><b>TDC Plaza - Main Street Building (Offices and Retail spaces)</b></p> <p><b>Longstone Property - (Office and Rental Spaces) historic building on 18,210 square feet of land</b></p>
<b>Pinneys</b>	<p><b>General Offices of Nevis Operations</b></p> <p><b>Home &amp; Building Depot</b></p> <p><b>Automotive Division</b></p> <p><b>Lumber Yard and Drinks Depot</b></p> <p><b>Cement warehouse</b></p>
<b>Long Point</b>	<p><b>Land and Building (Shipping Department adjacent to Port facilities)</b></p> <p><b>3.42 acres. Has great long term potential for future development as the area around the Port develops</b></p>
<b>Corner of Prince William and Market Streets</b>	<p><b>Original size 2,684 square feet. Nevis Island Administration has encroached upon 462 square feet for a sidewalk and septic tanks. Presently negotiating to have the NIA compensate the Company with 462 square feet of NIA owned land that is adjacent. Several boat owners use it for boat storage and maintenance.</b></p>
<b>Prince William Street</b>	<p><b>4,000 plus square feet</b></p>
<b>Corner of Prince William and Market Streets (Opposite Sol)</b>	<p><b>Area of 7,232 square feet.</b></p> <p><b>Formerly used as retail space. Now rented to local furniture manufacturer.</b></p>
<b>Colquhouns Estate</b>	<p><b>Approximately 3.5 acres of beach front land was sold during the year.</b></p>

**3. Legal Proceedings.**

Furnish information on any proceedings that were commenced or were terminated during the current financial year. Information should include date of commencement or

termination of proceedings. Also include a description of the disposition thereof with respect to the reporting issuer and its subsidiaries.

**No legal proceedings commenced during the current financial year.**

#### **4. Submission of Matters to a Vote of Security Holders.**

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

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

**The Thirty-Second Annual General Meeting was held at the Ocean Terrace Inn on Thursday, 16<sup>th</sup> June 2005.**

**Also held was an Extra-ordinary General Meeting to consider and approve the increase of the Authorised Share Capital of the company, from 5,000,000 to 100,000,000 shares with a stated value of \$5.00 each**

- (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.

**Yes, the meeting involved the election of Directors to replace those retiring by rotation.**

**Directors, who retired by rotation, were Messrs Jacques A Cramer, Clive E Ottley, Charles L Wilkin, and Earle A Kelly. All were unanimously re-elected.**

**The other directors, whose term of office continued, were D Michael Morton, Austin V DaSilva, Nicolas N Menon, Myrna Walwyn, Kenneth Kelly, and B Michael King,**

- (c) A brief description of each other matter voted upon at the meeting and state 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.

**Other matters voted upon were as follows:-**

- 1. The re-election of the Auditors, Pannell Kerr Forster, who were unanimously re-elected for another financial year.**
- 2. To declare a final dividend of 5% (25 cents per share)**

- (d) A description of the terms of any settlement between the registrant and any other participant.
- (e) Relevant details of any matter where a decision was taken otherwise than at a meeting of such security holders.

**5.**

**Market for Reporting issuer's Common Equity and Related Stockholder Matters.**

Furnish information regarding all equity securities of the reporting issuer sold by the reporting issuer during the period covered by the report.

**Two hundred thousand common shares were issued by the Company to The City Drug Store Limited in partial settlement of the purchase of the net trading assets of that company.**

**6. Financial Statements and Selected Financial Data.**

Provide audited Financial Statements, Statement of Revenue Reserves, and Changes in Financial Position for the year ended. The relevant financial data items to be used in constructing the financial statements are provided in Parts A-D.

Include the following documents with the financial statement:

- (i) Auditor's report;
- (ii) A balance sheet as of the end of each of the two most recent financial years.
- (iii) Consolidated statements of income, statements of cash flows, and statements of other stockholders' equity for each of the two financial years preceding the date of the most recent audited balance sheet being filed.
- (iv) Financial statements for the most recent financial year.
- (v) Notes to Financial Statements

**7. 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 and only include factors that are unique to the company. 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.

**Even though the recent increases in crude oil prices on the international market and the prices of oil based fuels locally seem not to have resulted in any significant negative impact on the local economy, management is closely monitoring these events. Tourism and light manufacturing our main industries and foreign exchange earners are major consumers of energy and those sectors have been affected by the increase in the cost of electricity. Additional energy costs for these sectors may**

**result in making the Federation less competitive. The escalating fuel costs for the troubled airlines industry may cause reductions in flights to the region or huge increases in travel costs thereby curtailing visitor arrivals.**

**Additionally, the recent decision by the United States which will require its citizens to be carrying a valid passport to gain re-entry into the U.S. may severely affect travel to our region.**

**Concern is expressed that low productivity in the construction sector and the increasing level in crime could hamper growth in tourism. This can cause grave harm to the company which is directly and indirectly dependent on this sector.**

**. These are areas vital to the Company's operations and its continued viability.**

## **8. 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.

N/A

(b) 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)
- Offer closing date (provide explanation if different from date disclosed in the registration statement)
- Name and address of underwriter(s)
- Amount of expenses incurred in connection with the offer
- Net proceeds of the issue and a schedule of its use
- Payments to associated persons and the purpose for such payments

N/A

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

N/A

## **9. 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 percent 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.

N/A

- (b) If any material arrears in the payment of dividends has 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.

N/A

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

Provide a discussion of the results of operation covering aspects such as liquidity, capital resources and results of operations. Discuss reporting issuer's financial condition, changes in financial condition and results of operations during the financial year of the filing. Discussions of liquidity and capital resources may be combined whenever the two topics are interrelated.

**During the year, management continued negotiations with the Inland Revenue department regarding the income tax re-assessment for the years 1998 to 2002. As a result, additional taxes were paid in respect of amounts previously set aside as reserves. These reserves and applicable taxes were, therefore, included in Retained Earnings as prior years adjustments. The comparative Balance Sheet and Income Statement for the year ended January 31<sup>st</sup> 2005 were restated to reflect these adjustments.**

**At 31 January 2006, the total bank debts stood at \$35,093,406 compared to \$33,156,746 last year. The Company took on long-term borrowings of \$1,000,000, during the year, to assist with the purchase of the net trading assets of The City Drug Store Ltd. The Group debt to equity profile continued to be low. Our debt, as a percentage of equity and debt, was 29.67%.**

**Net cash flows from operating activities decreased from \$13.41 million to \$12.9 million due mainly to the increases in inventories and payments of corporate taxes for the year under review as well as taxes re-assessed for previous years. Net Cash outflow from investing activities utilized \$10,599,194 compared to \$6,042,705 last year due to a substantial increase in the purchase of investments and the continued purchase and development of Property, Plant and Equipment.**

**Net Cash Inflow from financing activities was \$1,477,724 compared to Net Cash Outflow last year of \$5,718,578. Dividends paid totalled \$2,537,500, compared to the previous period's \$2,500,000.**

**During the year, the Group used its overdraft facilities and internally generated funds to finance the completion of additional retail facilities and the purchase of fixed and real assets.**

**The Group experienced growth of 13% in its revenues and 2.5% in its Net Income, before provision for taxation.**

**The Group's earnings from Associated Companies increased by 33%, from \$611,236.00 (restated) last year to \$814,184.00 this year.**

**Taxation continued to be well managed throughout the Group. The taxation charge of \$3,302,195 represents an effective rate of 28.7% down slightly from the previous year's 29.6%.**

**TDC's financial condition and Balance Sheet remain relatively strong. At 31 January 2006 the Company had over \$21.95 million in cash and short-term investments and Shareholders Equity stood at \$83.39 million.**

**Existing sources of capital, together with cash flows from operations, are expected to be adequate to meet foreseeable cash requirements.**

(i) Liquidity

Identify any known trends, commitments, demands, events that will result in or that are reasonably likely to result in the reporting 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.

(ii) Capital Resources

Describe the reporting 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 Schemes needed to fulfil such commitments. Describe any material trends, favourable or unfavourable in the reporting issuer's capital resources and any expected change in mix. The discussion should consider changes between equity, debt and any off-balance sheet financing arrangements

**The company is committed to the ongoing re-development of its premises at Fort and Central Streets, Basseterre. This project, when completed, will comprise a two storey (20,400 square feet) building accommodating a modern department store and pharmacy on the ground floor and retail and office spaces on the upper level. The cost is estimated to be \$6,000,000.00 and financing has been arranged with the company's bankers.**

(iii) Results of Operation.

Describe 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 indicate the extent the income was so affected. Describe any known trends or uncertainties that have had or that the reporting issuer reasonably expects will have a material favourable or

unfavourable impact on net sales or revenues or income from continuing operations. If the reporting issuer knows of events that will cause a material change in the relationship between costs and revenues (such as price increases, costs of labour or materials), the changes in relationship should be disclosed

**11. Changes in and Disagreements with Auditors on Accounting and Financial Disclosure.**

Describe any changes in auditors or disagreements with auditors, if any, on financial disclosure.

**Auditor's Report**

**We have audited the Balance Sheet of the Group as at 31 January 2006 and the related Profit and Loss Account Statement of Changes in Equity and Statement of Cash Flows for the year then ended. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these Financial Statements based on our audit.**

**We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform an audit to obtain reasonable assurance that the Financial Statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes accessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.**

**In our opinion, these Financial Statements presents fairly, in all material respects, the financial position of the Group at 31 January 2006 and the results of its operations, changes in equity and its cash flows for the year then ended, in accordance with International Financial Reporting Standards except as disclosed in Note 2 (m) and (o) to the Financial Statements.**

**PANNEL KERR FORSTER**  
Chartered Accountants  
Basseterre  
St. Kitts- West Indies

3 May, 2005.

**12. Directors and Executive Officers of the Reporting Issuer.**

Furnish biographical information on directors and executive officers indicating the nature of their expertise and ability to contribute in the business development efforts of the reporting issuer.

A summary of the Board composition is as follows:-

**Mr D Michael Morton** – Group Chairman/CEO

Mr Morton became a Group Executive Director in 1983; Chairman/Chief Executive Officer in 2001, Managing Director of St Kitts Masonry Products Limited in 1999. He is Deputy Chairman of E.C.S.E; Director of the Center for Management Development, U.W.I, Cave Hill; former Deputy Chairman of the Social Security Board of St Kitts Nevis; former Director of the St Kitts Nevis Development Bank Board, former President of the St Kitts Nevis Chamber of Industry and Commerce.

**Mr Earle A Kelly** – Group Finance Director

Mr Kelly became a Group Executive Director in 2000; Group Finance Director in 2002; Director/Company Secretary of St Kitts Masonry Products Ltd; former Company Secretary of TDC. Mr Kelly holds a BA degree in Accounting and a Masters in Business Administration.

**Mr Austin V DaSilva** – Director

Mr DaSilva became a Group Executive Director in 2000; former General Manager of St Kitts Nevis Insurance Company Ltd; General Manager of East Caribbean Reinsurance Company Ltd; Managing Director of Malliouhana-Anico Insurance Company Limited; former Director of the Chamber of Industry and Commerce; Past President of the St Kitts Rotary Club.

**Mr Nicolas Menon** – Director

Mr Menon became a Group Executive Director in 2000; Director of St Kitts Bottling Company Limited, Director of Rotary Club of St Kitts, Mentor of Schools Educational Development Project. Holds BSc and Masters degree in Business Administration.

**Mr Basil Michael L King** – Director

Mr Michael King is a former Chairman/Chief Executive Officer and founding Director of the Group; former Chairman of Cable Bay Hotel Development Co Ltd, St Kitts Bottling Company Limited and Ocean Terrace Inn Limited; former Managing Director of St Kitts Masonry Products Ltd, Chairman of City Drug Store, former President of the St Kitts Nevis Chamber of Industry and Commerce, former Director of the Centre for Management Development; former Trustee of the Caribbean/Latin America Action.

**Mr Jacques A Cramer** – Director

**Mr Cramer is a founding Director of the TDC Group; Director of St Kitts Masonry Products and St Kitts Bottling Company Ltd, Managing Director of J Cramer Real Estate; Director of Brimstone Hill Fortress National Park, former Member of the Public Service Commission and Police Service Commission of St Kitts Nevis; former Director of Development and Finance Corp; former Chairman of the Eastern Caribbean Currency Authority (now Eastern Caribbean Central Bank): Honorary Warden for the Canadian Government in St Kitts Nevis; Honorary Consul for Israel in St Kitts and Nevis.**

**Mr Charles L A Wilkin - Director and Legal Counsel**

**Mr Wilkin became a Director of the Group in 1978; became a Barrister-at-Law in 1971 having gained a MA degree from Cambridge University; became a Queen's Counsel in 1998. He has been the Senior Partner at the law firm, Kelsick, Wilkin and Ferdinand since 1988.**

**Mrs Myrna R Walwyn – Director**

**Mrs Walywn became a Director in 2000; became a Barrister-at-Law in 1980; member of the Middle Temple Inns of the Courts of London; Senior Partner of the law firm, Myrna Walwyn and Associates. Holds a BSc (Hons) degree in Social Sciences and MA degrees in Law and Sociology.**

**Dr Clive Ottley – Director**

**Dr Ottley became a Director in 1990. He is a retired Obstetrician/Gynaecologist and currently owns and manages a software development and consultancy firm.**

**Mr Kenneth N Kelly – Director**

**Mr Kelly became a Director in 1990. He is a Merchant and Realtor; co-founded Barker and Kelly (Partners) Ltd, a supermarket operator, importer/wholesaler and ships' agent in 1960; developer of several housing estates in St Kitts.**

**Mr Melvin Edwards – Director**

**Mr. Edwards was appointed a director on July 9,2005. He holds M.Sc and B.A. degrees and is an experienced business consultant and advisor. Currently Regional Project Manager, Caribbean Programme for Economic Competitiveness (CPEC); former Regional Coordinator, USAID Small Enterprise Assistance Agency (SEAP); former Executive Director of Foundation for National Development (St. Kitts - Nevis ) Limited and Foundation for National Development and Research ( St. Lucia), former Executive Director of the**

**Ms Maritza S Bowry – Company Secretary/Chief Accountant**

**Appointed Company Secretary and Group Chief Accountant in 2001; former Assistant Manager, TDC Airline Services Ltd; holds a BSc degree in Accounting and Economics and a MBA with a concentration in Finance.**

**13. Security Ownership of Certain Beneficial Owners and Management.**

Furnish percentage shareholdings of beneficial owners and management with holdings in excess of 5%.

**Michael L King – 5.14%**

**Jacques A Cramer – 9.5%**

**14. Other Information.**

The reporting issuer may, at its option, report under this item any information, not previously reported in a Form ECSRC - MC report (related to disclosure of material information), with respect to which information is not otherwise called for by this form. 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 - K report.

**15. List of Exhibits**

List all exhibits, financial statements, and all other papers and documentation filed with this report.

## Part A

### Relevant Financial Data Items for Commercial and Industrial Companies

#### Item Descriptions

- Cash and Cash Items
- Marketable securities
- Notes and Accounts Receivables-Trade
- Allowances for doubtful accounts
- Inventory
- Total Current Assets
- Intangible Assets
- Property Plant and Equipment
- Accumulated Depreciation
- Other Assets (explain)
- Total Assets
- Accounts Payable
- Total Current Liabilities
- Other Liabilities (explain)
- Bonds, mortgages and similar debt
- Preferred stock-mandatory redemption
- common stock
- other stockholder's equity
- Total liabilities and stockholder's equity
- net sales of tangible products
- total revenues
- cost of tangible goods sold
- total costs and expenses applicable to sales and revenues
- other costs and expenses
- provision for doubtful accounts and notes
- Interest and amortisation of debt discount
- Income before taxes and other items
- income tax expense
- income/loss continuing operations
- Discontinued operations
- extraordinary items
- Cumulative effect-changes in accounting principles
- net income or loss
- earnings per share -primary
- earnings per share - fully diluted

## Part B

### Relevant Financial Data Items for Bank Holding Companies and Banks

#### Item Descriptions

- Cash and due from banks
- interest bearing deposits
- Borrowings from the ECCB, Inter-bank Market activity and other bank borrowings
- trading account assets
- investment and mortgage backed securities held for sale
- Investments: to provide schedule of type, rates, maturity and place – (whether domestic/regional or foreign)
- loans
- allowances for losses
- Fixed Assets
- total assets
- other liabilities
- Total deposits
- short-term borrowings
- long-term debt
- preferred stock-mandatory redemption
- preferred stock-no mandatory redemption
- common stocks
- other stockholder's equity
- total liabilities and stockholder's equity
- contingent accounts
- interest and fees on loans
- interest and dividends on investments
- other interest income
- total interest income
- interest expense on deposits
- total interest expense
- net interest income
- provision for loan losses
- investment securities gains/losses
- other expenses
- income/loss before income tax
- income/loss before extraordinary items
- extraordinary items
- cumulative changes in accounting principles
- net income or loss
- earnings per share-primary
- earnings per share- fully diluted

## Part C

### Relevant Financial Items for Broker-Dealers Holding Companies

#### Items Description

- Cash and cash items
- receivables from brokers and dealers, customers and others
- securities purchased under resale agreements
- financial instruments owned
- fixed assets
- total assets
- short term borrowings including commercial paper
- payable to customers, brokers/dealers (including clearing brokers) and others
- securities sold under agreements to repurchase
- long-term debt
- preferred stock-mandatory redemption
- preferred stock - no mandatory redemption
- common stock
- other stockholder's equity
- total liabilities and stockholder's equity
- revenue from trading activities
- interest and dividends
- commissions
- interest expense
- other sources of revenue
- compensation and employee related expense
- income/loss before income tax
- income/loss before extraordinary items
- extraordinary items, less tax
- cumulative change in accounting principles
- net income or loss
- earnings per share- primary
- earnings per share - fully diluted

## Part D

### Relevant Financial Data Items for Public Utility and Utility Holding Companies

#### Item Descriptions

- total net utility plant
- other property and investments
- total current assets
- total deferred charges
- balancing amount for total assets
- total assets
- common stock
- capital surplus, paid in,
- retained earnings
- total common stockholders equity
- preferred stock subject to mandatory redemption
- preferred stock not subject to mandatory redemption
- long term debt, net
- short term notes
- notes payable
- commercial paper
- long term debt-- current portion
- preferred stock-- current portion
- obligation under capital leases
- obligation under capital leases--current portion
- balancing amount for capitalisation and liabilities
- total capitalisation and liabilities
- gross operating revenue
- other operating expense
- total operating expense
- operating income (loss)
- other income (loss), net
- income before interest charges
- total interest charges
- net income
- preferred stock dividends
- earnings available for common stock
- common stock dividends
- total annual interest charges on all bonds
- cash flow from operations
- earnings per share –primary
- earnings per share – fully diluted