# EAST CARIBBEAN FINANCIAL HOLDING COMPANY LIMITED SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2014 (expressed in Eastern Caribbean dollars)



### REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the Shareholders of East Caribbean Financial **Holding Company Limited** 

The accompanying summarized consolidated financial statements, which comprise the summary consolidated statement of financial position as at December 31, 2014, summary consolidated statement of income, summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of East Caribbean Financial Holding Company Limited for the year ended December 31. 2014. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated March 25, 2015. Those consolidated financial statements, and the summarized consolidated financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those consolidated financial statements.

The summarized consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summarized consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of East Caribbean Financial Holding Company Limited.

#### **Management's Responsibility for the Summary Financial Statements**

Management is responsible for the preparation of a summary of the audited consolidated financial statements on the basis of their established criteria as described in Note 1.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the summarized consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing 810, "Engagements to Report on Summary **Financial Statements.**"

#### **Opinion**

In our opinion, the summarized consolidated financial statements derived from the audited consolidated financial statements of East Caribbean Financial Holding Company Limited for the year ended December 31, 2014 are consistent, in all material respects, with those consolidated financial statements, on the basis of management's criteria as described in Note 1.

**Ernst and Young** 

St. Lucia March 25, 2015

### SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	2014 \$'000	2013 \$'000
Assets		
Cash, balances with Central Bank and due from banks Investment Securities Loans and receivables Property and equipment Investment properties Other assets	1,049,646 671,772 1,780,743 147,127 6,790 66,928	1,013,755 583,333 1,878,761 149,158 15,215 84,112
Total assets	3,723,006	3,724,334
Liabilities		
Due to customers Borrowings Other liabilities	3,235,180 152,883 65,262	3,181,671 213,125 68,827
Total liabilities	3,453,325	3,463,623
Equity		
Share capital Reserves	170,081 50,861	170,081 40,548
Attributable to the Company's equity holders	220,942	210,629
Non – controlling interests	48,739	50,082
Total equity	269,681	260,711
Total liabilities and equity	3,723,006	3,724,334

Approved by the Board of Directors on 25 March 2014:

Brown

Director

#### SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Ordinary shares \$'000	Reserves \$'000	Total \$'000	Non-con- trolling interests \$'000	Total equity \$'000
Balance at 1 January 2013 (as restated)	170,081	60,193	230,274	46,668	276,942
Total comprehensive loss for the year Transfers from reserves and net capital	_	(16,816)	(16,816)	3,414	(13,402)
contributions		(2,829)	(2,829)		(2,829)
Balance at 31 December 2013	170,081	40,548	210,629	50,082	260,711
Balance at 1 January 2014	170,081	40,548	210,629	50,082	260,711
Total comprehensive income for the year Transfers from reserves and net capital	_	10,746	10,746	1,446	12,192
contributions	_	(433)	(433)	_	(433)
Dividends paid by subsidiaries	_	· -	· -	(1,813)	(1,813)
Disposal of subsidiary			<u> </u>	(976)	(976)
Balance at 31 December 2014	170,081	50,861	220,942	48,739	269,681

	2014 \$'000	2013 \$'000
Continuing operations	\$ 000	\$ 000
Net interest income	81,759	85,569
Other operating income	59,677	66,750
Impairment losses	(20,431)	(41,250)
Operating expenses	(105,390)	(106,366)
Share of profit in associates	1,794	1,581
Profit for the year before income tax	17,409	6,284
Income tax expense	(7,158)	(2,156)
Profit for the year from continuing operations:	10,251	4,128
Discontinued operation		
Profit/(loss) from discontinued operations:	813	(436)
Profit for the year	11,064	3,692
Attributable to:		
<ul><li>Equity holders of the Company</li><li>Non-controlling interests</li></ul>	9,548 1,516	188 3,504
Profit for the year	11,064	3,692
Earnings per share for earnings attributable to the equity holders of the Company during the year:		
- basic	0.39	
- diluted	0.38	-

## SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Profit for the year	11,064	3,692
Other comprehensive income/(loss)		
Unrealised loss on available for sale investments Re-measurement gains on defined benefit pension plan(net of tax)	(29) 1,157	(17,755) 661
Total comprehensive income/(loss) for the year	12,192	(13,402)
Total comprehensive income/(loss) attributable to:		
Equity holders of the company Non-controlling interests	10,746 1,446	(16,816) 3,414
	12,192	(13,402)

### SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

	2014 \$'000	2013 \$'000
Net cash from operating activities	212,321	402,145
Net cash used in investing activities	(122,913)	(33,688)
Net cash (used in)/from financing activities	(62,488)	5,802
Increase in cash and cash equivalents	26,920	374,259
Cash and cash equivalents at beginning of year	889,212	514,953
Cash and cash equivalents at end of year	916,132	889,212

## NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Basis of presentation

The summary consolidated financial statements are prepared in accordance with criteria developed by management. Under management's established criteria, management discloses the summary consolidated statement of financial position, summary consolidated statement of income, summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows. These summary financial statements are derived from the audited consolidated financial statements of East Caribbean Financial Holding Company Limited and its subsidiaries for the year ended 31 December 2014.

These summary consolidated financial statements have been prepared in accordance with the accounting policies set out in "Note 2" of the 31 December 2014 audited financial statements consistently applied from period to period. Any new Accounting Standards or interpretations which became effective in this financial year have had no material impact on the Group. The areas of critical accounting estimate and judgment as disclosed in "Note 4" of the 31 December 2014 audited financial statements, have also remained unchanged.

### **BANK OF SAINT LUCIA LIMITED**

**SUMMARY FINANCIAL STATEMENTS** 

For the year ended 31 December 2014 (expressed in Eastern Caribbean dollars)



\$'000

54,615

\$'000

56,317

# REPORT OF THE INDEPENDENT AUDITORS ON THE **SUMMARY FINANCIAL STATEMENTS**

#### To the Shareholders of Bank of Saint Lucia Limited

The accompanying summarized financial statements, which comprise the summary statement of financial position as at December 31, 2014, summary statement of comprehensive income, summary statement of changes in equity and summary statement of cash flows for the year then ended, and related notes, are derived from the audited financial statements of Bank of Saint Lucia Limited for the year ended December 31, 2014. We expressed an unmodified audit opinion on those financial statements in our report dated March 27, 2015. Those financial statements, and the summarized financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summarized financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summarized financial statements, therefore, is not a substitute for reading the audited financial statements of Bank of Saint Lucia Limited.

#### Management's Responsibility for the Summary Financial **Statements**

Management is responsible for the preparation of a summary of the audited financial statements on the basis of their established criteria as described in Note 1.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the summarized financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing 810, "Engagements to Report on Summary Financial Statements."

#### **Opinion**

In our opinion, the summarized financial statements derived from the audited financial statements of Bank of Saint Lucia Limited for the year ended December 31, 2014 are consistent, in all material respects, with those financial statements, on the basis of management's criteria as described in Note 1.

**Ernst and Young** 

St. Lucia March 27, 2015

SUMMARY STATEMENT OF FINANCIAL POSITION		
Assets	2014 \$'000	2013 \$'000
Cash, balance with Central Bank and due from banks Investment Securities Loans and receivables Property and equipment Due from related parties Other assets	276,653 324,643 1,216,441 16,394 51,949 35,910	208,686 266,048 1,314,422 17,789 51,968 45,702
Total assets	1,921,990	1,904,615
Liabilities		
Due to customers and repurchase agreements Borrowings Other liabilities	1,696,394 70,042 11,206	1,623,610 126,606 14,980
Total liabilities	1,777,642	1,765,196
Equity		
Share capital Reserves	197,719 (53,371)	197,719 (58,300)
Total equity	144,348	139,419
Total liabilities and equity	1,921,990	1,904,615

Approved by the Board of Directors on  $27^{\text{th}}$  March 2015:

Balance at 1 January 2013	197,719	(37,789)	159,930
Total comprehensive loss for the year	_	(20,511)	(20,511)
Balance at 31 December 2013	197,719	(58,300)	139,419
Total comprehensive income for the year	_	4,929	4,929
Balance at 31 December 2014	197,719	(53,371)	144,348

Other operating income	28,952	42,066
Impairment losses	(19,715)	(40,379)
Operating expenses	(61,692)	(65,126)
Profit/(loss) for the year before income tax	3,862	(8,824)
Income tax expense	(76)	<u> </u>
Profit/ (loss) for the year	3,786	(8,824)
Other comprehensive income/(loss)		
Unrealised gain/(loss) on available for sale investments	1,143	(11,687)
Total comprehensive income/(loss) for the year	4,929	(20,511)

SUMMARY STATEMENT OF CASH FLOWS		
	2014 \$'000	2013 \$'000
Net cash from/ (used in) operating activities	200,299	(8,330)
Net cash (used in)/from investing activities	(81,008)	33,729
Net cash (used in)/from financing activities	(56,564)	4,367
Increase in cash and cash equivalents	62,727	29,766
Cash and cash equivalents at beginning of year	119,493	89,727
Cash and cash equivalents at end of year	182,220	119,493

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS

### Note 1. Basis of presentation

Net interest income

The summary financial statements are prepared in accordance with criteria developed by management. Under management's established criteria, management discloses the summary statement of financial position, summary statement of comprehensive income, summary statement of changes in equity and summary statement of cash flows. These summary financial statements are derived from the audited financial statements of Bank of Saint Lucia Limited for the year ended 31 December 2014.

These summary financial statements have been prepared in accordance with the accounting policies set out in "Note 2" of the 31 December 2014 audited financial statements consistently applied from period to period. Any new Accounting Standards or interpretations which became effective in this financial year have had no material impact on the Group. The areas of critical accounting estimate and judgment as disclosed in "Note 4" of the 31 December 2014 audited financial statements, have also remained unchanged.