



Republic Bank (Grenada) Limited

STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2015

	<u>2015</u> \$000's AUDITED	<u>2014</u> \$000's AUDITED
ASSETS		
Cash and other short term funds	177,400	171,635
Investments securities	142,225	111,319
Advances	476,924	476,286
Employee benefits	7,154	6,731
Other Assets	7,093	6,652
Premises and equipment	34,129	35,601
Total Assets	844,925	808,224
LIABILITIES		
Customers' current, savings and deposit accounts	728,603	684,097
Other Liabilities	23,124	32,602
NET ASSETS	93,198	91,525
FINANCED BY		
Capital	15,000	15,000
Reserves	78,198	76,525
SHAREHOLDERS' EQUITY	93,198	91,525

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>2015</u> AUDITED \$000's	<u>2014</u> AUDITED \$000's
OPERATING PROFIT		
Profit Before Tax	3,965	460
Profit After Tax	3,353	71
Retained Earnings brought forward	56,463	56,392
Dividends paid	0	0
Retained Earnings carried forward	59,816	56,463

Ronald F. deC. Harford
Chairman

Keith A. Johnson
Managing Director

REPUBLIC BANK (GRENADA) LIMITED

CHAIRMAN'S STATEMENT

I am pleased to report that the Bank recorded net income after tax of \$3.353 million for the financial year ended September 30, 2015, a welcome improvement over the 2014 results of \$71 thousand. The primary contributor to this improvement was the significant reduction of \$3.7 million in provisions for bad debt. Assets increased by 4.54% or \$36.7 million, driven by growth in deposits. Our loans growth was virtually flat, but was better than the market which declined further during the year.

Based on these results, and given our solid capital ratios, the Board has approved a dividend of \$1.00 for the year (2014: Nil), which is payable on December 3, 2015. This represents a dividend payout ratio of 45%.

The reduction in the regulated Savings interest rate, announced by the Central Bank earlier in the year, has restored a measure of equilibrium to a hitherto depressed and unsustainable interest margin, given the large surplus liquidity in the system.

The reported improvement in the economy over the past two years has injected optimism in the business sector, and signs of increased activity are evident. The realisation of projects in the tourism sector, and a revival in agriculture and agro-business, will contribute to the growth trajectory. The imminent settlement of the Government's debt restructuring, will reduce some of the uncertainty among potential investors, and help boost confidence in the Grenada market.

Challenges, nevertheless remain. Across the globe, economic growth has fallen short of expectations, particularly in some of Grenada's tourism source markets. Here in Grenada, public debt is still high, even after restructuring. The Bank, however, remains hopeful that the improvement in the economy will be sustained, thereby fueling growth and development.

During the year, Mrs. Margaret Blackburn-Steele, Mr. Nigel John, and Dr. Denis Paul stepped down from the Board. We thank them for their valuable contribution over the years, and wish them well in the future. On October 22, 2015, Ms. Leslie-Ann Seon, Mr. Christopher Husbands, and Mr. Richard Lewis were appointed to fill those vacancies. We welcome them to the Board.

We take this opportunity to thank all our valued stakeholders for their unfailing loyalty, commitment, and support, and look forward to continue serving you.

A handwritten signature in black ink, appearing to read "Ronald F. deC. Harford". The signature is fluid and cursive, with a large initial "R" and "H".

Ronald F. deC. Harford

CHAIRMAN

November 2, 2015