ECSE
EASTERN CARIBBEAN SECURITIES EXCHANGE

ANNUAL REPORT

Demonstrating Resilience in Challenging Times

2021

VISION

To be the medium of choice for wealth creation and capital-raising in the Eastern Caribbean Currency Union.

MISSION

To provide the Eastern Caribbean Currency Union (ECCU) with an accessible market place in which to issue and trade securities, to clear and settle trades, and to register companies in a transparent, seamless, confidential and secure manner.

STRATEGY STATEMENT

To grow revenues by leveraging our advanced technological capacity to offer the most efficient and appropriate capital market products and services to a broadened clientele, based on responsive, client-focused operations, and strategic marketing and outreach activities.

VALUES

Accountability & Transparency

Efficiency, Professionalism & Competence

Integrity, Reliability & Dependability

Responsive & Client-Focused

AREAS OF VALUE CREATION

In pursuing our mission as a market infrastructure, we also focus on creating long-term value for stakeholders through the utilisation of various forms of capital.

Our Financial Capital

The financial resources of the exchange are used to operate a safe, transparent, and efficient market and support growth, expansion, and innovation. The ECSE balances the need to provide a return to its shareholders through the distribution of dividends and retaining capital to fund its operations and achieve its objectives.

Our Systems and Infrastructure

As a technology-driven exchange, our operations are heavily reliant on our IT systems used to securely process transactions between issuer and investors. Utilising world-class technology is a key component of our business model and allows the ECSE to meet the needs of our stakeholders and provide them with a safe, accessible, and efficient marketplace.

Our Organisational Knowledge and Brand

The ECSE's brand is based on the technology, systems, policies, and procedures we have developed and the experience of how to operate a safe and efficient market. Our brand also relies on positive relations with our stakeholders for the proper functioning of the securities market and to meet stakeholder expectations.

Our People

The ECSE is a specialised organisation requiring competent employees with skills and experience in financial markets. We aim to attract, develop, and retain high calibre employees who are instrumental in the execution of our strategy and delivery of a safe and efficient market.

Our Relationships

The ECSE plays a critical role in the regional economy. We influence and interact with a range of stakeholders to ensure that we remain a trusted partner in the financial sector and work to create an environment that creates value for issuers and investors.

ECSE GROUP AT A GLANCE

The ECSE Group consists of the Eastern Caribbean Securities Exchange (ECSE) Ltd, the parent company, and the Eastern Caribbean Central Securities Depository (ECCSD) Ltd, a wholly owned subsidiary. These companies were established in 2001, along with another wholly owned ECSE subsidiary, the Eastern Caribbean Central Securities Registry Ltd, which has since been subsumed into the ECCSD, as the three market institutions to launch the Eastern Caribbean Securities Market (ECSM). The ECSM, which was the first organised regional securities market within the 8 Member countries of the Eastern Caribbean Currency Union (ECCU), provides investors with an alternative to invest their savings to secure their future. It facilitates the transfer of private sector savings to productive investments, which is expected to increase productive activity in the real sector, facilitate private sector development and create avenues for employment.

The ECSE Group is positioned as the provider of a critical service to the Eastern Caribbean's financial services sector. The ECSE Group acts as an intermediary between investors willing to provide capital over the short, medium or long-term to fund the recurrent and capital expenditure of Governments and companies.

WHAT WE DO

The ECSE Group operates a multi-asset class securities exchange that provides trading, clearing and settlement services to individual and institutional investors where they can buy and sell securities and earn a return on their investment.

Primary Market

We operate the primary markets which give issuers an opportunity to raise money through the issue of new securities.

Secondary Market

We operate the secondary market which allows investors to trade their securities freely.

Post-Trade Services

We clear and settle all primary market auctions and secondary market trades efficiently, securely, and irrevocably, ensuring that sellers get paid for the securities they have sold, and buyers receive the securities they have bought.

Corporate Actions

We process corporate actions resulting in the distribution of income to investors.

Data

We report on market activity and corporate actions and publish issuer filings and disclosures.

OUR STAKEHOLDERS

Employees

We aim to provide employees with a safe work environment that allows for personal and professional fulfillment from making a meaningful contribution to an organisation with regional significance.

Investors

We aim to provide investors with a reliable, secure, accessible, and efficient marketplace that generates an attractive return on their investment for wealth creation.

Regulators

We work with the primary regulators to create a safe, transparent, and efficient marketplace for investors and issuers.

Issuers

We aim to provide a marketplace that allows Governments and Companies to raise funding required to meet their capital and recurrent expenditure needs.

Banking Sector

We work with the Eastern Caribbean Central Bank and commercial banks to settle auctions and trades executed on the primary and secondary markets and distribute income to investors in an efficient, cost-effective, and safe manner.

Shareholders

We aim to return value to our shareholders through the payment of an annual dividend and by fulfilling the company's mission.

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ECSE
EASTERN CARIBBEAN SECURITIES EXCHANGE

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman

Mr Timothy NJ Antoine
Governor,
Eastern Caribbean Central Bank

Deputy Chairman

Mr D Michael Morton, CBE
Director,
TDC Group of Companies

Mr Peter Blanchard, GCM
Managing Director,
General Insurance Company Ltd

Mrs Jennifer Nero
Business Consultant

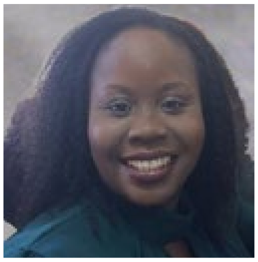
Mr George S Goodluck
Managing Director,
St Vincent Insurances Ltd

Ms Marilyn Johnson
Chief Financial Officer,
St Christopher & Nevis
Social Security Board

Ms Jasmine Taylor
Investment Manager,
Montserrat Social Security Fund

Mr Trevor E Blake
Managing Director,
ECSE Group

COMPANY SECRETARY



Ms Raemona Frederick
Senior Legal Officer,
Eastern Caribbean Central Bank

MANAGEMENT

Mr Trevor E Blake
Managing Director

Mr Geron Burnett
Senior Manager,
Operations Division

Ms Cheryl Moses
Manager,
Accounting, Finance and
Administration Division

REGISTERED OFFICE

P O Box 94
Bird Rock
Basseterre
St. Kitts

SUBSIDIARY COMPANY

Eastern Caribbean Central Securities
Depository Limited (100%)

AUDITORS

KPMG
2nd Floor, ABI Financial Centre
156 Redcliffe Street, P O Box W388
St John's, Antigua

SOLICITORS

Kelsick, Wilkin & Ferdinand
South Independence Square Street, Basseterre, St Kitts

BANKERS

St. Kitts-Nevis-Anguilla National Bank Ltd
Central Street, Basseterre, St. Kitts

STAFF

Seated from L-R:

Curdel Rouse, Operations Clerk – Operations Division

Kimani Phillip, Accounting Assistant

Kerina Browne, Senior Client Services Representative – Operations Division

Denise Lynch-Wade, Administrative Assistant

Standing from L-R:

Trellon Charles, Information Technology Officer

Ron Andrew, Information Technology Officer

Sherizan Mills, Client Services Representative – Operations Division

Seon Stewart, Accounting Officer

Geron Burnett, Senior Manager – Operations Division

Not pictured:

Teesea Nero, Client Services Representative – Operations Division

Cheryl Moses, Manager – Accounting, Finance and Administrative Division

STATEMENT OF CORPORATE GOVERNANCE PRINCIPLES

The Eastern Caribbean Securities Exchange Limited (ECSE) and the Eastern Caribbean Central Securities Depository Limited (ECCSD) continue to promote high standards and principles of corporate governance throughout the Group. This statement of corporate governance practices provides a brief description of the Group's approach to governance.

LEGAL FRAMEWORK

The ECSE was incorporated in the Federation of Saint Christopher and Nevis under the Companies Act of 1996 as a public limited liability company. It is licensed under the Securities Act of 2001, a uniform regional body of legislation in Anguilla, Antigua and Barbuda, Dominica, Grenada, Montserrat, Saint Christopher and Nevis, Saint Lucia, and Saint Vincent and the Grenadines. The Act provides for the protection of the investing public by creating the Eastern Caribbean Securities Regulatory Commission (ECSRC) that regulates the securities market, securities exchanges, persons engaged in securities business and the public issue of securities. The ECSE facilitates the trading of a range of financial products, including equities, corporate bonds, and government securities.

The ECCSD, a wholly owned subsidiary of the ECSE, was also incorporated in Saint Christopher and Nevis in 2001 as a public limited liability company, under the 1996 Companies Act. The ECCSD is also licensed and regulated by the ECSRC, under the Securities Act of 2001.

BOARD OF DIRECTORS

The Board of Directors of the ECSE is responsible for the strategic guidance of the Company, and is focused on both protecting the interests of all stakeholders and optimising shareholder value.

The Board of Directors consists of eight members, seven non-executive directors elected in accordance with Article 81 of the Articles of Association of the ECSE, and the Managing Director. The Directors include regional business leaders and professionals, who bring considerable expertise and experience to the decision-making processes. The Board of Directors typically meets on a bi-monthly basis and regularly reviews the Group's financial and operational performance.

In accordance with the Articles, all of the non-executive Directors retire at each Annual General Meeting of the company. Directors are eligible for nomination by their respective classes for re-election to the Board.

BOARD COMMITTEES

Committees of the Board are established, in accordance with Article 80 of the ECSE's Articles, to enhance the Board's effectiveness in the proper governance of the Group. The Board is organized into four standing Committees to ensure the appropriate oversight of the Group's operations.

The Committees, and their composition, at 31 March 2021 were as follows:

Audit and Risk Committee

Mrs Jennifer Nero – **Chairperson**
Ms Marilyn Johnson
Ms Jasmine Taylor

Budget and Finance Committee

Mr D Michael Morton, CBE – **Chairman**
Mr Peter Blanchard, GCM
Mr George S Goodluck
Mr Trevor E Blake

Human Resources Committee

Mr George S Goodluck – **Chairman**
Mr D Michael Morton, CBE
Ms Jasmine Taylor
Mr Trevor E Blake

Disciplinary Committee

Mr Peter Blanchard, GCM – **Chairman**
Mrs Jennifer Nero
Ms Marilyn Johnson

The Company Secretary facilitates the functioning of the Committees.

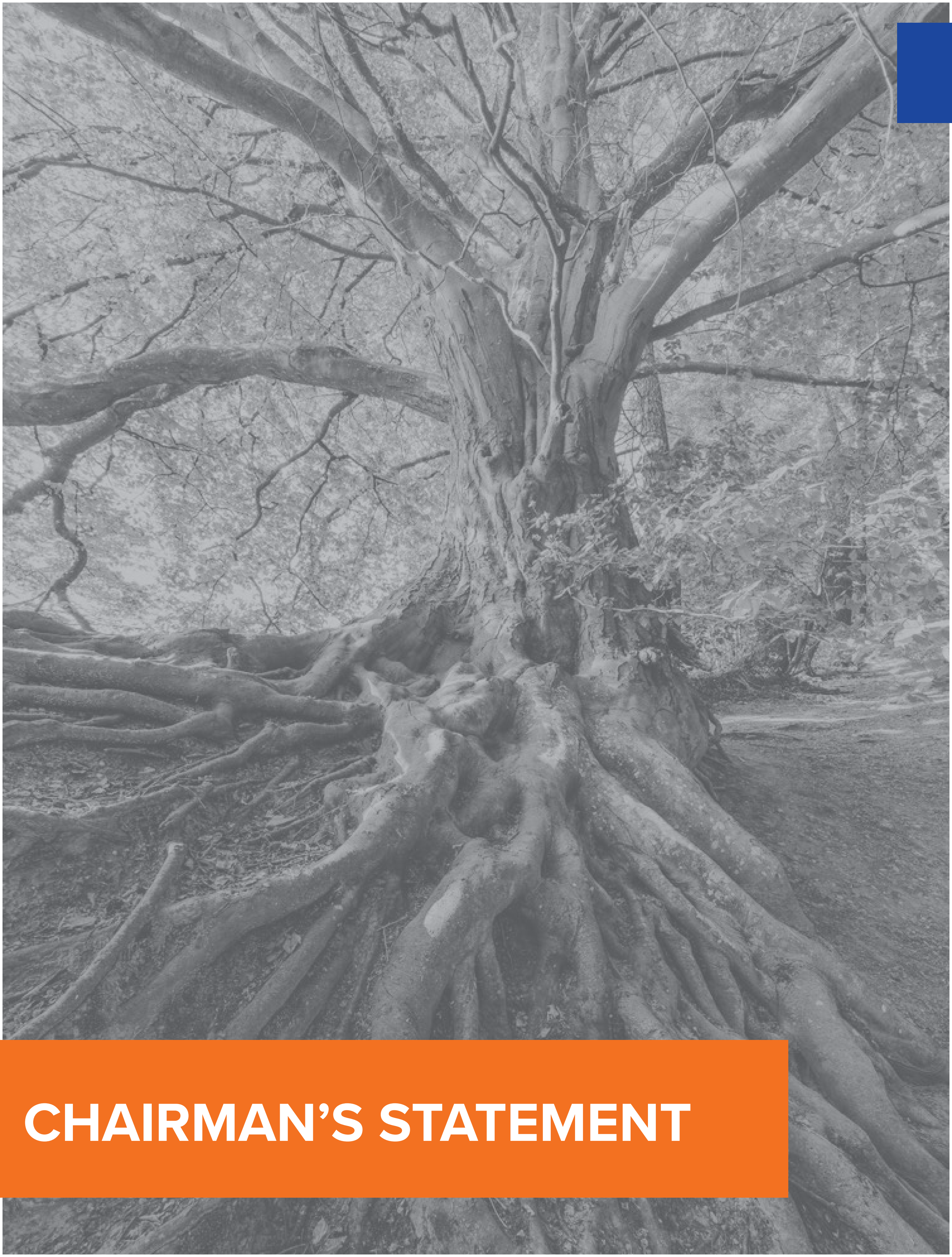
ECCSD

The Board of Directors of the subsidiary company, the ECCSD Ltd, is comprised as follows:

Mr Timothy S Antoine – **Chairman**
Mr D Michael Morton, CBE – **Deputy Chairman**
Mr Peter Blanchard, GCM
Mrs Jennifer Nero
Mr George S Goodluck
Mr Trevor E Blake – **Managing Director**

Company Secretary

Ms Raemona Frederick



CHAIRMAN'S STATEMENT

Shareholders, it is again my duty on behalf of the Board of Directors, to present to you the Annual Report of the Eastern Caribbean Securities Exchange Limited (ECSE) Group, transmitting the results for the year ended 31 March 2021.

The COVID-19 pandemic that continues to besiege the global community, had a severe adverse impact on world economies during the year. The pandemic has been particularly harsh on the tourism-dependent economies of the Eastern Caribbean Currency Union (ECCU), which have experienced the single largest growth shock on record. Collectively, our economies contracted by 17.0% in 2020, far worse than the 6.0% decline resulting from the Global Financial Crisis.

Led by the Eastern Caribbean Central Bank (ECCB), the ECCU's response to this adversity is centered around a 3-year Programme of Action for Recovery, Resilience and Transformation of the ECCU Economies. The programme, which provides a roadmap for the region to navigate these turbulent times over the short to medium term, rests on 4 pillars:

- Financial Stability;
- Fiscal and debt sustainability;
- Resilience and inclusive growth; and
- Payments modernization and digital transformation.

The programme is guided by the principles of regional integration and solidarity, sustainable and innovative financing, inclusive growth, and innovation and competitiveness. While driven primarily by the ECCB, the support and contribution of all development partners and affiliates are critical to the success. In this vein, the ECSE Group is committed to playing its supporting role in these efforts, while pursuing its own complementary mandate.

As I presaged in my statement in our 2020 report, the COVID-19 pandemic was more likely to impact the Group's operations in this year than in the previous. This, unsurprisingly, proved prescient.

During the year, the Group recorded a mixed performance, demonstrating its resilience in these turbulent times. Listings on the ECSE grew by 9 or 5.8% to a total of 164 securities, led, as in previous years, by the increase in sovereign debt securities. Secondary market activity picked up appreciably, boosted by trades in sovereign debt securities, though trades in equities declined.

The Regional Government Securities Market (RGSM) experienced a marked fall in activity, as all the Government participating in the market reduced their offerings. This market, however, continued to play an important role in Central Government financing, enabling the six issuing Governments to raise $972.4 million in aggregate, at competitive rates. We anticipate that this market will remain central to Governments' financing strategies in their pursuit of fiscal and debt sustainability. The ECSE Group maintains its commitment to support the Governments' activities in the market.

While some progress was made on the Group's strategic priorities, this was below expectation. This could be attributed to the direct and indirect impact of the pandemic, and to other operational factors. Notwithstanding, the progress made to date will augur well for the future.

The Group's financial performance in the year was commendable, realizing a profit of $1.6 million. While this was some 54% below the extraordinary results of the previous year, it was well above the forecast. We are indeed thankful for the activities that have enabled this positive outturn.

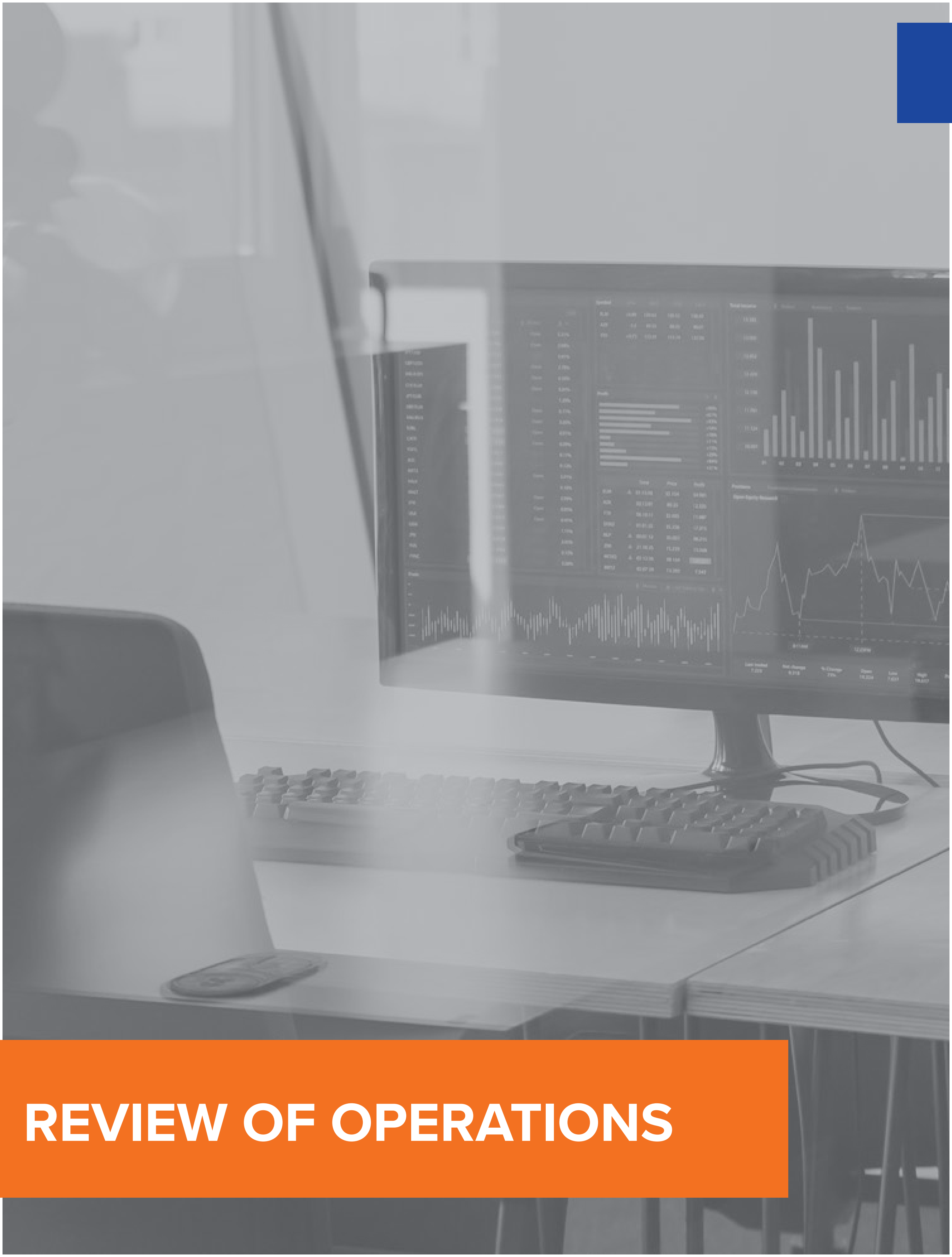
In looking ahead as we must, perforce, we project some recovery in the ECCU economy as the impact of the pandemic abates. This, we anticipate, together with the progress that has been made on some of the Group's strategic priorities, will bring some increased activity for the Group. We therefore look forward with cautious optimism for an improved performance in the ensuing year.

I commend my fellow directors for their assistance in the strategic guidance of the ECSE Group and thank the Management and staff for their service during the year. I also wish to record my gratitude to you, our shareholders, for your continued commitment to the Group over the many years. We could not have made it this far without your support.

Finally, I am pleased to announce that your Board has proposed a return to you of $750,000, by way of a dividend of 75 cents per share.

We look forward to your ongoing commitment to our efforts to further develop the securities markets in the ECCU to facilitate greater wealth creation by the peoples of our region.

Timothy N J Antoine
Chairman



REVIEW OF OPERATIONS

According to the International Monetary Fund (IMF), the global economy is estimated to have contracted by 3.3% in 2020 due to a slowdown in economic activity because of protection measures implemented by Governments to slow the spread of the Coronavirus. This reduction was smaller than initially anticipated due to a faster-than-expected return of economic activity in certain sectors in the second half of the year in most regions after lockdowns were eased and economies adapted to new ways of working.

Despite unprecedented efforts by Governments to provide financial support to keep businesses opened and sustain employment, the reduction in global economic activity could not be prevented. Advanced economies contracted by 4.7% led by declines in the United Kingdom, the Euro area, Japan and the United States which were down 9.9%, 6.6%, 4.8%, and 3.5% respectively during 2020. Estimated growth of 2.3% in China could not offset downward pressure from large emerging market economies such as India and Russia as emerging and developing economies collectively contracted by 2.2%. Latin America and the Caribbean suffered a decrease of 7.0% with Brazil and Mexico suffering declines of 4.1% and 8.2%.

Provisional estimates from the Eastern Caribbean Central Bank indicate that regional economies contracted by 17.0% in 2020, due to the restrictive measures imposed during the second quarter of 2020 to contain the COVID-19 pandemic. Contractions in economic activity was observed in all member countries except Montserrat, and marked the most severe contraction in the recent history of the region. While declines were evident across most member countries, the severity of the decline differed across countries reflecting the economic contribution of tourism, the level of government support provided and the duration of lockdowns.

Global vaccination rates and the relaxation of restrictions regionally and globally offer some hope for a gradual economic recovery in 2021 with the IMF projecting global growth of 6.0% in 2021. This outlook is subject to continued significant levels of state fiscal support and improved perceptions about the safety and efficacy of vaccines and the emergence of new variants of the Coronavirus which has the potential to stall the global recovery.

The ECSE Group was not immune to the prevailing economic climate. However, while the deteriorating conditions impacted most areas of operation, the Group's performance demonstrated its resilience. During the year, the number of listed securities expanded, the EC Share Index remained above the previous year's levels, and there was an appreciable increase in trading volume in the secondary market. Primary market activity, however, fell markedly, as Governments curtailed their issuances on the Regional Government Securities Market. The number of securities registers maintained experienced some growth, and the number of corporate action events increased, albeit with reduced amounts. For the year ended 31 March 2021, the ECSE Group recorded a profit of $1.6 million, which was significantly below the previous year's profits, but surpassed the budgetary projections.

MARKET OPERATIONS

LISTINGS

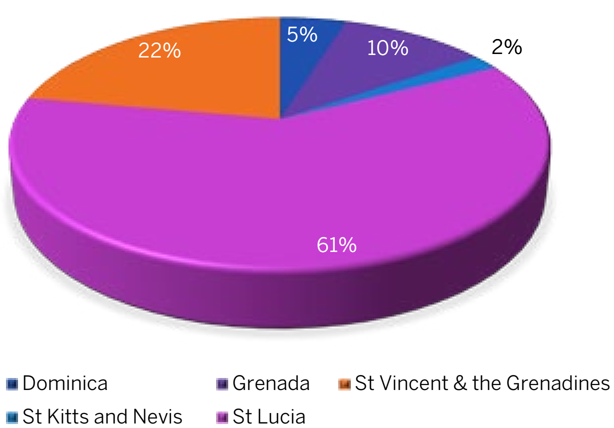
During 2020/21, total listings on the ECSE grew by 5.8% to 164 securities, consisting of 140 sovereign debt securities, 11 corporate debt securities and 13 equities.

During the year, 74 new securities; 13 issues of commercial paper, 10 sovereign bonds, three Treasury notes and 48 Treasury bills, were listed on the market. Over the same period 65 securities; seven issues of commercial paper, four Treasury notes, four Bonds and 50 Treasury bills, matured and were redeemed, resulting in a net increase of nine in the number of listings. Listed Equities remained unchanged.

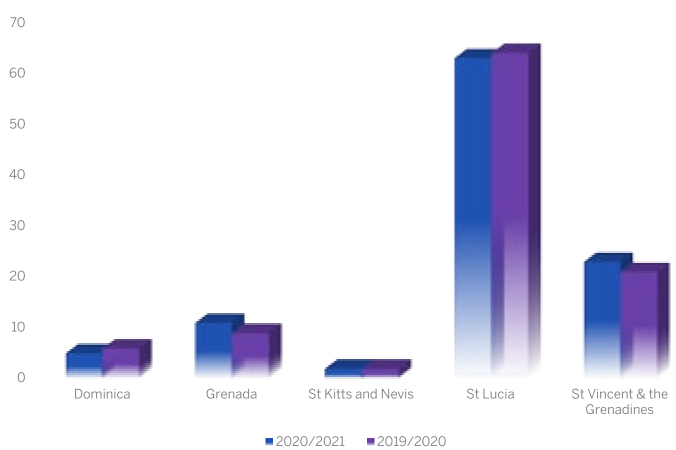
Sovereign Debt Securities

During the year, the number of sovereign debt instruments listed on the ECSE increased by five to 140, accounting for 85.4% of total market listings at 31 March 2021.

Sovereign Debt By Issuer 2020/2021



Sovereign Debt by Issuer



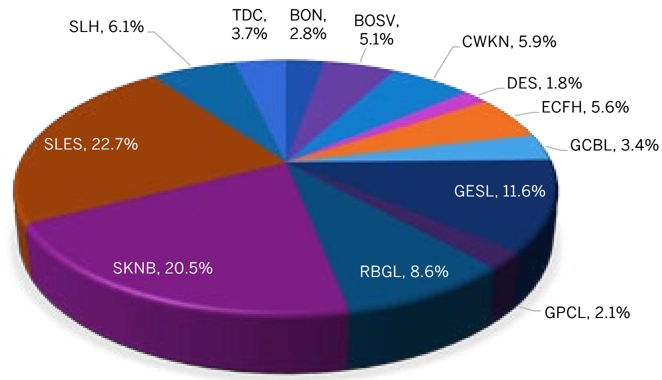
Corporate Securities

The 24 listed corporate securities comprising 13 equities and 11 debt instruments, an increase of 9% over the comparable year in 2020, when 22 corporate securities were listed.

MARKET CAPITALIZATION

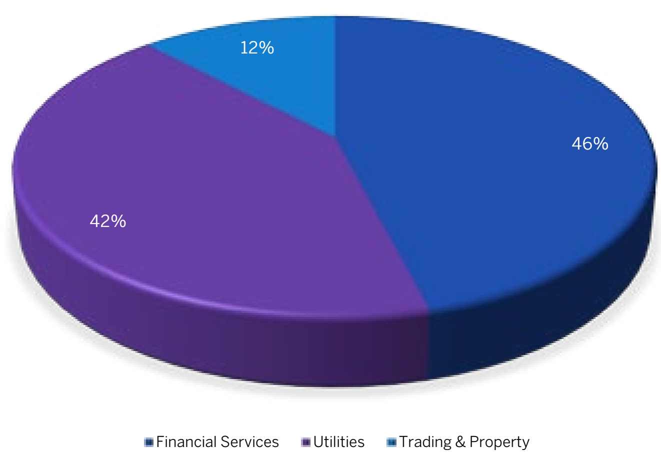
At 31 March 2021, total market capitalization was $1.9 billion, an increase of $128.0 million or 6.9% from 31 March 2020. The increase in market capitalization is attributed mainly to an increase in the price of GESL which contributed 11.6% to total market capitalization.

Market Capitalization 2020/21



The financial services sector continued to lead, accounting for $907.9 million or 46% of market capitalization. The Utilities sector followed, with a market capitalization of $828.4 million or 42% of total capitalization.

Market Capitalization By Sector



PRIMARY MARKET

Primary market activity during the year was dominated by the Regional Government Securities Market (RGSM). Five Governments; Antigua and Barbuda, the Commonwealth of Dominica, Grenada, Saint Lucia and St Vincent and the Grenadines raised $972.4 million through the issue of 52 securities. These issues comprised 50 Treasury bills and two Treasury notes.

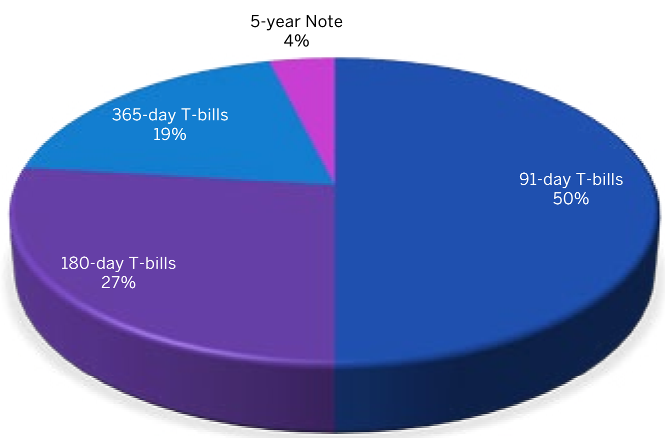
The auction proceeds were $638.8 million or 39.7% lower than the sum raised during financial year 2020, due to a marked reduction in issuances by regional Governments and no activity by corporates.

Issuer	2020/2021	2019/2020	Change	
	$M	$M	$M	%
RGSM				
Antigua & Barbuda	201.3	297.9	-96.6	-32.43
Commonwealth of Dominica	80.0	125.2	-45.2	-36.10
Grenada	91.9	113.1	-21.2	-18.74
Saint Lucia	291.2	468.7	-177.5	-37.87
St Vincent & the Grenadines	308.0	408.7	-100.7	-24.64
RGSM Total	***972.4***	***1,413.6***	**-441.2**	**-31.21**
ECSM				
Eastern Caribbean Home Mortgage Bank	0	197.6	-197.6	-100.00
ECSM Total	***0***	***197.6***	***-197.6***	***-100.00***
Total	**972.4**	**1,611.2**	**-638.8**	**-39.65**

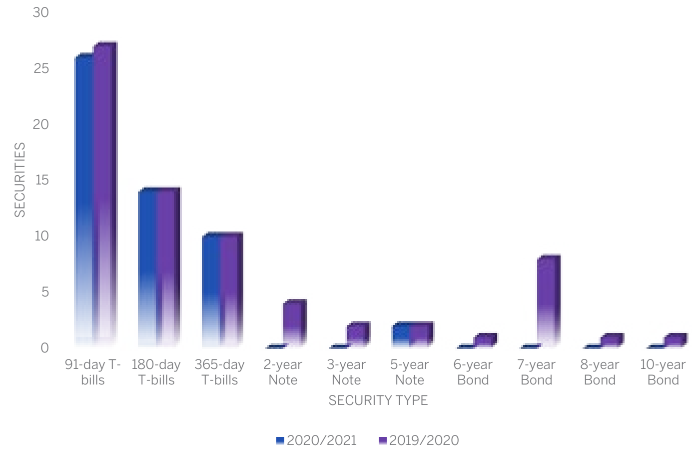
Regional Government Securities Market (RGSM)

During the year, 52 securities were auctioned on the RGSM by the Governments of Antigua and Barbuda, the Commonwealth of Dominica, Grenada, Saint Lucia and St Vincent and the Grenadines, raising $972.5 million. Fifty Treasury bills were auctioned comprising twenty-six 91-day T-bills, fourteen 180-day T-bills and ten 365-day T-bills. Two 5-year Notes were also auctioned.

RGSM Issues By Type 2020/21



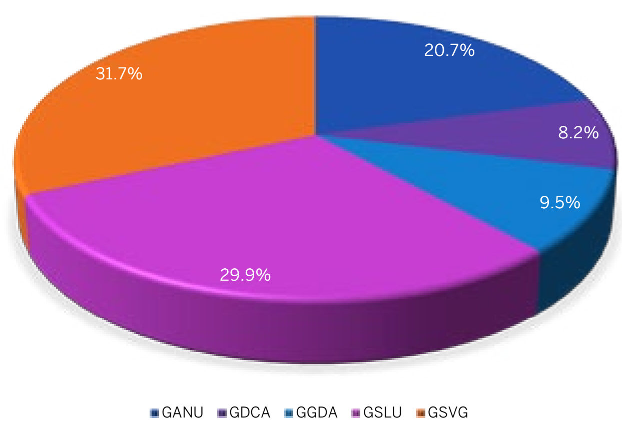
RGSM Issues By Type 2020/21



The Government of St Vincent and the Grenadines was the market leader during the period, raising $308.0 million from 11 Treasury-bills. This accounted for 31.7% of the total proceeds from RGSM auctions. The Government of Saint Lucia followed, raising $291.2 million or 29.9% of the RGSM proceeds, from the auction of 18 issues. The Government of Antigua & Barbuda raised $201.3 million from 13 issues, accounting for 20.7% of total RGSM proceeds.

The contribution of issuing Governments to RGSM activity for the year is shown in the chart below.

Primary Market Activity
April 2020 – March 2021



Interest rates on 91-day T-bills were unchanged from the previous year remaining at 2.4%. Interest rates for 180-day T-bills rose 40 basis points to 3.6% while the average rate for 365-day T-bills rose 10 basis points to 3.4% during the year under review.

The average rates for the year under review and comparable years of 2021, 2020 and 2019 are shown in the table below.

RGSM Auctions Average Rates

Tenor	Average Rates (%)		
	2021	2020	2019
91-Day Treasury Bills	**2.4**	2.4	2.6
180-Day Treasury Bills	**3.6**	3.2	3.4
365-Day Treasury Bills	**3.4**	3.3	3.8

Thirty-nine of the 52 auctions during the year were oversubscribed by a total of $404.4 million or 44.2% of the aggregate offer amount. Eight auctions were undersubscribed by $32. 5 million or 3.6% of the offer amount and five auctions were fully subscribed.

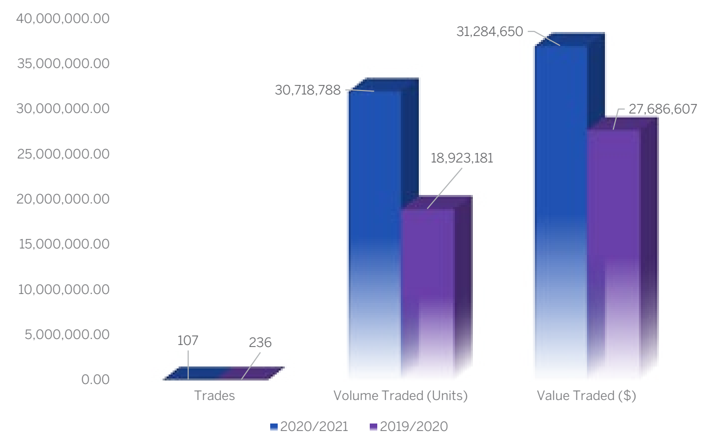
Securities issued by the Government of St Vincent and the Grenadines were the most heavily oversubscribed with total bids exceeding the offered amount by $123.9 million. Auctions for the Governments of Grenada, Saint Lucia, Dominica and Antigua and Barbuda were also oversubscribed with bids exceeding offer amounts by $92.6 million, $76.5 million, $74.3 million, and $37.1 million, respectively.

The RGSM continues to be an important source of funding for regional Governments with $16.2 billion raised from November 2002 to March 2021. Saint Lucia and St Vincent and the Grenadines have issued securities with an aggregate value of $5.4 billion and $5.2 billion respectively.

SECONDARY MARKEY ACTIVITY

During the year under review 30.7 million units of securities were traded with an aggregate value of $31.3 million in 107 transactions. This represented an increase in volume and value compared to the 18.9 million units of securities that traded at a value of $27.7 million in the 2020 financial year. The number of trades fell markedly, however, from the 236 transactions recorded in the previous year.

Market Activity



Fixed Income Securities

There were 33 trades in fixed income securities during the year, in which 30.6 million units traded at a value of $30.9 million. This volume was significantly higher than the comparable year of 2020 when 16.6 million units traded at $17.2 million in 22 transactions.

Market Activity	2020/2021	2019/2020	Change (%)
Transactions	33	22	50.00
Volume Traded (Units)	30,639,000	16,641,500	84.11
Value Traded ($)	30,999,087	17,226,801	79.95

Securities issued by the Government of Saint Lucia accounted for 100% of trading activity during the year.

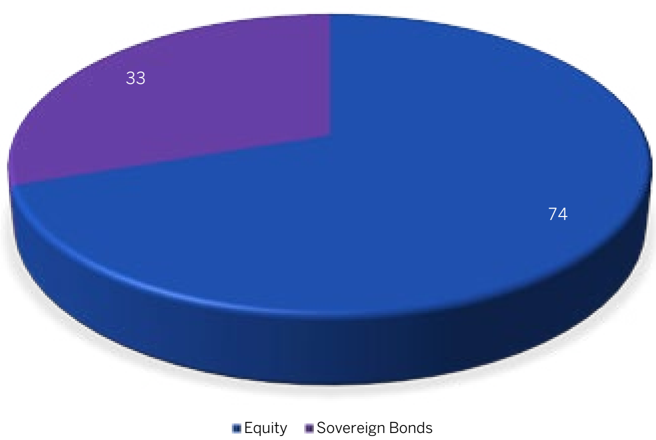
Equities

Activity in the equities market declined sharply in the financial year ended 31 March 2021. During the year there were 74 equities transactions in which 79,788 shares traded at a value of $0.3 million. In comparison, 2.3 million shares traded at a value of $10.5 million in 214 trades transactions in the previous financial year.

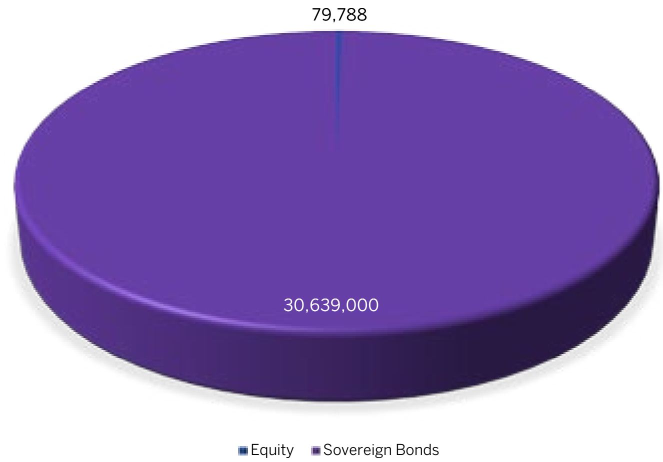
Market Activity	2020/2021	2019/2020	Change (%)
Transactions	74	214	-65.42
Volume Traded (Units)	79,788	2,281,681	-96.50
Value Traded ($)	285,563	10,459,805	-97.27

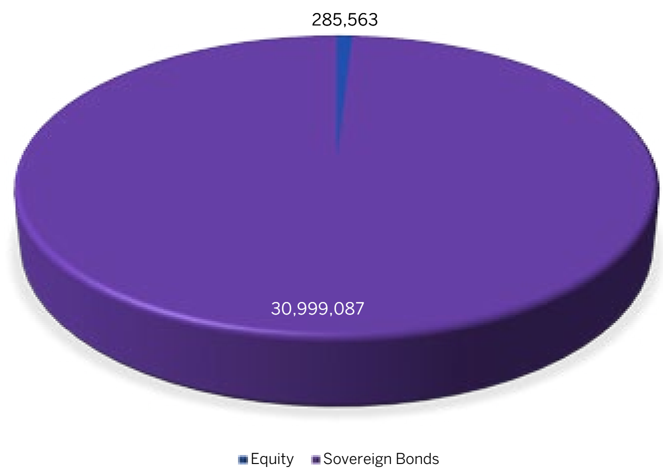
Trades of SLH were the main contributor to the activity in the equities market, accounting for 23,126 or 28.9% and $44,184 or 15.9% of traded value.

Secondary Market Trades 2020/21



Secondary Market Value Traded ($) 2020/21





Odd Lot Trades

There were 10 odd lot trades during the year in which a total of 689 units traded with a value of $2,859, led by SKNB with a volume of 448 units or 65% of the total. In comparison, for the year ended 31 March 2020 there were 36 odd lot transactions in which 2,161 shares traded at a value of $11,783.84.

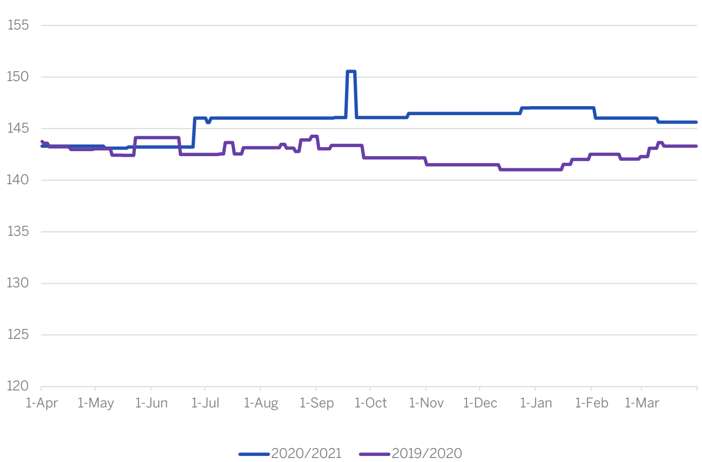
Cross Trades

During the year, 20 cross trades totaling 1.32 million units valued at $4.4 million were put through the market. In 2020, there were 29 cross trades for a total of 1.31 million units with a value of $1.64 million.

Trading Symbol	2020/2021	2019/2020
BON	1,010,700	38,500
BOSV	450	1,590
CWKN	-	500
ECFH	-	1,000
GCBL	195,200	500
GESL	2,000	2,000
SLH	-	91,924
SKNB	-	92,000
TDC	7,034	354,778
AGN091021	5,000	-
AGN180922	49,000	-
FAG100828	-	500,000
LCB040821	50,000	-
LCG100524	-	22,5000
Totals	**1,319,384**	**1,307,792**

Index

The ECSE's EC Share Index, which stood at 143.31 at the start of the year, rose 2.32 points or 1.6% to close the year at 145.63. This was due primarily to an increase in the price of GESL from $10.00 to $12.00.



The graph below is an illustration of the performance of the index from its inception in 2005 to 31 March 2021.

DEPOSITORY ACTIVITY

Clearance and Settlement

During the year, the ECCSD cleared and settled 1.0 billion units of securities in 630 transactions. This comprised 972.5 million units of debt securities from 523 transactions generated in the primary market, and 30.7 million units of debt and equities from 107 secondary market trades.

The activity during the year trailed the volumes recorded in the previous financial year, when the ECCSD cleared and settled 1.6 billion units of securities.

Securities' Registers

At 31 March 2021, the ECCSD maintained the registers for 177 securities: 159 fixed income instruments and 18 equities.

Fixed Income Registers

The ECCSD maintains the registers for 159 fixed income securities on behalf of 9 issuers. Of these, 151 are listed on the ECSE and 8 are unlisted. The list of registers for fixed income securities maintained by the ECCSD at 31 March 2021 are presented in the table below.

FIXED INCOME SECURITIES REGISTERS			
Issuer	**Number of Issues**		
	Listed	**Unlisted**	**Total**
Antigua & Barbuda	36	1	37
Commonwealth of Dominica	5	-	5
Grenada	11	0	11
St Kitts & Nevis	2	-	2
Saint Lucia	63	-	63
St Vincent & the Grenadines	23	-	23
Sovereign Securities	140	1	141
Nevis Island Administration	-	1	1
ECHMB	11	4	15
First Citizens Investment Services	-	2	2
TOTAL	**151**	**8**	**159**

Equities Registers

At 31 March 2021, the ECCSD maintained the registers for 18 companies, 13 of which are listed on the ECSE. The list of issuers with their registers maintained by the ECCSD is presented in the table below.

EQUITIES REGISTERS	
Issuer	**Symbol**
Listed	
Cable & Wireless St Kitts & Nevis Ltd	CWKN
Dominica Electricity Services Ltd	DES
East Caribbean Financial Holding Company Ltd	ECFH
Grenada Electricity Services Ltd	GESL
Grenada Co-operative Bank Ltd	GCBL
Grenreal Property Corporation Ltd	GPCL
Republic Bank Grenada Ltd	RBGL
S L Horsford & Company Ltd	SLH
St Kitts Nevis Anguilla National Bank Ltd	SKNB
St Kitts Nevis Anguilla Trading & Development Co. Ltd	TDC
St Lucia Electricity Services Ltd	SLES
The Bank of Nevis Ltd	BON
Bank of St Vincent & Grenadines Ltd	BOSV
Unlisted	
Anguilla Electricity Company Ltd	AECL
Cable and Wireless Grenada Ltd	CWG
Eastern Caribbean Home Mortgage Bank	ECHB
Eastern Caribbean Securities Exchange Ltd	ECSE
National Bank of Dominica Ltd	NBD

Charges

At 31 March 2021, a total of 553 charges/pledges were recorded at the ECCSD. During the year, 138 registrations of charges, and 92 releases of charges, were processed. Additionally, the Depository processed 37 releases, where maturing units of amortizing securities were released from existing charges.

Corporate Actions

The Depository processed 405 corporate action payments, amounting to $1.67 billion, on behalf of seven sovereign issuers and eight corporate clients during the year. This included debt service payments of $1.4 billion made on behalf of Governments and $278.4 million on behalf of corporate issuers. Dividend payments totaled $34.6 million.

Corporate action payments comprised 51 Treasury bill redemptions totaling $1.1 billion, interest of $136.9 million and principal of $140.4 million made on 132 issues of sovereign bonds and notes, and principal and interest payments of $278.4 million on 12 commercial paper issues.

Total payments represent a decrease of $114.7 million or 7% from the amount paid in the previous financial year. Lower principal repayments on sovereign bonds and notes were the main contributing factor to this decrease.

The details of these payments are presented in the tables below.

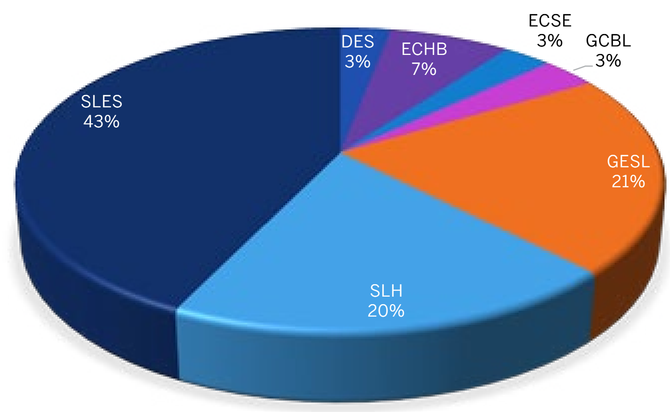
FIXED INCOME PAYMENTS				
Issuers	**Interest $M**	**Principal $M**	**Treasury Bill Redemptions $M**	**Total $M**
Sovereigns				
Antigua & Barbuda	21.6	24.5	256.4	302.5
Commonwealth of Dominica	9.3	15.0	80.0	104.3
Grenada	8.2	9.0	90.0	107.2
St Kitts & Nevis	3.5	4.0	-	7.5
Saint Lucia	78.3	18.9	338.4	435.6
St Vincent & the Grenadines	15.9	68.9	308.0	392.8
Total Sovereign	***136.8***	***140.3***	***1,072.8***	***1,349.9***
Local Government				
Nevis Island Administration	-	-	*3.0*	*3.0*
Total Local Government			***3.0***	***3.0***
Corporates				
ECHMB	6.2	271.6	-	277.8
FCIS	0.5	-	-	0.5
Total Corporate	***6.7***	***271.6***	**-**	***278.3***
Total Fixed Income Payments	***143.5***	***411.9***	***1,075.8***	***1,631.2***

DIVIDENDS – EQUITIES

During the period ended 31 March 2021, the ECCSD processed dividends amounting to $34.6 million to shareholders of seven companies. This represents a decrease of 28% or $13.5 million over the amount paid in the previous financial year.

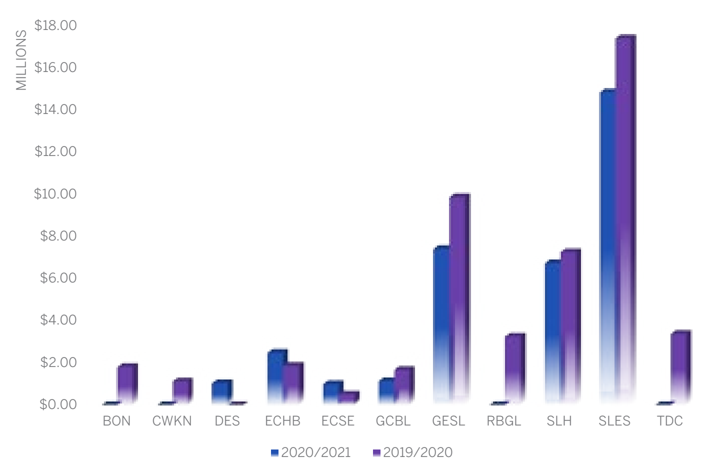
The St Lucia Electricity Services Limited (SLES), which paid out $14.8 million, accounted for 43% of the total dividends distributed.

Dividend Payments 2020/21



The comparative levels of the dividend payments processed by the ECCSD on behalf of its corporate clients during the year are shown in the chart below

Total Dividends Paid



INTERMEDIARIES

Market Activity

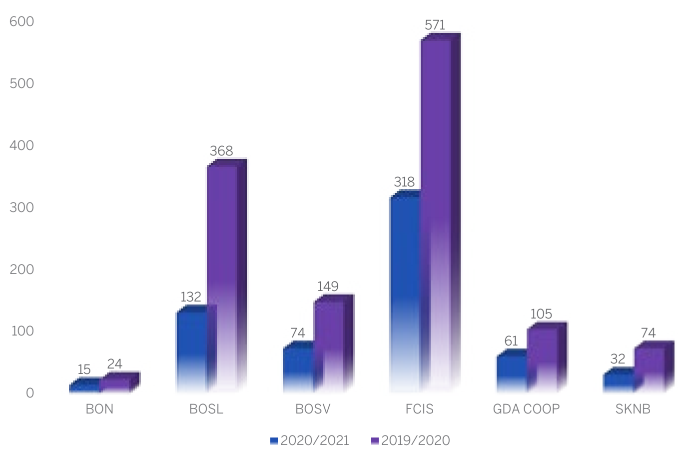
Broker-dealer transactions during the year ended 31 March 2021, as measured by volume on both the primary and secondary markets, totaled 1.0 billion units, a decrease of 627.0 million units or 38.5% from the volume transacted in the previous year. This decrease was due mainly to lower volumes in primary market auctions.

Buy-side Activity

Six broker-dealers participated on the buy-side of transactions on both the primary and the secondary markets, completing 624 transactions with 1.0 billion units traded.

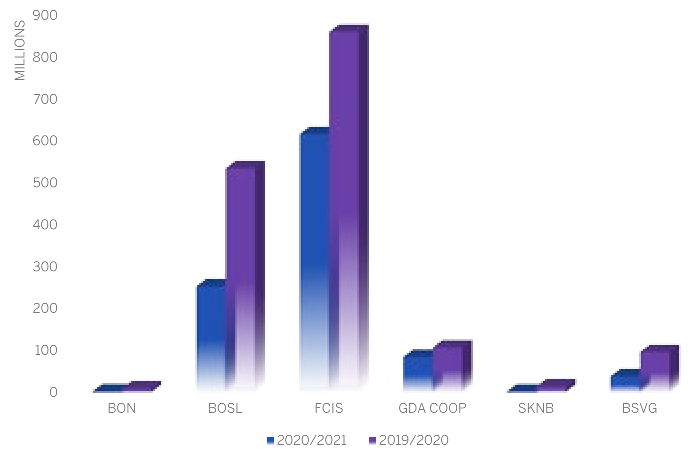
FCIS accounted for the largest number of transactions with 311 buy orders, followed by BOSL with 131 transactions.

Buying Broker Trades at 31 March 2021



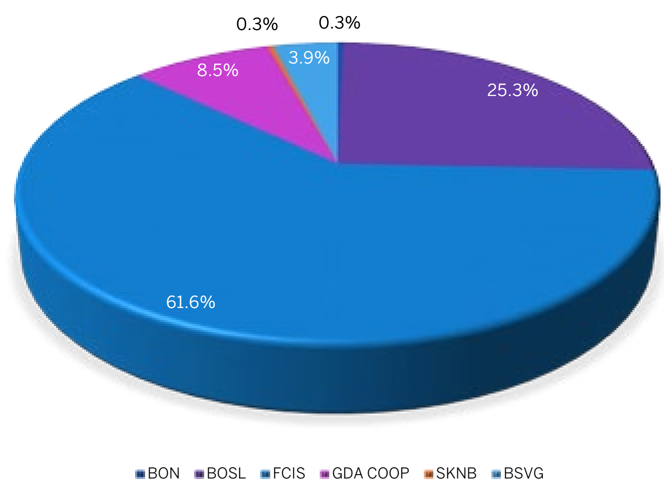
Buy-side volumes for each broker during the year, with volumes for the comparable year are shown below.

Buying Broker Volume at 31 March 2021



The chart below illustrates the broker contribution to total value on the buy side of transactions in the primary and secondary markets during the year.

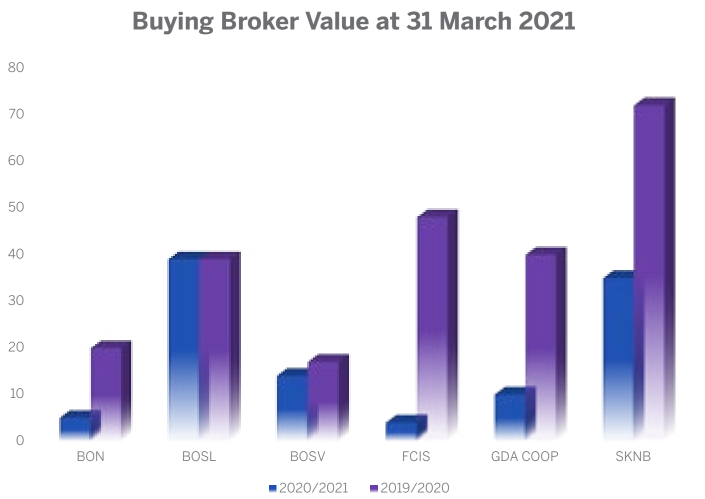
Buying Broker Value at 31 March 2021



Sell-side Activity

Six brokers were engaged in sell-side transactions during the year, completing 107 transactions in which 30.7 million units of securities were traded. Compared with 2020, this represents an increase of 11.8 million units, reflective of an increase in secondary trades of sovereign securities.

BOSL accounted for the highest number of transactions with 39, followed by SKNB with 35 transactions.



BOSL was the volume leader during the year with 30.6 million units sold valued at $31.0 million.

Intermediary Working Group

The Intermediary Working Group (IWG) held two meetings during the financial year. At these meetings, held in June and September 2020, matters relevant to market operations, establishment of a broker dealer association and Continuing Professional Development of broker dealers, were discussed.

ECSM Certification Programme

In December, the ECSE collaborated with the Eastern Caribbean Securities Regulatory Commission (ECSRC) to hold the 22nd ECSM Certification Programme Workshop and Examinations. The Workshop was held online using the Zoom video conferencing platform during the period 2 to 10 December. The exams were held on 17 and 18 December. The workshop attracted 11 participants from institutions across the ECCU and Barbados.

INFORMATION TECHNOLOGY

During the year, the ECSE continued to seek opportunities to enhance its IT infrastructure, focusing on efficiency, reliability, and security. The installation of a dedicated internet access (DIA) was completed, which has significantly improved the reliability of internet connectivity. Further, given the critical importance of uninterrupted connectivity to the Group's operations, discussions are ongoing with another provider for the installation of a backup DIA to provide redundancy in the event of an outage at the primary provider.

The establishment of the Group's Virtual Private Network (VPN) was completed in November 2020 enabling the ECSE to fully migrate its servers from the ECCB's network infrastructure. The new VPN facilitates enhanced control over the network and provides internal and external users with a more efficient way to access the core trading and settlement systems and provides improved remote access to staff. Improving remote access was key to enabling the ECSE to seamlessly continue its operations after the COVID-19 pandemic shutdown in March 2020.

With the prevalence of cybercrime and increasing incidence of cyberattacks, it is important for an organization like the ECSE that is reliant on technology to ensure that it has the resources necessary to protect its IT infrastructure. To achieve this objective, the ECSE continues to monitor developments in cybersecurity and identify ways to improve the security of its IT infrastructure.

During the year, the ECCSD continued to pursue the activation of its membership in the Eastern Caribbean Automated Clearing House (ECACH). The implementation plan, covering such processes as training and testing, and satisfying the administrative and system requirements, has been developed and the engagement with stakeholders is ongoing. The training was conducted in March, but the testing that was scheduled for April has been delayed. Notwithstanding, discussions continue with the ECACH personnel to secure the earliest possible date for full activation.

In May 2020, following the revamp by the Monster Media Group, the ECSE's redesigned website, www.ecseonline.com, went live. This improved website, which has attracted positive reviews, has enhanced the public image of the ECSE and will support the Group's marketing outreach efforts to increase awareness of the ECSE Group and the markets.

STRATEGIC INITIATIVES

Business/Product Development

During the year, discussions were held with regional companies on contracting the ECCSD to maintain their share registers. The ECCSD has been leveraging its over 19 years of experience of providing registry, transfer and paying agency services to a varied clientele, to attract new clients.

At year-end, the ECCSD signed an agreement with one company in Antigua and Barbuda for the maintenance of its register, and the signing with another entity in Antigua and Barbuda is imminent. The onboarding of these two clients will be concluded early in the ensuing financial year, and it is anticipated that the relationship with these two companies will progress to a full listing. Discussions will continue with other companies to grow this business line.

Leveraging its existing functional capabilities, the ECCSD has also commenced offering its services to insurance companies to hold their insurance funds. The preparatory activities to onboard several insurers operating in the ECCU, are ongoing.

Looking beyond its traditional service offering, the ECCSD has been working with various stakeholders to expand into areas that are complimentary to its existing operations. The ECCSD concluded discussions with a regional asset manager and is in discussions with another fund manager to provide custody services for their mutual funds. The ECCSD has applied to the ECSRC to be licensed as a Collective Investment Scheme (CIS) custodian.

The ECSE continued to work with Blockstation, a Canadian FinTech company, on the launch of a Digital Asset trading platform. The ECSE and Blockstation will work with the ECSRC to develop the appropriate regulatory framework to support the trading of security tokens. The preparatory activities, including the training of ECSE/ECCSD operators and brokerage staff and a pilot, will be undertaken during the second quarter of 2021. The fourth quarter of 2021 is targeted for the launch of the new market.

MARKETING & OUTREACH

Due to the COVID-19 pandemic-related restrictions, several of the activities usually undertaken by the Group had to be curtailed. While some, including the youth programs involving the attachment of students and the Junior Achievement program were suspended, the ECSE pivoted and adapted to hold virtual events where possible.

Information Dissemination

The ECSE continued to distribute daily reports on trading and market events to radio, television and print media houses in the region for public dissemination. These daily reports keep the public informed of activity on the markets. The ECSE also provides reports on Regional Government Securities Market (RGSM) primary market activity to Bloomberg news media in the USA, a major financial media institution, for dissemination to its subscribers.

Press releases on significant market events and activities, were issued to the media, and these, along with the market reports, statutory filings, and material disclosures by listed issuers continued to be publicly disseminated by posting on the ECSE's new and improved website, www.ecseonline.com.

19th Anniversary/FIM

Activities to celebrate the 19th anniversary of the ECSE and the markets and to mark Financial Information Month (FIM) during October 2020 were held virtually. This included appearances by the Managing Director on a local radio talk show to raise awareness about the markets and to promote the benefits of investing, and as a panelist at the virtual business symposium. The ECSE also participated in a virtual treasure hunt and provided financial tips that were published during the month.

Shareholder Events

The ECSE continued to offer its services to facilitate shareholder meetings to public companies during the year. In response to the travel and social distancing restrictions in place due to the COVID-19 pandemic and leveraging the experience from hosting of its own virtual Annual General Meeting (AGM) in October, the ECSE has extended these services to include the facilitation of virtual or hybrid meetings, including electronic voting. In this regard, the ECSE successfully facilitated the Bank of Nevis' hybrid AGM in December.

Memberships & Affiliations

The ECSE Group of companies continued to maintain membership of strategic industry associations and organisations, to benefit from training and networking opportunities and exposure to industry developments. Through the ECCSD, the Group continued to play an active role in the Association of Securities Depositories of the Americas (ACSDA), the leading hemispheric industry association. During the year, because of the travel and other restrictions, the activities and events have been held virtually, and several webinars were convened throughout the year, with the added benefit of wider staff participation. The Managing Director continued to serve on the Executive Committee of the Association.

ADMINISTRATION

Personnel

Resignation

In August, Ms Tian Arthurton – Manager, Accounting Finance and Administration Division, resigned her position to pursue graduate studies in the UK. The ECSE thanks Ms Arthurton for her unstinting service over the past three years and wishes her every success in her studies.

Recruitment

In August, Ms Cheryl Moses was recruited to succeed Ms Arthurton in the position of Manager, Accounting Finance and Administration Division.

Staff Development

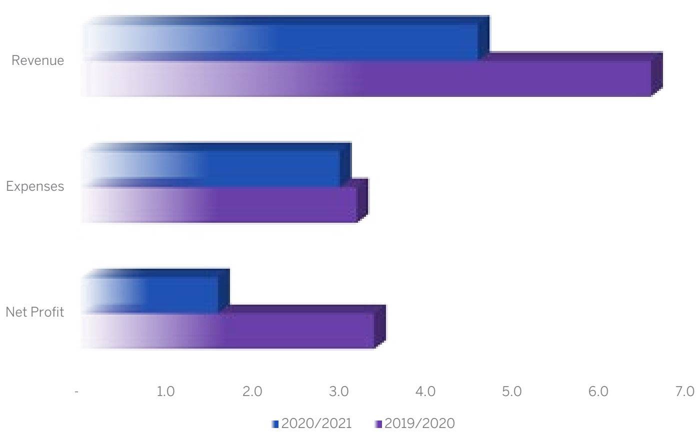
During the year, staff development at the ECSE Group has largely comprised on the job training and participation in a variety of topical webinars hosted by industry groupings and other partner entities. The ECSE also facilitated the participation of one of the IT Officers in the Evolve Academy Remote Cybersecurity Bootcamp.

FINANCIAL REVIEW

PERFORMANCE

For the financial year ended 31 March 2021, the ECSE Group realized a profit of $1.6 million, resulting from revenues of $4.6 million and operating expenses of $3.0 million. This outcome represents a $1.8 million or 52.6% decrease over the results of the previous year, when income was boosted by an exceptional $1.4 million inflow.

Group Operating Results



REVENUES

Revenues for the financial year totaled $4.6 million, reflecting a 30% decrease from total income recorded in the last financial year. The major contributor to Group revenues during the year was Listing and Registry Income, which accounted for $2.5 million or 53% of total income. Membership and Trading income was the next largest contributor with $0.9 million or 19% of the total, followed by Primary Market Income with $0.7 million or 16%, and Interest income which accounted for $0.5 million or 11%.

Three of the five revenue categories experienced declines in the financial year. Primary Market Income fell by $0.6 million or 43%, due to a marked decrease in the number of securities auctioned and the consequent decline in facilitation and advisory fees. Other Income fell sharply from $1.5 million to $16,380, as the $1.4 million exceptional item recorded in the prior year was not repeated, and the activities that typically contribute to this income category were stymied by the COVID-19 pandemic restrictions. Listing and Registry Income decreased by $0.2 million or 7%.

Interest Income grew by $0.2 million or 62.8% over the financial year, due to an increase in the sum invested and more active management of investments to enhance returns. Membership and Trading Income grew by $0.02 million or 2.5%, due to an increase in secondary market activity.

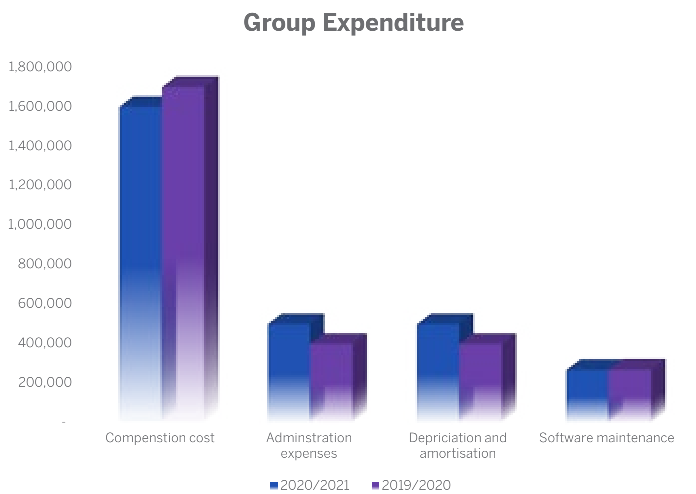
Group Revenues

EXPENSES

The Group's total expenditure amounted to $3.0 million, 6.0% below the prior year's expenditure. Four expense categories accounted for approximately 93% of total expenditure in the financial year. Of these, the top three categories, Compensation Costs, which accounted for $1.7 million or 56% of the aggregate; Administrative Expenses - $0.5 million or 14%; and Depreciation and Amortization - $0.5 million or 14%, have typically led Group expenditure. The fourth, Software Maintenance, totaled $0.3 million or 9% of aggregate expenses.

In comparison to the previous year, Compensation Cost increased by $0.1 million or 3.1% due to the recruitment of additional staff. Administrative Expenses fell by $0.1

million or 14%, mainly due to a decrease in Seminar Costs, AGM Expenses and Registry, Stationery and Postage. Depreciation and amortization expense also declined by 14%, as lower fixed assets values resulted in reduced depreciation charges.



FINANCIAL POSITION

ASSETS

Total Assets at 31 March 2021 stood at $115.1 million, an increase of $45.6 million or 60% from the position at the previous year-end. This expansion in assets resulted, in the main, from an increase of $35.1 million or 60% in Cash and Cash Equivalents, which comprised, primarily, securities holders' funds. Investments also increased by $19.3 million or 124%.

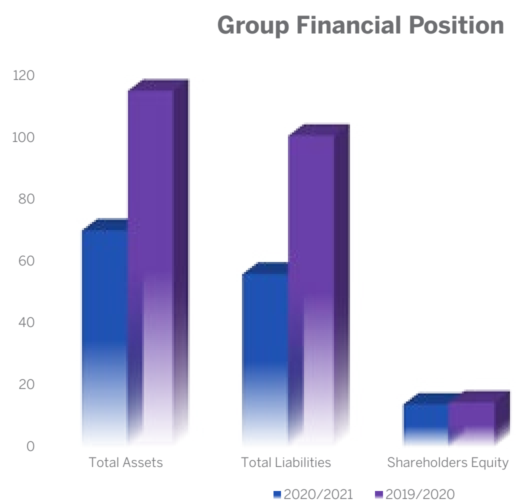
LIABILITIES

The Group's Liabilities totaled $100.7 million, reflecting an increase of $45.0 million or 81% over the previous year. This growth could be attributed mainly to the expansion in third party funds, which stood at $98.8 million at year-end.

During the year, the ECSE redeemed the entire issue of 116,323 units of $10 3% Preference shares that were issued to the ECCB in June 2019. While the preference share issue was redeemable over 10 years, the early call reduced the Group's outstanding liabilities, simplified its capital structure and saved approximately $153,000 in interest expense.

SHAREHOLDERS' EQUITY

At 31 March 2021, the ECSE's capital base stood at $14.4 million, comprising shareholders' subscribed capital of $10.0 million and an accumulated surplus of $4.4 million. Shareholders' equity increased by $0.6 million or 4.4% over the prior year, due to profits retained in keeping with the Group's dividend policy.



The Group's performance in the year continued, as in past years, to boost shareholder value, notwithstanding the decline in profitability following the exceptional result in the previous year. Although net profit margin narrowed to 35% from the 52% recorded in the previous year, and return on equity fell to 11% from 25%, the profit of $1.6 million generated over this financial year was commendable, in the context of the COVID-19 pandemic and the resultant adverse impact on the regional economy. The performance in this challenging environment, clearly demonstrated the resilience of the ECSE Group.

DIRECTORS' REPORT

The Directors are pleased to submit their Report for the Financial Year ended 31 March 2021.

PRINCIPAL ACTIVITIES

The ECSE Group's principal activities consist of facilitating the primary issuance and secondary trading of corporate and sovereign securities, facilitating the clearance and settlement of issues and trades, maintaining securities holders' records, and providing custodial, registration, transfer agency and paying agency services in respect of listed and non-listed securities. There were no significant changes in the nature of the Group's activities during the year.

The ECSE and its subsidiary are licensed by the Eastern Caribbean Securities Regulatory Commission, under the provisions of the Securities Act, to carry out these activities.

DIRECTORS

In accordance with the Articles of Association, all eight elected non-executive Directors retire by rotation at the Annual General Meeting (AGM) of the Company.

The retiring Directors are eligible for nomination for re-election by their respective shareholder classes.

At the 19th AGM held on 2 October 2020, three of the retiring directors, Mrs Janice Jean-Jacques Thomas, Mr Matthew Mathurin and Mr Dexter Ducreay were not reelected to the Board. Ms Marilyn Johnson and Ms Jasmine Taylor, upon nomination by Class B Members, and Mr George S Goodluck, upon nomination by Class C Members, were duly elected in their stead.

DIRECTORS' INTERESTS

As at 31 March 2020, no Director held a beneficial or other interest in the issued capital of the Company.

At no time during, or at the end of the financial year, did any Director have a material interest in any contract or arrangement in relation to the business of the Company or its subsidiaries, other than the Managing Director's contract of employment.

FINANCIAL RESULTS

The Company recorded a net profit of $1.6 million on a consolidated basis for the year ended 31 March 2021. This represents a return on equity of 11.1% and earnings per share of $1.61.

DIVIDENDS

The Directors recommend the payment of a dividend of 75 cents per share for the year ended 31 March 2021. This dividend, which amounts to $0.75 million, or 46.8% of net profits for the year, is consistent with the established dividend policy,

SHARE CAPITAL

At 31 March 2021, the issued and outstanding capital of the Company comprised of 1,000,000 common shares.

The following shareholders held 5% or more of the issued capital of the company, at 31 March 2020:

		%
Eastern Caribbean Central Bank	–	32.74
National Insurance Services, St Vincent and the Grenadines	–	15.00
Antigua Commercial Bank Ltd	–	7.75
Bank of St Vincent and the Grenadines Ltd	–	5.00

In April, the Group redeemed the entire issue of 116,323 Redeemable $10 3% Preference Shares, previously held by the ECCB. The early redemption of these shares, which were redeemable over 10 years, has simplified the Group's capital structure and led to a cost savings of approximately $153,000.

AUDITORS

The auditors, KPMG, Chartered Accountants, retire at the AGM of the Company. KPMG, being eligible, offer themselves for re-appointment.

The Directors being satisfied with their performance, propose the re-appointment of KPMG as auditors for the financial year ending 31 March 2022.

FINANCIAL STATEMENTS

EASTERN CARIBBEAN SECURITIES EXCHANGE LIMITED AND ITS SUBSIDIARY COMPANY

Consolidated Financial Statements
March 31, 2021

EASTERN CARIBBEAN SECURITIES EXCHANGE LIMITED AND ITS SUBSIDIARY COMPANY

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KPMG
P.O Box W388
St. John's
Antigua

Telephone: 1 (268) 562-9172
Email: ecinfo@kpmg.ag

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
EASTERN CARIBBEAN SECURITIES EXCHANGE LIMITED AND ITS SUBSIDIARY COMPANY

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Eastern Caribbean Securities Exchange Limited and its subsidiary ("the Group"), which comprise the consolidated statement of financial position as at March 31, 2021, the consolidated statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Eastern Caribbean and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITORS' REPORT, CONTINUED

To the Shareholders of
EASTERN CARIBBEAN SECURITIES EXCHANGE LIMITED AND ITS SUBSIDIARY COMPANY

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

INDEPENDENT AUDITORS' REPORT, CONTINUED

To the Shareholders of
EASTERN CARIBBEAN SECURITIES EXCHANGE LIMITED AND ITS SUBSIDIARY COMPANY

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

KPMG

INDEPENDENT AUDITORS' REPORT, CONTINUED

To the Shareholders of
EASTERN CARIBBEAN SECURITIES EXCHANGE LIMITED AND ITS SUBSIDIARY COMPANY

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements, continued

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG

Chartered Accountants
St. John's, Antigua
November 19, 2021

EASTERN CARIBBEAN SECURITIES EXCHANGE LIMITED AND ITS SUBSIDIARY COMPANY

Consolidated Statement of Financial Position

March 31, 2021

(Expressed in Eastern Caribbean Dollars)

	Notes		2021	2020
Assets				
Current Assets				
Cash and cash equivalents	7	$	93,444,863	58,397,387
Accounts receivable and other assets	8		1,252,726	1,020,245
Investments	9		19,265,395	8,599,780
Total Current Assets			113,962,984	68,017,412
Non-current Assets				
Property and equipment	10		74,639	91,495
Intangible assets	11		575,387	819,117
Right-of-use assets	12		466,203	575,898
Total Non-current Assets			1,116,229	1,486,510
Total Assets		$	115,079,213	69,503,922
Liabilities and Shareholders' Equity				
Current Liabilities				
Lease liability	12	$	106,170	103,955
Accounts payable and accruals	13		99,410,853	52,929,710
Preference shares	18		-	1,163,230
Total Current Liabilities			99,517,023	54,196,895
Non-current Liabilities				
Gratuity payable	14		75,349	15,069
Retirement saving fund	15		697,440	999,978
Lease liability	12		372,095	478,266
Total Non-current Liabilities			1,144,884	1,493,313
Total Liabilities			100,661,907	55,690,208
Shareholders' Equity				
Share capital	17		10,000,000	10,000,000
Accumulated surplus			4,417,306	3,813,714
Total Shareholders' Equity			14,417,306	13,813,714
Total Liabilities and Shareholders' Equity		$	115,079,213	69,503,922

Approved for issue by the Board of Directors on November 16, 2021 and signed on its behalf by:

Mr. Timothy N. J. Antoine
Chairman

Mr. Trevor E. Blake
Managing Director

The notes on pages 9 to 37 are an integral part of these consolidated financial statements.

EASTERN CARIBBEAN SECURITIES EXCHANGE LIMITED AND ITS SUBSIDIARY COMPANY

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year ended March 31, 2021

(Expressed in Eastern Caribbean Dollars)

	Notes		2021	2020
Income				
Listing and registry income		$	2,438,746	2,620,415
Primary market income			736,295	1,311,666
Membership and trading income			879,803	858,173
Interest income			527,840	324,269
Other income	21		16,380	1,457,423
			4,599,064	6,571,946
General and Administrative Expenses				
Compensation costs			1,685,154	1,634,428
Administrative expenses			408,117	472,636
Depreciation and amortisation	10, 11		300,414	428,395
Depreciation of right-of-use asset	12		109,695	82,271
Software maintenance			268,325	270,582
Staff training			48,300	2,511
Legal and professional costs			125,647	75,874
Promotional activities			94,133	98,422
(Recovery of) Provision for expected credit losses	8, 9		(60,357)	71,470
Bad debt write-off	8		-	300
Interest expense			16,044	48,949
			2,995,472	3,185,838
Net Profit, being Total Comprehensive Income for the Year		$	1,603,592	3,386,108
Earnings per Share	19	$	1.61	3.41

The notes on pages 9 to 37 are an integral part of these consolidated financial statements.

EASTERN CARIBBEAN SECURITIES EXCHANGE LIMITED AND ITS SUBSIDIARY COMPANY

Consolidated Statement of Changes in Shareholders' Equity

Year ended March 31, 2021

(Expressed in Eastern Caribbean Dollars)

		Share Capital	Accumulated Surplus	Total
Balance as at March 31, 2019	$	9,725,810	927,514	10,653,324
Dividend payout		-	(499,908)	(499,908)
Issue of additional shares		274,190	-	274,190
Net profit, being total comprehensive income for the year		-	3,386,108	3,386,108
Balance as at March 31, 2020		10,000,000	3,813,714	13,813,714
Dividend payout		-	(1,000,000)	(1,000,000)
Net profit, being total comprehensive income for the year		-	1,603,592	1,603,592
Balance as at March 31, 2021	$	10,000,000	4,417,306	14,417,306

The notes on pages 9 to 37 are an integral part of these consolidated financial statements.

EASTERN CARIBBEAN SECURITIES EXCHANGE LIMITED AND ITS SUBSIDIARY COMPANY

Consolidated Statement of Cash Flows

Year ended March 31, 2021

(Expressed in Eastern Caribbean Dollars)

	Notes		2021	2020
Cash flows from operating activities				
Net profit for the year		$	1,603,592	3,386,108
Adjustments for:				
Depreciation and amortisation			410,109	510,666
Interest income			(527,840)	(324,269)
Interest expense			16,044	48,949
Other income	21		-	(1,437,423)
(Recovery of) provision for expected credit losses	8, 9		(60,357)	71,470
Bad debt	8		-	300
Operating profit before changes in working capital			1,441,548	2,255,801
Changes in:				
Accounts receivable and other assets			(40,715)	(473,535)
Accounts payable and accruals			46,481,143	23,238,867
Gratuity payable			60,280	(116,739)
Retirement saving fund			(302,538)	(39,549)
Net cash from operating activities			47,639,718	24,864,845
Cash flows from investing activities				
Purchase of property and equipment	10		(39,828)	(31,193)
Purchase of investments			(10,670,690)	(2,567,700)
Redemption of preference shares			(1,163,230)	-
Interest paid			-	(34,898)
Interest received			401,506	312,795
Net cash used in investing activities			(11,472,242)	(2,320,996)
Cash flows from financing activities				
Dividends paid			(1,000,000)	(499,908)
Interest paid on lease liability			(16,044)	(14,052)
Repayment of principal - lease liability			(103,956)	(75,948)
Net cash used in financing activities			(1,120,000)	(589,908)
Increase in cash and cash equivalents during the year			35,047,476	21,953,941
Cash and cash equivalents at the beginning of the year			58,397,387	36,443,446
Cash and cash equivalents at the end of the year		$	93,444,863	58,397,387
Comprised as follows:				
Cash at bank		$	93,444,821	58,397,161
Cash on hand			42	226
		$	93,444,863	58,397,387

The notes on pages 9 to 37 are an integral part of these consolidated financial statements.

1. Incorporation and Principal Activity

The Eastern Caribbean Securities Exchange Limited ("the Company" or "ECSE") was incorporated as a public limited company on May 8, 2001 under the provisions of the Companies Act (No. 22 of 1996) of the laws of St. Christopher and Nevis.

The ECSE carries on business as a regional securities exchange and facilitates the buying and selling of financial products, including corporate and government securities for the member territories of the Eastern Caribbean Currency Union.

The registered office is situated at Bird Rock, Basseterre, St. Kitts.

These consolidated financial statements for the year ended March 31, 2021 comprise the ECSE and its subsidiary, Eastern Caribbean Central Securities Depository Limited ("ECCSD") (together "the Group"). The activities of this subsidiary are as follows:

- *The Eastern Caribbean Central Securities Depository Limited:*
  The Eastern Caribbean Central Securities Depository Limited ("ECCSD") was incorporated as a public limited company on August 2, 2001 under the provisions of the Companies Act (No. 22 of 1996) of the laws of Saint Christopher and Nevis. It is a wholly-owned subsidiary of Eastern Caribbean Securities Exchange Limited.

  The principal activity of the ECCSD is the provision of central securities depository services, including the post-trade clearing and settling of securities market transactions and other ancillary securities market activities. The ECCSD also electronically maintains the records of securities on behalf of issuers, which may include listed and non-listed public companies, government related entities, private companies, and individual security holders within the region.

2. Basis of Preparation

(a) Statement of Compliance:
The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS). The accounting policies adopted in the preparation of these consolidated financial statements have been applied consistently to all periods presented except as otherwise stated and are set out below.

The consolidated financial statements were authorised for issue by the Board of Directors on November 16, 2021.

(b) Basis of Measurement:
These consolidated financial statements have been prepared on the historical cost basis.

(c) Functional and Presentation Currency:
The consolidated financial statements are presented in Eastern Caribbean Dollars, which is the Group's functional currency, rounded to the nearest dollar.

(d) Use of Accounting Estimates and Judgments:
In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. Significant Accounting Policies

The significant accounting policies adopted in the preparation of these consolidated financial statements are as follows:

(a) Basis of Consolidation:
These consolidated financial statements comprise the financial statements of the Company and its subsidiary, disclosed in Note 1, after elimination of intercompany transactions, balances, revenues and expenses. The financial statements of the subsidiary are prepared for the same reporting year end as the Company, using consistent accounting policies.

3. Significant Accounting Policies *(cont'd)*

(a) Basis of Consolidation: (cont'd)

Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

Subsidiaries

'Subsidiaries' are entities controlled by the Group. The Group 'controls' an entity if it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it has control if there are changes to one or more of the elements of control. This includes circumstances in which protective rights held (e.g. those resulting from a lending relationship) become substantive and lead to the Group having power over an investee.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

3. Significant Accounting Policies *(cont'd)*

(a) Basis of Consolidation: (cont'd)

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Cash and Cash Equivalents:

Cash and cash equivalents include cash on hand, cash at banks and restricted amounts held by third party financial institutions with an original maturity date of three months or less. Cash and cash equivalents are carried at amortised cost.

(c) Accounts Receivable:

Accounts receivable are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Accounts receivable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. Loss allowance for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the credit losses that result from all possible default events over the expected life of the financial asset. As at March 31, 2021, the Group is expected to collect all of its accounts receivable.

(d) Property and Equipment:

Property and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. All other expenditure is recognised in profit or loss.

Any gain or loss on disposal of an item of property and equipment is recognised in profit or loss.

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method, and is generally recognised in profit or loss.

3. Significant Accounting Policies *(cont'd)*

(d) Property and Equipment: (cont'd)

Depreciation is provided on the straight line basis using rates estimated to write off the depreciable cost of the assets over their expected useful lives as follows:

Furniture and Fittings	4 years
Computer Equipment - Hardware	5 years
Motor Vehicles	5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(e) Intangible Assets:
Intangible assets are identifiable non-monetary assets without physical substance. These are measured at cost less accumulated amortisation and any accumulated impairment losses.

Acquired computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Capitalised costs are amortised on the straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date.

The estimated useful lives of computer software range from five (5) to seven (7) years.

(f) Accounts Payable and Accruals:
Accounts payable and accruals are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Group.

(g) Provisions:
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3. Significant Accounting Policies *(cont'd)*

(h) Revenue:

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognizes revenue when it performs a service for a customer.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Service Type	Nature and timing of satisfaction of performance obligations	Revenue Recognition Policies
Registry Income	Registry income consists of fees from the following: I. The utilization of the ECCSD registry services for both initial registration and annual registry maintenance fees. II. ECCSD registration on trades-settlement transfer are fees deriving from registration of transfers by both parties in secondary trades and from buyers of primary market issues. III. The corporate action services offered by the ECCSD include the processing of interest, amortization, redemption at maturity and dividend payments. IV. ECCSD Investor Transaction Revenue is generated from account maintenance and related registry services provided to the investing public.	Annual Registry Fees are recognised over the period the securities are required for registration; annually for equities, and for debt (corporate and sovereign) over the life of the security. With respect to initial registration, revenue is recognised at the inception of the registry. Trade settlement transfer, corporate action and investor transaction revenues are recognised as and when services are provided and accepted. .

3. Significant Accounting Policies *(cont'd)*

(h) Revenue (cont'd):

Service Type	**Nature and timing of satisfaction of performance obligations**	**Revenue Recognition Policies**
Listing Fees	Listing Fees consist of initial and annual listing fees derived from equities and corporate and sovereign debt.	Initial listing fee revenue is recognised when new securities are listed, immediately after the auction has been completed and invoices issued to the customer. Annual listing fee revenue is recognised over the period the security is required to be listed, one year (for equities) or less not exceeding the maturity of the security as in the case of debt. Annual fees paid in advance are recognised as deferred listing fees (liability).
Membership Fees	Membership fees are derived from new and existing intermediaries who become or maintain annual membership with the ECSE.	Membership fees are recognized over the membership period. Membership fees span over a one-year period except in the case where a new member joins the ECSE at mid-point in the financial year, the fees will be pro-rated to reflect the point in time when the member is accepted into membership. Membership fees that are paid in advance are treated as unearned revenue (liability).

3. Significant Accounting Policies *(cont'd)*

(h) Revenue (cont'd):

Service Type	Nature and timing of satisfaction of performance obligations	Revenue Recognition Policies
Trading Income	Trading income is derived from the primary and secondary market trades.	Revenue is recognised when the services are rendered and accepted.
Primary Market Income	Primary Market Income is derived from the following: New corporate equity issuances auctioned on the ECCSD primary issuance platform. New sovereign debt instruments auctioned on the Regional Government Securities Market (RGSM). Fees are charged based on the approved fee structure for new issuances. Facilitation fees derived from support and assistance provided to intermediaries (brokers) leading issues of new securities on the primary market.	Revenue is recognised when an auction for equities and for corporate and sovereign debt has been completed.
Other Income	The ECSE hosts seminars and workshops in collaboration with other entities to train and inform directors, intermediaries, business professionals and investors.	Revenue is recognized when the service is provided.

3. Significant Accounting Policies *(cont'd)*

(i) Taxation:

By letter dated May 27, 2003, the Group was granted a ten (10) year tax holiday (Corporation and other taxes).

On May 24, 2012, the Group made application for a further ten (10) year tax holiday.

The matter is still before the Government of St. Christopher and Nevis.

(j) Leases:

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

This policy is applied to contracts entered into (or changed) on or after April 1, 2019.

<u>Group acting as a lessee</u>

At commencement or on modification of a contract that contains a lease component, the Group allocates consideration in the contract to each lease component on the basis of its relative stand-alone price.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove any improvements made to office premises.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by analysing borrowings from various external sources and makes certain adjustments to reflect the terms of the lease and type of asset leased.

3. Significant Accounting Policies *(cont'd)*

(j) Leases (cont'd):

Group acting as a lessee (cont'd)
Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets and lease liabilities separately in the statement of financial position.

Short-term leases and leases of low-value assets
The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

4. Changes in accounting policies

(a) New standards, amendments, and interpretations mandatory for the first time for the financial year
A number of new standards, amendments to standards and interpretations became effective during the current period as follows, but these did not have a material effect on the Group's consolidated financial statements.

- Amendments to References to Conceptual Framework in IFRS Standards

  The revised framework covers all aspects of standard setting including the objective of financial reporting.

  The main change relates to how and when assets and liabilities are recognised and de-recognised in the financial statements.

  - New 'bundle of rights' approach to assets will mean that an entity may recognise a right to use an asset rather than the asset itself;
  - A liability will be recognised if an entity has no practical ability to avoid it. This may bring liabilities on balance sheet earlier than at present.
  - A new control-based approach to de-recognition will allow an entity to derecognize an asset when it loses control over all or part of it; the focus will no longer be on the transfer of risks and rewards.

- Definition of Material (Amendments to IAS 1 and IAS 8)

  Amendment to IAS 1 *Presentation of Financial Statements* and IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* provide a definition of 'material' to guide preparers of financial statements in making judgements about information to be included in financial statements.

  "Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

4. Changes in accounting policies *(cont'd)*

(b) New and amended standards and interpretations not yet effective

New standards and amendments to standards that are not yet effective and have not been early adopted by the Group are as follows:

- COVID-19-Related Rent Concessions (Amendment to IFRS 16) – effective June 1, 2020

  The amendments introduce an optional practical expedient that simplifies how a lessee accounts for rent concessions that are a direct consequence of COVID-19. A lessee that applies the practical expedient is not required to assess whether eligible rent concessions are lease modifications, and accounts for them in accordance with other applicable guidance. The resulting accounting will depend on the details of the rent concession. For example, if the concession is in the form of a one-off reduction in rent, it will be accounted for as a variable lease payment and be recognised in profit or loss.

  The practical expedient will only apply if:

  - the revised consideration is substantially the same or less than the original consideration;
  - the reduction in lease payments relates to payments due on or before 30 June 2021; and
  - no other substantive changes have been made to the terms of the lease.

  Lessees applying the practical expedient are required to disclose:

  - that fact, if they have applied the practical expedient to all eligible rent concessions and, if not, the nature of the contracts to which they have applied the practical expedient; and
  - the amount recognised in profit or loss for the reporting period arising from application of the practical expedient.

  No practical expedient is provided for lessors. Lessors are required to continue to assess if the rent concessions are lease modifications and account for them accordingly.

4. Changes in accounting policies *(cont'd)*

(b) New and amended standards and interpretations not yet effective (cont'd)

- Annual Improvements to IFRS Standards 2018-2020 cycle contain amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards*, IFRS 9 *Financial Instruments*, IFRS 16 *Leases*, IAS 41 *Agriculture*, and are effective for annual periods beginning on or after January 1, 2022.

  (i) IFRS 9 *Financial Instruments* amendment clarifies that – for the purpose of performing the '10 per cent test' for derecognition of financial liabilities – in determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

  (ii) IFRS 16 *Leases* amendments remove the illustration of payments from the lessor relating to leasehold improvements.

- Classification of liabilities as current or non-current (Amendments to IAS 1) – effective January 1, 2023

  Amendments to IAS 1 *Presentation of Financial Statements*, will apply retrospectively for annual reporting periods beginning on or after 1 January 2023. The amendments promote consistency in application and clarify the requirements on determining if a liability is current or non-current.

  Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the requirement for a right to be unconditional has been removed and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period. A company classifies a liability as non-current if it has a right to defer settlement for at least twelve months after the reporting period. It has now been clarified that a right to defer exists only if the company complies with conditions specified in the loan agreement at the end of the reporting period, even if the lender does not test compliance until a later date.

  With the amendments, convertible instruments may become current. In light of this, the amendments clarify how a company classifies a liability that includes a counterparty conversion option, which could be recognised as either equity or a liability separately from the liability component under IAS 32.

  Generally, if a liability has any conversion options that involve a transfer of the company's own equity instruments, these would affect its classification as current or non-current. It has now been clarified that a company can ignore only those conversion options that are recognised as equity when classifying liabilities as current or non-current.

4. Changes in accounting policies *(cont'd)*

(b) New and amended standards and interpretations not yet effective (cont'd)

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) – effective January 1, 2023

  The key amendments to IAS 1 include:
  (i) requiring companies to disclose their material accounting policies rather than their significant accounting policies;
  (ii) clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
  (iii) clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

  The amendments are consistent with the refined definition of material:

  "Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements."

- Definition of Accounting Estimate (Amendments to IAS 8) – effective January 1, 2023

  The amendments introduce a new definition for accounting estimates: clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty.

  The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy.

  Developing an accounting estimate includes both:
  (i) selecting a measurement technique (estimation or valuation technique) – e.g. an estimation technique used to measure a loss allowance for expected credit losses when applying IFRS 9 *Financial Instruments*; and;
  (ii) choosing the inputs to be used when applying the chosen measurement technique – e.g. the expected cash outflows for determining a provision for warranty obligations when applying IAS 37 *Provisions, Contingent Liabilities and Contingent Assets.*

  The effects of changes in such inputs or measurement techniques are changes in accounting estimates. The definition of accounting policies remains unchanged.

None of these forthcoming amendments is expected to have a significant impact on the Group's consolidated financial statements in the period of adoption.

5. Financial Instruments

Recognition, Initial Measurement and Derecognition
Financial assets and financial liabilities are recognised on the trade date when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss, for which transaction costs are recognised in profit or loss as incurred. Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expired.

Non-derivative financial assets – Classification and subsequent measurement
The Group classifies its financial assets into the amortized cost category.

Financial assets measured at amortised cost
The Group's non-derivative financial assets measured at amortised cost comprise cash and cash equivalents, accounts receivable, term deposits and sovereign debt securities. The Group measures these assets at amortised cost as its business model is to hold them to collect contractual cash flows and the contractual terms give rise to the receipt of principal and interest on specified dates. These financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model. These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities are classified and measured at amortised cost. Financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. These financial liabilities comprise of accounts payable and accruals, lease liabilities, gratuity payable and retirement saving fund.

Effective interest rate method
The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

– the gross carrying amount of the financial asset; or
– the amortised cost of the financial liability.

Amortised cost and gross carrying amount
The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance. The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

5. Financial Instruments *(cont'd)*

Non-derivative financial assets – Classification and subsequent measurement (cont'd)

Business model assessment
The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed; and
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected).

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI)
In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Group's claim to cash flows from specified assets; and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

The objective of ECSE's business model is to hold financial assets to collect the contractual cash flows rather than sell the instrument prior to its contractual maturity to realise its fair value changes and the related cash flows meet the SPPI criterion. It can therefore be determined that financial assets will be measured at amortised cost (net of any write down for impairment).

5. Financial Instruments *(cont'd)*

Non-derivative financial assets – Impairment

The Group recognizes loss allowances for expected credit losses (ECL) on its financial assets measured at amortised cost. At each reporting date, the Group measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition (Stage 2) or if there is objective evidence of impairment (Stage 3). If at the reporting date, the credit risk on the financial asset has not increased significantly since initial recognition, the Group measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses (Stage 1).

The ECL allowance associated with financial assets measured at amortised cost are presented in the consolidated statement of financial position as a deduction from the gross carrying amount of the assets.

Significant increase in credit risk

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and credit risk assessment. The ECL model applied to financial assets requires judgment, assumptions and estimations on changes in credit risks, forecasts of future economic conditions and historical information on the credit quality of the financial asset. Consideration of how changes in economic factors affect ECLs are determined on a probability weighted basis. The Group considers as a backstop that significant increase in credit risk occurs when a receivable is more than 30 days past due and that there is a significant increase in credit risk when the investment grade of sovereign/corporate debt has been downgraded to below investment grade or when there has been a downgrade of more than one notch outside of the current grade e.g. from CariAAA to CariB or CariC.

An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed significant increase in credit risk since origination, then the provision for doubtful debts reverts from lifetime ECL to 12-months.

Definition of default

The Group considers a financial instrument to be in default as a result of one or more loss events that occurred after the date of initial recognition of the instrument and the loss event has a negative impact on the estimated future cash flows of the instrument that can be reliably estimated. This includes events that indicate:

- significant financial difficulty of the borrower;
- default or delinquency in interest or principal payments;
- high probability of the borrower entering a phase of bankruptcy or a financial reorganization;
- measurable decrease in the estimated future cash flows from the receivable or the underlying assets that secure the receivable; and
- The restructuring of a receivable or advance by the Group on terms that the Group would not consider otherwise.

5. Financial Instruments *(cont'd)*

Non-derivative financial assets – Impairment (cont'd)

Credit impaired financial assets
A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. For certificates of deposit (CDs) and investments, the Group considers that a default has occurred and classifies the financial asset as credit impaired when the counterparty fails to pay principal and/or interest when payment falls due.

In addition, a receivable that is overdue for 90 days or more is considered credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

The Group considers the following when assessing whether sovereign debt is credit-impaired:

- The market's assessment of credit worthiness as reflected in the yields;
- The rating agencies' assessment of creditworthiness;
- The country's ability to access the capital markets for new debt issuance; and
- The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.

Classification and subsequent measurement of Financial Liabilities:
The Group's financial liabilities include accounts payable and accruals, provisions and the pension fund. These are measured at amortised cost.

The Group does not engage in any significant transactions which are speculative in nature.

6. Financial Risk Management

(i) Interest Rate Risk Exposure:
The Group does not have any significant exposure to interest rate risk as interest rates on its investments are fixed and there are no interest-bearing financial liabilities.

(ii) Credit Risk Exposure:
Credit risk arises from the possibility that counterparties may default on their obligations to the Group. The maximum credit risk exposure of financial assets recognised in the consolidated statement of financial position is represented by the carrying amounts of the financial assets.

Concentration of credit risk exists if a number of clients are engaged in similar activities or are located in the same industry sector or have similar economic characteristics such that their ability to meet contractual obligations would be similarly affected in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location.

6. Financial Risk Management *(cont'd)*

(ii) Credit Risk Exposure (cont'd)

Maximum exposure

Credit risk exposures relating to on-balance sheet assets are as follows:

		2021	2020
Financial Assets:			
Certificates of Deposit	$	9,056,200	4,673,769
Corporate Paper		5,310,000	-
Treasury Bills		4,922,005	3,926,011
Cash resources		93,444,821	58,397,161
Accounts receivable and other assets	$	1,096,327	894,344

(iii) Fair Value:

Fair value amounts represent the approximate values at which financial instruments could be exchanged in current transactions between willing parties. However, many of the financial instruments lack an available trading market and, therefore, it is not possible to determine independently the estimated fair values. The fair values of financial instruments are considered to approximate their book values as they are liquid or have a short term to maturity.

(iv) Liquidity Risk:

In order to manage liquidity risks, management seeks to maintain sufficient levels of cash and cash equivalents to meet reasonable expectations of its short-term obligations.

The table below analyses the Group's financial assets into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date:

		Due within 1 Year	**Total**
Financial Assets			
Year ended March 31, 2021			
Cash and cash equivalents	$	93,444,863	93,444,863
Investments		19,265,395	19,265,395
Accounts receivable and other assets		1,096,327	1,096,327
	$	113,806,585	113,806,585

6. Financial Risk Management *(cont'd)*

(iv) Liquidity Risk (cont'd)

		Due within 1 Year	Total
Financial Assets			
Year ended March 31, 2020			
Cash and cash equivalents	$	58,397,387	58,397,387
Investments		8,599,780	8,599,780
Accounts receivable and other assets		894,344	894,344
	$	67,891,511	67,891,511

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are contractual undiscounted cash flows (including estimated interest payments).

		Due within 1 Year	1 Year to 5 Years	Over 5 Years	Total
Financial Liabilities					
Year ended March 31, 2021					
Accounts payable and accruals	$	99,410,853	-	-	99,410,853
Retirement Saving Fund		697,440	-	-	697,440
Lease liabilities		106,170	372,095	-	478,265
Gratuity payable		-	75,349	-	75,349
		100,214,463	447,444	-	100,661,907

		Due within 1 Year	1 Year to 5 Years	Over 5 Years	Total
Financial Liabilities					
Year ended March 31, 2020					
Accounts payable and accruals	$	52,929,710	-	-	52,929,710
Preference shares		1,163,230	-	-	1,163,230
Retirement Saving Fund		-	999,978	-	999,978
Lease liabilities		103,955	478,266	-	582,221
Gratuity payable		-	15,069	-	15,069
	$	54,196,895	1,493,313	-	55,690,208

6. Financial Risk Management *(cont'd)*

(v) Capital Management:
The Group's policy is to maintain a strong capital base to encourage investor, creditor and market confidence, and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to shareholders. There were no changes to the way in which the Group managed its capital during the year.

(vi) COVID-19:
The World Health Organisation declared COVID-19 to be a global pandemic on March 11, 2020. It has since spread rapidly around the globe and has impacted companies both directly and indirectly. While it is not possible to reliably estimate the duration and full consequences of this pandemic, at this stage, it can be determined that the ECSE will not be severely impacted financially and there are no current threats to our ability to provide services to our customers. Management will continuously be monitoring this assessment for any changes during this crisis. Specific attention will be focused on the impacts on the financial markets and the overall economies of the Eastern Caribbean Currency Union (ECCU), all of which are highly uncertain and cannot be predicted.

Consequent on the State of Emergency declared in St. Kitts & Nevis and the resulting curfew, the ECSE went into telecommuting mode. This transition, having been previously tested, was made without any critical disruptions to our service delivery. In order to protect their health and safety, staff will continue to telecommute until further notice.

7. Cash and Cash Equivalents

	Notes		2021	2020
Cash with commercial banks	15	$	93,444,821	58,397,161
Cash on hand			42	226
Total		$	93,444,863	58,397,387

7. Cash and Cash Equivalents *(cont'd)*

Cash with Commercial Banks mainly consist of:

(i) Unclaimed securities holders' dividends, interest and maturity payments in the amount of $95,080,369 (2020: $48,719,774).

(ii) Funds held in escrow in the amount of $2,195,137 (2020: $3,662,551) representing securities holders' dividends, interest and maturity payments which are withheld for charged/pledged accounts and/or at the request of the Court.

On December 22, 2020, $1.5 million was transferred out of the Escrow funds account to facilitate the establishment of a 12-month fixed deposit with St. Kitts-Nevis-Anguilla National Bank Limited. The fixed deposit was established in favor of the Eastern Caribbean Securities Exchange Limited. Therefore, this reconciles the difference between the Escrow funds cash account and the liability account shown in Note 13 of these financial statements.

(iii) Included in the cash balance is an amount of $697,440 (2020: $999,978) which is set aside for the establishment of the ECSE Pension Fund. (See Note 15)

8. Accounts Receivable and Other Assets

		2021	2020
Trade receivables	$	911,850	836,201
Less: Provision for expected credit losses (ECL)		-	(65,432)
		911,850	770,769
Prepayments and other receivables		156,399	191,333
Interest receivable		184,477	58,143
	$	1,252,726	1,020,245

Provision for ECL

		2021	2020
Balance - beginning of the year	$	65,432	-
Change in provision		(65,432)	65,432
Balance - end of the year	$	-	65,432

9. Investments

		2021	2020
Certificates of Deposit	$	9,056,200	4,673,769
Treasury Bill GDB050421 @ 3.3697%		991,349	980,392
Treasury Bill LCB270621 @ 3.9226%		980,656	991,349
Treasury Bill GDB280721 @ 4.762%		977,995	991,349
Treasury Bill LCB150421 @ 3.4697%		991,349	980,656
Treasury Bill LCB211021 @ 3.923**%**		980,656	-
Corporate Paper ECHMB221021@2.5%		3,810,000	-
Corporate Paper ECHMB110322@2.7%		1,500,000	-
Total Investments		19,288,205	8,617,515
Less: Expected credit loss allowance		(22,810)	(17,735)
	$	19,265,395	8,599,780

Certificates of Deposit:
The certificates of deposit are held with various licensed commercial banks within the Organisation of Eastern Caribbean States and earn interest at rates varying from 2.0 to 3.5% per annum (2020: 1.5% to 3.5%) per annum.

Treasury Bills:
The treasury bills represent investment in the Government of Grenada's 365-day Treasury bill GDB280721at 4.762%% maturing on 28 July 2021, Government of Grenada 91-day Treasury bill: GDB050421 at 3.4697%% maturing on 5 April 2021 and Government of Saint Lucia's 180-day Treasury bill: LCB270621 at 3.9226% maturing on 27 June 2021, Government of Saint Lucia 91-day Treasury bill: LCB150421 at 3.4697% maturing on 15 April 202 and LCB121021 at 3.3697% maturing on 5 April 2021.

The movement in expected credit loss allowance is as follows:

		2021	2020
Balance at beginning of year	$	17,735	11,697
Allowance for expected credit losses		5,075	6,038
Balance at end of year	$	22,810	17,735

The Group's investment portfolio as at March 31, 2021 and March 31, 2020 are all in Stage 1.

10. Property and Equipment

		Motor Vehicles	Computer Equipment	Furniture and Fixtures	Total
Cost:					
At March 31, 2019	$	245,000	660,855	50,977	956,832
Additions		-	31,193		31,193
At March 31, 2020		245,000	692,048	50,977	988,025
Additions		-	39,828	-	39,828
At March 31, 2021	$	245,000	731,876	50,977	1,027,853
Depreciation:					
At March 31, 2019	$	159,966	544,585	49,222	756,204
Charge for the year		49,000	93,099	658	142,757
At March 31, 2020		208,966	637,684	49,880	898,961
Charge for the year		36,034	19,992	658	56,684
At March 31, 2021	$	245,000	657,766	50,538	953,214
Net Book Value:					
At March 31, 2021		-	74,200	439	74,639
At March 31, 2020	$	36,034	54,364	1,097	91,495

11. Intangible Assets

		2021	2020
Computer Software:			
Cost at beginning of year	$	1,915,895	1,915,895
Additions during the year		-	-
Cost at end of year		1,915,895	1,915,895
Accumulated amortisation – beginning of the year		1,096,778	811,140
Charge for the year		243,730	285,638
Accumulated amortisation – end of the year	$	1,340,508	1,096,778
Net Book Value	$	575,387	819,117

12. Leases

The ECSE leases office space from the Eastern Caribbean Central Bank. The lease term is 3 years with an option to renew for the same time period after the end of the stated lease term. The ECSE is expected to exercise this option.

Information about the lease for which the ECSE is a lessee is presented below:

(a) Amounts recognised in the statement of financial position:

(i) Right-of-use asset

	Buildings
As at April 1, 2020	575,898
Depreciation	(109,695)
Balance at March 31, 2021	466,203

(ii) Lease liabilities

As at April 1, 2020	582,221
Interest expense	16,044
Lease payments	(120,000)
Balance at March 31, 2021	478,265

Maturity analysis – contractual undiscounted cash flows:

Less than one year	106,170
One to five years	372,095
Total undiscounted lease liabilities at March 31, 2021`	478,265

(b) Amounts recognised in profit or loss

Depreciation charge on right-of-use assets	109,695
Interest expense on lease liabilities	16,044
Balance at March 31, 2021	125,739

13. Accounts Payable and Accruals

	Notes		2021	2020
Unclaimed dividends, interest and maturity payments	7 (i)	$	95,082,869	48,719,774
Escrow liability	7 (ii)		3,695,137	3,662,551
Deferred income			283,031	248,318
Holiday pay accrual			175,206	134,952
Accruals			100,936	125,475
Accounts payable			73,674	38,640
		$	99,410,853	52,929,710

Deferred income represents advance payments from customers in relation to listing, registry and membership fees received but not yet earned.

14. Gratuity payable

Gratuity payable relates to amounts payable to employees on completion of their contract of service to the Group. The non-current amount of $75,349 (2020: $15,069) has been provided to date.

15. Retirement Saving Fund

Included in the cash balance of $93,444,821 (2020: $58,397,161) is an amount of $697,440 (2020: $999,978) (See Note 7). This amount is held pending the establishment of the ECSE Pension Fund at which time the amount will be transferred.

16. Related Party Balances and Transactions

Key Management Personnel Compensation

The salaries, fees and benefits paid to key management personnel of the Group during the year amounted to $779,242 (2020: $786,048). The following is an analysis of these amounts:

		2021	2020
Salaries and other short-term employee benefits	$	707,689	694,828
Post-employment benefits		71,553	91,220
	$	779,242	786,048

17. Share Capital

		2021	2020
Authorised:			
5,000,000 Ordinary Shares of $10 each	$	50,000,000	50,000,000

Subscribed Capital:

Class		No. of Shares Issued at March 31, 2020	Shares Issued During the Year	No. of Shares Issued at March 31, 2021	Nominal Value 2021	Nominal Value 2020
Class A	$	327,419	-	**327,419**	3,274,190	3,274,190
Class B		287,500	-	**287,500**	2,875,000	2,875,000
Class C		370,081	-	**370,081**	3,700,810	3,700,810
Class D		15,000	-	**15,000**	150,000	150,000
	$	1,000,000	-	**1,000,000**	10,000,000	10,000,000

17. Share Capital *(cont'd)*

Dividends

The ECSE is cognizant of the importance of providing to shareholders a return on their capital Invested. It is equally cognizant, however, of the need to retain a sufficient portion of earnings, to ensure the availability of adequate resources for future growth and development. The Board, therefore, has established a policy that stipulates that the dividend pay-out should not exceed 50% of net income in a given year.

Consistent with this policy, the Board unanimously approved Management's recommendation that $1,000,000 (2020: $500,000) be distributed as dividend pay-outs for the year ended March 31, 2020 (2020: March 31, 2019). At the 19th Annual General Meeting held on 2nd October 2020 (2020: 4th October 2019), shareholders approved the payment of the proposed dividend, which translated to $1.00 (2020: 51.4 cents) per share. The dividend paid out on October 8, 2020 (2020: October 9, 2019), totaled $1,000,000 (2020: $499,908).

The classes are divided as follows:

Class A	Eastern Caribbean Central Bank;
Class B	Social Security Schemes, National Insurance Boards, Government owned or controlled institutions other than Government owned or controlled financial intermediaries;
Class C	Financial institutions;
Class D	Persons or institutions not covered in classes A to C.

<u>Class Rights</u>

a) Other than the Eastern Caribbean Central Bank (Class A) no single shareholder shall hold, whether beneficially or otherwise, more than 20% of the issued share capital of the Group.

b) i Classes holding 50% or more of the issued capital are allowed to nominate three (3) directors.

ii Classes holding between 20% and 49% of the issued capital are allowed to nominate two (2) directors.

iii Classes holding less than 20% of the issued capital are allowed to nominate one (1) director.

18. Preference Shares

On June 25, 2019, the ECSE issued 116,323 redeemable $10 3% preference shares with a stated value of $1,163,230 to the ECCB as part consideration in settlement of a remaining balance due to the ECCB of EC$1,437,423. These preference shares, which were redeemable within a period of 10 years, were redeemed in full in April 2020.

19. Earnings Per Share

The calculation of basic earnings per share is based on the following data:

		2021	2020
Earnings			
Net profit for the year	$	1,603,592	3,386,108
Number of Shares			
Weighted average number of ordinary shares	$	1,000,000	993,632
Earnings per Share	$	1.61	3.41

20. Contingent Liabilities and Capital Commitments

The Group had no capital commitments as at March 31, 2021 (2020: nil).

21. Other Income

		2021	2020
Due to Eastern Caribbean Central Bank - write off	$	-	1,437,423
Seminars and workshops		16,380	20,000
	$	16,380	1,457,423

In April 2019, the ECSE arrived at an agreement with the Eastern Caribbean Central Bank (ECCB) regarding a long outstanding payable. Under this agreement, the ECCB agreed to write-off 50 per cent of the total amount due, which amounted to $1,437,423. This was treated as other income in 2020.

22. Subsequent Event

On May 18, 2021, the Company transferred $714,740 to Sagicor Life Inc. to establish the defined contribution pension plan.

LISTED SECURITIES AT 31 MARCH 2021

ISSUER	TRADING SYMBOL
Equities	
Cable & Wireless Saint Kitts & Nevis Limited	CWKN
Dominica Electricity Services Limited	DES
Grenada Electricity Services Limited	GESL
Grenreal Property Corporation Limited	GPCL
Republic Bank (Grenada) Limited	RBGL
S L Horsford and Company Limited	SLH
Saint Kitts-Nevis-Anguilla National Bank Limited	SKNB
Saint Kitts Nevis Anguilla Trading and Development Company Limited	TDC
Saint Lucia Electricity Services Limited	SLES
The Bank of Nevis Limited	BON
Bank of Saint Vincent and the Grenadines Limited	BSVG
East Caribbean Financial Holding Company Limited	ECFH
Grenada Co-operative Bank Limited	GCBL

Corporate Debt

ISSUER ECHMB Capital

SECURITIES: (Trading Symbols)

HMB060421; HMB010621; HMB180621; HMB060721; HMB260821; HMB280921; HMB221021; HMB261121; HMB280122; HMB291221

Sovereign Debt

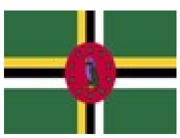
ISSUER

Antigua and Barbuda

SECURITIES: (Trading Symbols)

AGG100721; FAG150626; AGG300740; FAG100923; AGG151228; FAG100724; FAG071221; AGG151029; AGG151229; AGG0327AA; FAN030822; AGG100428; FAG100828; AGG100329; AGG100525; FAG100325; AGN220521; AGN180922; AGN091021; FAG100926; AGB130521; AGB100621; AGB280621; AGG070527; AGB010921; FAG111031; AGB021121; AGB231121; AGG050624; AGG100130; AGG051125; AGB240521; AGB140621; AGB270721; AGB240222; AGB18032

ISSUER



The Commonwealth of Dominica

SECURITIES: (Trading Symbols)

DMG200624; DMG300634; DMG051122; DMG070726; DMG070227; DMB09062

ISSUER

Grenada

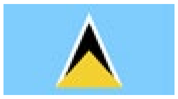
SECURITIES: (Trading Symbols)

GDG1530AA; GDG251240; GDG071222; GDG250940; GDG1530AB; GDN110222; GDB280721; GDN030821; GDB201021; GDB081221; GDB050421

ISSUER  The Federation of Saint Kitts and Nevis

SECURITIES: (Trading Symbols)

FKG200432; KNG450457

ISSUER  Saint Lucia

SECURITIES: (Trading Symbols)

LCG100322;	LCG101222;	LCG100223;	LCG080721;	LCG080921;
LCG100623;	LCG100524;	FLG100722;	LCG150729;	LCG101124;
LCG100725;	LCG060821;	LCG060921;	FLG061221;	LCG100226;
FLG060222;	LCG100926;	LCN011121;	LCG080924;	LCG100224;
LCG071022;	LCN290721;	FLG060322;	FLG0602AA;	LCN100421;
FLG071024;	LCG101027;	LCG071124;	LCG100128;	LCG080824;
LCG070425;	LCG100828;	LCG080826;	FLG071124;	FLG050521;
LCG0128AA;	LCG1124AA;	LCG1027AA;	FLG1024AA;	LCG060325;
FLG081226;	FLG040123;	LCN240622;	LCN190721;	FLG070726;
LCG081226;	LCG050824;	LCG070926;	LCG071026;	LCG061025;
LCG101129;	LCG080328;	LCG070327;	LCN210825;	LCB130421;
LCN081225;	LCB270621;	LCG150935;	LCG051024;	
LCB150421;	LCB200721;	LCB260421;	LCB040821	

ISSUER  Saint Vincent and the Grenadines

SECURITIES: (Trading Symbols)

VCG100422;	VCG100323;	VCG070821;	VCG100826;	FVG100826;
VCG080225;	VCG070623;	VCG070524;	VCG0724AA;	VCG070625;
VCG070725;	VCG081126;	VCG101128;	FVG101228;	VCG0725AA;
VCN080524;	VCG070926;	VCG071226;	VCG080327;	
VCB010421;	FVG071126;	VCB040521;	VCB010621	

MEMBER INTERMEDIARIES AT 31 MARCH 2021

INTERMEDIARY	LOCATION
Bank of Saint Lucia	Saint Lucia
Bank of Saint Vincent and the Grenadines Limited	Saint Vincent and the Grenadines
First Citizens Investment Services Limited	Saint Lucia/Saint Vincent and the Grenadines/Trinidad and Tobago
Grenada Co-operative Bank Limited	Grenada
Saint Kitts-Nevis-Anguilla National Bank Limited	Saint Kitts and Nevis
The Bank of Nevis Limited	Saint Kitts and Nevis

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