

**INDEPENDENT AUDITORS' REPORT**

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**TO THE SHAREHOLDERS OF  
 EASTERN CARIBBEAN AMALGAMATED BANK LIMITED**

The accompanying summary financial statements, which comprise the summary statement of financial position as of September 30, 2015, and the summary statements of comprehensive income, cash flows and changes in equity for the year then ended and related note is derived from the audited financial statements of **Eastern Caribbean Amalgamated Bank Limited** for the year ended September 30, 2015. We expressed an unmodified audit opinion on those financial statements in our report dated December 30, 2015.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of **Eastern Caribbean Amalgamated Bank Limited**. For a holistic understanding of the Bank's financial position and performance for the year ended September 30, 2015, and of the scope of our audit, the summary financial statements should be read in conjunction with the financial statements and accompanying notes from which the summary financial statements were derived and our audit thereon.

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

Management is responsible for the preparation of a summary of the audited financial statements.

**Auditors' Responsibility**

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

**Opinion**

In our opinion, the summary financial statements derived from the audited financial statements of Eastern Caribbean Amalgamated Bank Limited for the year ended September 30, 2015 are consistent, in all material respects, with those financial statements.


**Chartered Accountants**

December 30, 2015

St. John's, Antigua

 Partners:  
**Antigua**  
 Charles Walwyn - Managing Partner  
 Robert Wilkinson  
 Kathy David

 St. Kitts  
 Jefferson Hunte

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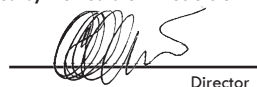



EASTERN CARIBBEAN AMALGAMATED BANK

**SUMMARY STATEMENT OF FINANCIAL POSITION**
**As of September 30, 2015**
*(expressed in Eastern Caribbean dollars)*

	2015 \$	2014 \$
<b>ASSETS</b>		
Cash and balances with the Central Bank	34,862,361	35,471,806
Due from banks and other financial institutions	13,298,512	31,659,657
Investment securities	120,700,813	117,856,527
Loans and advances to customers	318,197,622	306,379,115
Other assets	1,234,700	1,443,127
Property, plant and equipment	17,186,716	17,861,206
Intangible assets	1,740,600	2,410,504
<b>TOTAL ASSETS</b>	<b>507,221,324</b>	<b>513,081,942</b>
<b>LIABILITIES</b>		
Customers' deposits	405,808,591	414,159,573
Other liabilities and accrued expenses	5,267,568	8,112,941
Borrowings	2,655,706	4,159,364
<b>TOTAL LIABILITIES</b>	<b>413,731,865</b>	<b>426,431,878</b>
<b>EQUITY</b>		
Preference shares	47,869,339	47,869,339
Common shares	24,000,000	24,000,000
Other reserves	8,471,841	7,369,767
Retained earnings	13,148,279	7,410,958
<b>TOTAL EQUITY</b>	<b>93,489,459</b>	<b>86,650,064</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>507,221,324</b>	<b>513,081,942</b>

Approved by the Board of Directors on December 30, 2015

  
 Director

  
 Director

**SUMMARY STATEMENT OF COMPREHENSIVE INCOME**
**For the year ended September 30, 2015**
*(expressed in Eastern Caribbean dollars)*

	2015 \$	2014 \$
<b>OPERATING INCOME</b>		
Interest income	30,729,749	30,317,406
Interest expense	(10,577,799)	(11,738,019)
Net interest income	20,151,950	18,579,387
Loan impairment charges	(412,513)	(320,857)
Net interest income after loan impairment charges	19,739,437	18,258,530
Fee and commission income	9,046,323	7,866,134
Fee and commission expense	(3,646,160)	(3,240,244)
Net fee income	5,400,163	4,625,890
Other income	85,157	31,464
<b>NET INTEREST, FEE, COMMISSION AND OTHER INCOME</b>	<b>25,224,757</b>	<b>22,915,884</b>
<b>OPERATING EXPENSES</b>		
Personnel expenses	9,814,399	8,912,978
General and administrative expenses	6,191,695	5,812,229
Amortization of intangible assets	994,767	864,365
Depreciation of property, plant and equipment	1,384,501	1,168,794
<b>TOTAL OPERATING EXPENSES</b>	<b>18,385,362</b>	<b>16,758,366</b>
<b>PROFIT FOR THE YEAR</b>	<b>6,839,395</b>	<b>6,157,518</b>
Other comprehensive income	-	-
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>6,839,395</b>	<b>6,157,518</b>

# EASTERN CARIBBEAN AMALGAMATED BANK LIMITED

## SUMMARY STATEMENT OF CASH FLOWS For the year ended September 30, 2015

(expressed in Eastern Caribbean dollars)

	2015 \$	2014 \$
<b>Cash flows from operating activities</b>		
Operating profit for the year	6,839,395	6,157,518
Adjustments for items not affecting cash:		
Interest income	(30,729,749)	(30,317,406)
Interest expense	10,577,799	11,738,019
Depreciation	1,384,501	1,168,794
Amortization of intangible assets	994,767	864,365
Provision for loan impairment charges	412,513	320,857
Other non-cash items	(69,637)	(16,536)
<b>Cash flows used in operating activities</b>	<b>(10,590,411)</b>	<b>(10,084,389)</b>
<b>Net (increase)/decrease in operating assets</b>		
Loans and advances to customers	(12,868,477)	4,869,316
Mandatory deposits with the Central Bank	2,339,647	3,931
Other assets	208,427	(318,275)
Restricted deposits	681,736	(803,250)
<b>Net increase/(decrease) in operating liabilities</b>		
Deposits from customers	(8,044,028)	(1,149,055)
Other liabilities and accrued expenses	(2,845,373)	4,060,185
<b>Cash used in operations</b>	<b>(31,118,479)</b>	<b>(3,421,537)</b>
Interest received	31,180,754	28,620,989
Interest paid	(10,884,753)	(12,810,189)
<b>Net cash (used in)/ generated from operating activities</b>	<b>(10,822,478)</b>	<b>12,389,263</b>
<b>Cash flows from investing activities</b>		
Purchase of plant and equipment	(710,011)	(911,477)
Purchase of investment securities	(51,018,316)	(62,282,175)
Disposal of investment securities	34,992,443	48,608,465
Purchase of intangible assets	(324,863)	(272,504)
<b>Net cash used in investing activities</b>	<b>(17,060,747)</b>	<b>(14,857,691)</b>
<b>Cash flows from financing activities</b>		
Repayment of long term borrowings	(1,503,658)	(1,390,564)
<b>Net cash used in financing activities</b>	<b>(1,503,658)</b>	<b>(1,390,564)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(29,386,883)</b>	<b>(3,858,992)</b>
<b>Exchange gains on cash and cash equivalents</b>	<b>69,637</b>	<b>16,536</b>
<b>Cash and equivalents at beginning of year</b>	<b>90,591,887</b>	<b>94,434,343</b>
<b>Cash and cash equivalents at end of year</b>	<b>61,274,641</b>	<b>90,591,887</b>

## SUMMARY STATEMENT OF CHANGES IN EQUITY For the year ended September 30, 2015

(expressed in Eastern Caribbean dollars)

	Preference shares	Common shares	Other reserves	Retained earnings	Total
	\$	\$	\$	\$	\$
<b>Balance at September 30, 2013</b>	47,869,339	24,000,000	5,983,572	2,639,635	80,492,546
Comprehensive income for the year	-	-	-	6,157,518	6,157,518
Reserve for loan loss provision	-	-	342,763	(342,763)	-
Reserve for interest recognised on impaired loans	-	-	(253,397)	253,397	-
Statutory reserve	-	-	1,296,829	(1,296,829)	-
<b>Balance at September 30, 2014</b>	47,869,339	24,000,000	7,369,767	7,410,958	86,650,064
Comprehensive income for the year	-	-	-	6,839,395	6,839,395
Reserve for loan loss provision	-	-	(340,231)	340,231	-
Reserve for interest recognised on impaired loans	-	-	74,426	(74,426)	-
Statutory reserve	-	-	1,367,879	(1,367,879)	-
<b>Balance at September 30, 2015</b>	<b>47,869,339</b>	<b>24,000,000</b>	<b>8,471,841</b>	<b>13,148,279</b>	<b>93,489,459</b>

## NOTES TO SUMMARY FINANCIAL STATEMENTS

September 30, 2015

(expressed in Eastern Caribbean dollars)

### 1. BASIS OF PREPARATION

These summary financial statements are derived from the audited financial statements of Eastern Caribbean Amalgamated Bank Limited for the year ended September 30, 2015.