

REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARY FINANCIAL STATEMENTS
To the Shareholders of Eastern Caribbean Amalgamated Bank Limited
Opinion

The summary financial statements, which comprise the summary statement of financial position as of September 30, 2020, the summary statements of comprehensive income, changes in equity and cash flows for the year then ended, and the related note, are derived from the audited financial statements of **Eastern Caribbean Amalgamated Bank Limited** for the year ended September 30, 2020.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, on the basis described in Note 1.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements and the auditors' report thereon, therefore, is not a substitute for reading the audited financial statements and the auditors' report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated December 30, 2020. The audited financial statements are included in the 2020 Annual Report.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements on the basis described in Note 1.

Auditors' Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.


Chartered Accountants
 December 30, 2020
 St. John's, Antigua

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

St. Kitts
 Jefferson Hunte
 Lisa Roberts

Barbados
 Jefferson Hunte

Audit • Tax • Advisory
 Member of Grant Thornton International Ltd

SUMMARY STATEMENT OF FINANCIAL POSITION
As of September 30, 2020
(expressed in Eastern Caribbean dollars)

	2020 \$	2019 \$
Assets		
Cash and balances with the Central Bank	114,276,836	94,899,378
Due from banks and other financial institutions	96,460,623	42,410,766
Investment securities	261,480,969	260,258,193
Loans and advances to customers	570,893,589	546,412,367
Other assets	7,099,788	6,142,403
Property, plant and equipment	17,378,291	17,873,621
Right-of-use asset	2,278,207	-
Intangible assets	583,094	1,026,300
Total assets	1,070,451,397	969,023,028
Liabilities		
Customers' deposits	851,578,723	768,300,589
Other liabilities and accrued expenses	14,306,180	13,553,036
Income taxes payable	6,525,505	4,639,463
Lease liability	2,295,501	-
Deferred tax liability	12,881,973	12,417,148
Total liabilities	887,587,882	798,910,236
Equity		
Preference shares	47,869,339	47,869,339
Common shares	24,000,000	24,000,000
Revaluation reserve	1,864,718	1,488,446
Other reserves	22,182,632	19,278,868
Retained earnings	86,946,826	77,476,139
Total equity	182,863,515	170,112,792
Total liabilities and equity	1,070,451,397	969,023,028

Approved by the Board of Directors on December 24, 2020


Director



Director

SUMMARY STATEMENT OF COMPREHENSIVE INCOME
For the year ended September 30, 2020
(expressed in Eastern Caribbean dollars)

	2020 \$	2019 \$
Operating income		
Interest income	49,192,168	47,575,417
Interest expense	(11,301,809)	(10,948,954)
Net interest income	37,890,359	36,626,463
Impairment charges	(11,946,290)	(5,047,048)
Net interest income after impairment charges	25,944,069	31,579,415
Fee and commission income	20,561,400	21,416,434
Fee and commission expense	(7,354,455)	(7,710,868)
Net fee income	13,206,945	13,705,566
Other income, net	12,928,227	10,241,549
Net interest, fee, commission and other income	52,079,241	55,526,530
Operating expenses		
Personnel expenses	15,488,013	15,628,881
General and administrative expenses	11,104,259	11,533,702
Depreciation of property, plant and equipment	1,303,702	1,338,270
Depreciation of right-of-use asset	1,265,982	-
Amortization of intangible assets	469,739	501,897
Total operating expenses	29,631,695	29,002,750
Profit for the year before tax	22,447,546	26,523,780
Income tax expense	(6,864,904)	(7,446,175)
Profit for the year after tax	15,582,642	19,077,605
Other comprehensive income		
Unrealised gains on investment securities, net of tax	376,272	371,420
Comprehensive income for the year	15,958,914	19,449,025

EASTERN CARIBBEAN AMALGAMATED BANK LIMITED

SUMMARY STATEMENT OF CASH FLOWS

For the year ended September 30, 2020

(expressed in Eastern Caribbean dollars)

	2020	2019
	\$	\$
Cash flows from operating activities		
Operating profit for the year before tax	22,447,546	26,523,780
Adjustments for items not affecting cash:		
Interest income	(49,192,168)	(47,575,417)
Interest expense	11,301,809	10,948,954
Depreciation	1,303,702	1,338,270
Unrealised gain on FVTPL investments	(12,311,839)	(9,652,200)
Amortization of intangible assets	469,739	501,897
Provision for impairment charges	11,946,290	5,047,048
Other non-cash items	16,128	(47,404)
Cash flows used in operating activities	(14,018,793)	(12,915,072)
Net increase/(decrease) in operating assets		
Loans and advances to customers	(22,751,604)	(41,520,554)
Other assets	(3,235,592)	(3,743,531)
Mandatory deposits with the Central Bank	(418,281)	(13,483,692)
Net (decrease)/increase in operating liabilities		
Customers' deposits	83,512,647	(15,996,580)
Other liabilities and accrued expenses	753,144	3,342,321
Lease liability	2,295,501	-
Cash generated from/(used in) operations	46,137,022	(84,317,108)
Income tax paid	(4,639,463)	(4,276,348)
Interest received	35,471,067	48,810,911
Interest paid	(11,536,322)	(10,864,053)
Net cash generated from/(used in) operating activities	65,432,304	(50,646,598)
Cash flows from investing activities		
Purchase of plant and equipment	(808,372)	(888,859)
Purchase of investment securities	(45,754,338)	(76,809,382)
Disposal of investment securities	54,519,888	32,695,490
Purchase of intangible assets	(26,533)	(167,828)
Net cash generated from/(used in) investing activities	7,930,645	(45,170,579)
Cash flows from financing activities		
Dividends paid to shareholders	(2,995,427)	(2,995,427)
Net cash used in financing activities	(2,995,427)	(2,995,427)
Net increase/(decrease) in cash and cash equivalents	70,367,522	(98,812,604)
Exchange (gains)/losses on cash and cash equivalents	(16,128)	47,404
Cash and cash equivalents at beginning of year	110,044,101	208,809,301
Cash and cash equivalents at end of year	180,395,495	110,044,101

SUMMARY STATEMENT OF CHANGES IN EQUITY

For the year ended September 30, 2020

(expressed in Eastern Caribbean dollars)

	Preference shares	Common shares	Revaluation reserve	Other reserves	Retained earnings	Total
	\$	\$	\$	\$	\$	\$
Balance as of September 30, 2018	47,869,339	24,000,000	39,369,503	16,927,413	40,080,178	168,246,433
Changes upon initial adoption of IFRS 9, net of tax	-	-	(38,252,477)	-	25,129,306	(13,123,171)
Restated balance as of October 1, 2018	47,869,339	24,000,000	1,117,026	16,927,413	65,209,484	155,123,262
Profit for the year	-	-	-	-	19,077,605	19,077,605
Other comprehensive income for the year	-	-	371,420	-	-	371,420
Total comprehensive income for the year	-	-	371,420	-	19,077,605	19,449,025
Reserve for interest recognised on impaired loans	-	-	-	(1,464,068)	-	(1,464,068)
Statutory reserve transfer	-	-	-	3,815,523	(3,815,523)	-
Transactions with owners						
Dividends paid	-	-	-	-	(2,995,427)	(2,995,427)
Balance as of September 30, 2019	47,869,339	24,000,000	1,488,446	19,278,868	77,476,139	170,112,792
Profit for the year	-	-	-	-	15,582,642	15,582,642
Other comprehensive income for the year	-	-	376,272	-	-	376,272
Total comprehensive income for the year	-	-	376,272	-	15,582,642	15,958,914
Reserve for interest recognised on impaired loans	-	-	-	(212,764)	-	(212,764)
Statutory reserve transfer	-	-	-	3,116,528	(3,116,528)	-
Transactions with owners						
Dividends paid	-	-	-	-	(2,995,427)	(2,995,427)
Balance as of September 30, 2020	47,869,339	24,000,000	1,864,718	22,182,632	86,946,826	182,863,515

NOTES TO SUMMARY FINANCIAL STATEMENTS

September 30, 2020

(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, 2020.

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