

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, 2021, 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, 2021.

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 November 14, 2022. The audited financial statements are included in the 2021 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

November 14, 2022

St. John's, Antigua

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

St. Kitts
 Jefferson Hunte
 Lisa Roberts

Barbados
 Jefferson Hunte

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Our future, Our bank


SUMMARY STATEMENT OF FINANCIAL POSITION
As of September 30, 2021
(expressed in Eastern Caribbean dollars)

	2021 \$	2020 \$
Assets		
Cash and balances with the Central Bank	262,129,282	114,276,836
Due from banks and other financial institutions	360,670,500	96,460,623
Investment securities	261,283,675	261,480,969
Loans and advances to customers	1,127,362,378	570,893,589
Other assets	14,315,924	7,099,788
Property, plant and equipment	41,475,167	17,378,291
Right-of-use asset	2,617,538	2,278,207
Intangible assets	40,587,304	583,094
Total assets	2,110,441,768	1,070,451,397
Liabilities		
Customers' deposits	1,837,581,601	851,578,723
Other liabilities and accrued expenses	55,859,223	14,306,180
Income taxes payable	9,753,030	6,525,505
Lease liability	2,748,106	2,295,501
Deferred tax liability	9,115,105	12,881,973
Total liabilities	1,915,057,065	887,587,882
Equity		
Preference shares	47,869,339	47,869,339
Common shares	24,000,000	24,000,000
Revaluation reserve	1,918,447	1,864,718
Other reserves	24,881,003	22,182,632
Retained earnings	96,715,914	86,946,826
Total equity	195,384,703	182,863,515
Total liabilities and equity	2,110,441,768	1,070,451,397

Approved by the Board of Directors on November 14, 2022


Director



Director

SUMMARY STATEMENT OF COMPREHENSIVE INCOME
For the year ended September 30, 2021
(expressed in Eastern Caribbean dollars)

	2021 \$	2020 \$
Operating income		
Interest income	52,404,188	49,192,168
Interest expense	(12,270,188)	(11,301,809)
Net interest income	40,134,000	37,890,359
Impairment charges	(9,869,676)	(11,946,290)
Net interest income after impairment charges	30,264,324	25,944,069
Fee and commission income	22,436,215	20,561,400
Fee and commission expense	(9,330,479)	(7,354,455)
Net fee income	13,105,736	13,206,945
Other income, net	12,818,644	12,928,227
Net interest, fee, commission and other income	56,188,704	52,079,241
Operating expenses		
Personnel expenses	17,036,767	15,488,013
General and administrative expenses	14,858,541	11,104,259
Depreciation of property, plant and equipment	1,243,263	1,303,702
Depreciation of right-of-use asset	1,315,293	1,265,982
Amortization of intangible assets	635,947	469,739
Total operating expenses	35,089,811	29,631,695
Profit for the year before tax	21,098,893	22,447,546
Income tax expense	(5,968,252)	(6,864,904)
Profit for the year after tax	15,130,641	15,582,642
Other comprehensive income		
Unrealised gains on investment securities, net of tax	53,729	376,272
Comprehensive income for the year	15,184,370	15,958,914

EASTERN CARIBBEAN AMALGAMATED BANK LIMITED
SUMMARY STATEMENT OF CASH FLOWS
For the year ended September 30, 2021

(expressed in Eastern Caribbean dollars)

	2021	2020
	\$	\$
Cash flows from operating activities		
Operating profit for the year before tax	21,098,893	22,447,546
Adjustments for items not affecting cash:		
Interest income	(52,404,188)	(49,192,168)
Interest expense	12,270,188	11,301,809
Depreciation	1,243,263	1,303,702
Unrealised gain on FVTPL investments	(6,836,251)	(12,311,839)
Gain on business acquisition	(51,536)	–
Amortization of intangible assets	635,947	469,739
Provision for impairment charges	9,869,676	11,946,290
Other non-cash items	336,375	16,128
Cash flows used in operating activities	(13,837,633)	(14,018,793)
Net increase/(decrease) in operating assets		
Loans and advances to customers	(15,430,417)	(22,751,604)
Other assets	(6,458,564)	(3,235,592)
Right-of-Use Asset	1,859,825	–
Mandatory deposits with the Central Bank	(1,743,386)	(418,281)
Net (decrease)/increase in operating liabilities		
Customers' deposits	80,261,628	83,512,647
Other liabilities and accrued expenses	27,027,455	753,144
Lease liability	(1,782,126)	2,295,501
Cash generated from operations	69,896,782	46,137,022
Income tax paid	(6,525,505)	(4,639,463)
Interest received	33,204,860	35,471,067
Interest paid	(12,452,384)	(11,536,322)
Net cash generated from operating activities	84,123,753	65,432,304
Cash flows from investing activities		
Purchase of plant and equipment	(13,466,878)	(808,372)
Purchase of investment securities	(52,164,132)	(45,754,338)
Disposal of investment securities	73,677,207	54,519,888
Purchase of intangible assets	(1,040,157)	(26,533)
Acquisition of business net of cash acquired	281,895,394	–
Net cash generated from investing activities	288,901,434	7,930,645
Cash flows from financing activities		
Dividends paid to shareholders	(2,335,427)	(2,995,427)
Net cash used in financing activities	(2,335,427)	(2,995,427)
Net increase in cash and cash equivalents	370,689,760	70,367,522
Exchange gains on cash and cash equivalents	(336,375)	(16,128)
Cash and cash equivalents at beginning of year	180,395,495	110,044,101
Cash and cash equivalents at end of year	550,748,880	180,395,495

SUMMARY STATEMENT OF CHANGES IN EQUITY
For the year ended September 30, 2021

(expressed in Eastern Caribbean dollars)

	Preference shares	Common shares	Revaluation reserve	Other reserves	Retained earnings	Total
	\$	\$	\$	\$	\$	\$
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
Profit for the year	–	–	–	–	15,130,641	15,130,641
Other comprehensive income for the year	–	–	53,729	–	–	53,729
Total comprehensive income for the year	–	–	53,729	–	15,130,641	15,184,370
Reserve for interest recognised on impaired loans	–	–	–	(327,755)	–	(327,755)
Statutory reserve transfer	–	–	–	3,026,126	(3,026,126)	–
Transactions with owners						
Dividends paid	–	–	–	–	(2,335,427)	(2,335,427)
Balance as of September 30, 2021	47,869,339	24,000,000	1,918,447	24,881,003	96,715,914	195,384,703

NOTE TO SUMMARY FINANCIAL STATEMENTS
September 30, 2021

(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, 2021.

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