

# SCOTIABANK ANGUILLA LIMITED

## 2012 SUMMARY FINANCIAL STATEMENTS



### Summary Statement of Financial Position

As at October 31, 2012

(expressed in Eastern Caribbean Dollars)

	2012	2011
	\$	\$
<b>Assets</b>		
Cash and cash equivalents	92,840,699	164,998,407
Due from related party	42,436,450	41,757,058
Loans and advances to customers - net	202,032,341	177,498,219
Accrued interest receivable	2,190,675	1,760,575
Property and equipment - net	497,591	541,202
Other assets	12,333	12,333
<b>Total Assets</b>	<b>340,010,089</b>	<b>386,567,794</b>
<b>Liabilities and Shareholder's Equity</b>		
<b>Liabilities</b>		
Deposits from customers	184,716,064	236,169,976
Accrued interest payable	288,352	463,764
Due to related parties	66,575,263	43,526,123
Retirement benefit obligation	161,142	-
Other liabilities	1,708,954	1,764,213
<b>Total liabilities</b>	<b>253,449,775</b>	<b>281,924,076</b>
<b>Shareholder's equity</b>		
Share capital	32,400,000	32,400,000
Statutory reserve	16,260,311	14,476,992
Loan loss reserve	1,697,107	711,127
Retained earnings	36,202,896	57,055,599
<b>Total shareholder's equity</b>	<b>86,560,314</b>	<b>104,643,718</b>
<b>Total liabilities and shareholder's equity</b>	<b>340,010,089</b>	<b>386,567,794</b>

These financial statements were approved on behalf of the Board of Directors on 27 February 2013 by the following:

**Pamela Herbert-Daniel**  
 Managing Director

**Evan Webster**  
 Director

### Summary Statement of Comprehensive Income

For the Year Ended October 31, 2012

(expressed in Eastern Caribbean Dollars)

	2012	2011
	\$	\$
<b>Interest income</b>		
Cash and cash equivalents	1,931,215	2,449,831
Investment securities	158,849	345,616
Loans and advances to customers	15,934,727	15,057,781
	18,024,791	17,853,228
<b>Interest expense</b>		
Savings	1,446,302	1,400,217
Time deposits	948,000	1,320,864
Due to related parties	708,362	590,825
	3,102,664	3,311,906
<b>Net interest income</b>	<b>14,922,127</b>	<b>14,541,322</b>
<b>Other income</b>		
Service charges, fees and commissions	4,031,673	3,787,696
Foreign exchange gain - net	462,358	301,240
	4,494,031	4,088,936
<b>Operating income</b>	<b>19,416,158</b>	<b>18,630,258</b>
<b>Operating expenses</b>		
Salaries, bonuses and other allowances	2,421,592	2,183,182
Impairment losses	678,458	1,702,021
Depreciation	152,431	155,159
Other	6,082,819	5,124,073
	9,335,300	9,164,435
<b>Profit before taxation</b>	<b>10,080,858</b>	<b>9,465,823</b>
<b>Tax on assets</b>	<b>1,164,262</b>	<b>1,167,060</b>
<b>Net profit and comprehensive income</b>	<b>8,916,596</b>	<b>8,298,763</b>

### Summary Statement of Changes in Shareholder's Equity

For the Year Ended October 31, 2012

(expressed in Eastern Caribbean Dollars)

	2012	2011
	\$	\$
<b>Share capital and premium</b>		
Authorized - 20,000,000 shares		
Issued - 5,000,000 shares at \$6.48 per share (Par value US\$1.00)	32,400,000	32,400,000
<b>Statutory reserve</b>		
Balance at beginning of year	14,476,992	12,817,239
Transfer from retained earnings	1,783,319	1,659,753
Balance at end of year	16,260,311	14,476,992
<b>Loan loss reserve</b>		
Balance at beginning of year	711,127	808,000
Transfer from/(to) retained earnings	985,980	(96,873)
Balance at end of year	1,697,107	711,127
<b>Retained earnings</b>		
Balance at beginning of year	57,055,599	50,319,716
Net profit and comprehensive income	8,916,596	8,298,763
Dividends declared and paid	(27,000,000)	-
Transfer to statutory reserve	(1,783,319)	(1,659,753)
Transfer (to)/from loan loss reserve	(985,980)	96,873
Balance at end of year	36,202,896	57,055,599
	86,560,314	104,643,718

### Summary Statement of Cash Flows

For the Year Ended October 31, 2012

(expressed in Eastern Caribbean Dollars)

	2012	2011
	\$	\$
<b>Cash flows from operating activities</b>		
Profit before taxation	10,080,858	9,465,823
Adjustments for:		
Interest income	(18,024,791)	(17,853,228)
Interest expense	3,102,664	3,311,906
Impairment losses	678,458	1,702,021
Accounts written off	(117,542)	(692,201)
Depreciation	152,431	155,159
	(4,127,922)	(3,910,520)
Decrease/(increase) in:		
Loans and advances to customers	(25,095,038)	(2,992,615)
Other assets	-	2,453
Increase/(decrease) in:		
Deposits from customers	(51,453,912)	10,572,929
Retirement benefit obligation	161,142	-
Due to related parties	13,175,601	6,100,822
Other liabilities	(55,259)	(158,294)
Cash (used in)/from operations	(67,395,388)	9,614,775
Interest received	17,594,692	17,336,182
Interest paid	(2,582,704)	(2,547,343)
Tax on assets paid	(1,164,262)	(1,167,060)
<b>Net cash (used in)/from operating activities</b>	<b>(53,547,662)</b>	<b>23,236,554</b>
<b>Cash flows from investing activities</b>		
Acquisition of property and equipment	(108,820)	(344,649)
(Increase)/decrease in due from related party	(679,392)	45,248,811
<b>Net cash (used in)/from investing activities</b>	<b>(788,212)</b>	<b>44,904,162</b>
<b>Cash flows from financing activities</b>		
Increase/(decrease) in due to related parties	9,873,539	(7,992,082)
Dividends declared and paid	(27,000,000)	-
Interest paid	(695,373)	(592,257)
<b>Net cash used in financing activities</b>	<b>(17,821,834)</b>	<b>(8,584,339)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(72,157,708)</b>	<b>59,556,377</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>164,998,407</b>	<b>105,442,030</b>
<b>Cash and cash equivalents at end of year</b>	<b>92,840,699</b>	<b>164,998,407</b>

### SCOTIABANK BOARD OF DIRECTORS

Sean Albert  
 Beth Nottage  
 Pamela Herbert-Daniel  
 Evan Webster  
 Andrew Niles  
 Skip Bates

### COUNTRY MANAGER - SCOTIABANK

### INDEPENDENT AUDITORS' REPORT ON THE SUMMARY FINANCIAL STATEMENTS

To the Shareholder  
 Scotiabank Anguilla Limited

The accompanying summary financial statements, which comprise the summary statement of financial position as at October 31, 2012, the summary statement of comprehensive income, summary statement of changes in shareholder's equity and summary statement of cash flows for the year then ended, are derived from the audited financial statements of Scotiabank Anguilla Limited for the year ended October 31, 2012. We expressed an unqualified audit opinion on those financial statements in our report dated February 27, 2013.

These summary financial statements do not contain all the disclosures required by International Financial Reporting Standards applied in the

preparation of the audited financial statements of Scotiabank Anguilla Limited. Reading these summary financial statements, therefore, is not a substitute for reading the audited financial statements of Scotiabank Anguilla Limited.

#### 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 these summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engage-

ments to Report on Summary Financial Statements."

#### Opinion

In our opinion, these summary financial statements derived from the audited financial statements of Scotiabank Anguilla Limited for the year ended October 31, 2012 are consistent, in all material respects, with those financial statements.

Chartered Accountants  
 27 February 2013  
 The Valley, Anguilla, B.W.I.

Scotiabank Anguilla Ltd  
 Hannah-Waver House,  
 The Valley, Anguilla,  
 British West Indies (B.W.I.)

\* Trademarks of The Bank of Nova Scotia used under licence.

**A WHOLLY OWNED SUBSIDIARY  
 OF THE BANK OF NOVA SCOTIA**