
**INDEPENDENT AUDITOR'S REPORT**
**Report on the audit of the Summary Financial Statements  
To the Shareholders of Bank of Saint Lucia Limited**
**Opinion**

The summary financial statements, which comprise the summary statement of financial position as at 31 December 2017, the summary statement of income, the summary statement of comprehensive income, summary statement of changes in equity and summary statement of cash flows for the year then ended and related notes, are derived from the complete audited financial statements of Bank of Saint Lucia Limited ("the Bank") for the year ended 31 December 2017.

In our opinion, the summarised 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 ("IFRSs"). Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

**The Audited Financial Statements and Our Report Thereon**

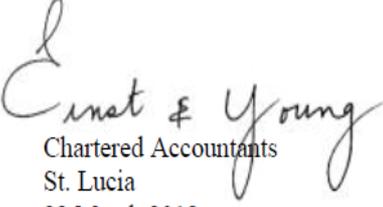
We expressed an unmodified audit opinion on the audited financial statements in our report dated 22 March 2018. That report also includes the communication of Key Audit Matters. Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. The audited financial statements and the summary financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

**Responsibilities of Management for the Summary Financial Statements**

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

**Auditor's Responsibilities for the Audit of the Summary Financial Statements**

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  
 St. Lucia  
 22 March 2018

**SUMMARY STATEMENT OF FINANCIAL POSITION AS AT:**

	2017 \$'000	2016 \$'000
<b>Assets</b>		
Cash, balances with Central Bank and due from banks	449,474	346,949
Investment securities	579,003	521,531
Loans and receivables	874,051	898,627
Property and equipment	46,978	78,773
Investment properties	37,454	6,548
Due from related parties	82,418	84,138
Other assets	79,902	85,413
<b>Total assets</b>	<b>2,149,280</b>	<b>2,021,979</b>
<b>Liabilities</b>		
Due to customers and repurchase agreements	1,862,267	1,817,037
Borrowings	79,181	93,629
Other liabilities	33,642	34,874
<b>Total liabilities</b>	<b>1,975,090</b>	<b>1,945,540</b>
<b>Equity</b>		
Share capital	265,103	198,719
Reserves	(90,913)	(122,280)
<b>Total equity</b>	<b>174,190</b>	<b>76,439</b>
<b>Total liabilities and equity</b>	<b>2,149,280</b>	<b>2,021,979</b>

Approved by the Board of Directors on 22 March 2018:

 Director

 Director

**SUMMARY STATEMENT OF CHANGES IN EQUITY**

	Share Capital \$'000	Reserves \$'000	Total \$'000
<b>Balance at 1 January 2016</b>	<b>198,719</b>	<b>(13,790)</b>	<b>184,929</b>
Total comprehensive loss for the year	–	(108,490)	(108,490)
<b>Balance at 31 December 2016</b>	<b>198,719</b>	<b>(122,280)</b>	<b>76,439</b>
<b>Balance at 1 January 2017</b>	<b>198,719</b>	<b>(122,280)</b>	<b>76,439</b>
Total comprehensive income for the year	–	31,367	31,367
Additional share issue	66,384	–	66,384
<b>Balance at 31 December 2017</b>	<b>265,103</b>	<b>(90,913)</b>	<b>174,190</b>

**SUMMARY STATEMENT OF COMPREHENSIVE INCOME**

	2017 \$'000	2016 \$'000
<b>Net interest income</b>	<b>48,103</b>	<b>41,193</b>
<b>Other operating income</b>	<b>57,105</b>	<b>50,034</b>
<b>Impairment losses</b>	<b>(16,014)</b>	<b>(128,782)</b>
<b>Operating expenses</b>	<b>(62,519)</b>	<b>(67,405)</b>
<b>Dividends on preference shares</b>	<b>(291)</b>	<b>(291)</b>
<b>Profit/(loss) for the year before income tax</b>	<b>26,384</b>	<b>(105,251)</b>
<b>Income tax recovery/(expense)</b>	<b>2,019</b>	<b>(5,726)</b>
<b>Profit/(loss) for the year</b>	<b>28,403</b>	<b>(110,977)</b>
<b>Other comprehensive income:</b>		
Unrealised gain on available for sale investments	2,444	1,893
Re-measurement gains on defined benefit pension plan (net of tax)	520	594
<b>Total comprehensive income/(loss) income for the year</b>	<b>31,367</b>	<b>(108,490)</b>

**SUMMARY STATEMENT OF CASH FLOWS**

	2017 \$'000	2016 \$'000
Net cash generated from operating activities	99,239	58,969
Net cash used in investing activities	(63,958)	(70,963)
Net cash generated from financing activities	51,355	26,553
<b>Increase in cash and cash equivalents</b>	<b>86,636</b>	<b>14,559</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>263,889</b>	<b>249,330</b>
<b>Cash and cash equivalents at end of year</b>	<b>350,525</b>	<b>263,889</b>

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**
**Note 1. Basis of presentation**

The summary financial statements are prepared in accordance with criteria developed by management. Under management's established criteria, management discloses the summary statement of financial position, summary statement of comprehensive income, summary statement of changes in equity and summary statement of cash flows. These summary financial statements are derived from the audited financial statements of Bank of Saint Lucia Limited for the year ended 31 December 2017.

These summary financial statements have been prepared in accordance with the accounting policies set out in "Note 2" of the 31 December 2017 audited financial statements consistently applied from period to period. Any new Accounting Standards or interpretations which became effective in this financial year have had no material impact on the Bank. The areas of critical accounting estimate and judgement as disclosed in "Note 4" of the 31 December 2017 audited financial statements, have also remained unchanged.