

**Schedule 2  
FORM ECSRC – OR**

(Select One)

**QUARTERLY FINANCIAL REPORT** for the period ended September 30th 2020  
Pursuant to Section 98(2) of the Securities Act, 2001

**OR**

**TRANSITION REPORT**  
for the transition period from January 2020 to September 2020  
Pursuant to Section 98(2) of the Securities Act, 2001  
(Applicable where there is a change in reporting issuer's financial year)

Issuer Registration Number: 345640

Grenreal Property Corporation Limited

(Exact name of reporting issuer as specified in its charter)

Grenada W.I.

(Territory or jurisdiction of incorporation)

P.O. Box 1950, Melville Street, St. George's, Grenada

(Address of principal executive Offices)

(Reporting issuer's:

Telephone number (including area code): 1 473 435 8372

Fax number: 1 473 435 8373

Email address: info@grenreal.com

Not Applicable

(Former name, former address and former financial year, if changed since last report)

(Provide information stipulated in paragraphs 1 to 8 hereunder)

Indicate the number of outstanding shares of each of the reporting issuer's classes of common stock, as of the date of completion of this report. \_\_\_\_\_

CLASS	NUMBER
Ordinary Shares	7,662,598



**SIGNATURES**

A Director, the Chief Executive Officer and Chief Financial Officer of the company shall sign this Annual Report on behalf of the company. By so doing each certifies that he has made diligent efforts to verify the material accuracy and completeness of the information herein contained.

The Chief Financial Officer by signing this form is hereby certifying that the financial statements submitted fairly state the company's financial position and results of operations, or receipts and disbursements, as of the dates and period(s) indicated. The Chief Financial Officer further certifies that all financial statements submitted herewith are prepared in accordance with International Accounting Standards consistently applied (except as stated in the notes thereto) and (with respect to year-end figures) including all adjustments necessary for fair presentation under the circumstances.

Name of Chief Executive Officer:

Dennis S. M. Cornwall

SIGNED AND CERTIFIED

Nov 16<sup>th</sup>, 2020

Date

Name of Director:

Ronald Hughes, Chairman

SIGNED AND CERTIFIED

Nov 16<sup>th</sup>, 2020

Date

Name of Chief Financial Officer:

Lindy Smith-McLeod

SIGNED AND CERTIFIED

Signature

Nov 16<sup>th</sup>, 2020

Date



## INFORMATION TO BE INCLUDED IN FORM ECSRC-OR

### 1. **Financial Statements**

Provide Financial Statements for the period being reported in accordance with International Accounting Standards. The format of the financial statements should be similar to those provided with the registration statement. Include the following:

- (a) Condensed Balance Sheet as of the end of the most recent financial year and just concluded reporting period.
- (b) Condensed Statement of Income for the just concluded reporting period and the corresponding period in the previous financial year along with interim three, six and nine months of the current financial year and corresponding period in the previous financial year.
- (c) Condensed Statement of Cash Flows for the just concluded reporting period and the corresponding period in the previous financial year along with the interim three, six and nine months of the current financial year and the corresponding period in the previous financial year.
- (d) By way of *Notes to Condensed Financial Statements*, provide explanation of items in the financial statements and indicate any deviations from generally accepted accounting practices.

### 2. **Management's Discussion and Analysis of Financial Condition and Results of Operation.**

Discuss the reporting issuer's financial condition covering aspects such as liquidity, capital resources, changes in financial condition and results of operations during the reporting period. Discussions of liquidity and capital resources may be combined whenever the two topics are interrelated. Discussion of material changes should be from the end of the preceding financial year to the date of the most recent interim report.

The Management's Discussion and Analysis should disclose sufficient information to enable investors to judge:

1. The quality of earnings;
2. The likelihood that past performance is indicative of future performance; and
3. The issuer's general financial condition and outlook.

It should disclose information over and above that which is provided in the management accounts and should not be merely a description of the movements in the financial statements in narrative form or an otherwise uninformative series of technical responses. It should provide management's perspective of the company that enables investors to view the business from the vantage point of management.

The discussion should focus on aspects such as liquidity; capital resources; changes in financial condition; results of operations; material trends and uncertainties and measures



taken or to be taken to address unfavourable trends; key performance indicators; and non-financial indicators.

#### *General Discussion and Analysis of Financial Condition*

During the third quarter of the year 2020, Grenreal recorded a loss of \$143,964. During this quarter, most businesses were cleared by the Government of Grenada for reopening after being locked down since March 25th, 2020. Businesses that are geared to the the local market returned to normal operations. However, cruise oriented businesses generally remained closed or operated on greatly diminished hours.

The third quarter, in particular, the days leading to the end of September brought additional uncertainty as the time for the commencement of the new cruise ship season approached and source markets for tourism still had not been able to bring the spread of the covid-19 pandemic under control. During this time tenants requested that management meet them halfway by allowing tenants 50% discounts on rent for the final quarter of the year in the first instance. In order to acquise to tenants request, management has requested a moratorium on interest and principal on the Syndicate Bond for a further 6 months.

As of September 30th, Grenreal had maintained a minimum cash balance as monthly collections have been able to meet monthly expenses. However, there is concern about the growing receivables balance.

#### Liquidity and Capital Resources

Provide a narrative explanation of the following (but not limited to):

- i) The reporting issuer's financial condition covering aspects such as liquidity, capital resources, changes in financial condition and results of operations.
- ii) Any known trends, demands, commitments, events or uncertainties that will result in, or that are reasonably likely to result in, the issuer's liquidity increasing or decreasing in any material way. If a deficiency is identified, indicate the course of action that the reporting issuer has taken or proposes to take to remedy the deficiency.
- iii) The issuer's internal and external sources of liquidity and any material unused sources of liquid assets.
- iv) Provisions contained in financial guarantees or commitments, debt or lease agreements or other arrangements that could trigger a requirement for an early payment, additional collateral support, changes in terms, acceleration of maturity, or the creation of an additional financial obligation such as adverse changes in the issuer's financial ratios, earnings, cash flows or stock price or changes in the value of underlying, linked or indexed assets.





- v) Circumstances that could impair the issuer's ability to continue to engage in transactions that have been integral to historical operations or are financially or operationally essential or that could render that activity commercially impracticable such as the inability to maintain a specified level of earnings, earnings per share, financial ratios or collateral.
- vi) Factors specific to the issuer and its markets that the issuer expects will affect its ability to raise short-term and long-term financing, guarantees of debt or other commitment to third parties, and written options on non-financial assets.
- vii) The relevant maturity grouping of assets and liabilities based on the remaining period at the balance sheet date to the contractual maturity date. Commentary should provide information about effective periods and the way the risks associated with different maturity and interest profiles are managed and controlled.
- viii) The issuer's material commitments for capital expenditures as of the end of the latest fiscal period, and indicate the general purposes of such commitments and the anticipated source of funds needed to fulfil such commitments.
- ix) Any known material trends, favorable or unfavorable, in the issuer's capital resources, including any expected material changes in the mix and relative cost of capital resources, considering changes between debt, equity and any off-balance sheet financing arrangements.

#### *Discussion of Liquidity and Capital Resources*

As of September 30th, 2020 the company's working capital ratio (current assets : current liabilities) was 0.48:1. At the end of September 2019 this ratio was slightly lower at 0.45:1. This means that there is 48 cents of current assets to cover every dollar of current liabilities. Grenreal seeks to maintain a working capital ratio at under 0.50:1. In order to achieve this, Expenses are currently maintained at bare minimum in order to regulate cashflow. Most tenants were attempting to or had become current with their invoiced rent as of September 30th, 2020. Notwithstanding this, Grenreal still faced an increasing receivables balance. In particular, one of its largest tenant have been unable to meet rental commitments. An increase in bad debts/ Expected credit losses has been booked.

The company's debt to equity ratio is 0.59 : 1. There is 59 cents of long term debt to every dollar of equity. This ratio expected to be diluted slightly as Grenreal will incur some losses toward the end of the year as a result of the discounts extended to tenants. The total shareholders loan balance of \$2.2M has been converted to 6% preference shares.

Grenreal's main source of revenue is derived from rental income and from other indirect services. There is a dependence on the cruise sector during the peak season and the retail sector all year round. The inability of cruise ships to sail will affect the ability of the the cruise tenants to meet their obligations with Grenreal. However, tenants that are able to withstand this difficult period will benefit from the return to cruise sailing in 2021-2022



Off Balance Sheet Arrangements

Provide a narrative explanation of the following (but not limited to):

- i) Disclosures concerning transactions, arrangements and other relationships with unconsolidated entities or other persons that are reasonably likely to materially affect liquidity or the availability of, or requirements for capital resources.
- ii) The extent of the issuer's reliance on off-balance sheet arrangements should be described fully and clearly where those entities provide financing, liquidity, market or credit risk support, or expose the issuer to liability that is not reflected on the face of the financial statements.
- iii) Off-balance sheet arrangements such as their business purposes and activities, their economic substance, the key terms and conditions of any commitments, the initial on-going relationship with the issuer and its affiliates and the potential risk exposures resulting from its contractual or other commitments involving the off-balance sheet arrangements.
- iv) The effects on the issuer's business and financial condition of the entity's termination if it has a finite life or it is reasonably likely that the issuer's arrangements with the entity may be discontinued in the foreseeable future.

The Company does not have any off-balance sheet transactions.



### Results of Operations

In discussing results of operations, issuers should highlight the company's products and services, facilities and future direction. There should be a discussion of operating considerations and unusual events, which have influenced results for the reporting period. Additionally, any trends or uncertainties that might materially affect operating results in the future should be discussed.

Provide a narrative explanation of the following (but not limited to):

- i) Any unusual or infrequent events or transactions or any significant economic changes that materially affected the amount of reported income from continuing operations and, in each case, the extent to which income was so affected.
- ii) Significant components of revenues or expenses that should, in the company's judgment, be described in order to understand the issuer's results of operations.
- iii) Known trends or uncertainties that have had or that the issuer reasonably expects will have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.
- iv) Known events that will cause a material change in the relationship between costs and revenues (such as price increases, costs of labour or materials), and changes in relationships should be disclosed.
- v) The extent to which material increases in net sales or revenues are attributable to increases in prices or to increases in the volume or amount of goods or services being sold or to the introduction of new products or services.
- vi) Matters that will have an impact on future operations and have not had an impact in the past.
- vii) Matters that have had an impact on reported operations and are not expected to have an impact upon future operations
- viii) Off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships that have or are reasonably likely to have a current or future effect on the registrant's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.
- ix) Performance goals, systems and, controls.



### *Overview of Results of Operations*

At the start of the the year 2020, Grenada's economy continued to show robust signs of growth. Grenreal and it's tenants benefited from this positive economic environment. Despite the news of the spread of the Global Pandemic during the first quarter and the general decrease in economic activity, the first quarter of 2020 showed good results. By the second quarter however, the economy had come a total standstill as a total lockdown went into full effect. During the third quarter of the year a majority of the businesses in the Bruce Street and Esplanade malls were cleared to resume regular operations.

Total Income for the year ended September 30th, 2020 was EC\$2,533,409(year ended September 30th, 2019: EC\$3,546,813), a decrease of 40%. The decrease in income for the quarter was 55% and rent continued to be discounted for most tenants at an average rate of 50%. Operational Expenses for the year increased slightly by \$10,337.95) to \$1,247,110 (\$ 1,236,772 - September 2019). For the quarter ended September there was a decrease of 13% in operational expenses. General Expenses for the year also decreased slightly by \$1,142. to \$297,093 (\$298,237- September 2019). It should be noted thar Marketing and public relations decreased by 119% and utilities also decrease by 38% . However, included in the operational expenses is an 187% increase in Bad debt or expected losses. This offsets decreases in other expense categories.

Interest on the syndicate bond continue to be accrued although no payment has been submitted since April ,2020. A moratorium of principal and interest has been granted for the period April 2020 to September 2020 in the first instance.

Despite the depressed economic activities, there is still great interest in the rental of commercial space at Grenreal's properties. A gaming establishment and a popular grocery outlet have commenced business on the ground floor of the Bruce Street Mall. 4 tenants have vacated or surrendered rental units. However, there are already new options to to fill the empty units.

As of September 30th, 2020, the combined vacancy rate is 5.80%.





### 3. Disclosure about Risk Factors.

Provide a discussion of the risk factors that may have an impact on the results from operations or on the financial conditions. Avoid generalised statements. Typical risk factors include untested products, cash flow and liquidity problems, dependence on a key supplier or customer, management inexperience, nature of business, absence of a trading market (specific to the securities of the reporting issuer), etc. Indicate if any risk factors have increased or decreased in the time interval between the previous and current filing.

Risk factors that may impact on Grenreal's operations:

Nature of the real estate industry:

There are existing shopping malls in Grenada that can be viewed as competitors of Grenreal. In terms of pricing they can have lower rates. However, Grenreal as the sole cruise passenger mall on the island retains a competitive edge.

Dependency on economic conditions:

Limited economic activity has an adverse impact on revenue collections. During the year 2019, Grenada experienced positive economic growth of 3.142%. However, due to the Covid 19 pandemic, it is expected that there will be a slow down in economic activity to the end of 2020 to - 8.001%. However, it is expected that Real GDP growth will stand at 6.096 in December 2021. The economies of the cruise tourism source markets continue to be uncertain. Grenreal continues to closely monitor these conditions.

Development of the tourism industry

The Grenada Tourism Authority (GTA) continues to monitor the global tourism market as the world reacts to the spread of the global Covid 19 pandemic. Cruise liners are expected to return to their regular destinations as cruise bookings for the 2021-2022 season continue to increase. It is also expected that consumer confidence in airline travel will return in the short term. However, if the source markets continue to struggle with controlling the spread of the virus, the tourism industry will be adversely affected. The GTA is working to keep all stakeholders engaged in discussion on the way forward in spite of the uncertainty. Great effort is being exerted on the implementation of protocols for reopening the tourism sector.

Liquidity risk

Grenreal can face difficulty in meeting its financial obligations in particular loan payments. The company as far as possible continues to mitigate same by ensuring sufficient resources are available when due, under both stressed and normal conditions. As part of receivables management tenants are actively engaged to comply with lease terms and conditions and granted discounts.

Changes in legislations

Grenreal is generally affected by changes in government legislation. Legislation- Emergency Powers Regulations implemented as a result of the Covid 19 pandemic on March 25th, 2020 adversely affected economic activity in the mall. The slow but continuous easing of restrictions may assist with the re growth of the economy.

Operational risks

The possibility of deficiencies in company information and control systems, human error and disasters are assessed regularly and measures are implemented to reduce same. In particular, continuous upgrades to systems, supervisory control to minimize human error, insurance coverage for natural disasters and other policies where applicable.



**4. Legal Proceedings.**

A legal proceeding need only be reported in the ECSRC – OR filed for the period in which it first became a reportable event and in subsequent interim reports in which there have been material developments. Subsequent Form ECSRC – OR filings in the same financial year in which a legal proceeding or a material development is reported should reference any previous reports in that year. Where proceedings have been terminated during the period covered by the report, provide similar information, including the date of termination and a description of the disposition thereof with respect to the reporting issuer and its subsidiaries.

The company is not involved in any ongoing legal proceedings.

**5. Changes in Securities and Use of Proceeds.**

- (a) Where the rights of the holders of any class of registered securities have been materially modified, give the title of the class of securities involved. State briefly the general effect of such modification upon the rights of holders of such securities.

There has not been any changes to the number and type of securities since the company's listing in July 2008.



(a) Where the use of proceeds of a security issue is different from that which is stated in the registration statement, provide the following:

- Offer opening date (provide explanation if different from date disclosed in the registration statement)

\_\_\_\_\_

- Offer closing date (provide explanation if different from date disclosed in the registration statement)

\_\_\_\_\_

- Name and address of underwriter(s)

\_\_\_\_\_

\_\_\_\_\_

- Amount of expenses incurred in connection with the offer \_\_\_\_\_

- Net proceeds of the issue and a schedule of its use

\_\_\_\_\_

\_\_\_\_\_

- Payments to associated persons and the purpose for such payments

\_\_\_\_\_

\_\_\_\_\_

(c) Report any working capital restrictions and other limitations upon the payment of dividends.

Not Applicable



**6. Defaults upon Senior Securities.**

- (a) If there has been any material default in the payment of principal, interest, a sinking or purchase fund instalment, or any other material default not satisfied within 30 days, with respect to any indebtedness of the reporting issuer or any of its significant subsidiaries exceeding 5 per cent of the total assets of the reporting issuer and its consolidated subsidiaries, identify the indebtedness. Indicate the nature of the default. In the case of default in the payment of principal, interest, or a sinking or purchase fund instalment, state the amount of the default and the total arrear on the date of filing this report.

The company never had any event of default before the securities listing in July 2008.

- (b) If any material arrears in the payment of dividends have occurred or if there has been any other material delinquency not satisfied within 30 days, give the title of the class and state the amount and nature of the arrears or delinquency.

Not Applicable

**7. Submission of Matters to a Vote of Security Holders.**

If any matter was submitted to a vote of security holders through the solicitation of proxies or otherwise during the financial year covered by this report, furnish the following information:

- (a) The date of the meeting and whether it was an annual or special meeting.

A Special Shareholder's meeting was held on January 8th, 2020 to approve resolutions for the conversion of shareholders loans to preference shares and to increase the maximum number of board members to 11. The annual Shareholders' Meeting occurred on 27th July, 2020.





- (b) If the meeting involved the election of directors, the name of each director elected at the meeting and the name of each other director whose term of office as a director continued after the meeting.

Not Applicable

- (c) A brief description of each other matter voted upon at the meeting and a statement of the number of votes cast for or against as well as the number of abstentions as to each such matter, including a separate tabulation with respect to each nominee for office.

PKF Accountants and Business Advisors were unanimously re-appointed as auditors.

Minutes of the Shareholders Meeting held on May 19, 2019 were approved.

All directors were re-appointed at the Shareholders' Meeting held on July 27th, 2020.

- (d) A description of the terms of any settlement between the registrant and any other participant.

Not Applicable

- (e) Relevant details of any matter where a decision was taken otherwise than at a meeting of such security holders.

Not Applicable



**8. Other Information.**

The reporting issuer may, at its option, report under this item any information, not previously reported in a Form ECSRC – MC report (used to report material changes), with respect to which information is not otherwise called for by this form, provided that the material change occurred within seven days of the due date of the Form ECSRC-OR report. If disclosure of such information is made under this item, it need not be repeated in a Form ECSRC – MC report which would otherwise be required to be filed with respect to such information or in a subsequent Form ECSRC – OR report.



GRENREAL PROPERTY CORPORATION LIMITED

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT

	Unaudited 30-Sep 2020 EC\$	Unaudited 31-Dec 2019 EC\$	Unaudited 30-Sep 2019 EC\$
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Investment property	66,384,300	66,384,300	66,963,562
Computers and Office furniture	54,488	51,868	64,797
	-	-	-
	<u>66,438,788</u>	<u>66,436,168</u>	<u>67,028,358</u>
<b>Current Assets</b>			
Inventory	-	-	-
Receivables and prepayments	490,938	260,577	328,607
Cash and cash equivalents	810,465	744,085	667,085
	<u>1,301,403</u>	<u>1,004,662</u>	<u>995,692</u>
<b>TOTAL ASSETS</b>	<u><b>67,740,190</b></u>	<u><b>67,440,830</b></u>	<u><b>68,024,050</b></u>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
	2,202,289		
Stated capital	25,365,000	25,365,000	25,365,000
Accumulated surplus	13,285,645	13,426,798	13,930,999
	<u>40,852,934</u>	<u>38,791,798</u>	<u>39,295,999</u>
<b>Non-Current Liabilities</b>			
Long term loan	24,148,800	24,236,376	24,319,008
Shareholders loan		2,263,356	2,202,289
	<u>24,148,800</u>	<u>26,499,733</u>	<u>26,521,297</u>
<b>Current Liabilities</b>			
Trade and other payables	1,486,739	750,169	728,493
Amount due to related party	1,251,717	1,399,131	1,478,262
Short-term borrowings	-	-	-
	<u>2,738,456</u>	<u>2,149,299</u>	<u>2,206,755</u>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<u><b>67,740,190</b></u>	<u><b>67,440,830</b></u>	<u><b>68,024,050</b></u>
	-	-	-



GRENREAL PROPERTY CORPORATION LIMITED

CONDENSED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

INCOME	Unaudited Quarter Ended		Unaudited Nine Months Ended	
	30-Sep 2020	30-Sep 2019	30-Sep 2020	30-Sep 2019
	EC\$	EC\$	EC\$	EC\$
Net Rental Income - retail units + kiosks	608,148	981,113	2,221,131	3,167,535
Service re-charge	52,345	53,184	147,988	158,046
Parking	43,378	53,400	113,997	138,578
Other income	16,003	30,142	50,293	82,654
	<u>719,874</u>	<u>1,117,840</u>	<u>2,533,409</u>	<u>3,546,813</u>
Net gain from fair value on investment Property	-	-	-	-
	<u>719,874</u>	<u>1,117,840</u>	<u>2,533,409</u>	<u>3,546,813</u>
<b>EXPENSES</b>				
<b>Operational expenses</b>				
Insurance	88,948	73,517	262,031	214,402.11
Security	73,655	75,056	223,191	200,110.08
Janitorial Services	34,903	34,647	113,817	116,624.25
Marketing and Public Relations	18,298	22,381	26,024	56,932.27
Utilities	57,775	85,128	177,691	245,205.78
Property Management / Salaries	72,935	72,872	233,072	220,068.49
Parking lot	9,417	9,641	30,069	26,500.23
Maintenance and other costs	26,239	62,197	91,065	202,874.68
Office supplies	5,220	3,489	14,212	20,054.48
Bad Debts			75,938	(66,000.00)
	<u>387,390</u>	<u>438,929</u>	<u>1,247,110</u>	<u>1,236,772</u>
<b>General expenses</b>				
Office Rent	13,311	13,311	39,933	39,933
Auditor Fees	2,700	4,800	8,800	14,400
Subscription ECCSR	4,623	6,623	13,869	15,875
Banking Fees	1,247	1,097	2,985	3,495
Legal Fees (Corporate)	850	3,500	20,935	3,500
Directors Fees	24,500	4,500	33,500	31,500
Corporate Management Fee	31,500	36,230	95,500	96,230
Director's liability insurance	2,625	2,625	7,874	7,874
Professional Fees	17,956	23,370	73,696	85,427
	<u>99,311</u>	<u>96,055</u>	<u>297,093</u>	<u>298,235</u>
<b>Total operational and general expenses</b>	<u>486,701</u>	<u>534,984</u>	<u>1,544,203</u>	<u>1,535,007</u>
<b>Operating Income before interest and depreciation</b>	<u>233,173</u>	<u>582,855</u>	<u>989,206</u>	<u>2,011,806</u>
Deduct: Depreciation	5,155	2,564	15,464	7,692
Bad debt	-	-	-	-
Bank Interest	371,982	365,838	1,114,894	1,307,056
Interest and fines waived	-	-	-	-
Finance Income	-	-	-	-
	<u>377,136</u>	<u>368,402</u>	<u>1,130,358</u>	<u>1,314,748</u>
<b>Profit for the year</b>	<u>(143,964)</u>	<u>214,453</u>	<u>(141,152)</u>	<u>697,058</u>





GRENREAL PROPERTY CORPORATION LIMITED

CONDENSED STATEMENT OF CASH FLOWS

	Unaudited		Unaudited	
	Quarter Ended		Nine Months Ended	
	30-Sep	30-Sep	30-Sep	30-Sep
	2020	2019	2020	2019
	EC\$	EC\$	EC\$	EC\$
<b>Cash Flow from Operating Activities</b>				
Profit for the period	(143,965)	214,454	(141,152)	697,058
Adjustments for:				
Depreciation	5,155	2,564	15,464	7,692
<b>Operating Cash Flow before working capital changes</b>	<b>(138,810)</b>	<b>217,018</b>	<b>(125,688)</b>	<b>704,749</b>
Inventory	-	-	-	-
Accounts receivable and prepayments	(134,792)	3,897	(230,361)	155,570
Accounts payable and accrued expenses	411,990	(528,446)	736,570	(715,535)
Amount due to related parties	(2,734)	(131,051)	(100,255)	(221,520)
Proposed building improvements	-	-	-	-
<b>Net Cash from Operating Activities</b>	<b>135,654</b>	<b>(438,582)</b>	<b>280,265</b>	<b>(76,737)</b>
<b>Cash Flow from Investing Activities</b>				
Additions to Investment property	-	-	-	-
Purchase of vehicle	-	-	-	-
Purchase of equipment	(18,083)	-	(18,083)	(38,328)
<b>Net Cash from Investing Activities</b>	<b>(18,083)</b>	<b>-</b>	<b>(18,083)</b>	<b>(38,328)</b>
<b>Cash Flow from Financing Activities</b>				
Net proceeds from long term borrowings	-	(80,992)	(87,577)	(80,992)
Shareholders' Loan	(10,221)	(109,067)	(108,225)	(24,679)
<b>Net Cash from Financing Activities</b>	<b>(10,221)</b>	<b>(190,059)</b>	<b>(195,802)</b>	<b>(105,671)</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>107,350</b>	<b>(628,641)</b>	<b>66,380</b>	<b>(220,736)</b>
<b>Cash and Cash Equivalents - Beginning of Period</b>	<b>703,115</b>	<b>1,295,726</b>	<b>744,085</b>	<b>887,821</b>
<b>Cash and Cash Equivalents - End of Period</b>	<b>810,465</b>	<b>667,085</b>	<b>810,465</b>	<b>667,085</b>



## NOTES TO THE CONDENSED FINANCIAL STATEMENTS ENDED September 30th, 2020

### 1 Corporate Information

Grenreal Property Corporation Limited formerly St. George's Cruise Terminal Limited was incorporated on August 27th, 2004 under the Grenada Companies Act 1994 and commenced operations on April 14, 2005. Grenreal was established to undertake the revitalization and operations of a shopping Centre with duty free facilities adjacent to the new Cruise Ship Port complex in St. George's. In 2007 Grenreal, in accordance with Sect 219 (225) of the Company's Act 1994, entered into an amalgamation agreement with Bruce Street Commercial Complex Limited, the owners of the Jan Bosch Building, a commercial center located adjacent to the port complex in St, George's.

Following the amalgamation Grenreal continued to operate under the same name and was listed on the Eastern Caribbean Securities Exchange on July 21, 2008. The registered office is situated at Melville Street St. Georges in the Jan Bosch Building.

### 2 Basis of Preparation

The interim financial statements for the period ended 30th September, 2020 has been prepared in accordance with IAS 34 'Interim Financial Reporting' and should be reviewed in conjunction with the annual audited financial statements for the year ended 31st December 2019 subject to submission to the ECSRC.

### 3 Significant Accounting Policies

The accounting policies adopted in the preparation of the interim financial statements are consistent with the International Financial Reporting Standards (IFRS) followed in the preparation of the annual financial statements for the year ended December 31st 2019

The preparation of financial statements using IFRS requires the use of certain critical accounting estimates, assumptions and management's judgement in the process of applying the Company's accounting policies.

In preparing these interim financial statements management has exercised their judgement, made estimates and assumptions that affect the application of accounting policies and by extension the amounts reported as assests, liabilities, income and expenses. The significant judgements, estimates and assumptions made are similar to those applied in the interim financial statements and those of the previous financial year ended.

