

**Schedule 2
FORM ECSRC – OR**

(Select One)

QUARTERLY FINANCIAL REPORT for the period ended June 30th 2018
Pursuant to Section 98(2) of the Securities Act, 2001

OR

TRANSITION REPORT
for the transition period from _____ to _____
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	7,670,302

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

23-07-2018

Date

Name of Director:

Ronald Hughes - Chairman of Grenreal

SIGNED AND CERTIFIED

23/07/2018

Date

Name of Chief Financial Officer:

George Bain Jr. - Director of Grenreal

SIGNED AND CERTIFIED

Signature

23/07/2018

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

Overall total income for June 2018 was EC\$344,230 or 10.41 % less than the budgeted figure of EC\$384,250. Revenue for January to June 2018 was EC\$2,257,979.98 or 6.49 % less than the Budgeted figure of EC\$2,414,700.00.

Total revenue for the quarter ending June 2018 was EC\$1,074,398; (Quarter ending June 2017: EC\$1004,637). Revenue for the six months ended 30th June 2018 was EC\$2,257,980 compared to EC\$2,119,951 for the same period the previous year.

This situation indicates that Grenreal is slightly behind at this stage to achieve its budgetted revenue of EC\$4,781,100 million by end of December 2018.

There was an overall increase in total expenses of 29.21% for June 2018. All expense line items were higher than the outcome for the same period in 2017. General expenses were higher mainly due to the payment made for the Strategic and Financial Consultancy that Grenreal undertook during the first half of the year. The Consultancy was done by Ernst & Young Services Limited - Management Consultant Company. It is anticipated the recommendations from the Consultancy Report will be implement once its approved by Grenreal's Board.

Net profit for January to June 2018 was EC\$330,324 compared to the outturn of EC\$309,506.75 for the same period in 2017, Net profit for the quarter of June 2018 was EC\$61,176 compared to a net profit of EC\$110,110 for the same period last year.

The joint vacancy level in the Malls was just above 11% at the end of June 2018. At the end of 2017, the vacancy level was approximately 13%. This situation augers well for the company since it has been able to maintain the occupancy level thus far.

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

Grenreal's main source of revenue is derived from rental income approximately 90% while 10% from other indirect services. There is a dependence on the cruise sector during the peak season and the retail sector all year round.

There have been some improvements in the cruise ship passengers arrivals and the number of cruise ship calls to Grenada in recent years. However, our tenants have not gotten back to the performance levels that existed prior to the crises period.

To improve and sustain the cash flow position, the company in the interim did not increase rental rates. However, it is expected that the revenue will continue to gradually improve as more tenants come on board. In the recently concluded Strategic and Financial Review that was conducted in the first half of 2018, recommendations have been made to improve the company's revenue by enforcing the stipulated rental rates as well as to increase the service re-charge.

Grenreal had to provide incentives in the form of discounts to tenants whose businesses depend on the cruise ship business for the most part. Some new and small tenants also received discounts in rent to maintain the current occupancy level in the Malls. Going forward, this scenario is likely to change as the company try to keep abreast with inflation and also to minimize the incidents of discounts.

Shareholders Liabilities had been increasing as a result of the outstanding VAT principal. The outstanding Interest and Fines on the VAT with the Government has now be resolved, provided that Grenreal meet the payment of the VAT Principal. A Payment Plan has also been agreed upon with the Government to liquidate the outstanding VAT Principal. So far the Payment Plan to liquidate the VAT Principal is on track and up-to-date.

The shareholders loans of approximately EC\$2.4 million as at December 31, 2017 continue to grow since these loans do not have any specific repayment date. Interest rate on these loans are at ten (10) per annum. These loans were granted to the company for varying reasons by some of the major shareholders. The Company is now contemplating finding a solution to the Shareholders Loan and further update will be given in the coming months.

In September 2015, Grenreal refinanced its Loan held with First Caribbean International Bank, and contracted a Syndicate Bond of EC\$24.4million from (Grenada Co-operative Bank Limited and the National Insurance Scheme, Grenada). This resulted in a lower interest cost for Grenreal going forward when compared to interest expenses paid on the First Caribbean International Bank in previous years. Interest rate on the Syndicate Bond is seven (7%) compared to the interest rate of 7.5% on the First Caribbean International Loan. It is anticipated that the Syndicate Bond will be further restructured in the near future. So far the discussions on further restructuring are progressing smoothly.

The interest coverage (EBIT/Interest Expenses) for the quarter ended June 2018 was 0.94, (Interest Coverage for the quarter ended June 2017: 1.37). The Debt to Equity Ratio for the quarter ended June 2018 was 73 per cent, (Debt to Equity Ratio for the quarter ended June 2017: 79 per cent).

Generally, the economic conditions locally, regionally and international can impact the level of business that our tenants are able to generate. Some of these factors are outside the control of Grenreal. For instance, the Grenada Tourism Authority is responsible for promoting Grenada as a tourist destination. The level of resources earmarked for promotion of the country as well as the level of concessions afforded by the authorities have consequences for the success of the tourism industry. The spending power of our visitors is dependent on other factors not controlled by Grenreal.

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

Since the start of the financial year 2018, the company's objectives was to improve the occupancy level in the Malls. As at December 31 2017, the joint vacancy level in the Malls averaged 13 per cent. At the end of June 2018 the Joint vacancy level averaged 11%. This vacancy level in particular was responsible for the minor loss in value of the property during the re-valuation of the property by approximately EC\$21,300 for the period ended 31st December 2017. The goal is to improve the occupancy level and to reduce the vacancy level in the mall to approximately eleven (11%) by the end of 2018. A re-valuation of the property is conducted at the end of each financial year and the vacancy rate is one of the factors used in the re-valuation calculation. The valuation is normally done by an independent valuator.

Ongoing negotiations were held with potential tenants who are likely to be in place shortly. So far, a small legal firm has occupied one of the units on the first floor of the Bruce Street Mall. Three (3) other leases were signed, however, these tenants would outfit their shops in the next quarter in time for the start of the new cruise ship season which starts towards the end of October 2018. This situation is likely to improve the occupancy level of the mall while at the same time lowering of the vacancy rate.

During February 2018, the Company commenced a Strategic and Financial review conducted by Ernst & Young Services Limited. The review was to look at the current operations of Grenreal and to provide strategic direction that the Company must take to overhaul its business operations and to return the company to a sustainable and profitable entity. So far, the draft reports were received from the Consultants and reviewed by the Board of Directors. It is expected that once the Report is finalized and approved by the Board, the implementation of the recommendations coming out of the review will be implemented in a phased approach. It is anticipated that once the recommendations are implemented, the Company will be in a better position to meet its debt obligations and the obligations to its shareholders and other stakeholders.

The success of the operations of our tenants imply success for Grenreal's operations. However, the cruise ship season runs for six month (November - April), while the closed cruise season or slow period runs from May to October. In peak periods such as Christmas, Easter and Carnival the tenants may benefit from increase traffic from locals and returning nationals.

It should be noted that Grenada went through a Home Grown Structural Adjustment Programme in the past four (4) years. During that period, every sector had to make certain sacrifices for a positive outcome of the Programme. The Home Grown Structural Adjustment Programme impacted on tenants' business as well as customers' ability to shop or not.

Notwithstanding, the Home Grown Structural Adjustment Programme was a major success for the Government of Grenada. It is anticipated, that improve government activities and programmes could spur economic activities in the country going forward. If the projected growth in the cruise ship business materialises, then this could imply increase business for our tenants and improve cash flow for Grenreal.

It is expected that the Grenada economy will continue to grow in 2018 by approximately 3.5%.

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 is disparity in the availability of rental units in Grenada mainly due to location. 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 had an adverse impact on revenue collections in the past. In 2017 the economy of Grenada grew by five (5%), slight above the the Caricom member countries average of 4.5%. Grenada is expected to continue to grow in 2018 by approximately 3.5%. 2018/2019 Cruise ship season is also expected to see increase cruiseship calls and increase passanges arrivals. It is hoped that duty free tenants will have inproved business activities.

Development of the tourism industry

The Grenada Tourism Authority (GTA) has earmarked 2017/2018 cruise season to have increased cruise passenger arrivals. This is expected to continue provided that there is consistency in the approach of the GTA to actively engage cruise liners and the cruise liners continue to agree to include Grenada in their destination package.

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.

Changes in legislations

Grenada has implemented a structural adjustment program with increased taxation which has reduced the availability of disposal income, impacting negatively on the business owner and consumer. Grenreal is expected to continue with a depressed pricing strategy to sustain occupancy and attract potential tenants. Some of these taxes have been modified in the last budget, for instance, personal income tax. It is anticipated that the spending power of customers will improve gradually.

Operational risks

The possibility of deficiencies in company information and control systems, human error and disasters are assessed regularly and measured 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)

Not Applicable

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

Not Applicable

- Name and address of underwriter(s)

Not Applicable

Not Applicable

- Amount of expenses incurred in connection with the offer Not Applicable

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

Not Applicable

- Payments to associated persons and the purpose for such payments

Not Applicable

(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 arrears 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 Shareholders Meeting was convened on 17 July 2018.

- (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.**

At the Shareholders meeting held on the 17 July 2017, there was some changes to the directorship of Grenreal. All Directors reported in the Annual Reporting for the period ended December 31, 2017 continue to be directors of the Company with the exception of Director Wayne Sandiford.

The current directors include:

Sukru Evrengun, Linus Spencer Thomas, Fay Roberts, Ronald Hughes, Anthony Maughn, Christopher Husbands, Alfred Logie, Ron Antoine, Fitzroy O'Neale, Richard W. Duncan, George Bain.

Director Ron Antoine is now Chairman of the Grenada Ports Authority replacing Director Wayne Sandiford.

Director Christopher Husbands, will be the new Director representing National Insurance Scheme, Grenada on Grenreal's Board. He replaced Director Ron Antoine. Director Ron Antoine, Chairman of Grenada Ports Authority now represents the Grenada Ports Authority on Grenreal's Board.

- (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 Minutes of the Shareholders Meeting held on 27th June 2017 were approved.

All Directors reported in the Annual Financial Statements for the period ended December 31, 2017 and ECSRC- K Reporting continue to be directors of the company with the exception of Director Wayne Sandiford.

Mr. Christopher Husbands, Chief Executive Officer of the National Water and Sewerage Authority (NAWASA) is earmarked to be Chairman of the National Insurance Scheme, Grenada (NIS) and to represent NIS on Grenreal's Board.

- (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.

Mr. Christopher Husbands, General Manager of the National Water and Sewerage Authority (NAWASA) is earmarked to represent the National Insurance Scheme, Grenada on Grenreal's Board once the appointment process is finalized.

Director Ronald Hughes was re-appointed Chairman of Grenreal and Director Sukru Evrengun was re-appointed Deputy Chairman in the first Board Meeting held on 17th July 2018 following the recently concluded Annual Shareholders Meeting held on the same date.

GRENREAL PROPERTY CORPORATION LIMITED

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT

	Unaudited 30-Jun 2018 EC\$	Unaudited 31-Dec 2017 EC\$	Unaudited 30-Jun 2017 EC\$
ASSETS			
Non-Current Assets			
Investment property	65,934,800	65,934,800	65,956,100
Computers and Office furniture	41,501	26,768	35,060
	-	-	-
	65,976,301	65,961,568	65,991,160
Current Assets			
Inventory	-	-	-
Receivables and prepayments	299,524	383,563	276,043
Cash and cash equivalents	840,004	629,107	711,170
	1,139,528	1,012,670	987,213
TOTAL ASSETS	67,115,829	66,974,238	66,978,373
SHAREHOLDERS' EQUITY AND LIABILITIES			
Stated capital	25,365,000	25,365,000	25,365,000
Accumulated surplus	11,885,883	11,555,559	10,805,145
Total equity	37,250,883	36,920,559	36,170,145
Non-Current Liabilities			
Long term loan	24,400,000	24,400,000	24,400,000
Shareholders loan	2,147,901	2,091,834	2,603,904
	26,547,901	26,491,834	27,003,904
Current Liabilities			
Trade and other payables	1,664,080	1,832,880	2,644,308
Amount due to related party	1,652,965	1,728,965	1,160,016
Short-term borrowings	-	-	-
	3,317,045	3,561,845	3,804,324
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	67,115,829	66,974,238	66,978,373
	-	-	-

GRENNREAL PROPERTY CORPORATION LIMITED

CONDENSED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

	Unaudited Quarter Ended		Unaudited Six Months Ended	
	30-Jun 2018 EC\$	30-Jun 2017 EC\$	30-Jun 2018 EC\$	30-Jun 2017 EC\$
INCOME				
Net Rental Income - retail units + kiosks	945,096	882,430	1,998,548	1,870,386
Service re-charge	50,691	47,355	99,733	94,994
Parking	53,713	51,786	98,517	101,401
Other income	24,897	23,066	61,182	53,170
	<u>1,074,398</u>	<u>1,004,637</u>	<u>2,257,980</u>	<u>2,119,951</u>
Net gain from fair value on investment Property	-	-	-	-
	<u>1,074,398</u>	<u>1,004,637</u>	<u>2,257,980</u>	<u>2,119,951</u>
EXPENSES				
Operational expenses				
Insurance	67,357	67,357	134,725	147,634
Security	66,564	60,242	123,972	116,268
Janitorial Services	35,841	35,459	74,836	73,215
Marketing and Public Relations	10,718	1,444	10,718	11,921
Utilities	82,013	69,736	150,279	139,070
Property Management / Salaries	82,781	68,031	160,716	134,512
Parking lot	7,479	8,319	14,398	16,122
Maintenance and other costs	38,425	30,687	64,720	68,104
Office supplies	5,299	7,398	-3,441	10,191
Bad Debts	4,440	0		
	<u>400,918</u>	<u>348,673</u>	<u>730,923</u>	<u>717,037</u>
General expenses				
Office Rent	13,314	13,314	26,622	26,622
Auditor Fees	(2,000)	6,000	4,000	12,000
Subscription ECCSR	4,625	18,500	9,250	23,125
Banking Fees	1,161	1,030	1,648	1,754
Legal Fees (Corporate)	1,170	-	1,630	-
Directors Fees	4,500	4,500	17,000	18,000
Corporate Management Fee	36,923	30,000	66,923	60,000
Director's liability insurance	2,625	-	5,250	-
Professional Fees	72,491	3,000	117,308	6,000
	<u>134,809</u>	<u>76,344</u>	<u>249,631</u>	<u>147,501</u>
Total operational and general expenses	<u>535,727</u>	<u>425,017</u>	<u>980,554</u>	<u>864,538</u>
Operating Income before interest and depreciation	<u>538,671</u>	<u>579,620</u>	<u>1,277,426</u>	<u>1,255,413</u>
Deduct: Depreciation	2,564	1,500	5,089	3,000
Bad debt	-	-	-	-
Bank Interest	474,930	468,010	942,013	943,874
Interest and fines waived	-	-	-	-
Finance Income	-	-	-	-
	<u>477,494</u>	<u>469,510</u>	<u>947,102</u>	<u>946,874</u>
Profit for the year	<u>61,176</u>	<u>110,110</u>	<u>330,324</u>	<u>308,539</u>

GRENREAL PROPERTY CORPORATION LIMITED

CONDENSED STATEMENT OF CASH FLOWS

	Unaudited		Unaudited	
	Quarter Ended		Six Months Ended	
	30-Jun	30-Jun	30-Jun	30-Jun
	2018	2017	2018	2017
	EC\$	EC\$	EC\$	EC\$
Cash Flow from Operating Activities				
Profit for the period	61,176	110,111	330,324	308,540
Adjustments for:				
Depreciation	2,564	1,500	5,089	3,000
Operating Cash Flow before working capital changes	63,740	111,611	335,413	311,540
Inventory	-	-	-	-
Accounts receivable and prepayments	(62,945)	(11,040)	84,916	(49,762)
Accounts payable and accrued expenses	(117,720)	(65,836)	(194,070)	(117,714)
Amount due to related parties	(148,192)	(106,701)	(106,000)	(141,893)
Proposed building improvements	-	-	-	-
Net Cash from Operating Activities	(265,118)	(71,967)	120,259	2,171
Cash Flow from Investing Activities				
Additions to Investment property	-	-	-	-
Purchase of vehicle	-	-	-	-
Purchase of equipment	(13,797)	-	(19,822)	-
Net Cash from Investing Activities	(13,797)	-	(19,822)	-
Cash Flow from Financing Activities				
Net proceeds from long term borrowings	-	-	-	-
Shareholders' Loan	43,534	46,465	86,067	65,679
Net Cash from Financing Activities	43,534	46,465	86,067	65,679
Net Change in Cash and Cash Equivalents	(235,381)	(25,502)	186,504	67,851
Cash and Cash Equivalents - Beginning of Period	1,083,435	736,672	661,550	643,319
Cash and Cash Equivalents - End of Period	848,054	711,170	848,054	711,170

NOTES TO THE CONDENSED FINANCIAL STATEMENTS ENDED JULY 31ST, 2018

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 June 2018 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 2017 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 2017.

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 assets, 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.