

**Schedule 2  
FORM ECSRC – OR**

(Select One)

**QUARTERLY FINANCIAL REPORT** for the period ended 31st MARCH 2019  
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, GRENADA, W.I.**

(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

(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

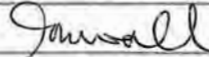
**SIGNATURES**

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:

**MR. DENNIS S.M. CORNWALL**



Signature

May 30<sup>th</sup>, 2019

Date

Name of Director:

**MR. RONALD HUGHES - CHAIRMAN**



Signature

May 30<sup>th</sup>, 2019

Date

Name of Chief Financial Officer:

**MS. LINDY MCLEOD**



Signature

May 30<sup>th</sup>, 2019

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*

Grenreal continues to enjoy operations in a stable political and economic environment. The financial year 2018 saw economic growth in Grenada of 3.5%. Economic growth is expected to continue throughout 2019. This growth has had a positive effect on commerce. There has been an increase in inquiries for rental spaces.

Cruise ship passengers for the period January to March 2019 was higher than that of the same period for 2018. As the main port of entry for Cruise passengers, Grenreal benefits from the increased passenger throughput. Grenreal now working towards improving local passenger throughput.

The company is diligently engaging with stakeholders in order to maximise visits to the malls from returning nationals and visitors during the upcoming carnival and Christmas seasons.

The terms of restructuring for the syndicate bond has been finalised. Grenreal continues to be current with its interest payments and will commence payments on the principal at the end of July 2019.

### 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*

The cruise ship season 2018/2019 commenced in late November 2018. From discussions with tenants, the 2018/2019 season was a successful one. It is expected that the 2019/2020 will be even more successful with calls secured for August 2019 and October 2019.

The working capital ratio for period January to March 2019 was 0.52:1 (January to March 2018 - 0.43:1) improvement in the local economy together with increased cruise arrivals have contributed to improved business activity for Grenreal's tenants. In order to improve the cash flow and working Capital ratios Grenreal have been vigorous in the collection of outstanding receivables. For the period January to March 2019 provisions for doubtful receivables was reduced by \$33,000.

The company has commenced a three year initiative to reduce rental discounts offered to tenants. The increased rental rates became effective as of January 2019. Several of these discounts were originally granted to tenants during the period of recession and structural adjustment in Grenada.

Grenreal is current with its payments to the Government of Grenada on long outstanding VAT payable. During that period (2011-2014), the company experienced difficulties since most tenants had difficulties in paying their rent on time. Some tenants did not pay the VAT due to Government for the period January 2012- February 2015 and some of that tax liability still remained outstanding. Grenreal had approached the Government of Grenada for a waiver on the Interest and Fines on the VAT principal outstanding, this was granted. Grenreal has settled 15 of the 21 required payments.

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. As of March, 2019 the restructuring of the Syndicate Bond had been finalised in principle. The bond is to be restructured at a variable interest rate 6% for a period of 15 years. Under the restructuring plan, shareholder loans will be converted to 6% preference shares. The shareholders loans are EC\$2.2 million as at March 31, 2019.

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*

Total Income for the quarter ended March 31st 2019 was EC\$1,283,551, (quarter ended March 31st 2018: EC\$1,183,582), an increase of 8%. Operational Expenses increased by \$102,189 to \$447,135(\$344,946- March 2018). Additionally, there was a decrease in finance costs of 16% or \$390,715 (quarter ended March 2019- \$468,097.) These variances reflect Grenreals strategic shift.

As of January 2019, Grenreal commences a three year thrust to return rental rates to the original, pre recession levels. This has contributed significantly to the increase in rental income and consequently general service fee income. Grenreal expects further benefits from this initiative as three new units have become available from dividing existing unit. Two of these previously discounted spaces have now been rented at their full rate. Grenreal is actively working toward full capacity by October, 2019. Negotiations with a new international food franchise are in advanced stages. Once this arrangement is finalised, all things being equal, it is believed that budgeted income will be surpassed.

Increases in operational expenses are in line with Grenreal's goal of maximising income . There has been a 100% increase in public relations and promotions expense for the quarter to March, 2019 from that of the same period last year. This is a result of the goal of repositioning marketing and promotions. The aim is to attract high end tenants and customers to Grenreal's current tenant mix, and to capture more of the local youthful population. The professional services corridor on the second floor is also a new selling point. The 150% increase in maintenance costs and the 48% increase in security costs , upgrade in security technology , also reflects the aim of improving the ambience of the malls and improving the general experience of persons visiting the malls.

No interest was accrued on shareholder loans for the period under review. This resulted in a 10% decrease in finance costs. Shareholder loans are to be converted to preference shares. Interest on these loans have been frozen as at December 31st, 2018. The agreement has been made in principle. Grenreal awaits formal arrangements.

During the first quarter 2019, a number of new tenants have commenced operations. These tenants are mainly boutique and variety store tenants. Also, negotiations are almost finalised with the Grenada Development bank for offices, CBN gaming has completed office fittings and a new doctors office has been added to the second floor during this period.



### 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. Grenada has, however, experienced increases in GDP in 2018/2019. Grenreal offers slow season discounts for duty free tenants and general discounts for non duty free tenants. in other to maintain the occupancy level. Going forward, these discounts will be eliminated.

Development of the tourism industry

The Grenada Tourism Authority (GTA) is expecting the cruise season 2019/2020 to have increased cruise passenger arrivals above that of the 2018/2019 cruise season. The GTA continues to actively engage cruise liners and has been working hard at making needed improvements in order to welcome cruise ships all year round instead of only during the six month cycle.

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

The end of the structural adjustment program has meant a general increase in disposable income within the grenadian economy. Grenreal believes that rental rates can now be increased in line with growth in 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 and supervisory control can minimize human error. In addition to insurance coverage for natural disasters, the company is implementing its new, upgaded, disaster management plan and its action plan for the hurricane season.

#### **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

- 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.

Not Applicable

- (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.

Not Applicable

- (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.

Ms. Caroline Edwards has replaced Ms. Marcia Linton as property manager effective 1st January, 2019. Ms. Linton resigned from the Position of Financial Officer effective December 31st, 2018.

**GRENREAL PROPERTY CORPORATION LIMITED**

**CONDENSED STATEMENT OF FINANCIAL POSITION AS AT**

	<b>Unaudited 31-Mar 2019 EC\$</b>	<b>Unaudited 31-Dec 2018 EC\$</b>	<b>Unaudited 31-Mar 2018 EC\$</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Investment property	66,960,500	66,960,500	65,934,800
Computers and Office furniture	41,794	37,222	30,268
	-	-	-
	<b>67,002,294</b>	<b>66,997,722</b>	<b>65,965,068</b>
<b>Current Assets</b>			
Inventory	-	-	-
Receivables and prepayments	384,806	484,177	228,529
Cash and cash equivalents	1,189,764	887,821	1,083,435
	1,574,570	1,371,998	1,311,964
	<b>68,576,864</b>	<b>68,369,720</b>	<b>67,277,032</b>
<b>TOTAL ASSETS</b>			
	<b>68,576,864</b>	<b>68,369,720</b>	<b>67,277,032</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Stated capital	25,365,000	25,365,000	25,365,000
Accumulated surplus	13,583,733	13,233,941	11,824,707
	38,948,733	38,598,941	37,189,707
	<b>38,948,733</b>	<b>38,598,941</b>	<b>37,189,707</b>
<b>Non-Current Liabilities</b>			
Long term loan	24,400,000	24,400,000	24,400,000
Shareholders loan	2,208,968	2,208,968	2,119,367
	26,608,968	26,608,968	26,519,367
	<b>26,608,968</b>	<b>26,608,968</b>	<b>26,519,367</b>
<b>Current Liabilities</b>			
Trade and other payables	1,321,456	1,444,029	1,781,800
Amount due to related party	1,697,707	1,717,782	1,786,158
Short-term borrowings	-	-	-
	3,019,162	3,161,810	3,567,958
	<b>3,019,162</b>	<b>3,161,810</b>	<b>3,567,958</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
	<b>68,576,864</b>	<b>68,369,720</b>	<b>67,277,032</b>
	-	-	-

**GREREAL PROPERTY CORPORATION LIMITED**

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE**

	<b>Unaudited Quarter Ended</b>		<b>Unaudited Three Months Ended</b>	
	<b>31-Mar 2019 EC\$</b>	<b>31-Mar 2018 EC\$</b>	<b>31-Mar 2019 EC\$</b>	<b>31-Mar 2018 EC\$</b>
<b>INCOME</b>				
Net Rental Income - retail units + kiosks	1,159,251	1,053,452	1,159,251	1,053,452
Service re-charge	52,489	49,042	52,489	49,042
Parking	30,251	44,803	30,251	44,803
Other income	41,561	36,284	41,561	36,284
	<b>1,283,551</b>	<b>1,183,582</b>	<b>1,283,551</b>	<b>1,183,582</b>
Net gain from fair value on investment Property	-	-	-	-
	<b>1,283,551</b>	<b>1,183,582</b>	<b>1,283,551</b>	<b>1,183,582</b>
<b>EXPENSES</b>				
<b>Operational expenses</b>				
Insurance	67,367	67,367	67,367	67,367
Security	85,379	57,408	85,379	57,408
Janitorial Services	42,863	38,992	42,863	38,992
Marketing and Public Relations	7,015	-	7,015	-
Utilities	83,072	68,267	83,072	68,267
Property Management / Salaries	72,764	77,935	72,764	77,935
Parking lot	8,752	6,919	8,752	6,919
Maintenance and other costs	67,004	26,295	67,004	26,295
Office supplies	12,918	1,763	12,918	1,763
	<b>447,135</b>	<b>344,946</b>	<b>447,135</b>	<b>344,946</b>
<b>General expenses</b>				
Office Rent	13,311	13,311	13,311	13,311
Auditor Fees	4,800	6,000	4,800	6,000
Subscription ECCSR	4,623	4,625	4,623	4,625
Banking Fees	1,184	487	1,184	487
Legal Fees (Corporate)	-	460	-	460
Directors Fees	4,500	12,500	4,500	12,500
Corporate Management Fee	30,000	30,000	30,000	30,000
Director's liability insurance	2,625	2,625	2,625	2,625
Professional Fees	34,866	31,384	34,866	31,384
	<b>95,909</b>	<b>101,391</b>	<b>95,909</b>	<b>101,391</b>
<b>Total operational and general expenses</b>	<b>543,044</b>	<b>446,337</b>	<b>543,044</b>	<b>446,337</b>
<b>Operating Income before interest and depreciation</b>	<b>740,508</b>	<b>737,244</b>	<b>740,508</b>	<b>737,244</b>
Deduct: Depreciation	2,564	2,525	2,564	2,525
Bad debt	(33,000)	(1,510)	(33,000)	(1,510)
Bank Interest	421,151	467,081	421,151	467,081
Interest and fines waived				
Finance Income	-	-	-	-
	<b>390,715</b>	<b>468,097</b>	<b>390,715</b>	<b>468,097</b>
<b>Profit for the year</b>	<b>349,793</b>	<b>269,148</b>	<b>349,793</b>	<b>269,148</b>



**GRENREAL PROPERTY CORPORATION LIMITED**

**CONDENSED STATEMENT OF CASH FLOWS**

	Unaudited		Unaudited	
	Quarter Ended		Three Months Ended	
	31-Mar 2019 EC\$	31-Mar 2018 EC\$	31-Mar 2019 EC\$	31-Mar 2018 EC\$
<b>Cash Flow from Operating Activities</b>				
Profit for the period	349,786	269,148	349,786	
Adjustments for:				269,148
Depreciation	2,564	2,525	2,564	
				2,525
<b>Operating Cash Flow before working capital changes</b>	<u><b>352,350</b></u>	<u><b>271,673</b></u>	<u><b>352,350</b></u>	<u><b>271,673</b></u>
Inventory	-	-	-	-
Accounts receivable and prepayments	132,377	135,391	-	135,391
Accounts payable and accrued expenses	(155,573)	(63,880)	132,377	(63,880)
Amount due to related parties	(20,075)	42,192	(155,573)	42,192
Proposed building improvements	-		(20,075)	
<b>Net Cash from Operating Activities</b>	<u><b>309,079</b></u>	<u><b>385,376</b></u>	<u><b>309,079</b></u>	<u><b>385,376</b></u>
<b>Cash Flow from Investing Activities</b>				
Additions to Investment property	-	-	-	-
Purchase of vehicle	-	-	-	-
Purchase of equipment	(7,137)	(6,025)	(7,137)	(6,025)
<b>Net Cash from Investing Activities</b>	<u><b>(7,137)</b></u>	<u><b>(6,025)</b></u>	<u><b>(7,137)</b></u>	<u><b>(6,025)</b></u>
<b>Cash Flow from Financing Activities</b>				
Net proceeds from long term borrowings	-	-	-	-
Shareholders' Loan	-	42,534	-	42,534
<b>Net Cash from Financing Activities</b>	<u><b>-</b></u>	<u><b>42,534</b></u>	<u><b>-</b></u>	<u><b>42,534</b></u>
<b>Net Change in Cash and Cash Equivalents</b>	<u><b>301,943</b></u>	<u><b>421,885</b></u>	<u><b>301,943</b></u>	<u><b>421,885</b></u>
<b>Cash and Cash Equivalents - Beginning of Period</b>	<b>887,821</b>	<b>661,550</b>	<b>887,821</b>	<b>661,550</b>
<b>Cash and Cash Equivalents - End of Period</b>	<u><u><b>1,189,764</b></u></u>	<u><u><b>1,083,435</b></u></u>	<u><u><b>1,189,764</b></u></u>	<u><u><b>1,083,435</b></u></u>

## **NOTES TO THE CONDENSED FINANCIAL STATEMENTS ENDED 31ST MARCH 2019**

### **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 31st March 2019 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 2018 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 2018.

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.