

**Schedule I**  
**FORM ECSRC – K**  
**ANNUAL REPORT**  
**PURSUANT TO SECTION 98(1) OF THE SECURITIES ACT, 2001**

For the financial year ended October 31st, 2016

Issuer Registration number  
RBTT19011193GR

RBTT BANK GRENADA LIMITED

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

GRENADA

(Territory of incorporation)

GRAND ANSE, ST GEORGE'S, GRENADA

(Address of principal office)

**REPORTING ISSUER'S:**

Telephone number (including area code): 1 473 444 4919

Fax number: 1 473 444 2807

Email address: \_\_\_\_\_

(Provide information stipulated in paragraphs 1 to 14 hereunder)

Indicate whether the reporting issuer has filed all reports required to be filed by section 98 of the Securities Act, 2001 during the preceding 12 months

Yes

No

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.

<b>CLASS</b>	<b>NUMBER</b>
Ordinary Shares of no Par Value	11,087,521

**INFORMATION TO BE INCLUDED IN FORM ECSRC-K**

**1. Business.**

Provide a description of the developments in the main line of business including accomplishments and future plans. The discussion of the development of the reporting issuer's business need only include developments since the beginning of the financial year for which this report is filed.

As part of the Bank's continued initiatives in providing an enhanced client experience, our deposit product suite was reviewed in an effort to bring the most suitable product to our clients' deposit needs. We also upgraded our technology infrastructure to provide a better online banking experience and we are on the verge of launching a state of the art Mobile Banking App as part of our focus in helping clients bank at their convenience where they want, when they want. Plans are also well advanced with Chip and Pin Technology rollout which will come to fruition by the end of the 2017 fiscal.

**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:

Musa Jasat

SIGNED AND CERTIFIED

Date

July 20<sup>th</sup>, 2017

Name of Director:

Isaac Solomon

SIGNED AND CERTIFIED

Date

July 20, 2017

Name of Chief Financial Officer:

Brent Thomas

SIGNED AND CERTIFIED

Signature

Date

July 20<sup>th</sup>, 2017



## 2. Properties.

Provide a list of properties owned by the reporting entity, detailing the productive capacity and future prospects of the facilities. Identify properties acquired or disposed of since the beginning of the financial year for which this report is filed.

The Bank owns the Grand Anse property from which it operates, the St. George's property is listed for sale with the leading real estate agents as the bank actively seeks a buyer.

## 3. Legal Proceedings.

Furnish information on any proceedings that were commenced or were terminated during the current financial year. Information should include date of commencement or termination of proceedings. Also include a description of the disposition thereof with respect to the reporting issuer and its subsidiaries.

### 1. Justin La Rose v. Althea Martineau, RBTT Bank Grenada Limited

Commenced: October 14, 2016

Description: In order to qualify for a mortgage, the Claimant asked the First Defendant (Althea Martineau) to join in the loan agreement and also transferred part of the interest in his property to her by Deed of Gift. Their association having broken down, the Claimant is seeking a declaration that the Deed of Gift is invalid and also that the Bank had a duty to him to ensure that he sought independent legal advice before executing the Deed of Gift.

### 2. Rudolph Hagley & 226 West Management Company v. RBTT Bank Grenada Limited

Discontinued: October 16, 2016

Description: The Claimant, a guarantor of facilities extended to a Business Banking client, is seeking an injunction preventing the Bank from selling property pledged as collateral on the grounds that the Bank acted in breach of contract as regards the drawdown of the loan proceeds. The Claimant took the facility to another institution, settled the claim with the Bank and both parties discontinued their claims.

**4. 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.

None

- (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.

None

- (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.

None

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

None

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

None

**5. Market for Reporting issuer's Common Equity and Related Stockholder Matters.**

Furnish information regarding all equity securities of the reporting issuer sold by the reporting issuer during the period covered by the report.

None.

**6. Financial Statements and Selected Financial Data.**

Attach Audited Financial Statements, which comprise the following:

**For the most recent financial year**

- (i) Auditor's report; and
- (ii) Statement of Financial Position;

**For the most recent financial year and for each of the two financial years preceding the date of the most recent audited Statement of Financial Position being filed**

- (iii) Statement of Profit or Loss and other Comprehensive Income;
- (iv) Statement of Cash Flows;
- (v) Statement of Changes in Equity; and
- (vi) Notes to the Financial Statements.

**7. 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.

- (1) Liquidity Risk - The risk of not having funds available to pay obligations on demand and the effect that could have on the company.
- (2) Money Laundering Risk – The risk that the company may inadvertently handle transactions for a customer in contravention of internal and external anti money laundering regulations and the effect this could have on the operations of the company.
- (3) Reputational Risk – The risk that an adverse event to the company or any of its affiliates could affect public confidence in the company and its ability to transact business locally, regionally or internationally.
- (4) Business Interruption Risk – The risk of a disaster such as a fire, hurricane, earthquake or flood rendering the company unable to continue operations at least in the short term.
- (5) Credit Risk – The risk of loss incurring from a large loan or investment



**8. 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.

Not applicable.
-----------------

- (b) 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.

--

**9. 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.

Not applicable.
-----------------

- (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.

--

## 10. 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 financial year of the filing. Discussions of liquidity and capital resources may be combined whenever the two topics are interrelated.

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*

For the period ended October 31, 2016 Total assets stood at \$377.8 million a reduction from prior year of \$3.2 million or 1%. Loans and advances of \$174 million declined by \$33.6 million or 16% as a result of amortizations and write-offs. Cash resources increased by \$27.2 million or 39% in part to payments received from loans and also funds representing re-imburement from an affiliate for non-proprietary card transactions. The property held for sale was reclassified to Premises, as sale did not occur within the time-frame necessary to meet this criteria.

Total liabilities were recorded at \$346.7 million representing a reduction of \$10.5 million or 3% compared to 2015. Customer deposits fell by \$14.6 million or 4% driven by withdrawals on our personal banking portfolio however this was countered by business banking deposits. Other liabilities increased by \$5.5 million or 66% due to the booking of the day 1 gain on a restructured government bond. this gain will be amortized over the life of the bond.

Income before tax of \$10.1 million was earned for the year to October 31, 2016 which was less than prior year by \$3.5 million or 26%. Net interest income at \$18.5 million performed better than prior year of \$17 million driven by interest income booked on the restructured government bond as well recovery of interest income on loans which were impaired. Interest expense declined mainly as the Savings portfolio reduced year on year.

Non interest income was \$10.6 million which improved by \$3.1 million or 41% over 2015. Our full service pricing updates were the main factor for this increased income led by service charges on deposit accounts and ATM charges. Additionally, Foreign exchange earnings surpassed prior year by \$0.3 million or 13%.

Non - interest expenses at \$18.9 million increased by \$8.1 million or 75% due mainly to the booking of an impairment expense on government treasury bills of \$3.7 million, the write-down taken on the St. Georges property of \$1.7 million representing expected costs to sell. Additionally staff costs increased by \$1.6 million as prior year benefited from the write-back of provisions relating to severance.

## 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 Bank maintains a strong liquidity position which has improved over the period, our Regional Treasury department closely monitors liquidity levels to mitigate against all risks. The Bank's capital position has increased with a ratio of 15.6% with the minimum threshold set at 8%. The enactment of Banking Act 2015 will require minimum capital of \$20 million to be in place from February 2017, at the end of October 31, 2016 position we held \$11.9 million.

**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.

None.

## 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*

RBTT Bank Grenada performance was impacted by impairment expenses booked on the government treasury bills as well as the write down booked on the property held for sale. Total revenue however increased over prior year due to the booking of interest income on the restructured government bond as well as recoveries from loans. Service charges were also higher due to full service pricing strategy. Loan losses marginally increased as the increased general provisions booked were countered by increased recoveries.



**11. Changes in and Disagreements with Auditors on Accounting and Financial Disclosure.**

Describe any changes in auditors or disagreements with auditors, if any, on financial disclosure.

None.

**12. Directors and Executive Officers of the Reporting Issuer. (Complete Biographical Data Form attached in Appendix 1 and Appendix 1(a) for each director and executive officer)**

Furnish biographical information on directors and executive officers indicating the nature of their expertise.

**13. Other Information.**

The reporting issuer may, at its option, report under this item any information, not previously reported in a Form ECSRC – MC report provided that the material change occurred within seven days of the due date of the Form ECSRC – K 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.

None.

**14. List of Exhibits**

List all exhibits, financial statements, and all other documents filed with this report.

RBTT Bank Grenada Ltd. Annual Report 2016 previously provided.  
Directors biographical information previously provided.

**APPENDIX 1 – BIOGRAPHICAL DATA FORMS**

**DIRECTORS OF THE COMPANY**

Name:

Position:

Mailing Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Telephone No.:

List jobs held during past five years (include names of employers and dates of employment).  
Give brief description of **current** responsibilities

Education (degrees or other academic qualifications, schools attended, and dates):

*Use additional sheets if necessary.*

APPENDIX 1(a) – BIOGRAPHICAL DATA FORMS

EXECUTIVE OFFICERS AND OTHER KEY PERSONNEL OF THE COMPANY

Name: \_\_\_\_\_ Position: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Telephone No.: \_\_\_\_\_

List jobs held during past five years (including names of employers and dates of employment).  
Give brief description of **current** responsibilities.

Education (degrees or other academic qualifications, schools attended, and dates):

Also a Director of the company  Yes  No

If retained on a part time basis, indicate amount of time to be spent dealing with company matters:

---

*Use additional sheets if necessary.*