

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

RECEIVED BY

**ECSRC**

Date 15 March 2018

Signature [Signature]

ECMS #: 226419

For the financial year ended March 31, 2017

Issuer Registration number

ANGUILLA MORTGAGE COMPANY LIMITED

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

ANGUILLA

(Territory of incorporation)

P. O. BOX 1221, The Valley, Anguilla

(Address of principal office)

**REPORTING ISSUER'S:**

Telephone number (including area code): 264-497-5450

Fax number: 264-497-3572

Email address: anguillamortgage@yahoo.com

(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.

CLASS	NUMBER
Ordinary	13,902

**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:

Nathalie Hanson

SIGNED AND CERTIFIED

8 - March 2018

Date

Name of Director:

George K. Harrigan

SIGNED AND CERTIFIED

8 - March 2018

Date

Name of Chief Financial Officer:

SIGNED AND CERTIFIED

Signature

Date

**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.

Anguilla Mortgage Company (AMC) provides alternative financing to individuals in the community. The Company offers small loans in the range of US\$1,000 to US\$ 6,000. The loans cover from personal, home improvement, home appliances/furniture, new/used vehicles, vehicle parts, medical and back to school.

For the financial year ended March 2017, AMC has grown the loans portfolio and the number of loans disbursed significantly. This is the first time AMC accomplished to disburse the highest number of loans ever and the loans receivables have increased tremendously.

We plan to continue providing such service because there is a need in the community and our interest rates are reasonable and lower compare to our competitors. AMC's objective is to financial assist our customers and not to overburden them with loans.

There are other services that we would like to offer in the future.

**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 Company has not acquired or disposed of any property for the financial year ended March 2017.

**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.

The company was not involved in any legal proceedings in the financial year ended March 31, 2017

**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.

N/A

- (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.

N/A

- (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.

N/A

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

N/A

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

N/A

**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.

N/A

**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.

Under-Capitalization - The Company has never been unable to raise sufficient capital to pursue its Business Plan and is vulnerable to future competition from a better capitalised entrant to the market. The Company is endeavouring to address this by raising new capital.

Absence of a trading market - The Company's shareholders are unable to readily liquidate stock, and there is no mechanism for persons desirous of obtaining shares in the Company to do so.

Cash flow and liquidity - The company cash flow and liquidity have improved however there always a need for a increased in cash flow to meet the strong market demand.

Challenges encountered to the building that AMC is leasing. - Problems of office electrical wiring cause destruction of equipment and files. To fully remedy the situation we are looking for a possible new location (central) or make improvements to present location.

Accounts - Pannell Kerr Forster is auditing the Financial year ended March 31, 2017.

**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.

N/A
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- (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)

N/A

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

N/A

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- Name and address of underwriter(s)

N/A

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- Amount of expenses incurred in connection with the offer N/A

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

N/A

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- Payments to associated persons and the purpose for such payments

N/A

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

There was no 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.

N/A

- (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.

N/A

## 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*

The trend is that sharp rise in demand for small loans will continue to soar and this will temporarily affect the liquidity of the Company.

The Company has grown tremendously due to the increased in the loans portfolio. There is much interest in loans mainly for personal use, used vehicles, back to school, and home improvements. We tried to cater to those needs but at the same time be prudent in our lending.

We have reinforced methods to ensure that loans payment are made in a timely manner. There are situations where customers are going through an economic situation where they are not working or a family member is not working. We have created a system to assist those individuals and thus far it has worked efficiently.

There are new competitors in the market but there is no impact or change in our loans portfolio. The manner in the way we treat our customers and give them our attention have led our customers to be satisfied and contented. We go beyond and assist in any situation they encounter in paying their loans. Basically there are repeat customers and new customers.

Due to the growth of the Company, we are in the process of hiring one or two more employees.

The Company's expenses have not changed drastically for the past years.

## **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 major source of liquidity for the financial year ended March 31, 2017 was cash produced from customer payments towards their loans.

For the financial year ended March 31, 2017, we have disbursed 609 loans and the net loans receivable has increased to EC\$7,043,972 according to unaudited financial report. As long as there is continuous repayments, our liquidity will have no effect. It is also due to the control of our expenses.

Within the financial year there is always a very high demand for loans which is in July to September and December to January. During that period it affects the liquidity of the Company. The loans are secured by Co-Borrower or Guarantor to ensure the loan is paid. This reduces our risk in default loans.

Within the financial year, a provision for loan losses is allocated in cases of unexpected losses.

Dividends were declared on March 31, 2017 in the amount of EC\$173,775.

### **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.

There is no off balance sheet arrangement.

## 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*

According to the unaudited financial report, Total Income increased to EC\$1,697,461 and Total Expenses increased to EC\$ 583,288. The net income increased to EC\$1,114,173.

We are paying attention in controlling our expenses.

Fixed assets increased to EC\$55,470 due to construction/improvements of AMC's office. There is more work will be getting done in order to avoid losses of the computer equipment (Server) and files.

Our goal is to continue increasing our loans portfolio but at the same time be prudent in lending.

Overall the Company is operating profitably and efficiently.

**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.

N/A

**12. Directors and Executive Officers of the Reporting Issuer. (Complete Biographical Data Form attached in Appendix I and Appendix I(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.



**ANGUILLA MORTGAGE  
INCOME STATEMENT**

	<i>Unaudited/ Draft</i>
	<b>Ended Mar-17</b>
<b>INCOME</b>	
Loan Interest	1,408,178
Loan Commission	164,822
Late Fees	69,843
Bank Interest	1,171
Foreign Exchange	13,294
Investment	11,700
Miscellaneous	28,453
<b>Total Income</b>	<b>1,697,461</b>
<b>EXPENSES</b>	
Salaries, Wages, Related Costs	214,493
Social Security Allowances	9,430
Stabilisation Levy	6,452
Employee Medical Insurance	2,156
Advertising	2,672
Provision for Loan Loss	123,456
Bank Charges	416
Cleaning	3,900
Depreciation	12,533
Business License	1,000
Financial Commission	3,780
Professional Fees	44,788
Directors Fees	69,960
Miscellaneous	1,200
Postage and Stationary	7,854
Repairs & Maintenance	1,847
Rent	32,400
Registered Office Fees	1,148
Telephone & Facsimile	28,246
Utilities	13,369
Travel & Entertainment	2,190
<b>Total Expenses</b>	<b>583,288</b>
<b>NET INCOME</b>	<b>1,114,173</b>

**ANGUILLA MORTGAGE**

<b>BALANCE SHEET</b>	<i>Unaudited/ Draft</i>
	<b>Ending Mar-17</b>
<b>ASSETS</b>	
Cash in Hand and at Bank	358,687
Loans Receivable	7,043,972
Investment at Cost	201,000
Fixed Assets	55,470
<b>Total Assets</b>	<b>7,659,129</b>
<b>LIABILITIES</b>	
Accounts Payable and Accruals	497,325
<b>Total Liabilities</b>	<b>497,325</b>
<b>SHAREHOLDERS' EQUITY</b>	
Share Capital	1,390,200
Retained Earnings	5,771,604
	<b>7,161,804</b>
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS EQUITY</b>	<b>7,659,129</b>

**APPENDIX 1 – BIOGRAPHICAL DATA FORMS**

**DIRECTORS OF THE COMPANY**

Name: Mr. George K. Harrigan Position: Chairman

Mailing Address: The Valley  
The Valley  
anguillamortgage@yahoo.com

Telephone No.:

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

Reitred Civil Servants  
Ex Comptroller customs

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

Primary School diploma

*Use additional sheets if necessary.*

**14. List of Exhibits**

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

Income Statement (unaudited ) ended March 31, 2017

Balance Sheet (unaudited) ended March 31, 2017

APPENDIX 1(a) – BIOGRAPHICAL DATA FORMS

EXECUTIVE OFFICERS AND OTHER KEY PERSONNEL OF THE COMPANY

Name: Ms. Nathalie Hanson Position: Manager

Mailing Address: P.O. Box 177  
The Valley  
anguillamortgage@yahoo.com

Telephone No.: 264-497-5450

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

Anguilla Mortgage Company - 2005 to present

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

University of Virgin Islands  
Master's of Arts in Business Administration (MBA) 2004  
Bachelor's of Arts in Business Administration/Accounting 2000  
Assciates degree in Information Technology 2000

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.*



**BIOGRAPHICAL DATA FORMS**  
**DIRECTORS OF THE COMPANY**

Name: \_\_\_\_\_ Position: Secretary  
Mr. Cecil Niles

Age: \_\_\_\_\_  
Mailing Address: P.O. Box 414  
The Valley  
Anguilla BWI

Telephone No.:

List jobs held during past five years (include names of employers and dates of employment).

Self-employed Proprietor of Can Engineering Ltd

Give brief description of **current** responsibilities

providing services in the areas of Land Surveying/ Planning/ Land Administration/ Mortgage Surveys/ Construction Inspector

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

**Bachelors in Mathematics - 1974**  
**Diploma in Land Survey - 1978**

*Use additional sheets if necessary.*





**BIOGRAPHICAL DATA FORMS**  
**DIRECTORS OF THE COMPANY**

Name: \_\_\_\_\_ Position: Director  
Mrs. Lorna Rogers \_\_\_\_\_

Age: \_\_\_\_\_  
Mailing Address: Lake & Kentish  
The Quarter  
Anguilla BWI

Telephone No.:

List jobs held during past five years (include names of employers and dates of employment).

Joyce Kentish & Associates – Anguilla 1993 to presently
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Give brief description of **current** responsibilities

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

<b>BA Degree – Major in Accounting – College of the Virgin Islands – January 1981- May 1984</b> <b>Successful completion of Levels I &amp; II of the ACCA professional exams in Accounting</b>
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*Use additional sheets if necessary.*



**BIOGRAPHICAL DATA FORMS**

**DIRECTORS OF THE COMPANY**

Name: Mr. Kennedy Hodge Position: Director

Mailing Address: P.O. Box 784  
The Valley  
Anguilla BWI

Telephone No.:

List jobs held during past five years (include names of employers and dates of employment).

Self-Employed - telecommunication and Engineering

Give brief description of **current** responsibilities

Engineer

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

**Valley Secondary School**  
**Bachelor of Engineering in Telecommunications**

*Use additional sheets if necessary.*



**BIOGRAPHICAL DATA FORMS**  
**DIRECTORS OF THE COMPANY**

Name: \_\_\_\_\_ Position: Director  
Ms. Keesha Fleming \_\_\_\_\_

Age: \_\_\_\_\_  
Mailing Address: P O Box 784  
The Valley  
Anguilla BWI

Telephone No.:

List jobs held during past five years (include names of employers and dates of employment).

Self - Employed - Fleming-Lake Group - Anguilla,  
December 2006 – Present

Give brief description of **current** responsibilities

Sole Practitioner, Attorney and Counselor at Law

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

**Eugene Dupuch Law School,**  
**Certificate of Legal Education, March 2004**

**University of Detroit Mercy School of Law**  
**Juris Doctor, May 2001**

**Barry University**  
**Bachelor of Arts (Philosophy / Pre-Law), May 1998**

*Use additional sheets if necessary.*



**BIOGRAPHICAL DATA FORMS**

**DIRECTORS OF THE COMPANY**

Name: Mr. Cephas Webster Position: Director

Age: \_\_\_\_\_  
Mailing Address: Island Harbour  
Anguilla

Telephone No.:

List jobs held during past five years (include names of employers and dates of employment).

Self - Employed - Quality Construction - Anguilla,  
1990- Present

Give brief description of **current** responsibilities

Contractor - Construction

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

**Certified Contractor**

*Use additional sheets if necessary.*

