

FORM ECSRC - Q

Quarterly Report
For the period ended: **June 30th 2007**

or

TRANSITION REPORT: **Not Applicable**
(Applicable where there is a change in reporting issuer's financial year)

For the transition period from April 2007 to June 2007

Issuer Registration Number: **HMB160990GR**

EASTERN CARIBBEAN HOME MORTGAGE BANK (ECHMB)

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

GRENADA

(Territory or jurisdiction of incorporation)

Eastern Caribbean Central Bank (ECCB) Complex, Bird Rock Road, Basseterre, St. Kitts

(Address of principal executive Offices)

(Reporting issuer's): **EASTERN CARIBBEAN HOME MORTGAGE BANK (ECHMB)**

Telephone number (including area code): **1-869-466-7869**

Fax number: **1-869-466-7518**

Email address: **theechmb@sisterisles.kn**

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

1. Financial Statements

a). Balance Sheet

EASTERN CARIBBEAN HOME MORTGAGE BANK UNAUDITED BALANCE SHEET AS AT JUNE 30TH 2007

ASSETS	Notes	<u>June 30th, 2007</u>	<u>June 30th, 2006</u>
		\$	\$
Cash and Short Term Funds	4	5,857,794	6,369,089
Accounts Receivable & Prepayments	5	25,726,972	3,042,859
Mortgages	6	83,642,212	77,641,672
Capitalised Costs	7	1,107,111	956,259
Deferred Assets	8	59,910	93,673
Investments	9	38,100,000	42,100,000
Fixed Assets	3 c	132,454	159,825
		=====	=====
TOTAL ASSETS		\$154,626,453	\$130,363,377
		=====	=====
LIABILITIES			
Current Liabilities	10	1,572,848	1,424,669
Bonds in Issue	11	134,582,000	111,480,000
		=====	=====
TOTAL LIABILITIES		\$136,154,848	\$112,904,669
		=====	=====
SHAREHOLDERS' EQUITY			
Share Capital	12	10,000,000	10,000,000
Reserve Funds	13	3,967,520	3,555,642
Retained Earnings		4,504,085	3,903,066
		=====	=====
TOTAL SHAREHOLDERS' EQUITY		\$18,471,605	\$17,458,708
		=====	=====
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$154,626,453	\$130,363,377
		=====	=====

The Notes on pages 5 to 11 form an integral part of these Financial Statement

b). **Statement of Income**

**EASTERN CARIBBEAN HOME MORTGAGE BANK
UNAUDITED STATEMENT OF INCOME
FOR THE THREE MONTHS ENDED JUNE 30TH 2007**

	<u>April to</u> <u>June 2007</u>	<u>April to</u> <u>June 2006</u>
	\$	\$
Interest Income		
Mortgage Interest Income	1,765,036	1,846,066
Interest on Short Term Deposits	991,990	943,134
Other Interest Income	34,936	34,904
	=====	=====
Total Interest Income	2,791,962	2,824,104
Bond Expense	(1,606,395)	(1,584,730)
	=====	=====
Net Interest Income	1,185,567	1,239,374
Other Income		
Seminar Costs Recovered	66,000	-
Sundry Income (See Note 14)	-	6,950
	=====	=====
Total Net Income	1,251,567	1,246,324
Non-interest Expenses		
Mortgage Administration Fees	224,727	235,541
Operating Expenses	556,026	523,171
	=====	=====
Total Non-interest Expenses	780,753	758,712
Net Income	470,814	487,612
	=====	=====

The Notes on pages 5 to 11 form an integral part of these Financial Statements.

c). **Statement of Cash Flow**

**EASTERN CARIBBEAN HOME MORTGAGE BANK
UNAUDITED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED JUNE 30TH 2007**

	<u>Jun 30th2007</u>	<u>Jun 30th2006</u>
CASH FLOWS FROM OPERATING ACTIVITIES	\$	\$
Net income for the period	470,814	487,612
Adjustments for Items not affecting cash		
Depreciation	18,135	16,839
Bond Issue Costs Amortised	33,012	32,445
Amortisation of Pension Past Service Cost	3,153	4,073
Amortisation of Mortgage System	35,937	-
	=====	=====
Operating profit before changes in Operating Assets and Liabilities	\$561,051	\$540,969
Changes in Operating Assets and Liabilities		
Increase in Accounts Receivable	(22,376,847)	(71,300)
Increase in Accounts Payable	289,446	(80,356)
	=====	=====
Net cash (used in)/ generated from Operating Activities	\$(21,526,350)	\$389,313
	=====	=====
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Mortgages	(10,130,647)	
Purchase of fixed assets	-	(108,000)
Proceeds from sale of fixed assets	-	10,704
Term Deposit Redeemed/(Placed)	6,000,000	-
Pre-implementation Cost - Mortgage System	-	(627)
Mortgages Repurchased and Replaced (net)	(30,808)	(252,958)
Mortgage Portfolio Principal Repayment	1,032,579	972,297
	=====	=====
Net cash (used in)/ generated from Investing Activities	\$(3,128,876)	\$621,416
	=====	=====
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Bond Issue	22,652,000	-
Bonds Redeemed	-	-
Bond Issue Costs Incurred	(298,289)	-
	=====	=====
Net cash generated from /(used in) Financing Activities	\$22,353,711	-
	=====	=====
NET (DECREASE)/ INCREASE IN CASH	(2,301,515)	1,010,729
CASH BALANCE AT BEGINNING OF THE PERIOD	8,159,309	5,358,360
	=====	=====
CASH BALANCE AT END OF THE PERIOD	\$5,857,794	\$6,369,089
	=====	=====

The Notes on pages 5 to 11 form an integral part of these Financial Statements

d). **Notes to Condensed Financial Statements**

**EASTERN CARIBBEAN HOME MORTGAGE BANK
NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED JUNE 30TH 2007**

1. **INCORPORATION**

The Governments of Anguilla, Antigua and Barbuda, The Commonwealth of Dominica, Grenada, Montserrat, St Kitts-Nevis, St Lucia, and St. Vincent and the Grenadines signed an agreement on May 27, 1994 to establish the Eastern Caribbean Home Mortgage Bank.

The Eastern Caribbean Home Mortgage Bank was formally established on August 19, 1994 in accordance with Article 40 of the Eastern Caribbean Home Mortgage Bank Agreement, which was incorporated in the Eastern Caribbean Home Mortgage Bank Agreement Act, and subsequently passed in the member territories.

2. **PRINCIPAL ACTIVITY**

The principal activity of the Eastern Caribbean Home Mortgage Bank is to buy and sell mortgage loans on residential properties, in order to maintain a secondary market in mortgages.

3. **STATEMENT OF ACCOUNTING POLICIES**

(a) **Income and Expenditure:**

Income and Expenditure items are accounted for in the Financial Statements on the accrual basis.

(b) **Taxation:**

Under Section 5 Sub-sections (1) and (2) of the Eastern Caribbean Home Mortgage Bank Act, 1994, the Bank is exempt from stamp duty and corporation tax.

(c) **Fixed Assets:**

Fixed Assets are stated at historical cost. Depreciation is provided on the straight-line basis at rates, which are estimated to write off the cost of the assets over their useful lives as follows:

Furniture & Fixtures	15%
Machinery & Equipment	15%
Motor Vehicles	20%
Computer Equipment	33 1/3%

(d) **Capitalised Bond Issue Costs:**

The costs incurred in floating the various issues of tax-free bonds. These costs will be amortised over the duration of the respective bonds effective from their issue date (See Note 11).

(e) **Investments:**

Investments are classified into the following categories: available-for-sale and held-to-maturity. Management determines the appropriate classification of investments at the time of purchase. Investments are initially recognized at cost.

**EASTERN CARIBBEAN HOME MORTGAGE BANK
NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED JUNE 30TH 2007**

3 STATEMENT OF ACCOUNTING POLICIES (Cont'd)

(e) **Investment (Cont'd)**

Investments are initially recognized at cost. Fair value of investments in equity instruments that do not have a quoted market price in an active market is recognised at cost once they are not impaired.

(e) **Pension Plan**

The Bank's contributions to the defined contribution pension plan are charged to the income statement in the period to which the contributions relate.

	<u>Unaudited</u>	<u>Unaudited</u>
	<u>June 30th, 2007</u>	<u>June 30th, 2006</u>
4 Cash & Short Term Funds		
Cash with Banks	5,857,294	6,368,589
Cash on Hand	500	500
	=====	=====
Total (Page 2)	\$5,857,794	\$6,369,089
	=====	=====

Cash with Banks attracted interest rates varying between 2% and 7% (2006 = 2% and 7%) during the period under review.

5. Accounts Receivable & Prepayments

	<u>Unaudited</u>	<u>Unaudited</u>
	<u>June 30th, 2007</u>	<u>June 30th, 2006</u>
Accrued Interest on Deposits	628,100	651,249
Mortgage Payments Receivable	398,205	346,096
Other Receivables	22,652,100	13,225
Sundry Debtors	11,168	13,506
Prepaid Expenses	37,399	18,783
Mortgage Origination Loan	2,000,000	2,000,000
	=====	=====
Total (Page 2)	\$25,726,972	\$3,042,859
	=====	=====

**EASTERN CARIBBEAN HOME MORTGAGE BANK
NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED JUNE 30TH 2007**

6. Mortgages

<u>Territory</u>	<u>Unaudited</u> <u>June 30th, 2007</u>	<u>Unaudited</u> <u>June 30th, 2006</u>
Antigua and Barbuda	8,637,217	9,021,284
St. Lucia	28,682,439	19,672,930
Grenada	1,048,811	1,617,816
St. Kitts and Nevis	9,653,641	9,894,600
St. Vincent and the Grenadines	35,620,104	37,435,042
Total (Page 2)	<u><u>\$83,642,212</u></u>	<u><u>\$ 77,641,672</u></u>

7. Capitalised Costs

	<u>Unaudited</u> <u>June 30th, 2007</u>	<u>Unaudited</u> <u>June 30th, 2006</u>
a) Bond Issue Costs		
Total Bond Issue Costs	1,375,470	1,051,684
Less: Cost Amortised	<u>(639,711)</u>	<u>(495,806)</u>
	<u>735,759</u>	<u>555,878</u>
b) Pre-implementation Cost – Mortgage System		
Balance at the beginning of the year	421,334	400,381
Add: Costs incurred during the year	<u>-</u>	<u>-</u>
	421,334	400,381
Less: Amortisation to date	<u>(49,982)</u>	<u>-</u>
	<u>371,352</u>	<u>400,381</u>
Total (Page 2)	<u><u>\$1,107,111</u></u>	<u><u>\$956,259</u></u>

- (a) The bond Issue costs are being amortised over the duration of the life of the respective bonds.
- (b) Pre-implementation Cost – Mortgage System represents expenses incurred on the project to integrate the servicing systems of Primary Lenders with that of ECHMB. Implementation of the project was completed in January 2007. The costs are being amortised over three (3) years from February 2007.

**EASTERN CARIBBEAN HOME MORTGAGE BANK
NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED JUNE 30TH 2007**

8. Deferred Expenses	<u>Unaudited</u> <u>June 30th, 2007</u>	<u>Unaudited</u> <u>June 30th, 2006</u>
Defined Contribution Plan		
Past Service Contribution	88,288	114,037
Less: Amount Amortised	<u>(28,378)</u>	<u>(20,364)</u>
Total (Page 2)	<u>59,910</u>	<u>93,673</u>

Past Service Contribution

The Bank established a defined contribution plan for its employees. The directors agreed for the Bank to make a one-off contribution to the plan on behalf of existing employees for past periods service. This amount is to be amortised over a period of seven (7) years.

9. Investments – At Cost	<u>Unaudited</u> <u>June 30th, 2007</u>	<u>Unaudited</u> <u>June 30th, 2006</u>
Available-for-Sale Securities:		
Eastern Caribbean Securities Exchange (Equity) 10,000 Class D Shares of \$10 each	100,000	100,000
	=====	=====
Held to Maturity:		
Fixed Deposits – Commercial Banks (7.0% to 7.5%)	8,000,000	15,000,000
Other Deposits – (8.0% to 8.5%)	30,000,000	27,000,000
	=====	=====
Total Held-to-Maturity	38,000,000	42,000,000
	=====	=====
Total (Page 2)	<u>38,100,000</u>	<u>42,100,000</u>

Term Deposits attracted interest rates varying between 7% to 8.5% (2006 = 7% to 8.5%) during the period under review.

10 Accounts Payable and Accruals	<u>Unaudited</u> <u>June 30th, 2007</u>	<u>Unaudited</u> <u>June 30th, 2006</u>
Interest Payable on Bonds	1,095,887	1,064,816
Sundry Creditors & Accruals	476,961	359,853
Suspense – Clearing Account	-	-
	=====	=====
Total (Page 2)	<u>\$1,572,848</u>	<u>\$1,424,669</u>

**EASTERN CARIBBEAN HOME MORTGAGE BANK
NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED JUNE 30TH 2007**

11 Bonds In Issue	<u>Unaudited</u> <u>June 30th, 2007</u>	<u>Unaudited</u> <u>June 30th, 2006</u>
Balance at the beginning of the year	111,930,000	111,480,000
Add: Issues during the year (Note 5)	22,652,000	-
Less: Redemptions during the year	-	-
	=====	=====
Balance at the end of the year (Page 2)	\$134,582,000	\$111,480,000
	=====	=====

(a) The Bonds are secured by debentures over the fixed and floating assets of the Bank. Interest is payable semi-annually in arrears at rates varying between 5.50% to 6% (2006 = 5% to 6%).

(b) The amounts outstanding on bonds issued are redeemable as follows:

	<u>Unaudited</u> <u>June 30th, 2007</u>	<u>Unaudited</u> <u>June 30th, 2006</u>
Within one (1) Year	13,805,000	6,000,000
1 to 2 Years	22,652,000	13,805,000
2 to 3 Years	6,150,000	-
3 to 4 years	43,455,000	6,150,000
4 to 5 Years	13,150,000	43,455,000
Over 5 Years	35,370,000	42,070,000
	=====	=====
Total (Page 2)	\$134,582,000	\$111,480,000
	=====	=====

(c) The bonds are tax-free.

**EASTERN CARIBBEAN HOME MORTGAGE BANK
NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED JUNE 30TH 2007**

12. SHARE CAPITAL	<u>Unaudited</u> <u>June 30th, 2007</u>	<u>Unaudited</u> <u>June 30th, 2006</u>
Authorised:		
400,000 Shares of \$100 each	\$40,000,000	\$40,000,000
	=====	=====
Issued:		
100,000 Shares of \$100 each		
Class A	2,500,000	2,500,000
Class B	1,500,000	1,500,000
Class C	2,486,700	2,486,700
Class D	3,513,300	1,513,300
Class F	-	2,000,000
	=====	=====
Total (Page 2)	\$10,000,000	\$10,000,000
	=====	=====

During the previous financial year, the Class F shares were sold to a shareholder in Class D.

13. Reserve Funds	<u>Unaudited</u> <u>June 30th, 2007</u>	<u>Unaudited</u> <u>June 30th, 2006</u>
Building Reserve Fund	2,233,760	2,027,821
Portfolio Risk Reserve Fund	1,733,760	1,527,821
	=====	=====
Total (Page 2)	\$3,967,520	\$3,555,642
	=====	=====

In March 2004, the Board of Directors approved the creation of two Special Reserve Accounts, a Building Reserve Fund and a Portfolio Risk Reserve Fund. After the initial transfers from Retained Earnings, the Directors also agreed to an annual allocation to each reserve fund of 20% of profits after payment of dividends, effective March 31st 2005.

In light of the emerging trend in refinancing, the Board considered it prudent to create a Portfolio Risk Reserve Fund to provide cover against general risks associated with the Secondary Mortgage Market.

**EASTERN CARIBBEAN HOME MORTGAGE BANK
NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED JUNE 30TH 2007**

	<u>Unaudited</u> <u>June 30th, 2007</u>	<u>Unaudited</u> <u>June 30th, 2006</u>
14. Sundry Income		
Sale of Booklets	-	-
Other	-	6,950
	=====	=====
Total (Page 3)	-	6,950
	=====	=====

15. Staff Pension Plan

The Bank instituted a Defined Contribution Pension Plan for its employees. The Bank's contributions to the Plan for the period ended 30 June 2007 amounts to \$12,842.49 (2006: \$9,806.67). In addition, the Bank was initially committed to make a one-off contribution of \$114,037 on behalf of existing employees for past periods of service. During the previous financial year, this amount was reduced by \$25,749 because of a staff member resigning from the services of the Bank before the funds being vested in the plan. This amount is being amortised over seven (7) years.

Employees must have contributed to the Plan for a period of not less than five (5) years in order to be eligible for a deferred pension from their normal retirement date.

1. Schedule of Bond Expenses

	<u>Unaudited</u> <u>April to</u> <u>June 2007</u>	<u>Unaudited</u> <u>April to</u> <u>June 2006</u>
Bond Expenses		
Interest on Bonds	1,560,144	1,539,047
Bond Issue Cost Amortised	33,012	32,445
Trustee Fees	1,519	1,518
Sundry Bond Expenses	11,720	11,720
	=====	=====
Total	\$1,606,395	\$1,584,730
	=====	=====

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

Discuss reporting issuer's financial condition, changes in financial condition and results of operations during the reporting period. Discussion of material changes should be from the end of the preceding financial year to the date of the most recent interim quarterly report. The broad areas of discussions should centre around liquidity, capital resources and results of operations. Discussions of liquidity and capital resources may be combined whenever the two topics are interrelated.

(a) **Liquidity**

Identify any known trends or commitments, demands, events that will result in or that are reasonably likely to result in the reporting 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.

There are no major trends, commitment, demands or events that will materially affect the liquidity situation of ECHMB. Normal transactions relate to the issuance of Corporate Bonds and the purchase of mortgages.

(b) **Capital Resources**

Describe the reporting 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. Describe any material trends, favourable or unfavourable in the reporting issuer's capital resources and any expected change in mix. The discussion should consider changes between equity, debt and any off-balance sheet financing arrangements.

During the last financial year, the Board of Directors approved capital expenditure in the amount of \$182,795 for the acquisition of new computer equipment.

(c) **Results of Operation.**

Describe 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 indicate the extent the income was so affected. Describe any known trends or uncertainties that have had or that the reporting issuer reasonably expects will have a material favourable or unfavourable impact on net sales or revenues or income from continuing operations. If the reporting issuer knows of events that will cause a material change in the relationship between costs and revenues (such as price increases, costs of labour or materials), the changes in relationship should be disclosed.

The ongoing refinancing activities in the primary mortgage market have affected the yield on some of ECHMB's Pools of mortgages. The weighted average interest rate on the mortgage portfolio for the fiscal year ended March 2007 was 9.38%. For the quarter ended June 2007 the weighted interest reduced to 9.34%. This decline in the weighted interest has had an unfavorable impact on income from operations. Nevertheless, ECHMB has managed these risks in an effective manner during the period under review.

3. Disclosure of 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 and only include factors that are unique to the company. 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.

During the period under review, the operations of the Bank have been affected by the following: -

- **Competition in the Capital Market by governments of the ECCU with debt instruments offering higher yields. This has tended to crowd out ECHMB's Bond Issues specially structured to impact favorably on mortgage rates.**
- **Absence of an active secondary market for trading debt instruments such as corporate bonds. This has the effect of limiting investors' ability to convert their debt instrument for cash on a timely basis, thus hindering growth in the market.**
- **Reduction in Interest rate on mortgages already in its portfolio.**

4. Legal Proceedings.

A legal proceeding need only be reported in the ECSRC - Q filed for the quarter in which it first became a reportable event and in subsequent quarterly reports in which there have been material developments. Subsequent Form ECSRC - Q 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.

ECHMB has never had any legal proceedings instituted against it. There are no pending legal matters.

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.
- (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

ECHMB has always utilised the proceeds from its Bonds issues to purchase residential mortgages or to provide a facility for primary lenders to originate mortgages utilising ECHMB's funding.

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

There are no working capital restrictions or limitations on payments on dividends.

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 percent of the total assets of the reporting issuer and its consolidated subsidiaries, identify the
- (b) 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.
- (c) If any material arrears in the payment of dividends has 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.

ECHMB has never defaulted on its payment obligations on its debt. In its eleven (11) years of commercial operations, the Bank has been adequately capitalised, and was able to meet all its obligations on a timely basis.

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

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

- (a) The date of the meeting and whether it was an annual or special meeting.
- (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.
- (c) A brief description of each other matter voted upon at the meeting and state 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.
- (d) A description of the terms of any settlement between the registrant and any other participant.
- (e) Relevant details of any matter where decision was taken otherwise than at a meeting of such security holders.

ECHMB has not submitted any matters with regard to a Vote of Security Holders.

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 (related to disclosure of material information), with respect to which information is not otherwise called for by this form. 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 - Q report.

No additional information to report on.

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. _____

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 are as follows.

CLASS	NUMBER
Class A	25,000
Class B	11,337
Class C	28,538
Class D	35,125
Class E	-
Class F	-
TOTAL	100,000

SIGNATURES

Name of Chief Executive Officer:

Name of Director:

Duleep Cheddie

K Dwight Venner

Signature

Signature

Date

Date