

ST. KITTS-NEVIS-ANGUILLA NATIONAL BANK LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED

SEPTEMBER 30, 2012

SKNA National Bank Ltd. Comptroller Division

ST. KITTS-NEVIS-ANGUILLA NATIONAL BANK LIMITED

UNAUDITED FINANCIAL STATEMENTS **FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2012**

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BALANCE SHEET AS AT SEPTEMBER 30, 2012

<i>Unaudited</i> Year Ended <u>June 2012</u> \$		<i>Notes</i>	<i>Unaudited</i> Quarter Ended <u>September 2012</u> \$	<i>Unaudited</i> Quarter Ended <u>September 2011</u> \$
Assets				
254,463,332	Cash and balances with Central Bank	6	257,136,536	195,142,612
95,638,074	Treasury Bills	7	112,044,578	85,884,649
417,251,179	Deposits with other financial Institutions	8	522,377,680	337,412,841
1,213,959,211	Loans and Advances - customers	9	1,200,292,988	1,226,678,720
117,370,762	- originated debts	10	129,838,654	123,167,996
381,696,935	Investments - available for sale	11	307,099,767	371,310,521
26,750,000	Investment in Subsidiaries	12	26,750,000	26,750,000
	Customers' Liability under Acceptances, Guarantees, and Letters of Credit (per contra)	13	4,482,885	4,586,100
4,095,350	Income tax recoverable		4,509,445	6,024,227
4,509,445	Property, Plant and Equipment	14	23,105,278	24,319,808
23,270,558	Intangible Assets	15	1,459,614	1,644,599
1,720,565	Other Accounts	16	10,828,878	61,854,499
11,326,866	Deferred Tax	20	10,445,866	8,989,150
11,347,887				
2,563,400,164	Total Assets		2,610,372,169	2,473,765,722
Liabilities				
1,853,775,084	Due to Customers	17	1,886,212,956	1,670,132,373
424,554	Due to other financial institutions		9,609,668	19,221,071
215,697,437	Other borrowed funds	18	216,379,746	228,030,139
	Acceptances, Guarantees and Letters of Credit (per contra)		4,482,885	4,586,100
4,095,350	Deferred Income			83,892,414
	Accumulated Provisions, Creditors, and Accruals	19	37,527,322	35,081,620
39,542,971	Deferred Tax Liability			
2,113,535,396	Total Liabilities		2,154,212,577	2,040,943,717
Shareholders' Equity				
135,000,000	Issued Share Capital	21	135,000,000	135,000,000
3,877,424	Share Premium		3,877,424	3,877,424
18,292,083	Retained Earnings		22,911,727	31,014,681
292,695,261	Other Reserves	22	294,370,442	262,929,900
449,864,768	Total Shareholders' Equity		456,159,593	432,822,005
2,563,400,164	Total Liabilities and Shareholders' Equity		2,610,372,170	2,473,765,722

Statement of Income for the period ended September 30, 2012

Unaudited Year Ended <u>June 2012</u> \$		Unaudited Quarter Ended <u>September 2012</u> \$	Unaudited Quarter Ended <u>September 2011</u> \$
INCOME			
106,653,639	Interest income	27,102,452	27,290,813
(89,697,581)	Interest expense	(23,373,947)	(21,953,937)
16,956,058	Net interest income	3,728,505	5,336,876
7,320,125	Fees and commission income	2,786,160	1,396,677
(3,164,222)	Fee expense	(636,809)	(478,784)
4,155,903	Net fees and commission income	2,149,351	917,893
1,244,605	Dividend income	705,588	212,639
112,424,414	Net gains less (losses) from investments	3,200,247	9,789,624
3,663,428	Gain on foreign exchange	831,208	268,180
264,688	Other operating income	28,015	27,452
117,597,135	Other Income/(losses)	4,765,058	10,297,895
138,709,096	Operating Income	10,642,914	16,552,664
Operating expenses			
24,904,740	Administration and general expenses	5,078,331	5,182,518
409,401	Directors fees and expenses	106,679	88,947
410,723	Audit fees and expenses	-	-
3,307,852	Depreciation & amortisation	838,260	721,074
1,859,106	Provision for impaired investments	-	-
59,470,757	Provision for impaired receivables	-	-
90,362,579	Total operating expenses	6,023,270	5,992,539
48,346,517	Operating income before tax	4,619,644	10,560,125
(1,277,949)	Income tax expense	-	-
47,068,568	Net income for the year	4,619,644	10,560,125
0.35	Earnings per share		

ST. KITTS-NEVIS-ANGUILLA NATIONAL BANK LIMITED

Statement of Comprehensive Income for the period ended September 30, 2012

Notes

Unaudited Year Ended June 2012 \$		Unaudited Quarter Ended September 2012 \$	Unaudited Quarter Ended September 2011 \$
<u>47,068,568</u>	Net Income for the period	<u>4,619,644</u>	<u>10,560,125</u>
	Other Comprehensive Income:		
	Available-for-sale financial assets:		
(1,728,536)	Unrealised gains/(losses) on investment securities, net of tax	2,793,271	1,703,236
<u>(68,060,547)</u>	Less: Reclassification adjustments for gains/(losses) included in income	<u>(1,118,090)</u>	<u>64,145,167</u>
<u>(69,789,083)</u>	Total other comprehensive Income/(loss)	<u>1,675,181</u>	<u>65,848,403</u>
<u>(22,720,515)</u>	Total Comprehensive Income/(Loss) for the period	<u>6,294,825</u>	<u>76,408,528</u>

STATEMENT OF CHANGES IN EQUITY
For The Quarter Ended September 30, 2012

Notes	Share Capital \$	Share Premium \$	Statutory Reserves \$	Other Reserves \$	Investment Reserves \$	Property Revaluation Reserves \$	Retained Earnings \$	Total Shareholders' Equity \$
Balance at September 30, 2011	135,000,000	3,877,424	96,610,790	174,653,586	(16,055,097)	7,720,621	31,014,681	432,822,005
Total Comprehensive Income for the period	-	-	-	-	(3,940,680)	-	36,508,443	32,567,763
Transfer to Reserves	22	-	9,655,297	24,050,744	-	-	(33,706,041)	-
Dividends	28	-	-	-	-	-	(15,525,000)	(15,525,000)
Balance at June 30, 2012	135,000,000	3,877,424	106,266,087	198,704,330	(19,995,777)	7,720,621	18,292,083	449,864,768
Total Comprehensive Income For The Quarter	-	-	-	-	1,675,181	-	4,619,644	6,294,825
Dividends	-	-	-	-	-	-	-	-
Balance at September 30, 2012	135,000,000	3,877,424	106,266,087	198,704,330	(18,320,596)	7,720,621	22,911,727	456,159,593

ST. KITTS-NEVIS-ANGUILLA NATIONAL BANK LTD.
STATEMENT OF CASHFLOW
FOR THE PERIOD ENDED SEPTEMBER 30, 2012

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Unaudited Year Ended June 2012		Notes	Quarter Ended September 2012	Quarter Ended September 2011
\$			\$	\$
	Cash flows from operating activities			
48,346,517	Operating Income before taxation		4,619,644	10,560,125
	Adjustments for:			
(106,653,639)	Interest Income		(27,102,452)	(27,290,813)
89,697,581	Interest Expense		23,373,947	21,953,937
3,307,852	Depreciation and amortisation		838,260	721,074
61,329,328	Provision for credit/other impairment, net			
(50,953)	Gain on disposal of premises and equipment			(7,832)
95,976,686	Operating income before changes in operating assets and liabilities		1,729,399	5,936,491
	<i>(Increase) decrease in operating assets:</i>			
636,415	Loans and advances to customers		18,594,255	(12,077,287)
(12,178,007)	Mandatory deposits with Central Bank		(2,114,684)	(2,240,088)
(1,311,344)	Other accounts		497,988	9,314,148
	<i>Increase (decrease) in operating liabilities:</i>			
182,737,358	Customers' deposits		26,034,591	(6,429,189)
(6,474,427)	Due to other financial institutions		9,185,114	12,322,090
(1,122,227)	Accumulated provisions, creditors, and accruals		(2,982,645)	(5,512,190)
258,264,454	Cash generated from/(used in) operations		50,944,018	1,313,975
107,277,483	Interest received		18,785,876	27,131,589
(87,766,741)	Interest paid		(14,158,492)	(12,725,471)
277,775,196	Net cash generated from/(used in) operating activities		55,571,402	15,720,093
	Cash flows from investing activities			
(1,616,401)	(Increase)/Decrease in equipment and intangible assets		(412,029)	49,121
127,150	Proceeds from disposal of equipment			32,000
(6,330,840)	(Increase)/Decrease in special term deposits		343,981	10,863,743
4,024,511	(Increase)/Decrease in restricted term deposits and T/Bills		(16,410,956)	(4,448)
-	Deferred Income		-	83,892,414
698,859,081	Proceeds from disposal of investment securities		154,316,344	32,085,487
(834,152,597)	Purchase of investment securities		(89,609,866)	(154,868,132)
(139,089,096)	Net cash generated from/(used in) investing activities		48,227,474	(27,949,815)
	Cash flows from financing activities			
(14,799,646)	Other Borrowed Funds		(1,162,868)	(4,312,121)
(31,050,000)	Dividend paid			(15,525,000)
(45,849,646)	Net cash generated from/(used in) financing activities		(1,162,868)	(19,837,121)
92,836,454	Net Increase (Decrease) in cash and cash equivalents		102,636,008	(32,066,843)
253,162,382	Cash and cash equivalents at beginning of period		345,998,836	339,047,031
345,998,836	Cash and cash equivalents at end of period	31	448,634,844	306,980,188