

**Schedule 1**

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

For the financial year ended **December 31, 2020**

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Issuer Registration number **BOSVG01061977SV**

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**Bank of St. Vincent and the Grenadines Ltd.**

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

**St. Vincent and the Grenadines**

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(Territory of incorporation)

**Reigate, Granby Street, Kingstown, St. Vincent and the Grenadines**

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(Address of principal office)

**REPORTING ISSUER'S:**

Telephone number (including area code): **1784-457-1844**

Fax number: **1784-456-2612**

Email address: **info@bosvg.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 **X**                      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>
<b>Common</b>	<b>14,999,844</b>

**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 Managing Director:

Derry Williams

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Signature

June 01, 2021

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Date

Name of Director:

Maurice Edwards

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Signature

June 01, 2021

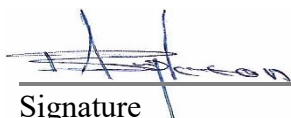
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Date

Name of Chief Financial Officer (Deputy  
Managing Director)

Bennie Stapleton

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Signature

June 01, 2021

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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.

The BOSVG continued to create value for all its shareholders during 2020, despite the dominance of the COVID-19 Pandemic. The Bank was called upon to respond effectively to the many challenges posed by the pandemic and to give real meaning to our slogan 'doing more together'. This we achieved by continuing to put our customers at the center of our strategy and activities.

Accordingly, one of our top priorities during 2020 and continuing, is to keep our bank safe and compliant in order to retain our customers' trust and confidence. Our approach to this issue is to anticipate threats and prevent them from becoming reality

The Bank in conjunction with the ECCB and a number of indigenous banks within the Eastern Caribbean Currency Union (ECCU) has embarked on an initiative to utilize opportunities for shared services in regard to risk management and compliance. In the meantime, the BOSVG is well advanced in the formation of its Enterprise Risk Management Framework (ERFM). This framework allows for core components of the identification and assessment of risks as well as setting risk appetites. Risk reporting will be facilitated by completion of a risk reporting template that captures the risks identified and assessed. There are elements of the framework still to be fully developed, contingent on the outcome of the detailed design of the shared service framework with the ECCU banks and the ECCB.

### 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.

<b>BANK OF ST. VINCENT &amp; THE GRENADINES LTD PROPERTIES</b>			
Properties	Date of Acquisition	Size	Purpose of Acquisition/Productive Capacity
<b>BOSVG Bedford Street Branch</b>	30-Jul-10	5255 sq. ft. land with three storey building 14,236 sq. ft.	To conduct banking business
<b>BOSVG Reigate Branch</b>	21-Nov-11	18,090 sq. ft. land with four storey building 42,660 sq. ft.	To conduct banking business
<b>BOSVG Georgetown Branch</b>	30-Jul-10	7,200 sq. ft. with two storey building 4,294 sq. ft.	To conduct banking business
<b>BOSVG Canouan Branch</b>	30-Jul-10	7,663 sq. ft. land with two storey building 4,200 sq. ft.	To conduct banking business
<b>BOSVG Bequia Branch</b>	30-Jul-10	26,349 sq. ft. land with two storey building 4,200 sq. ft.	To conduct banking business
<b>BOSVG Union Island Branch</b>	30-Jul-10	15,191 sq. ft. land with two storey building 5,510 sq. ft.	To conduct banking business
<b>BOSVG Barrouallie Branch</b>	30-Jul-10	1,705 sq. ft. land with building 1,313 sq. ft.	To conduct banking business
<b>Land at Rillan Hill</b>	30-Jul-10	9,814 sq. ft. land	Transfer of land from mortgage customer to bank. Land was sold to customer by the bank for the purpose of constructing dwelling house. However, land was unsuitable for construction as a result of water pipe running through the middle of the land. Productive capacity - Agriculture
<b>PROPERTY HOLDING SVG LTD REMAINING PROPERTIES</b>			
Properties	Date of Acquisition	Size	Purpose of Acquisition/Productive Capacity
<b>Real estate</b>	26-Oct-11	23,851 sq. ft.	Temporary acquisition of distressed properties for future investment
<b>Real estate</b>	26-Oct-11	2AIR24P/105,544 sq. ft.	Temporary acquisition of distressed properties for future investment
<b>Real estate</b>	26-Oct-11	39,454 sq. ft.	Temporary acquisition of distressed properties for future investment

### 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.

**Claim # SVGHCV2019/57 -GREGORY FERRARI AND BOSVG**

The Claimant claimed against BOSVG for negligence and or breach of duty in respect of loss and damage caused to him as a result of the wrongful/unlawful refusal to accept for deposit various cheques issued by him or, alternatively, the failure to present the said cheques to the Claimant's bank for payment.

The trial was heard on November 11, 2020. The court dismissed the claim and awarded costs to the defendant on an unvalued claim pursuant to Part 65. 5 CPR 2000.

**Claim # SVGHCV2020/92 - Kenroy Questelles and Vasilka Cato-Morgan (formerly Vasilka Questelles) (Claimant) And BOSVG (First Defendant) And The Registrar of the High Court of Saint Vincent and the Grenadines (Second Defendant)**

National Commercial Bank reconveyed a property to both Kenroy and Vasilka Questelles who were, at the time, going through a divorce. The divorce was finalised and there was a Deed of Transfer of the wife's interest to the husband. Therefore, when the property was reconveyed, it should have only been reconveyed to the husband.

The Claim is for an Order to rectify deed of reconveyance No: 90 of 2001 made between National Commercial Bank (SVG)Ltd to Kenroy Questelles and Vasilka Questelles.

Counsel for BOSVG agrees with Counsel for the Claimant that the application is uncontroversial. The matter was heard for case management on December 16, 2020 and the date of the application was set for February 10, 2021.

### 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.

Annual Meeting of Shareholders held on July 30, 2020 (previously reported)

- (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.

There was no election /appointment held. All directorships continued after the Meeting:

Mr. Maurice Edwards	-	Chairman – Gov't appointee
Sir. Errol Allen	-	Gov't appointee
Mrs. Judith Veira	-	Gov't appointee
Dr. Timothy Providence	-	Elected by the public shareholders
Mr. Omar Davis	-	ECFH appointee
Mr. Lennox Bowman	-	NIS appointee
Mr. Lennox Timm	-	NIS appointee
Mr. Medford Francis	-	ECFH appointee
Mrs. Saibrina Brewster-Dickson	-	Gov't appointee

- (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.

See Agenda items listed below with decision:

1. To consider and adopt the Report of the Auditors and Audited Financial Statements of the Company for the year ended December 31, 2019  
- Decided by a show of hands which was adopted/carried.
2. To consider and adopt the Directors' Report  
- Decided by a show of hands – motion carried.
3. To sanction cash dividends of \$0.47 per share paid for the financial year ending December 31, 2019  
- Decided by a show of hands – motion /carried.
4. To appoint Auditors for the financial year January to December 2020  
- Decided by a show of hands – motion /carried.
5. To discuss any other business which may be properly considered at the Annual Meeting

- (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.

SHAREHOLDER	NO. OF COMMON SHARES	PERCENTAGE
East Caribbean Financial Holding Company Ltd.	3,000,000	20%
The National Insurance Services	2,999,999	20%
The Public inclusive of employees of the Bank	2,530,623	16.87%
Government of St. Vincent and the Grenadines	6,469,222	43.13%

See attached copy of Annual Returns submitted to the Companies Registry for December 31, 2020 showing movement of securities.

## 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.

The 2020 Financial Statements are attached.

## 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

Despite, the heightened external risk environment, the overall state of the Bank's risk and capital management remained stable throughout 2020, confirming the Bank's strong risk management structure. The Bank has been resilient throughout the COVID 19 pandemic and has adapted its strategic focus, business operations and risk strategy to address the significant risks in this unprecedented period. The Bank focused primarily on the health and safety of its employees and the support and service of its customers. It proactively managed people, operational, market, credit, capital and liquidity risks, and ultimately ensured business continuity.

The Bank accelerated its digital transformation plan and conducted stress testing scenarios to ensure that its Information Technology (IT) systems were stable and available by enabling remote access to essential services. The bank continues to closely monitor the associated risks with IT security, the control environment and credit administration in light of the ongoing uncertainties.

During the year the Bank completed the Enterprise Risk Management Framework (ERMF); which included stress testing. The embedded ERMF covers the Bank's risk universe and major risk classifications. Sixteen areas of risk were identified for 2020, ranked as follows: (1) IT Security, (2) Third party providers, (3) Customer Support Management, (4) Electronic Banking Fraud, (5) Credit Administration, (6) Change Management, (7) Succession Planning, (8) Liquidity Risk, (9) Financial Crime, (10) Control Environment, (11) Skills and Competence, (12) Credit Risk, (13) Performance Management, (14) Regulatory Change, (15) Customer Trends and (16) Interest Rate Risk.

### **Credit Risk**

Credit governance and processes remained efficiently and effectively managed. The immediate focus in 2020 was on measures to manage the additional risks emanating from the COVID 19 pandemic. In the second quarter of 2020, the Bank, in conjunction with the Eastern Caribbean Central Bank and IFRS 9 accounting standards, developed a comprehensive COVID 19 customer support program. The program was well executed and the outcome has been successful. It also addressed the additional complexity of accounting for credit risk in light of the unprecedented economic crisis and uncertainty.

Gross loans and advances increased by \$49.3M (7.9%) to \$672.3M, of which \$44.4M (6.6%) are non-performing. At December 31, 2021 the credit impairment and coverage ratios were reflective of the Bank's prudent approach to loan loss provisioning given the current macro- economic environment. There was a significant increase in the Bank's provisions for impairment losses of \$8.4M (274%) to \$11.5M which included \$6.2M of COVID 19 related overlays. Consequently, the provision coverage increased from 48.9% in 2019 to 70.4% in 2020.

Overall coverage increased from 3.2% of total loans and advances at December 2019 to 4.6% at December 2020, due to loans migrating to stages 2 and 3, and additional overlays raised for COVID 19 related risks. The stage 1 coverage ratio was 8.6% (2019: 16.7%). The stage 2 coverage ratio increased to 33.1% (2019:7.3 %) primarily as a result of the increased overlays for loans classified under the moratorium payment deferrals and an increase in watch listed customers. The stage 3 coverage ratio decreased to 58.3% (2019:76.0 %) given the mixed impact of inward migration of \$3.8M, high collateral values and special treatment for credit under the moratorium program.

### **Operational Risk**

The exposure to operational risk is elevated and increasing across the organization, as the Bank deals with every day activities, crisis measures being implemented to limit the impact of COVID 19, and the ongoing volcanic eruptions. However, operational residual risk remained well managed and monitored and operational losses were contained within risk appetite limits.

There is increased demand for digital channels to conduct banking transactions due to the pandemic. Hence, the Bank has heightened its support of the IT operations and resilience capabilities with greater focus on new digital risks, third party vendor concentration, IT risk appetite, protecting against cyberattacks and fraud monitoring.

Given the extensive use and reliance on third parties and vendors, exposure is elevated across the Bank and contracts and agreements were reviewed and assessed for the purpose of establishing a framework to manage this risk.

The Bank continues to invest in strengthening its people, technology, processes, policies and controls to ensure that they are robust and that appropriate measures are in place to minimize impact and provide timely recovery from any incidents, including pandemics.

### **IT Security risk**

In accordance with our IT Governance and Risk and Compliance practices, the Bank continues to focus on improving its overall information security framework, with a view to reducing potential external penetration incidences. The Bank has established structures which are designed to establish, implement, operate, monitor, review, maintain and improve its documented information security management systems. These systems were implemented within the context of the Bank's Enterprise Risk Management Framework. The Bank's IT security investments have produced significant improvements in its risk indicators over the years. This includes a 99.9% rating in successful mitigation of phishing emails and 99% uptime on the Bank's IT infrastructure.

The Bank updated its IT security approach, by focusing on the adoption of reliable solutions and the revamping of existing solutions, making them more effective. Cyber security monitoring of the visibility of the Bank's IT infrastructure layout and transactional activities across the organization and penetration testing are conducted 24 hours a day. Staff training was provided through a new learning platform – MetaCompliance, to drive awareness effectively. In 2020, the Bank did not record any significant cyber-security related breaches.

### **Financial Crime**

Financial crime risk, which includes fraud, corruption, money laundering and terrorist financing, was elevated to a key risk within our risk universe. Annual training was provided to all staff and the Board of Directors on the indicators and measures of mitigating financial crime.

Anti-Money Laundering and Counter Financing Terrorism awareness continues to be strengthened across the organization in ensuring adequacy, effectiveness and oversight of the control environment in support of the ERMF. All policies related to the management of Financial Crime were reviewed. A Whistle Blower Policy was approved and implemented and the Code of Ethics and Conduct reviewed by all employees.

### **Liquidity Risk**

The Bank remains well funded, with a strong liquidity position underpinned by a significant growth in deposits at December 2020. The liquidity ratio was 38.5% (2019:41.7%), which exceeded the minimum regulatory requirement, as the Bank maintains appropriate operational buffers under stressed conditions. In response to financial market volatility brought on by the COVID 19 pandemic, and to ensure regulatory compliance, extensive stress testing and scenario analysis were conducted. The main focus was on estimating if, and when, the liquidity buffer could be significantly eroded beyond tolerable levels to pre-emptively facilitate appropriate actions to reduce the severity of a liquidity crisis.

### **Market Risk/Interest Rate Risk**

The 2020 financial year was characterized by extreme market volatility during the first quarter, followed by a general recovery of financial markets, based on the developments of COVID 19 vaccines. Associated with the extreme market volatility, the Bank observed a significant increase in its market risk exposure due to low interest rate and valuation adjustment on securities globally. However, the Bank was able to recover from initial losses at the end of the year.

Net interest margin was also impacted by interest rate reduction and the narrowing of the credit spread due to competitive loan pricing. The deteriorating economic fundamentals, low interest rates and liquidity levels pose new challenges going forward, however, we will continue to identify and capitalize on opportunities, including raising corporate bonds.

### **Reputational Risk**

The Bank continues to keep abreast of changes in legislation and industry best practices. There were no reported events that had an adverse effect on the Bank's reputation during 2020.

### **Regulatory Change**

The financial service industry continues to evolve with the associated regulations from various regulatory bodies. In 2020, a number of policies were reviewed and implemented in line with changes and new developments. Notably, regulators issued directives on COVID 19 measures, Basel 11 & 111 and the establishment of a joint enterprise risk management framework across the currency union. The Bank continues to monitor developments and operational changes in relation to digital services and innovation, data protection and cloud computing.

**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.

There were no changes to the rights of the holders of BOSVG 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)

N/A

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

N/A

- Name and address of underwriter(s)

N/A

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

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

N/A

- Payments to associated persons and the purpose for such payments

N/A

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

N/A

**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 2020 financial year has been one of the most impactful in the Bank's recent history. The year was dominated by continued disruption caused by the COVID 19 Pandemic. Despite this, the Bank was able to record a profit of \$3.6 million, albeit a significant reduction when compared to the \$14.1 million earned in the previous financial year. Additionally, there was an increase total asset of \$87.9 million in comparison to 2019.

The challenges of 2020, difficult as they were also presented opportunities. As such, the Bank was able to strengthen its own internal resilience through the implementation of new policies and the adoption of several framework in accordance with best practices. In our continued thrust towards the digitisation and the shift to a cashless society, the Bank commissioned a number of projects that are designed to lay the foundation for the transformation of its product delivery to customers in the 2021 financial year and beyond.

The significant downturn in economic activity in the 2020 financial year also impacted the Bank's revenue. Total revenue earned in 2020 was \$70.6M compared to \$71.6M in 2019. The reduction in revenue was mainly in the non-interest income and was primarily reflected in the categories of foreign exchange and fee and commission income.

The decrease of \$ 0.275 million in operating expenses was recorded as the Bank focused on cost control. The deterioration in the profitability also impacted the critical ratios of return on assets and return on equity. A comparison of both periods is provided below:

	2019	2020
Return on assets	1.2%	0.3%
Return on equity	11.2%	2.7%

Additionally, the Bank's asset quality as reflected by the non – performing loan ratio remained relatively constant at 6.6%, however despite the relatively modest growth in the credit portfolio there was an increased in the stage 2 category due to overlays introduced in the Bank's IFRS 9 model.

## **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 Capital Adequacy Ratio remained strong at 24.3%, which was significantly above regulatory requirement of 8%. Total equity increased by \$8.4M (6.7%) from \$125.4M at December 31, 2020 to \$133.8M at the end of December 2020. This was driven by appreciation in the value of investment securities measured at fair value through other comprehensive income.

The Bank's liquidity risk indicators were maintained above current requirements at 38.5%, liquid assets includes cash, due from banks and short term investments. There was a reduction of 310 basis points in the liquidity buffers a result of investment placement and credit disbursement.

## 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.

At the end of the reporting period, the Bank anticipated that the undrawn credit commitments to customers would require cash outflows totaling \$31.5M at December 31, 2020.

## 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.

## **Results of Operations**

The Bank was able to close the year in a healthy financial position despite the difficult operating environment that has been characterized by unprecedented events as a result of the COVID 19 pandemic and challenging economic environment. Profit after tax for the financial year ended December 31<sup>st</sup>, 2020, was \$3.6 million in comparison to \$14.1 million for the comparative period ended December 31<sup>st</sup>, 2019. The significant reduction in profitability was due in most part to an increase in loan loss provision of \$8.4 million. This increase was precipitated by the introduction of management overlays to the Bank's IFRS 9 model. The economic fallout from the COVID 19 pandemic, resulted in the introduction of a loan moratorium program. Components of the program allowed for the deferral of payments by customers, with the option to restructure in the future. While the regulatory pronouncements allowed for some reprieve as it relates to restructuring, our own internal assessment lead to reclassification loans for asset quality purpose.

## **Interest Income**

Interest income of \$53.8 million was consistent with the \$53.6 million earned in the 2019 financial year. Despite the relatively flat interest income, there was an increase in interest from loans and advances of \$1.1 million or 2.1%. This increase was consistent with the overall growth in the loans and advances portfolio of \$37.9 million or 5.9%. However, it should be noted that significant pressure was placed on the yield from loans and advances due to competitive market pricing.

Interest income from Bank Deposits and Investments declined by \$1.5million or 25.3 %. This reduction was evident despite the combined increase of \$55 or 22% in the Deposits with Bank and Investment Portfolios. The reduced yield was reflective of market conditions that were characterized by large amounts of excess liquidity.

Interest expense increased by \$0.77 million or 4.77% and was driven by growth in the customers deposit portfolio of \$80 million or 9.7%. The increase was primarily reflected in the savings category. Cognizant of the market dynamics, we proactively sought to reduce the Bank's cost of funds and implemented initiatives, which led to a reduction of \$0.401 million in interest expense on time deposits. There was also a decrease of \$0.347 million in interest expense on Borrowed Funds.

The net interest margin decreased by 30 basis points over the previous year and amounted to 3.0%. The decreased in the margin was mainly the result of lower returns on interest earning assets and expense from customers deposits bearing the highest interest rate. Additionally, the decrease in returns was impacted by reduction in market rate for mortgage loans.

## **Non-Interest Income**

In 2020 non- interest income amounted \$16.6M appropriately \$1.1M less than the previous year. The general slowdown in economic activity, was the major contributory factor to the decline in non- interest income of \$1.1 million or 7.2 %. In response to the adversities brought on by the pandemic, the Bank temporarily suspended several service fees, including its offsite ATM fee, which, in conjunction with the reduced tourist arrivals, resulted in a reduction in Fee and commission income of \$0.541 million.

Foreign exchange income of \$5.5 million earned during the year was consistent with the previous year. While there was fall off in the earlier part of the year, increase in activity during the latter part of the financial year resulted in a rebound in earnings in this category.

Other non-interest income was \$0.454M lower due to the revaluation of the Bank's investment securities and investment properties measured at fair value through profit or loss as a result of market volatility due to the ongoing pandemic.

Looking ahead, we will continue to drive revenue through non-interest income as we continue to accelerate our digital platform and grow interest income with a focus on careful deployment of excess liquidity.

## **Operating Expenses**

Total operating expenses amounted to \$35.8M and were marginally lower than 2019. This reduction was due to the net effect of increases and decreases in several areas:

1. Employee benefits expense grew by \$0.174million (1.6%), this was mainly due to cost associated with additional health and safety measures implemented to protect employees from exposure to COVID 19. Additionally, staff benefited from union negotiated increase.
2. The Bank's capital investment, which were mostly designed to support the Bank's digital transformation, in conjunction with cost incurred for the retrofitting of some branches, resulted in higher depreciation charges of \$0.232M. There was also an increase in the expense category of Bank and other licenses of \$0.220M (8.1%), this was mainly due to initiatives designed to improve internal efficiency.

The increases highlighted above were partly offset by the effects of our cost savings initiatives, lower commission and fees paid and the impact of COVID 19 restrictions on travelling and sponsorship events.

Though operating expenses decreased marginally, lower revenues resulted in the efficiency ratio moving from 70.5% to 88.1%. Going forward, the focus will remain on cost optimization and growing revenue as we continue to drive digital transactional avenues.

### **Balance Sheet Review**

Total assets increased by \$89M (7.9%) over the 2019 financial year; this growth was mainly concentrated in the areas of Loans and Advances and investment securities, which grew by \$37.9M (6.3%) and \$40M (49.6%) respectively. The growth in assets was funded through increased deposit liabilities of \$80M (8.8%). Despite the significant growth in deposits, the Bank was able to improve its funding mix thereby achieving the target range of 1.7% on cost of funds.

### **Loans and Advances**

The Bank's gross loans and advances portfolio increased from \$622 million at the end of the 2019 financial year to \$672 million as at December 31st, 2020. The increase of \$49 million or 7.8% was mainly reflected in the categories of large corporate loans, which grew by \$44.8 million or 32% and overdrafts which grew by \$21.3 million or 45%. During the financial year, the Bank undertook an internal reclassification exercise in accordance with the Eastern Caribbean Central Bank guidelines. This exercise resulted in the movement of approximately \$30 million between the large corporate loans and mortgage loans, thus the real growth in the mortgage and commercial loans portfolio was \$17.5 million or 5.1%, and \$14.8 million or 10.5 % respectively. The increase of \$21.3 or 45.6% in overdrafts was due to increased business activity during December 2020.

The Bank's credit agenda was dominated by the revision and updating of its Credit Policy. Additionally, top priority was given to the implementation and subsequent administration of the loan moratorium program. Also, in the quest to continue to enhance the human resources competency of the Bank, several training sessions in credit underwriting and related topics were held with staff in the lending unit.

### **Investments.**

Total investments at December 31st, 2020 was \$134.2 million compared to \$95.1million at the end of the previous financial year. The growth of \$39.1 million in the portfolio was driven by the Bank's strategy to place excess liquidity into relatively safe investment instruments, in accordance with the Bank's risk appetite. The duration of the portfolio remains relatively short and was 3.28 years at December 31st, 2020 compared to 2.92 years at December 31st, 2019, while the portfolio average return declined from 4.86% at the end of 2019 to 4.62% at the end of 2020. Given the market volatility which persisted in 2020, significant emphasis was placed on the Bank's portfolio with external portfolio managers with a view to managing the associated risks.

### **Deposits and Liquidity**

Customers deposits grew \$79.9M (8.8%) to \$990.3M. Customers remained cautious and COVID 19 restrictions resulted in a buildup of deposits. Given the prevailing economic environment, the domestic banking sector continues to be characterized by high levels of liquidity. The increase of \$80 million was reflected mainly in the savings category and was primarily related to deposits growth for the non- banking financial sector.

Liquidity, as measured by the liquid assets to total deposits decreased marginally from 41.9% at the end of 2019 to 39.3% as at December 31st 2020. The decrease in the liquidity was mainly due to increased cash out flows at the end of the financial year. At the onset of the pandemic, it was envisaged that the Bank's liquidity would have decreased significantly as a result of increased private and public sector spending. However, the Bank's liquidity held steady during the period.

### **Asset Quality**

At the end of December 2020, non-performing loans and advances amounted to \$44.4M (6.6%) against 6.5% of total loans and advances at the end of 2019 and provision for credit impairment increased by \$8.4M to \$11.5M. This was mainly driven by a \$101.1M increase in stage 2 impairments across the loan portfolio to \$162.9M. Credit exposures that were reported in stage 1 declined by \$0.6M while exposures in 2 and 3 impairments increased by \$12M included a net increase in management overlay of \$6.2M as the Bank proactively reserved for forward looking risks. Total provision for credit impairment of \$31.2M represents a coverage ratio of 70.4%. This compares to a coverage ratio of 48.9% in 2019 reflecting the benefit of the work done in the intervening period to secure the Bank's foundations against the impact of COVID 19 including tightening the risk management framework.

Additionally, an amount of \$0.4M was transferred to the Bank's General Provision Reserves, increasing that Reserve to \$4.9 million. Consequently, the provisions (including, the General Provisions Reserves) as a percentage of non-performing loans improved from 60.1 % in 2019 to 81.5 % in 2020.

### **Conclusion**

The length, severity and overall impact of the COVID 19 Pandemic will ultimately determine how the Bank adapts and develop its strategies. We will continue to monitor the external environment, train our staff, strengthen our internal resilience and in general, continue to implement strategic interventions which enhances the Bank's ability to remain competitive and relevant, while at the same time, responding to the needs of our customers.

**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.

There were no changes in and disagreements with Auditors on Accounting and Financial disclosure.

**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.

N/A

**14. List of Exhibits**

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

1. Appendix 1- Biographical Data Forms –Directors of the Company
2. Appendix 1a-Biographical Data Forms – Executive & Senior Officers
3. Audited Financial Statements for the year ended December 31, 2020
4. Annual Returns 2020

## APPENDIX 1 – BIOGRAPHICAL DATA FORMS

### DIRECTORS OF THE COMPANY

**Name:** Mr. Maurice Edwards

**Position:** Chairman of the Board of Directors, Member of the Audit Committee and Member of the Risk & Compliance Committee

**Age:** 61

**Mailing Address:** C/O Bank of St. Vincent and the Grenadines Ltd., Reigate, Granby Street, P.O. Box 880, Kingstown, VC0 100, St. Vincent and the Grenadines

**Telephone No:** (784) 457-1844

**List jobs held during the past five years. Give brief description of responsibilities. Include names of employers.**

- Financial Consultant – 2017 - 2020
- Director General Finance – Government of SVG – 1990 - 2017
- Present Director – St. Vincent Electricity Services
- Present Director – Ottley Hall Marina
- Present Director – Argyle International Airport
- Present Director – Agricultural Input Warehouse
- Present Director – Glossy Bay Mariana
- Present Director – Almond Tree Investment
- Former Director – National Properties Ltd.
- Former Director - Eastern Caribbean Central Bank

Give brief description of **current** responsibilities.

Chairman of the Board of Directors - The Chairperson is responsible for:

- i) Leading the Board in reviewing and discussing Board matters;
  - ii) Preside at meetings of directors and the shareholders
  - iii) Ensuring the efficient organization and conduct of the Board's function
  - iv) Facilitating effective contribution by all directors
  - v) Monitoring and reviewing directors performance
  - vi) Ensuring that directors meet separately at least once per year to consider, among other things, management's performance
- Member of the Audit Committee
  - Member of the Risk & Compliance Committee

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

BSc. Accounting – UWI - 1983  
Chartered Financial Analyst – 2016

*Use additional sheets if necessary.*

## APPENDIX 1 – BIOGRAPHICAL DATA FORMS

### DIRECTORS OF THE COMPANY

**Name:** Sir Errol Allen

**Position:** Director of the Board of Directors,  
Chairman of the Human Resources  
Committee and Member of the Credit  
Committee  
**Age: 83**

**Mailing Address:** C/O Bank of St. Vincent and the Grenadines Ltd., Reigate, Granby Street,  
P.O. Box 880, Kingstown, VC0 100, St. Vincent and the Grenadines

**Telephone No:** (784) 457-1844

**List jobs held during the past five years. Give brief description of responsibilities. Include names of employers.**

- 1983 – 2005: Former Deputy Governor of the Eastern Caribbean Central Bank
- 1996 – Present: President of the Eastern Caribbean Institute of Banking and Financial Services (ECIB)
- 2010 – 2020: Chairman of the Eastern Caribbean Securities Regulatory Commissions (ECSRC)
- 2011 – 2020: Chairman of the Turks & Caicos Island Regulatory Commissions
- 2016 – Present: Director NCB Anguilla

Give brief description of **current** responsibilities.

Director of the Board of Directors, Chairman of the Human Resources Committee and Member of Credit Committee

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

Acc. Dir – Caribbean Governance Training Institute – March 2015  
Acc. Dir – ICSA Jan 2013  
BSc. Economics – London University, UK 1967  
MSc. International Economics – University of Surrey, UK 1970

*Use additional sheets if necessary.*



## APPENDIX 1 – BIOGRAPHICAL DATA FORMS

### DIRECTORS OF THE COMPANY

**Name:** Saibrina Brewster-Dickson

**Position:** Director of the Board of Directors, Member of the Credit Committee and Member of the Human Resources Committee  
**Age:** 43

**Mailing Address:** C/O Bank of St. Vincent and the Grenadines Ltd. Reigate, Granby Street, P.O. Box 880, Kingstown, VC0 100, St. Vincent and the Grenadines

**Telephone No:** ( 784 ) 457-1844

**List jobs held during past five years. Give brief description of responsibilities. Include names of employers.**

- April 19, 2004 – Present: Chief Accountant – The Mustique Company Limited
- April 21, 2016 – Present: Director – Brewster’s Auto Supplies Ltd.
- Present –Co- owner – The Corner Store

Give brief description of **current** responsibilities.

Director of the Board of Directors  
Member of the Credit Committee  
Member of the Human Resources Committee

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

- 2004 - MBA – Heriott – Watt
- 2002 -ACCA
- 2000 - BSC Management Studies – UWI

*Use additional sheets if necessary.*

## APPENDIX 1 – BIOGRAPHICAL DATA FORMS

### DIRECTORS OF THE COMPANY

**Name:** Mrs. Judith Veira

**Position:** Director of the Board of Directors, Chairperson of the Audit Committee and Member of the Risk & Compliance Committee

**Age:** 59

**Mailing Address:** C/O Bank of St. Vincent and the Grenadines Ltd., Reigate, Granby Street, P.O. Box 880, Kingstown, VC0 100, St. Vincent and the Grenadines

**Telephone No.:** (784 ) 457-1844

**List jobs held during past five years. Give brief description of responsibilities. Include names of employers.**

- 1994 – Present – Consulting Actuary, Trinity Consulting Ltd.
- Present: Member – Caribbean Actuarial Association
- Present: Director - IM Holdings Inc.
- Present: Director – Trinity Consulting Inc

Give brief description of **current** responsibilities.

Director of the Board of Directors  
Chairperson of the Audit Committee  
Member of the Risk & Compliance Committee

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

Chartered Director (C.Dir) – Caribbean Governance Training Institute – July 2020  
BA Hons Actuarial Science – London University, UK – 1986  
Associate, Society of Actuaries - 1987  
Fellow of the Society of Actuaries – 1994

*Use additional sheets if necessary.*

## APPENDIX 1 – BIOGRAPHICAL DATA FORMS

### DIRECTORS OF THE COMPANY

**Name:** Lennox Bowman

**Position:** Director of the Board,  
Member of the Credit Committee and  
Member of the Human Resources  
Committee  
**Age: 62**

**Mailing Address:** C/O Bank of St. Vincent and the Grenadines Ltd., Reigate, Granby St. P.O.  
Box 880, Kingstown VC0 100, St. Vincent and the Grenadines  
**Telephone No:** (784 ) 457-1844

**List jobs held during past five years. Give brief description of responsibilities. Include names of employers.**

- CEO - General Employees Co-operative Credit Union Ltd. – 1994 – present
- Chairman – National Insurance Services – April 2001- present
- Local Director - B2B Ltd. – 2012 – present
- Director – Centre for Enterprise Development (CED) – Jan 2019 – Present

Give brief description of **current** responsibilities.

Director of the Board of Directors  
Member of the Credit Committee  
Member of the Human Resources Committee

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

MAAT- Association of Accounting Technicians UK - 1989  
ACIB - Chartered Institute of Bankers UK – 1994

*Use additional sheets if necessary.*

## APPENDIX 1 – BIOGRAPHICAL DATA FORMS

### DIRECTORS OF THE COMPANY

**Name:** Dr. Timothy Providence

**Position:** Director of the Board of Directors, Chairman of the Credit Committee and Member of the Human Resources Committee  
**Age:** 70

**Mailing Address:** C/O Bank of St. Vincent and the Grenadines Ltd., Reigate, Granby Street, P.O. Box 880, Kingstown, VC0 100, St. Vincent and the Grenadines

**Telephone No:** (784 ) 457-1844

**List jobs held during past five years. Give brief description of responsibilities. Include names of employers.**

Current Director for the following Companies:

- Irie Investments Ltd.
- Caribbean Reference Laboratory Ltd
- Victoria Medical Centre Inc.

Give brief description of **current** responsibilities.

Director of the Board of Directors  
Chairman of the Credit Committee  
Member of the Human Resources Committee

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

- Chartered Director (C.Dir) – Caribbean Governance Training Institute – July 2020
- MBBS (UWI) 1974
- MRCOG (LON) 1981
- FRCOG (LON) 1998

*Use additional sheets if necessary.*

## APPENDIX 1 – BIOGRAPHICAL DATA FORMS

### DIRECTORS OF THE COMPANY

**Name:** Omar Davis

**Position:** Director of the Board of Directors and Member of the Audit Committee

**Age:** 69

**Mailing Address:** C/O East Caribbean Financial Holding Company Ltd., P.O. Box 1860, Bridge Street, Castries, St. Lucia

**Telephone No:** 758-456-6000

**List jobs held during past five years. Give brief description of responsibilities. Include names of employers.**

- Financial Consultant / Chartered Certified Accountant
- Current: Director – OL Davis & Co
- Current: Director – O.T.N Ltd.
- Current: Director – OMS Ltd.
- Current: Director – ODEL Inc
- Current: Director – Adroit Global Solutions
- Current: Director – East Caribbean Financial Holding Company Limited
- Current Director – Caribbean Youth Fest Limited
- Current Director – Caribbean Life Limited
- Current Director – Windward Islands Crop Insurance (1988) Limited

Give brief description of **current** responsibilities.

Director of the Board of Directors  
Member of the Audit Committee

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

Chartered Director (C.Dir) – Caribbean Governance Training Institute – July 2020

Accredited Director and Member –ICSA - January 2013

Chartered Accountant – Fellow of the Association of Chartered Certified Accountants 1975

*Use additional sheets if necessary.*

## APPENDIX 1 – BIOGRAPHICAL DATA FORMS

### DIRECTORS OF THE COMPANY

**Name:** Mr. Lennox Timm

**Position:** Director of the Board of Directors,  
Chairman of the Risk & Compliance  
Committee and Member of the Audit  
Committee

**Age:** 60

**Mailing Address:** C/O Bank of St. Vincent and the Grenadines Ltd. Reigate, Granby Street,  
P.O. Box 880, Kingstown, VC0 100, St. Vincent and the Grenadines

**Telephone No:** 784-457-1844

**List jobs held during past five years. Give brief description of responsibilities. Include names of employers.**

- 1993 – Present – Financial Comptroller – National Insurance Services St. Vincent and the Grenadines
- Past Director – National Development Foundation SVG
- Past Director - Carnival Development Corporation SVG
- Past Director – East Caribbean Financial Holding Company Limited

Give brief description of **current** responsibilities.

Director of the Board of Directors  
Chairman of the Risk & Compliance Committee  
Member of the Audit Committee

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

- 1995 – 1997 – Professional Degree in Accounting – Emille Wolf College of Accountancy UK
- 1997 - Chartered Certified Accountant (FCCA)
- Member of the Association of Accounting Technicians (MAAT)
- 2019 – Chartered Business Valuator (CBV) – Canadian Institute of Business Valuators
- 2019 – MSc. International Banking & Finance – University of Salford, Manchester, UK

*Use additional sheets if necessary.*

## APPENDIX 1 – BIOGRAPHICAL DATA FORMS

### DIRECTORS OF THE COMPANY

**Name:** Medford Francis

**Position:** Director of the Board of Directors,  
Member of the Risk & Compliance Committee  
**Age: 48**

**Mailing Address:** C/O East Caribbean Financial Holding Company Ltd., P.O. Box 1860, Bridge Street, Castries, St. Lucia

**Telephone No:** 758-456-6000

**List jobs held during past five years. Give brief description of responsibilities. Include names of employers.**

- Feb 2019 – Present – Deputy Managing Director, Lending & Investments, Bank of St. Lucia Limited
- June 2015 – Jan 2019 – Senior Manager, Investment Banking Services, Bank of St. Lucia Limited
- April 2014 – June 2015 – Group Investment Manager, East Caribbean Financial Holding Company Limited

Give brief description of **current** responsibilities.

Director of the Board of Directors  
Member of the Risk & Compliance Committee

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

- 1999 – BSc. Economics – University of the West Indies
- 2006 - MSc. Financial Management – University of London

**APPENDIX 1(a) – BIOGRAPHICAL DATA FORMS**

**EXECUTIVE OFFICERS AND OTHER KEY PERSONNEL OF THE COMPANY**

Name: Derry Williams

Position: Managing Director

Age: 50

Mailing Address: **Reigate, P.O. Box 880, Kingstown, VC0 100, St. Vincent and the Grenadines**

Telephone No.: **(784 ) 457-1844 ext.111**

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

**May 2018 – Present – Managing Director, BOSVG**

**May 2016 – March 2018 – Country Manager/Managing Director, BOSL/ECFH**

**April 2011 – April 2016 – Managing Director, BOSVG**

Give brief description of **current** responsibilities.

The Managing Director has overall oversight of the strategic and operational functions of the Bank. Leads strategy formulation and execution for sustainable business growth, financial performance and creation of competitive advantage.

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

2002 – MBA Finance – University of Leicester, UK

1998 – Institute of Canadian Bankers

Also a Director of the company [ ] Yes [ x ] No

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

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*Use additional sheets if necessary.*



**APPENDIX 1(a) – BIOGRAPHICAL DATA FORMS**

**EXECUTIVE OFFICERS AND OTHER KEY PERSONNEL OF THE COMPANY**

Name: Bennie Stapleton

Position: Deputy Managing Director

Age: 48

Mailing Address: **Reigate, P.O. Box 880 , Kingstown, VC0 100, St. Vincent and the Grenadines**

Telephone No.: **(784 ) 457-1844 ext.182**

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

**January 2020 – Present      Deputy Managing Director**

**September 2009– Dec 2019      Chief Financial Officer (CFO)**

Give brief description of **current** responsibilities.

The Deputy Managing Director is a deputy of the Managing Director, and contributes to the Bank's strategic planning and directs the execution of the Bank's financial strategy. The role has direct oversight of all Banking Operations, Finance, Recoveries, and Information Technology Services functions of the Bank. The Deputy Managing Director plays an integral role in the development and execution of strategy, providing effective and inspiring leadership while managing the banks growth strategy, driving the implementation of innovative retail technology to enhance the overall customer and employee experience.

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

2010 – Certificate in Executive Management, Columbia Business Graduate School of Business

June 2008 – Certified Internal Auditor, the Institute of Internal Auditors NY

2002 - ACCA

1994 – 1997 – UWI Cave Hill Campus, BSc. Accounting

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:

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*Use additional sheets if necessary.*

**APPENDIX 1(a) – BIOGRAPHICAL DATA FORMS**

**EXECUTIVE OFFICERS AND OTHER KEY PERSONNEL OF THE COMPANY**

Name: Nandi Williams Morgan

Position: Senior Manager Legal & Corporate

Services/Corporate Secretary

Age: 46

Mailing Address: **Reigate, P.O. Box 880 , Kingstown, VC0 100, St. Vincent and the Grenadines**

Telephone No.: **(784 ) 457-1844 ext.125**

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

**Jan 2020 - Present - Senior Manager Legal & Corporate Services / Corporate Secretary) (Note – Position Change Jan 2020)**

**December 2004 – Dec 2019 - Corporate Secretary**

Give brief description of **current** responsibilities.

Responsible for ensuring the integrity of the governance framework, and the efficient administration of the Bank in compliance with statutory and regulatory requirements, and implementing decisions made by the Board of Directors. The Officer will also have responsibility for the legal portfolio of the organization and will serve as Corporate Secretary on the Board.

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

March 2021	Caribbean Governance Training Institute – Chartered Corporate Secretary (CCSec.)
Jan 2011 – Sept 2011	BPP Law School, UK – Graduate Diploma in Law (GDL)
2003 – 2004	Brunel University, UK - LLM International Trade Law
2001	ECSRC Exam Certificate
June 2001	ECSE System Certificate
1995 – 1998	UWI, Cave Hill, BSc. Economic with Law

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:

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*Use additional sheets if necessary.*

**APPENDIX 1(a) – BIOGRAPHICAL DATA FORMS**

**EXECUTIVE OFFICERS AND OTHER KEY PERSONNEL OF THE COMPANY**

Name: Cerlian Russell

Position: Senior Manager Retail

Age: 49

Mailing Address: **Reigate, P.O. Box 880 , Kingstown, VC0 100, St. Vincent and the Grenadines**

Telephone No.: **(784 ) 457-1844 ext.108**

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

<b>January 2020 – Present</b>	<b>Senior Manager Retail (Name Change)</b>
<b>March 2010 – December 2019</b>	<b>Senior Manager Business and Operations</b>

Give brief description of **current** responsibilities.

Responsibilities include the following among others:

The Senior Manager Retail contributes to the Bank's strategic planning and directs the execution of the Bank's operations strategy: leads and directs the operations of Bank of Saint Vincent and the Grenadines, sets goals, policies and procedures to meet and/or surpass the Bank's objectives for shareholder return, customer service and public expectations.

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

2017 - Anti-Money Laundering Certified Associate (AMLCA) – Florida International Bankers Association (FIBA) Inc.

2007 – Masters in Business Administration – UWI

Sept 2005 - Diploma in Management – UWI

Oct 2004 - Certified Residential Underwriter – Real Estate Institute of Canada

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.*

**APPENDIX 1(a) – BIOGRAPHICAL DATA FORMS**

**EXECUTIVE OFFICERS AND OTHER KEY PERSONNEL OF THE COMPANY**

Name: Monifa Latham

Position: Senior Manager Lending (Ag.)

Age: 40

Mailing Address: **Reigate, P.O. Box 880 , Kingstown, VC0 100, St. Vincent and the Grenadines**

Telephone No.: **(784 ) 457-1844 ext.118**

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

<b>January 2020 – Present</b>	<b>Senior Manager Lending</b>
<b>April 2019 – Nov 2019</b>	<b>Officer-in-charge Credit</b>
<b>July 2018 – Mar 2019</b>	<b>Manager, Business &amp; Operations (Ag.)</b>
<b>Oct 2015 – July 2018</b>	<b>Treasury &amp; Investments/Assigned to Credit</b>

Give brief description of **current** responsibilities.

The Senior Manager Lending is responsible for overall loan operations management and oversight of the mortgage, consumer, leasing and commercial loans operations staff. This includes processing, servicing, accounting, reporting functions, and customer service. This role will design and administer systems, processes and procedures to ensure accurate and timely processing, leads, training, and supervision of the lending staff; facilitating the achievement of organizational goals. They will communicate with bank department managers/officers to promote efficient and correct work flow, establish positive working relationships across the organization.

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

- Sept 2019 – Certificate High Impact Leadership – Columbia Business School
- July 2007 – BSc. Economics (Special) – UWI

Also a Director of the company      [ ] Yes      [ x ] No

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

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*Use additional sheets if necessary.*

**APPENDIX 1(a) – BIOGRAPHICAL DATA FORMS**

**EXECUTIVE OFFICERS AND OTHER KEY PERSONNEL OF THE COMPANY**

Name: La Fleur Hall

Position: Senior Manager Risk & Compliance (Ag)

Age: 48

Mailing Address: **Reigate, P.O. Box 880 , Kingstown, VC0 100, St. Vincent and the Grenadines**

Telephone No.: **(784 ) 457-1844 ext.181**

---

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

**January 2020 – Present                      Senior Manager Risk & Compliance (Ag.)**  
**February 2011 – December 2019      Manager Risk & Compliance**

Give brief description of **current** responsibilities.

The Senior Manager Risk and Compliance is responsible for the implementation of all aspects of the risk and compliance function; including implementation of processes, tools and systems to identify, assess, measure, manage, monitor and report BOSVG’s existing and emerging risks to the Board of Directors.

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

2010 – Certified Anti Money Laundering Specialist – Accreditation Association of Certified Anti-Money Laundering Specialist

2010 – MSc. Audit Management and Consultancy – Birmingham City University

2008 – Anti Money Laundering Certified Associate – Florida International Banker’s Association

2007 - Certified Forensic Financial Analyst

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.*

**APPENDIX 1(a) – BIOGRAPHICAL DATA FORMS**

**EXECUTIVE OFFICERS AND OTHER KEY PERSONNEL OF THE COMPANY**

Name: Celestine Jackson

Position: Senior Manager Finance

Age: 44

Mailing Address: **Reigate, P.O. Box 880 , Kingstown, VC0 100, St. Vincent and the Grenadines**

Telephone No.: **(784 ) 457-1844 ext. 145**

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

<b>Jan 2020 – Present</b>	<b>Senior Manager Finance (Position change)</b>
<b>Sept 2010 - Dec 2019</b>	<b>Senior Accountant</b>

Give brief description of **current** responsibilities.

The Senior Finance Manager is responsible for providing support to the Deputy Managing Director/Chief Financial Officer, in the maintenance of proper financial accounting systems, preparation and analysis of financial reports and the provision of guidance and support on accounting related matters.

The incumbent will assist the Deputy Managing Director with finance and accounting policy formulation, treasury management, and the administration of the accounts receivable

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

- August 2020 – FCCA Chartered Accountant - Association of Chartered Certified Accountants
- April 2019 - MSc/MA Finance and Investment – London School of Business and Finance
- November 2017 – Diploma in Forensic Accounting – Brentwood College, UK
- Sept 2015 – BSc. (Hon) in Applied Accounting – Association of Chartered Certified Accountants
- Aug 2015 - ACCA Chartered Accountant – Association of Chartered Certified Accountants
- Sept 2011 – Certified Accounting Technician – Association of Chartered Certified Accountants

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.***

**APPENDIX 1(a) – BIOGRAPHICAL DATA FORMS**

**EXECUTIVE OFFICERS AND OTHER KEY PERSONNEL OF THE COMPANY**

Name: Nicole Fernandez

Position: Senior Manager Information Technology

Age: 49

Mailing Address: **Reigate, P.O. Box 880 , Kingstown, VC0 100, St. Vincent and the Grenadines**

Telephone No.: **(784 ) 457-1844 ext.104**

---

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

<b>January 2020 – Present</b>	<b>Senior Manager Risk &amp; Compliance (Ag.)</b>
<b>February 2011 – December 2019</b>	<b>Manager Risk &amp; Compliance</b>

Give brief description of **current** responsibilities.

The Senior Manager, IMTS contributes to the Bank’s strategic planning and directs the execution of its IMTS strategy. The role leads and manages the Bank’s information technology environment including procurement, management, and monitoring of hardware, software, networking, security, posture, and IT teams; providing expertise, support, and advice to stakeholders regarding technological issues.

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

- Sept 2019 – Certificate High Impact Leadership – Columbia Business School
- June 2019 – Cybersecurity Certificate – Financial Intelligence Unit -SVG
- May 2009 - Executive Diploma – IT Management – University of the West Indies

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.*

**APPENDIX 1(a) – BIOGRAPHICAL DATA FORMS**

**EXECUTIVE OFFICERS AND OTHER KEY PERSONNEL OF THE COMPANY**

Name: Lisa Sheen-Henry

Position: Senior Manager Human Resources (Ag)

Age: 43

Mailing Address: **Reigate, P.O. Box 880, Kingstown, VC0 100, St. Vincent and the Grenadines**

Telephone No.: **(784 ) 457-1844 ext.181**

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

**Jan 2020 – Present Senior Manager HR (Ag.)**

**Dec 2013 – Dec 2019 Senior HR Officer**

Give brief description of **current** responsibilities.

The Senior Manager Human Resources contributes to the Bank's strategic planning and directs the execution of the Bank's human resource management strategy. The role leads and manages the human resource function towards supporting the values, goals, and mission of the Bank. The role facilitates the achievement of the Bank's goals by providing HR expertise, support, and advice to stakeholders regarding human resource issues that affect general institutional planning and administration.

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

- July 2016 - Certificate Building Your Leadership Foundation –Columbia University Graduate School of Business
- July 2015 – Diploma in Counselling – Blackford Center for Counselling
- Feb 2007 - BSc. In Accounting (Special) – University of the West Indies
- June 2002 – Certificate in Business Administration – University of the West Indies

Also a Director of the company      [ ] Yes      [ x ] No

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

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*Use additional sheets if necessary.*



**BANK OF ST. VINCENT & THE GRENADINES LTD**  
**SUMMARY CONSOLIDATED FINANCIAL STATEMENTS**



**31 December 2020**  
 (expressed in Eastern Caribbean dollars)

**REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS**

To the Shareholders of Bank of St. Vincent and the Grenadines Ltd

**Opinion**

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at 31 December 2020, the summary consolidated statement of income, summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Bank of St. Vincent and the Grenadines Ltd. (Parent) and its subsidiary ("the Group") for the year ended 31 December 2020.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, on the basis described in Note 1.

**Summary Consolidated Financial Statements**

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards ("IFRSs"), Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon. The audited consolidated financial statements and the summary consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

**The Audited Consolidated Financial Statements and Our Report Thereon**

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 28 May 2021. That report also includes the communication of key audit matters. Key audit matters are those matters that in our professional judgment were of most significance in our audit of the financial statements for the current period.

**Management's Responsibility for the Summary Consolidated Financial Statements** Management is responsible for the preparation of the summary consolidated financial statements on the basis of their established criteria as described in Note 1.

**Auditor's Responsibility**

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

*KPMG*

Chartered Accountants  
 St. Vincent and the Grenadines  
 28 May 2021

**Summary Consolidated Statement of Financial Position**  
 As at 31 December 2020

	2020	2019
	\$	\$
<b>Assets</b>		
Cash and balances with Eastern Caribbean Central Bank and due from banks	368,895,706	361,427,626
Treasury bills	9,998,875	10,261,848
Loans and advances to customers	641,064,848	603,116,302
Investment securities	124,226,929	84,840,588
Other assets	70,396,944	66,961,638
<b>Total assets</b>	<b>1,214,583,302</b>	<b>1,126,608,002</b>
<b>Liabilities</b>		
Customers' deposits and other borrowed funds	1,039,786,392	963,171,930
Provisions and other liabilities	41,018,322	38,062,885
<b>Total liabilities</b>	<b>1,080,804,714</b>	<b>1,001,234,815</b>
<b>Equity</b>		
Issued capital and reserves	58,206,295	46,007,853
Retained earnings	75,572,293	79,365,334
<b>Total equity</b>	<b>133,778,588</b>	<b>125,373,187</b>
<b>Total liabilities and equity</b>	<b>1,214,583,302</b>	<b>1,126,608,002</b>

Approved by the Board of Directors on 28 May 2021

*M. Edwards*  
 Director

*Justin O'Connell*  
 Director

**Summary Consolidated Statement of Income**  
 For the year ended 31 December 2020

	2020	2019
	\$	\$
<b>Net interest income</b>	<b>36,850,106</b>	<b>37,468,999</b>
<b>Other operating income</b>	<b>16,817,532</b>	<b>18,026,009</b>
<b>Net interest and other income</b>	<b>53,667,638</b>	<b>55,495,008</b>
<b>Operating expenses</b>	<b>(35,762,395)</b>	<b>(36,037,821)</b>
<b>Impairment losses on property and equipment</b>	<b>-</b>	<b>(214,506)</b>
<b>Allowances for credit losses on financial assets</b>	<b>(11,513,269)</b>	<b>(3,077,041)</b>
<b>Profit before income tax</b>	<b>6,391,974</b>	<b>16,165,640</b>
<b>Income tax expense</b>	<b>(2,744,494)</b>	<b>(2,072,159)</b>
<b>Profit for the year</b>	<b>3,647,480</b>	<b>14,093,481</b>
<b>Earnings per share</b>	<b>0.24</b>	<b>0.94</b>

**Summary Consolidated Statement of Comprehensive Income**  
 For the year ended 31 December 2020

	2020	2019
	\$	\$
<b>Profit for the year</b>	<b>3,647,480</b>	<b>14,093,481</b>
<b>Other comprehensive income that will be reclassified to the income statement (net of tax):</b>		
<b>Net change in fair value of equity instruments measured at FVOCI</b>	<b>11,747,167</b>	<b>-</b>
<b>Net change in fair value of debt instruments measured at FVOCI</b>	<b>86,527</b>	<b>53,925</b>
<b>Other comprehensive income for the year, net of tax</b>	<b>11,833,694</b>	<b>53,925</b>
<b>Total comprehensive income for the year</b>	<b>15,481,174</b>	<b>14,147,406</b>

**Summary Consolidated Statement of Changes in Equity**  
 For the year ended 31 December 2020

	Share Capital	Statutory Reserves	General Provision Reserves	Unrealised loss/(gain) on investments	Retained Earnings	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 January 2019	20,753,306	20,753,306	3,133,354	(95,386)	73,131,134	117,675,714
Total comprehensive income	-	-	-	53,925	14,093,481	14,147,406
Transfer to general provision reserves	-	-	1,409,348	-	(1,409,348)	-
Dividend paid	-	-	-	-	(6,449,933)	(6,449,933)
Balance at 31 December 2019	20,753,306	20,753,306	4,542,702	(41,461)	79,365,334	125,373,187
Balance at 1 January 2020	20,753,306	20,753,306	4,542,702	(41,461)	79,365,334	125,373,187
Total comprehensive income	-	-	-	11,833,694	3,647,480	15,481,174
Transfer to general provision reserves	-	-	364,748	-	(364,748)	-
Net impact of adopting IFRS 9 in Subsidiary	-	-	-	-	(25,846)	(25,846)
Dividend paid	-	-	-	-	(7,049,927)	(7,049,927)
Balance at 31 December 2020	20,753,306	20,753,306	4,907,450	11,792,233	75,572,293	133,778,588

**Summary Consolidated Statement of Cash Flows**  
 For the year ended 31 December 2020

	2020	2019
	\$	\$
<b>Net cash from operating activities</b>	<b>46,469,317</b>	<b>138,636,363</b>
<b>Net cash (used in) from investing activities</b>	<b>(39,887,287)</b>	<b>21,573,568</b>
<b>Net cash used in financing activities</b>	<b>(12,350,186)</b>	<b>(11,131,073)</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(5,768,156)</b>	<b>149,078,858</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>314,994,279</b>	<b>165,915,421</b>
<b>Cash and cash equivalents at end of year</b>	<b>309,226,123</b>	<b>314,994,279</b>

**Note 1**

These Summary consolidated financial statements are prepared in accordance with the criteria developed by management. Under management's established criteria, management discloses the summary consolidated statement of financial position, summary consolidated statement of income, summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows. These summaries of consolidated financial statements are derived from the audited consolidated financial statements of Bank of St. Vincent and the Grenadines Ltd. for the year ended 31 December 2020, which are prepared in accordance with International Financial Reporting Standards (IFRSs).

These Summary consolidated financial statements have been prepared in accordance with the accounting policies set out in "Note 2 of the 31 December 2020 audited consolidated financial statements. New Accounting Standards or interpretations which became effective in this financial year have had no material impact on the Group. The areas of critical accounting estimates and judgments as disclosed in "Note 4" of the 31 December 2020 audited consolidated financial statements, have also remained unchanged.