



Summary Financial Statements 2016

October 31, 2016 (expressed in Eastern Caribbean Dollars) continued

Summary statement of cash flows

	Year ended October 31, 2016 \$	Year ended October 31, 2015 \$
Operating activities		
Loss before taxation	(466,596)	(637,626)
Adjustments for:		
Impairment losses on loans and advances	115,524	12,608
Depreciation and amortisation of assets	70,326	119,216
Loss on disposal of premises and equipment	2,989	-
Interest income - loans and advances	(441,225)	(552,888)
Interest income - investments	(687,253)	(992,883)
Interest expense	<u>1,551,088</u>	<u>2,000,991</u>
	144,852	(50,582)
(Increase)/decrease in operating assets:		
Balances with central bank	(726,325)	(489,000)
Loans and advances to customers	586,379	1,601,194
Due from associated and affiliated companies	(5,540,603)	7,039,026
Other assets	367,445	(639,599)
Increase/(decrease) in operating liabilities:		
Due to banks	(1,807,358)	1,740,682
Customers' deposits	(896,633)	7,691,891
Due to associated and affiliated companies	2,939,061	7,858,425
Other liabilities	<u>(677,424)</u>	<u>507,204</u>
	(5,610,605)	25,259,241
Interest income received – loans and advances	440,573	557,840
Interest paid	(1,552,900)	(1,775,140)
Corporation taxes paid	-	(34,792)
Cash (used in)/provided by operating activities	(6,722,932)	24,007,149
Investing activities		
Investment income received (Securities)	687,253	762,088
Additions to premises and equipment	<u>(98,784)</u>	<u>(170,281)</u>
Net cash provided by investing activities	588,469	591,807
Financing activities		
Amounts remitted to Head Office	<u>571,325</u>	<u>718,206</u>
Net cash provided by financing activities	571,325	718,206
Net (decrease)/increase in cash and cash equivalents	(5,563,138)	25,317,162
Cash and cash equivalents – beginning of year	<u>96,633,313</u>	<u>71,316,151</u>
Cash and cash equivalents – end of year	<u>91,070,175</u>	<u>96,633,313</u>

Incorporation and business activities

Royal Bank of Canada Montserrat Branch Operations ("The Bank" or "RBC") whose principal place of business of its Head Office is 200 Bay Street, Toronto, Ontario, Canada, is a chartered bank operating under the Bank Act of Canada and is registered in Montserrat as an external company under the Montserrat Companies Act, with its principal place of business as, Brades, Montserrat.

The Bank is licensed as a foreign bank under the Banking Act ("the Act") which governs the operations of financial institutions in Montserrat and regulated by the Eastern Caribbean Central Bank.

The principal activities in Montserrat are retail banking and related operations.