

THE BANK OF NOVA SCOTIA - BARBADOS BRANCHES 2015 SUMMARY FINANCIAL STATEMENTS



Summary Statement of Financial Position

As at October 31, 2015

(expressed in thousands of Barbados dollars)

	2015	2014
Assets	\$	\$
Cash and balances with Central Bank	359,567	235,509
Due from banks	338,188	259,721
Other assets	678	5,744
Investment securities	218,068	233,587
Loans and advances to customers	1,700,708	1,733,391
Property, plant and equipment	43,417	42,426
Total Assets	2,660,626	2,510,378
Liabilities		
Customer deposits	1,858,067	1,673,668
Due to banks	204,764	241,814
Other liabilities	34,211	29,096
Taxation payable	12,328	10,333
Deferred taxation liability	231	1,049
Total Liabilities	2,109,601	1,955,960
Head Office Account		
Assigned capital	4,000	4,000
Due to Head Office	209,426	255,909
Reserves	18,809	15,509
Retained earnings	318,790	279,000
Total Head Office Account	551,025	554,418
Total Liabilities and Head Office Account	2,660,626	2,510,378

Approved on February 25, 2016 by

David Noel
Managing Director, Caribbean East

Kiyomi Daniel
Finance Director, Caribbean East

Summary Statement of Changes in Head Office Account

For the year ended October 31, 2015

(expressed in thousands of Barbados dollars)

	Assigned capital	Reserves	Due to Head Office	Retained earnings	Total
Balance – October 31, 2013	4,000	15,509	373,970	241,851	635,330
Net profit for the year	-	-	-	37,149	37,149
Net advances to Head Office	-	-	(118,061)	-	(118,061)
Balance – October 31, 2014	4,000	15,509	255,909	279,000	554,418
Net profit for the year	-	-	-	39,790	39,790
Property revaluation surplus	-	3,300	-	-	3,300
Net advances to Head Office	-	-	(46,483)	-	(46,483)
Balance – October 31, 2015	4,000	18,809	209,426	318,790	551,025

REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARY FINANCIAL STATEMENTS

To the Managing Director of
The Bank of Nova Scotia - Barbados Branches

The accompanying summary financial statements, which comprise the summary statement of financial position as at October 31, 2015 and the summary statements of profit or loss and other comprehensive income, changes in Head Office Account and cash flows for the year then ended, are derived from the audited financial statements of The Bank of Nova Scotia - Barbados Branches for the year ended October 31, 2015. We expressed an unmodified audit opinion on those financial statements in our report dated February 25, 2016.

The summary financial statements do not contain all the disclosures required by the basis of accounting applied in the preparation of the audited financial statements of The Bank of Nova Scotia - Barbados Branches. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of The Bank of Nova Scotia - Barbados Branches.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements in accordance with the basis of accounting applied in the preparation of the audited financial statements.

Auditors' Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements."

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of The Bank of Nova Scotia - Barbados Branches for the year ended October 31, 2015 are consistent, in all material respects, with those financial statements in accordance with the basis of accounting applied in the preparation of the audited financial statements.

Chartered Accountants
Bridgetown, Barbados
February 25, 2016

Summary Statement of Cash Flows

For the year ended October 31, 2015

(expressed in thousands of Barbados dollars)

	2015	2014
	\$	\$
Cash flows from operating activities		
Profit before taxation	51,495	47,849
Provision for credit losses	18,990	19,429
Depreciation	3,219	3,051
Gain on disposal of securities	(40)	-
Loss on disposal of fixed assets	128	142
Interest income	(143,116)	(144,812)
Interest expense	21,307	28,265
	(48,017)	(46,076)
Changes in operating assets and liabilities		
Decrease in loans, net	14,085	141,389
Decrease/(increase) in other assets	809	(2,347)
Increase in other liabilities	5,117	2,909
Increase in deposits	184,820	6,043
Cash from operations	156,814	101,918
Corporation tax paid	(10,528)	(11,529)
Interest received	142,442	146,287
Interest paid	(21,728)	(29,298)
Net cash from operating activities	267,000	207,378
Cash flows from investing activities		
Proceeds on sale of securities, net	15,840	24,026
Purchase of property, plant and equipment	(1,168)	(3,638)
Proceeds on disposal of property, plant and equipment	129	3
Net cash from investing activities	14,801	20,391
Cash flows from financing activities		
Net financing to Head Office	(46,483)	(118,061)
Net cash used in financing activities	(46,483)	(118,061)
Net increase in cash for year	235,318	109,708
Cash and cash equivalents – beginning of year	172,307	62,599
Cash and cash equivalents – end of year	407,625	172,307
Cash and cash equivalents comprise:		
Cash and balances with Central Bank	359,567	235,509
Due from banks	338,188	259,721
Due to banks	(204,764)	(241,814)
	492,991	253,416
Mandatory reserve deposits with Central Bank	(85,366)	(81,109)
	407,625	172,307

SCOTIABANK BOARD OF DIRECTORS

Thomas C. O'Neill	Brian Johnston Porter
Nancy Ashleigh Everett	Charles Harry Dallara
Paul David Sobey	Guillermo E. Babatz
Ronald Alvin Brennehan	Nora Anne Aufreiter
Barbara Susan Thomas	William Robert Fatt
Indira V. Samarasekera	Richard Tiffany Macklem
Susan L. Segal	Eduardo Pacheco Cortes
Aaron William Regent	

Summary Statement of Profit or Loss and Other Comprehensive Income

For the year ended October 31, 2015

(expressed in thousands of Barbados dollars)

	2015	2014
	\$	\$
Interest income	143,116	144,812
Interest expense	21,307	28,265
Net interest income	121,809	116,547
Non-interest income	55,264	54,194
Total Revenue	177,073	170,741
Non-interest expenses	106,588	103,463
Provision for credit losses	18,990	19,429
Total Expenses	125,578	122,892
Profit before taxation	51,495	47,849
Taxation	11,705	10,700
Net profit for the year	39,790	37,149
Other comprehensive income:		
Net change in unrealised property revaluation surplus	3,300	-
Net profit and other comprehensive income for the year	43,090	37,149

THE BANK OF NOVA SCOTIA

BROAD STREET, ROCKLEY, WILDEY, WARRENS, HOLETOWN, HAGGATT HALL

THE ABOVE INFORMATION IS AN EXTRACT FROM THE FULL FINANCIAL STATEMENTS WITHIN THE MEANING OF SECTION 45 OF THE FINANCIAL INSTITUTIONS ACT, 1996.