

THE BANK OF NOVA SCOTIA - BARBADOS BRANCHES 2016 SUMMARY FINANCIAL STATEMENTS



Summary Statement of Financial Position As at October 31, 2016

(expressed in thousands of Barbados dollars)

	2016 \$	2015 \$
Assets		
Cash and balances with Central Bank	499,827	359,567
Due from banks	161,870	338,188
Other assets	5,998	678
Investment securities	194,374	218,068
Loans and advances to customers	1,723,259	1,700,708
Property, plant and equipment	39,941	43,417
Assets held for sale	1,635	-
Total Assets	2,626,904	2,660,626
Liabilities		
Customer deposits	1,827,777	1,858,067
Due to banks	96,185	204,764
Other liabilities	49,569	34,211
Taxation payable	19,517	12,328
Deferred taxation liability	970	231
Total Liabilities	1,994,018	2,109,601
Head Office Account		
Assigned capital	4,000	4,000
Due to Head Office	243,490	209,426
Reserves	18,809	18,809
Retained earnings	366,587	318,790
Total Head Office Account	632,886	551,025
Total Liabilities and Head Office Account	2,626,904	2,660,626

Approved on February 22, 2017 by

Claire Jordan
Director Retail Banking, Caribbean East

Colleen Cyrus
Director Finance, Caribbean East

Summary Statement of Changes in Head Office Account For the year ended October 31, 2016

(expressed in thousands of Barbados dollars)

	Assigned capital \$	Reserves \$	Due to Head Office \$	Retained earnings \$	Total \$
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
Net profit for the year	-	-	-	58,797	58,797
Net advances to Head Office	-	-	34,064	-	34,064
Profits remitted to Head Office	-	-	-	(11,000)	(11,000)
Balance – October 31, 2016	4,000	18,809	243,490	366,587	632,886

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, 2016 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, 2016. We expressed an unmodified audit opinion on those financial statements in our report dated February 22, 2017.

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, 2016 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 22, 2017

Summary Statement of Cash Flows For the year ended October 31, 2016

(expressed in thousands of Barbados dollars)

	2016 \$	2015 \$
Cash flows from operating activities		
Profit before taxation	77,376	51,495
Provision for credit losses	6,060	18,990
Depreciation	3,028	3,219
Gain on disposal of securities	-	(40)
Loss on disposal of fixed assets	1	128
Interest income	(140,489)	(143,116)
Interest expense	7,645	21,307
	(46,379)	(48,017)
Changes in operating assets and liabilities		
(Increase) decrease in loans, net	(28,119)	14,085
(Increase) decrease in other assets	(5,320)	5,066
Increase in mandatory reserves at Central Bank	(4,034)	(4,257)
Increase in other liabilities	15,358	5,117
(Decrease) increase in customer deposits	(29,602)	184,820
Cash (used in) from operations	(98,096)	156,814
Corporation tax paid	(10,651)	(10,528)
Interest received	139,996	142,442
Interest paid	(8,332)	(21,728)
Net cash from operating activities	22,917	267,000
Cash flows from investing activities		
Proceeds on maturity of investment securities, net	23,694	15,840
Purchase of property, plant and equipment	(1,224)	(1,168)
Proceeds on disposal of property, plant and equipment	36	129
Net cash from investing activities	22,506	14,801
Cash flows from financing activities		
Net financing from Head Office	34,064	(46,483)
Profits remitted to Head Office	(11,000)	-
Net cash from (used in) financing activities	23,064	(46,483)
Net increase in cash for year	68,487	235,318
Cash and cash equivalents – beginning of year	407,625	172,307
Cash and cash equivalents – end of year	476,112	407,625
Cash and cash equivalents comprise:		
Cash and balances with Central Bank	499,827	359,567
Due from other banks	161,870	338,188
Due to other banks	(96,185)	(204,764)
	565,512	492,991
Mandatory reserve deposits with Central Bank	(89,400)	(85,366)
	476,112	407,625

SCOTIABANK BOARD OF DIRECTORS

Nora Anne Aufreiter	Thomas Charles O'Neill
Guillermo Enrique Babatz	Eduardo Pacheco Cortes
Scott Wayne Barclay Bonham	Brian Johnston Porter
Ronald Alvin Brennehan	Una Marie Power
Charles Harry Dallara	Aaron William Regent
William Richard. Fatt	Indira Vasanti Samarasekera
Richard Tiffany (Tiff) Macklem	Susan Louise Segal
Paul David Sobey	Barbara Susan Thomas
Lawren Scott Thomson	

Summary Statement of Profit or Loss and Other Comprehensive Income For the year ended October 31, 2016

(expressed in thousands of Barbados dollars)

	2016 \$	2015 \$
Interest income	140,489	143,116
Interest expense	7,645	21,307
Net interest income	132,844	121,809
Non-interest income	59,264	55,264
Total Revenue	192,108	177,073
Non-interest expenses	108,672	106,588
Provisions for credit losses	6,060	18,990
Total Expenses	114,732	125,578
Profit before taxation	77,376	51,495
Taxation	18,579	11,705
Net profit for the year	58,797	39,790
Other comprehensive income:		
Net change in unrealised property revaluation surplus	-	3,300
Net profit and other comprehensive income for the year	58,797	43,090

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.

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