

Bank of Saint Lucia International Limited

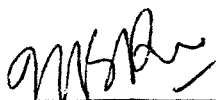
Balance Sheet

As at December 31, 2005

(expressed in United States dollars)

	2005 \$	2004 \$
Assets		
Cash and cash equivalents (Note 5)	5,173,413	787,414
Treasury bills (Note 6)	-	502,940
Investment securities: (Note 7)		
- available-for-sale	26,378,324	1,182,918
- held-to-maturity	7,743,483	252,097
Property and equipment (Note 10)	163,884	157,454
Intangible asset (Note 9)	66,680	133,340
Other assets (Note 8)	121,437	55,523
Total assets	39,647,221	3,071,686
Liabilities		
Deposits from other bank (Note 11)	102,846	100,642
Due to customers (Note 12)	37,478,651	1,737,399
Other liabilities (Note 13)	167,304	12,825
Total liabilities	37,748,801	1,850,866
Shareholder's equity		
Share capital (Note 14)	3,000,000	2,000,000
Deficit	(1,101,580)	(779,180)
Total shareholder's equity	1,898,420	1,220,820
Total liabilities and shareholders' equity	39,647,221	3,071,686

Approved by the Board of Directors on March 8, 2006



Director



Director

Bank of Saint Lucia International Limited

Statement of Income

For the year ended December 31, 2005

(expressed in United States dollars)

	2005 \$	2004 \$
Interest income	723,782	23,733
Interest expense	<u>(287,927)</u>	<u>(6,174)</u>
Net interest income (Note 15)	435,855	17,559
Fee and commission income (Note 16)	34,891	3,059
Net foreign exchange trading (loss)/income (Note 17)	(9,620)	7,529
Operating expenses (Note 18)	<u>(783,526)</u>	<u>(781,837)</u>
Loss for the year	<u>(322,400)</u>	<u>(753,690)</u>

Bank of Saint Lucia International Limited

Statement of Changes in Shareholders' Equity

For the year ended December 31, 2005

(expressed in United States dollars)

	2005 \$	2004 \$
Share capital		
At beginning of year	2,000,000	1,000,000
Issued during the year	<u>1,000,000</u>	<u>1,000,000</u>
At end of year (Note 14)	<u>3,000,000</u>	<u>2,000,000</u>
Deficit		
At beginning of year	(779,180)	(25,490)
Loss for the year	<u>(322,400)</u>	<u>(753,690)</u>
At end of year	<u>(1,101,580)</u>	<u>(779,180)</u>
Total shareholder's equity, end of year	<u>1,898,420</u>	<u>1,220,820</u>

Bank of Saint Lucia International Limited

Statement of Cash Flows

For the year ended December 31, 2005

(expressed in United States dollars)

	2005 \$	2004 \$
Cash flows from operating activities		
Loss for the year	(322,400)	(753,690)
Adjustments for:		
Interest income (Note 15)	(723,782)	(23,733)
Interest expense (Note 15)	287,927	6,174
Unrealized foreign currency exchange loss	85,114	-
Amortisation of intangible assets (Notes 9 and 18)	66,660	66,660
Depreciation of property and equipment (Notes 10 and 18)	48,378	44,584
Loss on disposal of property and equipment (Note 18)	-	8,238
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Cash flows before changes in operating assets and liabilities	(558,103)	(651,767)
Decrease/(increase) in other assets	31,142	(49,211)
Increase in deposits from other bank	2,204	100,642
Increase in due to customers	35,741,252	1,737,399
Increase in other liabilities	110,963	7,909
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Net cash from operations	35,327,458	1,144,972
Interest paid	(244,411)	(1,258)
Income received	626,726	19,027
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Net cash from operating activities	35,709,773	1,162,741
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Cash flows from investing activities		
Purchase of held-to-maturity investment	(14,039,168)	(1,397,500)
Proceeds on disposal of held-to-maturity investment (Note 7)	6,547,782	1,148,148
Purchase of available-for-sale financial assets (Note 7)	(54,472,039)	(1,412,918)
Proceeds on disposal of available-for-sale financial assets (Note 7)	29,191,519	230,000
Purchase of property and equipment (Note 10)	(54,808)	(111,425)
Proceeds on disposal of property and equipment	-	37,408
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Net cash used in investing activities	(32,826,714)	(1,506,287)
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Cash flows from financing activity		
Proceeds from issuance of shares	1,000,000	1,000,000
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Increase in cash and cash equivalents	3,883,059	656,454
Cash and cash equivalents at beginning of year	1,290,354	633,900
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Cash and cash equivalents at end of year (Note 5)	5,173,413	1,290,354
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