



# FINCO

**FINANCE CORPORATION OF BAHAMAS LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Unaudited)**  
 As of October 31, 2020 and October 31, 2019  
 (Expressed in Bahamian dollars)

ASSETS	October 31, 2020	October 31, 2019
Cash and cash equivalents	\$ 22,913,487	\$ 36,766,118
Balance with central bank	42,106,650	43,857,068
Loans and advances to customers	656,142,377	685,328,230
Investment securities	27,539,257	29,565,031
Premises and equipment	126,733	29,547
Other assets	7,931,308	4,503,631
<b>TOTAL</b>	<b>\$ 756,759,812</b>	<b>\$ 800,049,625</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>LIABILITIES</b>		
Customer deposits	\$ 379,571,167	\$ 464,509,564
Due to affiliated companies	155,656,581	111,987,957
Other liabilities	3,224,400	6,440,381
Total liabilities	\$ 538,452,148	\$ 582,937,902
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	5,333,334	5,333,334
Share premium	2,552,258	2,552,258
Other components of equity	12,093	17,691
Retained earnings	210,409,979	209,208,440
Total shareholders' equity	218,307,664	217,111,723
<b>TOTAL</b>	<b>\$ 756,759,812</b>	<b>\$ 800,049,625</b>

**FINANCE CORPORATION OF BAHAMAS LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS**  
**AND COMPREHENSIVE INCOME (Unaudited)**  
 Twelve Months Ended October 31, 2020  
 (Expressed in Bahamian dollars)

	Three Months Ended October 31, 2020	Three Months Ended October 31, 2019	Twelve Months Ended October 31, 2020	Twelve Months Ended October 31, 2019
Interest income	\$ 10,718,200	\$ 11,789,503	\$ 45,297,448	\$ 47,752,784
Interest expense	(1,743,530)	(2,134,105)	(7,627,353)	(8,651,158)
<b>Net interest income</b>	<b>8,974,670</b>	<b>9,655,398</b>	<b>37,670,095</b>	<b>39,101,626</b>
Non-interest income	442,450	1,395,308	1,965,510	2,958,202
<b>Total income</b>	<b>9,417,120</b>	<b>11,050,706</b>	<b>39,635,605</b>	<b>42,059,828</b>
Non-interest expense	(3,664,542)	(3,443,950)	(14,185,276)	(14,408,302)
Recovery of (Provision for) credit losses	(8,252,319)	2,331,784	(16,248,789)	(6,825,373)
<b>Net income</b>	<b>(2,499,741)</b>	<b>9,938,540</b>	<b>9,201,540</b>	<b>20,826,153</b>
<b>Other comprehensive income:</b>				
<i>Items that may be reclassified to net income</i>				
Net gains on investments in debt instruments measured at FVOCI	3,598	31,365	3,598	31,365
Expected credit losses on FVOCI investments	(9,196)	2,066	(9,196)	2,066
<b>Total comprehensive income for the period</b>	<b>\$ (2,505,339)</b>	<b>\$ 9,971,971</b>	<b>\$ 9,195,942</b>	<b>\$ 20,859,584</b>
Earnings (loss) per share	\$ (0.09)	\$ 0.37	\$ 0.35	\$ 0.78

**FINANCE CORPORATION OF BAHAMAS LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Unaudited)**  
 Twelve Months Ended October 31, 2020  
 (Expressed in Bahamian dollars)

	Share Capital	Share Premium	Other Components Equity	Retained Earnings	Total
	\$	\$	\$	\$	\$
<b>Balance at October 31, 2018</b>	5,333,334	2,552,258	(15,740)	193,715,621	201,585,473
Net profit for the period	-	-	-	20,826,153	20,826,153
Other comprehensive income	-	-	33,431	-	33,431
<b>Total comprehensive income</b>	-	-	33,431	20,826,153	20,859,584
Dividends	-	-	-	(5,333,334)	(5,333,334)
<b>Balance at October 31, 2019</b>	<b>5,333,334</b>	<b>2,552,258</b>	<b>17,691</b>	<b>209,208,440</b>	<b>217,111,723</b>
<b>Balance at October 31, 2019</b>	5,333,334	2,552,258	17,691	209,208,440	217,111,723
Net profit for the period	-	-	-	9,201,540	9,201,540
Other comprehensive income	-	-	(5,598)	-	(5,598)
<b>Total comprehensive income</b>	-	-	(5,598)	9,201,540	9,195,942
Dividends	-	-	-	(8,000,001)	(8,000,001)
<b>Balance at October 31, 2020</b>	<b>5,333,334</b>	<b>2,552,258</b>	<b>12,093</b>	<b>210,409,979</b>	<b>218,307,664</b>

**FINANCE CORPORATION OF BAHAMAS LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)**  
 Twelve Months Ended October 31, 2020  
 (Expressed in Bahamian dollars)

	October 31, 2020	October 31, 2019
<b>OPERATING ACTIVITIES</b>		
Net income	\$ 9,201,540	\$ 20,826,153
Adjustments for:		
Provision for credit losses	16,248,789	6,825,373
Depreciation and amortization of tangible assets	86,886	46,503
Gain on disposal of premises and equipment	(50,000)	(922,553)
	25,487,215	26,775,476
(INCREASE)/DECREASE IN OPERATING ASSETS		
Balances with Central Bank	1,750,418	15,911,238
Loans and advances to customers	13,302,497	11,773,015
Other assets	(3,427,932)	462,308
INCREASE/(DECREASE) IN OPERATING LIABILITIES		
Due to affiliated companies	(84,938,397)	(38,404,160)
Customers' deposits	43,668,624	3,902,638
Other liabilities	(3,215,981)	1,670,366
<b>Net cash from/(used in) operating activities</b>	<b>(7,373,556)</b>	<b>22,090,881</b>
<b>INVESTING ACTIVITIES</b>		
Proceeds from dsle of premises and equipment	50,000	1,106,043
Purchase of premises and equipment	(184,072)	-
Net movement in investment securities	1,651,400	1,238,100
<b>Net cash from investing activities</b>	<b>1,517,328</b>	<b>2,344,143</b>
<b>FINANCING ACTIVITIES</b>		
Dividends paid	(8,000,001)	(5,333,334)
Net cash used in financing activities	(8,000,001)	(5,333,334)
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(13,856,229)</b>	<b>19,101,690</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD</b>	<b>36,766,118</b>	<b>17,633,063</b>
Effects of fair value changes on cash and cash equivalents	3,598	31,365
<b>CASH AND CASH EQUIVALENTS, END OF THE PERIOD</b>	<b>\$ 22,913,487</b>	<b>\$ 36,766,118</b>

**FINANCE CORPORATION OF BAHAMAS LIMITED**  
**Notes to Unaudited Interim Consolidated Financial Statements**  
 Twelve Months Ended October 31, 2020

### 1. ACCOUNTING POLICIES

These interim condensed financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting. The accounting policies and methods of calculation used in the preparation of these interim financial statements are consistent with those used in the audited financial statements for the year ended October 31, 2019.

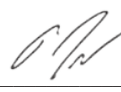


**FINANCE CORPORATION OF BAHAMAS LIMITED**

**Chairman's review of the unaudited results**  
**For the twelve months ended October 31, 2020**

We wish to report that the Bank's net profit for the twelve months ended October 31, 2020 was \$9.2 million which represents a decrease of \$11.6 million or 56% when compared to the fiscal 2019. This reduction in profit is primarily due to higher loan provisions charged during the year brought on by the economic effects from Covid-19.

The Bank's capital ratio continues to be strong and above regulatory requirements at 44.95% and is comprised mainly of Tier 1 capital.

  
 Chairman

  
 Managing Director