

Schedule 2  
FORM ECSRC – OR

(Select One)

**QUARTERLY FINANCIAL REPORT** for the period ended March 31, 2016  
Pursuant to Section 98(2) of the Securities Act, 2001

OR

**TRANSITION REPORT**  
for the transition period from \_\_\_\_\_ to \_\_\_\_\_  
Pursuant to Section 98(2) of the Securities Act, 2001  
*(Applicable where there is a change in reporting issuer's financial year)*

Issuer Registration Number: BON 290885KN

The Bank of Nevis Limited

(Exact name of reporting issuer as specified in its charter)

St. Kitts & Nevis

(Territory or jurisdiction of incorporation)

P. O. BOX 450 MAIN STREET, CHARLESTOWN, NEVIS

(Address of principal executive Offices)

(Reporting issuer's:

Telephone number (including area code): 1 (869) 469-5564

Fax number: 1(869) 469-1039/4798

Email address: info@thebankofnevis.com

N/A

(Former name, former address and former financial year, if changed since last report)

(Provide information stipulated in paragraphs 1 to 8 hereunder)

Indicate the number of outstanding shares of each of the reporting issuer's classes of common stock, as of the date of completion of this report. \_\_\_\_\_

CLASS	NUMBER
Ordinary	9,347,687

**SIGNATURES**

A Director, the Chief Executive Officer and Chief Financial Officer of the company shall sign this Annual Report on behalf of the company. By so doing each certifies that he has made diligent efforts to verify the material accuracy and completeness of the information herein contained.

The Chief Financial Officer by signing this form is hereby certifying that the financial statements submitted fairly state the company's financial position and results of operations, or receipts and disbursements, as of the dates and period(s) indicated. The Chief Financial Officer further certifies that all financial statements submitted herewith are prepared in accordance with International Accounting Standards consistently applied (except as stated in the notes thereto) and (with respect to year-end figures) including all adjustments necessary for fair presentation under the circumstances.

Name of Chief Executive Officer:

J. Ernesto Medina  

SIGNED AND CERTIFIED

Signature

July 21, 2016

Date

Name of Director:

Kerith Hudson  

SIGNED AND CERTIFIED

Signature

July 21, 2016

Date

Name of Chief Financial Officer:

Lisa Herbert

SIGNED AND CERTIFIED

Signature

July 21, 2016

Date

## INFORMATION TO BE INCLUDED IN FORM ECSRC-OR

### 1. **Financial Statements**

Provide Financial Statements for the period being reported in accordance with International Accounting Standards. The format of the financial statements should be similar to those provided with the registration statement. Include the following:

- (a) Condensed Balance Sheet as of the end of the most recent financial year and just concluded reporting period.
- (b) Condensed Statement of Income for the just concluded reporting period and the corresponding period in the previous financial year along with interim three, six and nine months of the current financial year and corresponding period in the previous financial year.
- (c) Condensed Statement of Cash Flows for the just concluded reporting period and the corresponding period in the previous financial year along with the interim three, six and nine months of the current financial year and the corresponding period in the previous financial year.
- (d) By way of *Notes to Condensed Financial Statements*, provide explanation of items in the financial statements and indicate any deviations from generally accepted accounting practices.

### 2. **Management's Discussion and Analysis of Financial Condition and Results of Operation.**

Discuss the reporting issuer's financial condition covering aspects such as liquidity, capital resources, changes in financial condition and results of operations during the reporting period. Discussions of liquidity and capital resources may be combined whenever the two topics are interrelated. Discussion of material changes should be from the end of the preceding financial year to the date of the most recent interim report.

The Management's Discussion and Analysis should disclose sufficient information to enable investors to judge:

1. The quality of earnings;
2. The likelihood that past performance is indicative of future performance; and
3. The issuer's general financial condition and outlook.

It should disclose information over and above that which is provided in the management accounts and should not be merely a description of the movements in the financial statements in narrative form or an otherwise uninformative series of technical responses. It should provide management's perspective of the company that enables investors to view the business from the vantage point of management.

The discussion should focus on aspects such as liquidity; capital resources; changes in financial condition; results of operations; material trends and uncertainties and measures

taken or to be taken to address unfavourable trends; key performance indicators; and non-financial indicators.

### *General Discussion and Analysis of Financial Condition*

Total assets at March 31, 2016 amounted to \$551.98 million, this amount representing a net decrease of \$12.83 million or 2.27% from the position reported at December 31, 2015. The decline in the asset base for the quarter is associated with the utilization of short term funds to satisfy customers' deposits requests.

When compared to the audited position at the end of the previous financial year, total assets have decreased by \$23.92 million or 4.15%. The year-to-date net decrease for the financial year is reflected primarily in the cash and due from other banks category as resources were utilized to make payments in respect of withdrawals via the customer deposit base. Do note that a significant portion of these deposits are related to the Citizenship By Investment Programme and are considered short term funds.

The loans and advances portfolio increased by \$3.51 million during the quarter under review, due largely to new residential mortgage facilities granted. The portfolio total at March 31, 2016 amounted to \$201.99 million. The loans and advances portfolio recorded net growth of \$4.63 million or 2.34% over the audited June 30, 2015 amount. New loans granted under the vehicle and mortgage loan promotions were the primary contributors to the growth achieved for the year.

Customers' deposits at the end of the quarter totaled \$491.70 million, representing a net decrease of \$11.93 million or 2.33% for the quarter. The net decline for the quarter is associated with net withdrawal activity within the ECD fixed deposits and USD current account categories. The customers' deposits portfolio has contracted by \$23.85 million or 4.63% since the end of the previous financial year. The net decline over the nine-month period is also attributed primarily to activity within the ECD fixed deposits and USD current account categories.

### Liquidity and Capital Resources

Provide a narrative explanation of the following (but not limited to):

- i) The reporting issuer's financial condition covering aspects such as liquidity, capital resources, changes in financial condition and results of operations.
- ii) Any known trends, demands, commitments, events or uncertainties that will result in, or that are reasonably likely to result in, the issuer's liquidity increasing or decreasing in any material way. If a deficiency is identified, indicate the course of action that the reporting issuer has taken or proposes to take to remedy the deficiency.
- iii) The issuer's internal and external sources of liquidity and any material unused sources of liquid assets.
- iv) Provisions contained in financial guarantees or commitments, debt or lease agreements or other arrangements that could trigger a requirement for an early payment, additional collateral support, changes in terms, acceleration of maturity, or the creation of an additional financial obligation such as adverse changes in the issuer's financial ratios, earnings, cash flows or stock price or changes in the value of underlying, linked or indexed assets.

- v) Circumstances that could impair the issuer's ability to continue to engage in transactions that have been integral to historical operations or are financially or operationally essential or that could render that activity commercially impracticable such as the inability to maintain a specified level of earnings, earnings per share, financial ratios or collateral.
- vi) Factors specific to the issuer and its markets that the issuer expects will affect its ability to raise short-term and long-term financing, guarantees of debt or other commitment to third parties, and written options on non-financial assets.
- vii) The relevant maturity grouping of assets and liabilities based on the remaining period at the balance sheet date to the contractual maturity date. Commentary should provide information about effective periods and the way the risks associated with different maturity and interest profiles are managed and controlled.
- viii) The issuer's material commitments for capital expenditures as of the end of the latest fiscal period, and indicate the general purposes of such commitments and the anticipated source of funds needed to fulfil such commitments.
- ix) Any known material trends, favorable or unfavorable, in the issuer's capital resources, including any expected material changes in the mix and relative cost of capital resources, considering changes between debt, equity and any off-balance sheet financing arrangements.

*Discussion of Liquidity and Capital Resources*

The Bank's liquidity was stable throughout the period under review. At reporting date March 31, 2016, liquid assets amounted to EC\$157.64 million or 28.56% of total assets. The liquidity position of the Bank is closely monitored on a daily basis, and the executive management meets on a weekly basis to discuss the position as well as recent trends and projections.

**Off Balance Sheet Arrangements**

Provide a narrative explanation of the following (but not limited to):

- i) Disclosures concerning transactions, arrangements and other relationships with unconsolidated entities or other persons that are reasonably likely to materially affect liquidity or the availability of, or requirements for capital resources.
- ii) The extent of the issuer's reliance on off-balance sheet arrangements should be described fully and clearly where those entities provide financing, liquidity, market or credit risk support, or expose the issuer to liability that is not reflected on the face of the financial statements.
- iii) Off-balance sheet arrangements such as their business purposes and activities, their economic substance, the key terms and conditions of any commitments, the initial on-going relationship with the issuer and its affiliates and the potential risk exposures resulting from its contractual or other commitments involving the off-balance sheet arrangements.
- iv) The effects on the issuer's business and financial condition of the entity's termination if it has a finite life or it is reasonably likely that the issuer's arrangements with the entity may be discontinued in the foreseeable future.

N/A

## Results of Operations

In discussing results of operations, issuers should highlight the company's products and services, facilities and future direction. There should be a discussion of operating considerations and unusual events, which have influenced results for the reporting period. Additionally, any trends or uncertainties that might materially affect operating results in the future should be discussed.

Provide a narrative explanation of the following (but not limited to):

- i) Any unusual or infrequent events or transactions or any significant economic changes that materially affected the amount of reported income from continuing operations and, in each case, the extent to which income was so affected.
- ii) Significant components of revenues or expenses that should, in the company's judgment, be described in order to understand the issuer's results of operations.
- iii) Known trends or uncertainties that have had or that the issuer reasonably expects will have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.
- iv) Known events that will cause a material change in the relationship between costs and revenues (such as price increases, costs of labour or materials), and changes in relationships should be disclosed.
- v) The extent to which material increases in net sales or revenues are attributable to increases in prices or to increases in the volume or amount of goods or services being sold or to the introduction of new products or services.
- vi) Matters that will have an impact on future operations and have not had an impact in the past.
- vii) Matters that have had an impact on reported operations and are not expected to have an impact upon future operations
- viii) Off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships that have or are reasonably likely to have a current or future effect on the registrant's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.
- ix) Performance goals, systems and, controls.

### *Overview of Results of Operations*

The Bank posted unaudited net profit of \$1.48 million for the nine-month period to March 31, 2016. This performance is a marked improvement over the year-to-date prior year (March 31, 2015) when a net loss of \$0.43 million was recorded.

During the third quarter of the financial year, the Bank earned interest income in the amount of \$4.59 million, of which \$3.08 million was generated from the loans and advances portfolio. When compared to the earnings of the prior year, total interest income increased by \$0.98 million or 7.89%. The net increase in interest income for the financial year-to-date is attributed primarily to the year-over-year improvement in the revenues derived from the loans and advances portfolio. Additionally, there was a general improvement in the yields on the investment and treasury portfolio.

Total interest expense for the quarter under review is \$2.14 million, increasing the cumulative total for the nine-month period to \$6.71 million. The year-to-date total represents a net decline of \$1.34 million or 16.67% in comparison to the expenses incurred at March 31, 2015. The year-over-year decline is attributed mainly to the impact of reduced interest rates on fixed deposit accounts upon maturity, as well as the reduction in the minimum interest rate on ECD savings deposits.

For the three months ending March 31, 2016, the Bank earned a total of \$1.24 million in other operating income. The total earnings at the end of the reporting period is \$3.34 million and this amount represents a net increase of \$206,535 when compared to the income recorded at March 31, 2015. The net increase is associated largely with favorable positions in foreign currency revaluation and transaction activity.

Total operating expenses for the quarter ending March 31, 2016 amounted to \$2.67 million. Of this amount, \$1.97 million was associated with the general and administrative expenses. The total operating expenses at the end of the nine month period ending March 31, 2016 is \$7.90 million, of which general and administrative expenses (\$5.80 million) is the main component. Total operating expenses increased by \$66,338 when compared to the total expenses incurred for the prior-year nine-month period.



### 3. Disclosure about Risk Factors.

Provide a discussion of the risk factors that may have an impact on the results from operations or on the financial conditions. Avoid generalised statements. Typical risk factors include untested products, cash flow and liquidity problems, dependence on a key supplier or customer, management inexperience, nature of business, absence of a trading market (specific to the securities of the reporting issuer), etc. Indicate if any risk factors have increased or decreased in the time interval between the previous and current filing.

The Bank is faced with diverse risks in the conduct of its daily operations. Risk is defined as the possibility of losses of profits foregone, which may be caused by internal or external factors. Some of the major risks facing the Bank are outlined below.

#### Credit Risk:

The most predominant risk factor within the Bank's environment is Credit Risk. It is the risk of incurring a financial loss in the event that any of the Bank's customers or counterparties fails to fulfill their contractual obligations to the Bank. The Bank's credit risk arises mainly from the loans and advances portfolio which constituted 36.59% of the Banks total assets at March 31, 2016. The Bank is also exposed to other credit risks arising from investments in debt securities and other exposures from its trading activities.

#### Foreign Exchange Risk:

Also affecting the Bank is the effects of fluctuations in the prevailing foreign currency exchange rates (foreign exchange risk). The majority of the Bank's assets and liabilities are held in Eastern Caribbean dollars which is the local currency. Most of the assets in foreign currencies are held in United States dollars. The exchange rate of the Eastern Caribbean dollar to the United States dollar has been formally pegged at EC\$2.70 = US\$1.00 since 1976. Assets and liabilities are also held in Euro, Pound Sterling, Canadian and Barbados currencies, the exposure to which is not material to the Bank's financial position.

#### Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market prices. This exposure arises via select assets within the investment portfolio, which at March 31, 2016 amounted to EC\$47.15 million or 8.54% of the total asset base. The market risks arising from the investment portfolio are continuously monitored by the Investment and Risk Management Committees and by Management.

#### Liquidity Risk

Liquidity risk is the risk that the Bank will be unable to meet its obligations when they fall due. The liquidity position of the Bank is closely monitored on a daily basis, and the executive management meets on a weekly basis to discuss the position as well as recent trends and projections. At March 31, 2016, the Bank's portfolio of liquid assets amounted to EC\$157.64 million or 28.56% of total assets.

**4. Legal Proceedings.**

A legal proceeding need only be reported in the ECSRC – OR filed for the period in which it first became a reportable event and in subsequent interim reports in which there have been material developments. Subsequent Form ECSRC – OR filings in the same financial year in which a legal proceeding or a material development is reported should reference any previous reports in that year. Where proceedings have been terminated during the period covered by the report, provide similar information, including the date of termination and a description of the disposition thereof with respect to the reporting issuer and its subsidiaries.

N/A

**5. Changes in Securities and Use of Proceeds.**

- (a) Where the rights of the holders of any class of registered securities have been materially modified, give the title of the class of securities involved. State briefly the general effect of such modification upon the rights of holders of such securities.

N/A

(a) Where the use of proceeds of a security issue is different from that which is stated in the registration statement, provide the following:

- Offer opening date (provide explanation if different from date disclosed in the registration statement)

N/A

- Offer closing date (provide explanation if different from date disclosed in the registration statement)

N/A

- Name and address of underwriter(s)

N/A

N/A

- Amount of expenses incurred in connection with the offer

N/A

- Net proceeds of the issue and a schedule of its use

N/A

- Payments to associated persons and the purpose for such payments

N/A

(c) Report any working capital restrictions and other limitations upon the payment of dividends.

N/A

**6. Defaults upon Senior Securities.**

- (a) If there has been any material default in the payment of principal, interest, a sinking or purchase fund instalment, or any other material default not satisfied within 30 days, with respect to any indebtedness of the reporting issuer or any of its significant subsidiaries exceeding 5 per cent of the total assets of the reporting issuer and its consolidated subsidiaries, identify the indebtedness. Indicate the nature of the default. In the case of default in the payment of principal, interest, or a sinking or purchase fund instalment, state the amount of the default and the total arrears on the date of filing this report.

N/A	
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- (b) If any material arrears in the payment of dividends have occurred or if there has been any other material delinquency not satisfied within 30 days, give the title of the class and state the amount and nature of the arrears or delinquency.

N/A	
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**7. Submission of Matters to a Vote of Security Holders.**

If any matter was submitted to a vote of security holders through the solicitation of proxies or otherwise during the financial year covered by this report, furnish the following information:

- (a) The date of the meeting and whether it was an annual or special meeting.

1. Annual General Meeting - February 18, 2016 2. Extra-ordinary General Meeting - February 18, 2016	
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- (b) If the meeting involved the election of directors, the name of each director elected at the meeting and the name of each other director whose term of office as a director continued after the meeting.

1. Annual General Meeting - February 18, 2016:

- Mr Vernell Powell and Mr. Rawlinson Isaac retired by rotation, and being eligible offered themselves for reappointment as Non-independent Director. Mr. Powell was successful in his bid for reelection.
- Mrs. Jacqueline Lawrence was elected as an Independent Director
- Mr. Spencer Hanley was elected as a Non-independent Director

- (c) A brief description of each other matter voted upon at the meeting and a statement of the number of votes cast for or against as well as the number of abstentions as to each such matter, including a separate tabulation with respect to each nominee for office.

1. Annual General Meeting - February 18, 2016

- Deloitte & Touche were appointed as the Bank's auditors for the financial year ending June 30, 2016.

2. Extraordinary General Meeting - February 2016

- It was resolved that the Bank's Directors be authorized to make a rights issue at a price of \$1 per share for every one ordinary share already held, and if all of the shares comprising the rights issue are not fully subscribed, the remaining shares will be offered via an Additional Public Offering (APO), with the price for the shares issued via the APO being determined by a valuation.
- It was resolved that the Bank's Directors be authorized to negotiate for a divestiture of Bank of Nevis International Limited ("BONI") via the sale of the majority or full (100%) shareholding in BONI up to September 30, 2016; failing which, the Directors be authorized to proceed with the spin-off via the issuance of bonus shares in BONI to all current shareholders of the Company.

- (d) A description of the terms of any settlement between the registrant and any other participant.

N/A

- (e) Relevant details of any matter where a decision was taken otherwise than at a meeting of such security holders.

N/A

**8. Other Information.**

The reporting issuer may, at its option, report under this item any information, not previously reported in a Form ECSRC – MC report (used to report material changes), with respect to which information is not otherwise called for by this form, provided that the material change occurred within seven days of the due date of the Form ECSRC-OR report. If disclosure of such information is made under this item, it need not be repeated in a Form ECSRC – MC report which would otherwise be required to be filed with respect to such information or in a subsequent Form ECSRC – OR report.

N/A

**Consolidated Balance Sheet**  
**As at March 31, 2016**  
(expressed in Eastern Caribbean dollars)

	<b>Unaudited March 2016 \$</b>	<b>Audited June 2015 \$</b>
<b>Assets</b>		
Cash / due from other banks and other financial institutions	162,392,582	224,093,676
Investment securities	155,344,437	122,965,384
Loans and advances	201,989,091	197,361,267
Other assets	3,914,184	1,867,491
Property, plant and equipment	27,980,373	28,304,072
Intangible assets	112,817	348,867
Income tax receivable	159,954	851,160
Deferred tax asset	90,176	116,625
<b>Total Assets</b>	<b>551,983,614</b>	<b>575,908,542</b>
<b>Liabilities</b>		
Customers' deposits	491,701,887	515,550,492
Other liabilities and accrued expenses	5,452,538	5,703,813
<b>Total liabilities</b>	<b>497,154,425</b>	<b>521,254,305</b>
<b>Shareholders' Equity</b>		
Share capital	9,347,687	9,347,687
Statutory reserves	10,934,354	10,934,354
Revaluation reserves	11,193,763	12,502,865
Other reserves	3,721,643	3,721,643
Retained earnings	18,147,688	18,147,688
Unaudited net profit	1,484,054	-
<b>Total shareholders' equity</b>	<b>54,829,189</b>	<b>54,654,237</b>
<b>Total liabilities and shareholders' equity</b>	<b>551,983,614</b>	<b>575,908,542</b>

**Consolidated Statement of Income**  
**For the nine months ended March 31, 2016**  
(expressed in Eastern Caribbean dollars)

	Unaudited March 2016 \$	Unaudited December 2015 \$	Unaudited September 2015 \$	Audited June 2015 \$	Unaudited March 2015 \$
<b>Interest income</b>					
Income from loans and advances	9,131,011	6,050,784	2,947,401	11,407,690	8,557,694
Income from deposits with other banks and investments	4,224,029	2,711,922	1,324,911	5,151,115	3,821,154
	<b>13,355,040</b>	<b>8,762,706</b>	<b>4,272,312</b>	<b>16,558,805</b>	<b>12,378,848</b>
<b>Interest expense</b>					
Savings accounts	2,091,585	1,367,123	678,344	3,299,509	2,565,130
Time deposits	4,417,178	3,075,511	1,586,198	6,922,490	5,279,955
Current accounts	204,767	127,770	63,889	274,298	211,892
	<b>6,713,530</b>	<b>4,570,404</b>	<b>2,328,431</b>	<b>10,496,297</b>	<b>8,056,977</b>
<b>Net interest income</b>	<b>6,641,510</b>	<b>4,192,302</b>	<b>1,943,881</b>	<b>6,062,508</b>	<b>4,321,871</b>
<b>Gains from sale of investment securities</b>	353,730	-	-	(710,840)	(28,186)
<b>Other operating income</b>	3,340,529	2,103,821	985,218	2,902,090	3,133,994
<b>Operating Income</b>	<b>10,335,769</b>	<b>6,296,123</b>	<b>2,929,099</b>	<b>8,253,758</b>	<b>7,427,679</b>
<b>Operating expenses</b>					
General and administrative expenses	5,803,430	3,829,926	1,735,846	6,775,561	5,988,616
Provision for loan impairment	225,000	150,000	75,000	1,191,411	225,000
Directors' fees and expenses	424,353	302,910	127,225	612,786	424,145
Depreciation and amortization expenses	834,254	556,169	278,085	970,565	572,202
Audit fees	316,633	211,089	105,544	376,851	324,526
Correspondent bank charges	299,613	180,964	32,586	464,867	302,456
	<b>7,903,283</b>	<b>5,231,058</b>	<b>2,354,286</b>	<b>10,392,041</b>	<b>7,836,945</b>



<b>Operating Income for the year</b>	<u>2,432,486</u>	<u>1,065,065</u>	<u>574,813</u>	<u>(2,138,283)</u>	<u>(409,266)</u>
<b>Taxation</b>					
Current tax expense	1,765	1,765	1,765	365,462	21,614
Prior year tax expense	946,667	-	-	-	-
	<u>948,432</u>	<u>1,765</u>	<u>1,765</u>	<u>365,462</u>	<u>21,614</u>
<b>Net profit for the year</b>	<u>1,484,054</u>	<u>1,063,300</u>	<u>573,048</u>	<u>(2,503,745)</u>	<u>(430,880)</u>
<b>Earnings per share (annualized)</b>	<u>0.21</u>	<u>0.23</u>	<u>0.25</u>	<u>(0.27)</u>	<u>(0.06)</u>

Consolidated Statement of Cash Flows  
**For the nine months to March 31, 2016**  
(expresses on Eastern Caribbean dollars)

	Unaudited March 2016 \$	Unaudited December 2015 \$	Unaudited September 2015 \$	Audited June 2015 \$	Unaudited March 2015 \$
<b>Cash flows from operating activities</b>					
Operating income / (loss) for the year	2,432,486	1,065,065	574,813	(2,138,283)	(409,266)
Items not affecting cash					
Provision for loan impairment	225,000	150,000	75,000	1,191,411	225,000
Provision for impairment on investment securities	-	-	-	1,015,321	-
Realized gains on investment securities	(353,730)	-	-	(304,481)	(28,186)
Losses from movement in foreign currency exchange rates	-	-	-	497,464	-
Depreciation and amortization	834,254	556,169	278,085	970,565	572,202
Net gains on disposal of fixed assets	(33,000)	-	-	(2,174)	-
Interest income	(13,355,040)	(8,762,706)	(4,272,312)	(16,558,805)	(12,378,848)
Interest expense	6,713,530	4,570,404	2,328,431	10,496,297	8,056,977
<b>Cash flows generated from operating income before changes in operating assets and liabilities</b>	<b>(3,536,500)</b>	<b>(2,421,068)</b>	<b>(1,015,983)</b>	<b>(4,832,685)</b>	<b>(3,962,121)</b>
<b>Changes in operating assets and liabilities</b>					
Increase in mandatory deposits held with Central Bank	(310,980)	(3,114,909)	(2,227,166)	(574,863)	117,383
Increase in other assets	(2,046,693)	(3,643,418)	(1,489,688)	(91,722)	(4,303,760)
(Increase) / Decrease in loans and advances, net of payments received	(4,854,402)	(1,202,246)	(2,424,064)	4,148,248	2,637,179
(Decrease) / Increase in customers' deposits	(23,523,977)	(11,799,902)	(18,895,706)	75,569,676	46,615,710
Increase / (Decrease) in other liabilities and accrued expenses	(251,275)	1,207,457	1,217,133	(19,551,269)	(19,745,785)
<b>Net cash from operations before interest and tax</b>	<b>(34,523,827)</b>	<b>(20,974,086)</b>	<b>(24,835,474)</b>	<b>54,667,385</b>	<b>21,358,606</b>

Interest paid	(6,998,158)	(4,683,808)	(2,142,863)	(10,842,455)	(8,305,889)
Interest received	13,361,083	9,077,521	5,364,890	17,784,705	13,945,415
Income tax received / (paid)	(1,639,638)	9,810	9,810	(39,119)	(11,415)
<b>Net cash from operating activities</b>	<b>(29,800,540)</b>	<b>(16,570,563)</b>	<b>(21,603,637)</b>	<b>(61,570,516)</b>	<b>26,986,717</b>
<b>Cash flows from investing activities</b>					
Purchase of property, plant, equipment, and intangible assets	(273,961)	(205,370)	(49,839)	(1,340,619)	(861,529)
Sale of property, plant and equipment	33,000	-	-	2,174	-
Increase in Fixed Deposits	(21,642,866)	(18,375,009)	(10,022,823)	(4,726,638)	(60,436)
Increase in investment securities	(13,137,354)	(8,618,413)	(20,244,099)	(26,039,139)	(31,152,212)
<b>Net cash from investing activities</b>	<b>(35,021,181)</b>	<b>(27,198,792)</b>	<b>(30,316,761)</b>	<b>(32,104,222)</b>	<b>(32,074,177)</b>
<b>Cash Flows from financing activities</b>					
Dividends paid	-	-	-	(701,077)	-
<b>Net cash used in financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(701,077)</b>	<b>-</b>
<b>(Decrease) / Increase in cash and cash equivalents</b>	<b>(64,821,721)</b>	<b>(43,769,355)</b>	<b>(51,920,398)</b>	<b>28,765,217</b>	<b>(5,087,460)</b>
<b>Net foreign currency rate movements on amounts from banks</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,802,267)</b>	<b>-</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>200,382,974</b>	<b>200,382,974</b>	<b>200,382,974</b>	<b>173,420,024</b>	<b>173,420,024</b>
<b>Cash and cash equivalents at end of the year</b>	<b>135,561,253</b>	<b>156,613,619</b>	<b>148,462,576</b>	<b>200,382,974</b>	<b>168,332,564</b>
<b>Represented by:</b>					
Cash and balances due from other banks	103,659,839	124,891,173	126,995,110	179,068,379	147,213,161
Treasury bills	31,901,414	31,722,446	21,467,466	21,314,595	21,119,403
	<b>135,561,253</b>	<b>156,613,619</b>	<b>148,462,576</b>	<b>200,382,974</b>	<b>168,332,564</b>