

**Schedule 1**  
**FORM ECSRC – K**  
**ANNUAL REPORT**  
**PURSUANT TO SECTION 98(1) OF THE SECURITIES ACT, 2001**

For the financial year ended  
30th Sep 2024

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Issuer Registration number  
GCB26071932GR

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Grenada.Co-operative.Bank.Ltd

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

Grenada

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(Territory of incorporation)

No. 8 Church Street, St. George's Grenada

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(Address of principal office)

**REPORTING ISSUER'S:**

Telephone number (including area code): 1 473 440 2111

Fax number (including area code): 1 473 440 6600

Email address: infor@grenadaco-opbank.com

(Provide information stipulated in paragraphs 1 to 14 hereunder)

Indicate whether the reporting issuer has filed all reports required to be filed by section 98 of the Securities Act, 2001 during the preceding 12 months

X - Yes

No

Indicate the number of outstanding shares of each of the reporting issuers classes of common stock, as of the date of completion of this report.

<b>CLASS</b>	<b>NUMBER</b>
Common Shares	7600000

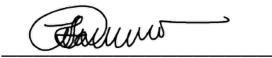
## SIGNATURES

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 companys 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

Larry Lawrence



Signature

January 31 2025

Date

Name of Director

Darryl Brathwaite



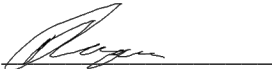
Signature

January 31st, 2025

Date

Name of Chief Financial Officer

Aaron Logie



Signature

January 31 2025

Date

## **INFORMATION TO BE INCLUDED IN FORM ECSRC-K**

### **1. Business.**

Provide a description of the developments in the main line of business including accomplishments and future plans. The discussion of the development of the reporting issuers business need only include developments since the beginning of the financial year for which this report is filed.

In May 2024, the Bank introduced its Micro, Small, and Medium-sized Enterprises (MSME) Unit, further strengthening its dedication to offering inclusive banking services to Grenadians across all sectors of society.

No other major developments took place in the core business operations during the reporting period.

Looking ahead, the Bank's future initiatives focus on enhancing operational efficiency, customer service, and profitability through the adoption of digital transformation solutions and the re-engineering of operational processes

## 2. Properties.

Provide a list of properties owned by the reporting entity, detailing the productive capacity and future prospects of the facilities. Identify properties acquired or disposed of since the beginning of the financial year for which this report is filed.

<b>Title</b>	<b>Productivity Capacity</b>	<b>Future Prospects</b>
Head Office – No. 8 Church Street, St. George’s	Support the Bank's operations strategically	Remain as the Bank's Head Office
Head Office Annex - No. 7 Church Street, St. George’s	Support the Bank's strategic operations	Remains as the Bank's Head Office
Lamolie House, Church Street, St. George’s	The Lamolie House property formed part of the assets acquired from FirstCaribbean International Bank Limited - Grenada Branch transaction	Provide additional office space as the Bank grows.
St. George’s Retail Banking Unit - No. 14 Church Street, St. George	Revenue generating	Continues to operate as one of the Bank's branches
Sauteurs Retail Unit - Main Street, Sauteurs, St. Patrick	Revenue generating	Continues to operate as one of the Bank's branches
Grenville Retail Unit - Victoria Street, Grenville St. Andrew	Revenue generating	Continues to operate as one of the Bank's branches

## 3. Legal Proceedings.

Furnish information on any proceedings that were commenced or were terminated during the current financial year. Information should include date of commencement or termination of proceedings. Also include a description of the disposition thereof with respect to the reporting issuer and its subsidiaries.

Legal proceedings are primarily those for entering judgement in the ordinary course of doing business

in respect of delinquent borrowers.

Matters commenced by the Bank during the period under review are:

- Claim No. GDAHCV2024/270 Grenada Co-operative Bank Ltd v. Wendy-Ann George
- Claim No. GDAHCV2024/269 Grenada Co-operative Bank Ltd v. Denroy Lewis
- Grenada Co-operative Bank Ltd v Arlene Lewis – GDAHCV2023/0482

- Grenada Co-operative Bank Ltd v Ronnisha Chance – GDAHCV2024/0156.
- Grenada Co-operative Bank Ltd v Jamal Aaron Phil Clarence – GDAHCV2024/105
- Grenada Co-operative Bank Ltd v Dannie Daniel Junior Belmar (Trading as Danny’s Enterprise) – GDAHCV2024/104
- First Caribbean Bank (Barbados) Ltd v Roger Roy Henry – GDAHCV2021/0316
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- **Any proceeding which occurred in a previous period and has material development**
- Claim No. GDAHCV2023/0015 Sun Systems Limited, Phillip David & Sonia David v.
- Grenada Co-operative Bank Limited, Lewis & Renwick (a firm) & Cosmos St. Bernard

#### 4. 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.

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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.

Name	Position	Description
Lisa Taylor	Deputy Chair	Re-elected
Alfred Logie	Director	Re-elected
Darryl Brathwaite	Chairman	Continued
Benedict Brathwaite	Director	Continued
Marlon Joseph	Director	Continued
Claudia Francis	Director	Continued
Samantha Hossle	Director	Continued

(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.

Votes For	Votes Against	Abstentions	Nominees	Description
58	0	0	N/A	To receive the audited financial statements for the year ended September 30, 2023.
58	0	0	Lisa Taylor	To elect Directors

58	0	0	Alfred Logie	To elect Directors.
58	0	0	N/A	To announce the dividend for the year ending September 30th, 2023
58	0	0	N/A	To authorize Directors to fix the remuneration of the Auditors.
58	0	0	N/A	<b>Special Meeting of Shareholders:</b>  To consider and approve an Amendment to By-Law NO. 1 of Grenada Co-operative Bank Limited Sections 11.5 and 11.6.

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

Registrant	Other Participant	Description
N/A	N/A	None



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

<b>Matter brought Forward</b>	<b>Decision Taken</b>	<b>Description</b>
None	None	None

#### **5. Market for Reporting issuers Common Equity and Related Stockholder Matters.**

Furnish information regarding all equity securities of the reporting issuer sold by the reporting issuer during the period covered by the report

<b>Equity Security</b>	<b>Details</b>
None	None

#### **6. Financial Statements and Selected Financial Data.**

Attach Audited Financial Statements, which comprise the following:

**For the most recent financial year**

- (i) Auditors report; and
- (ii) Statement of Financial Position;

**For the most recent financial year and for each of the two financial years preceding the date of the most recent audited Statement of Financial Position being filed**

- (iii) Statement of Profit or Loss and other Comprehensive Income;
- (iv) Statement of Cash Flows;
- (v) Statement of Changes in Equity; and
- (vi) Notes to the Financial Statements.

## 7. 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.

<b>Discussion</b>	
	<p>1.Credit Risk: The potential for borrowers to default on their repayment obligations remains a risk factor that exists amid ongoing uncertainties in financial landscapes. Factors such as escalating business costs, supply chain interruptions, and geopolitical tensions contribute to this unease. To address this, the Bank proactively implements various measures to prevent non-performing loans (NPLs), ensuring early detection of warning signs and heightened credit risks. It prioritizes restructuring debts in alignment with cash flows. Additionally, the Bank continuously evaluates and adjusts its forward-looking assumptions in its Expected Credit Loss (ECL) model to account for downside risks and economic shocks, thus maintaining sufficient loan loss provisioning. Upholding a stringent NPL Avoidance Strategy is paramount as the new financial year unfolds.</p> <p>2.Cybersecurity Risk: As the Bank increasingly embraces digital financial services, the threat landscape expands with potential cyberattacks, data breaches, and information security vulnerabilities. To counter these evolving threats, the Bank remains vigilant and consistently invests in bolstering cybersecurity measures.</p> <p>3.Other Challenges: The Bank faces additional challenges including fluctuations in investment returns due to market movements, reduced demand for credit and financial transactions, and the potential impact of disruptive financial innovations.</p>

<b>Cash Flow</b>	No cash flow risk.
<b>Key Customer Dependence</b>	No key customer dependence.
<b>Management Inexperience</b>	No risk of management inexperience
<b>Trading Market Absence</b>	No trading market absence risk
<b>Decreased</b>	None
<b>Untested Products</b>	No risk from untested products
<b>Liquidity Problems</b>	No liquidity problems. The Bank continues to be highly liquid as at the reporting period.
<b>Key Supplier Dependence</b>	No key supplier dependence
<b>Business Nature</b>	No exceptional risk areas based on the business nature
<b>Increased</b>	No significant increases identified.

## 8. 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.

<b>Security Involved</b>	<b>General Effect upon Holder's Rights</b>
None	Not applicable

(b) 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)

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

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Name and address of underwriter(s)

<b>Name</b>	<b>Address</b>
Not Applicable	Not Applicable

Amount of expenses incurred in connection with the offer

0

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Net proceeds of the issue and a schedule of its use

<b>Amount</b>	<b>Scheduled Use</b>
0	Not Applicable

Payments to associated persons and the purpose for such payments

<b>Name</b>	<b>Amount</b>	<b>Purpose</b>
Not Applicable	0	Not Applicable

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

<b>Restriction</b>
None

**9. 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 arrearages on the date of filing this report.

None
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(b) If any material arrearages 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 arrearages or delinquency.

<b>Title of Class</b>	<b>Amount</b>	<b>Nature of Arrearages</b>
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## 10. Managements Discussion and Analysis of Financial Condition and Results of Operation.

Discuss the reporting issuers financial condition covering aspects such as liquidity, capital resources, changes in financial condition and results of operations during the financial year of the filing. Discussions of liquidity and capital resources may be combined whenever the two topics are interrelated.

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*

1 Net Profit: The Bank reported a net profit after taxes of \$32.4 million for the financial year ending September 30, 2024, reflecting a 48% increase compared to \$21.9 million in the previous year. This growth in profit can be attributed to the following factors:

(a) Total revenue: The Bank achieved total revenue of \$141 million for the year, marking a 51% increase (or \$47.8 million) from \$93.3 million reported in 2023. The key drivers of this revenue growth included:

- Investment income: Increased by \$21 million, representing the largest portion of the rise.
- Other income: Rose by \$18 million.
- Interest income: Saw an increase of \$14.8 million.

(b) Total expenses: The Bank's total expenses amounted to \$114.6 million, reflecting a 52% increase from \$75.1 million in the previous year. Notable increases in expenses included:

- Staff costs: Up by \$13.8 million.
- Card expenses: Rose by \$8.9 million.
- Interest expense: Increased by \$6.5 million.
- Impairment: Grew by \$8.2 million

2. Total Assets: The 2023 balances for Cash & Cash Equivalents and Investments were restated in

2024 to account for a change in the accounting treatment of highly liquid investments with minimal interest rate risk and original maturities of 90 days or less at the time of purchase. The Bank's total assets increased to \$2.9 billion, reflecting a notable 29% growth of \$638.9 million compared to \$2.2 billion in September 2023. This growth was primarily driven by the following factors:

(a) Cash and cash equivalents: Cash and Cash equivalents increased by \$82.7 million, or 14% to \$670.9 million. Of this, \$224.4 million were in highly liquid investments.

(b) Investment Securities: Investment securities grew to \$1.03 billion, marking a 65% increase from \$625 million the previous year. As part of the Bank's strategic diversification, additional investments were made in fixed-income securities.

(c) Customer Loans & Advances grew by \$157.6 million, reaching a total of \$1 billion. The significant increase was primarily driven by promotions celebrating Grenada's 50th Anniversary of Independence.

(d) Intangible Assets, which comprise Goodwill & Core Intangible Deposit declined by 38% to \$5.9 million from \$9.5 million in the prior year. The decrease resulted from the full impairment of goodwill and amortization of the core deposit intangibles

3 Customers' deposits: The Bank's largest liability and funding source, customer deposits, increased by \$577.7 million or 28%. This increase includes \$533.6 million in current accounts

4 Subordinated debt: To ensure compliance with capital adequacy requirements after the acquisition of FCIB, the Bank secured \$50 million in subordinated debt, qualifying as Tier II capital.

5 Shareholders' equity: As of September 30, 2024, the Bank's equity position grew by \$55.2 million, representing a 44% increase. This growth was primarily driven by an increase in retained earnings of \$27.1 million, resulting from the direct impact of the \$32.4 million net profits, and a transfer to reserves of \$2.1 million. Accumulated other comprehensive income also increased by \$26 million, influenced by unrealized gains of \$16.3 million on the investment instruments within the portfolio and a transfer of realized losses of \$9.7 million on equity instruments.

6 Regulatory Compliance: The Bank maintained its Capital Adequacy Ratio (CAR), Non-Performing Loans (NPL), and Non-performing loans (NPL) ratios within prudential benchmarks.

7. - The Capital Adequacy Ratio (CAR) decreased to 13.4%, down from 14.6% in September 2023. This decline was mainly due to changes in reporting requirements. The 2023 CAR was calculated using Basel I, whereas Basel II/III was applied for the 2024 calculation. If the 2023 CAR had been calculated using Basel II/III, it would have fallen to 11.2%.

8.- Loans to Deposits fell from 43% in 2023 to 40% in 2024.

- NPL decreased from 1.04% to 0.78%.

## **Liquidity and Capital Resources**

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

- i) The reporting issuers 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 issuers 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 Loan to Deposit (LTD) ratio, a key measure of the bank's liquidity, registered at 40%, significantly lower than the minimum prudential guideline by 35 percentage points. This indicates an ample pool of depositor funds available for lending or investment. Capitalizing on this surplus, the bank has directed these funds towards investment activities, evident in the debt exposure ratio standing at 88%.

Moreover, the Bank's Capital Adequacy Ratio (CAR) reached 13.44%.

## **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 offbalance 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.

The Bank's Off-balance sheet arrangements pertain specifically to undrawn loan commitment, guarantees and letters of credit, as is common in the normal course of commercial banking. This exposure is considered and monitored in the management of the Bank's liquidity position. There were no unusual off balance sheet arrangements during the year.

## 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*

Grenada Co-operative Bank Limited has closed another remarkable financial year, showcasing historic growth in both assets and profits. The Bank reported a profit of \$32.4 million after tax, a notable 48% increase from the previous year's \$21.9 million. This significant 48% growth was propelled by the favorable returns on investments, effective credit risk management, consistent yields from a high-quality and expanding credit portfolio, growth in other income streams, and efficient management of interest expenses in light of the deposit portfolio's value.

A key focus for the Bank is its ongoing digital transformation, aimed at improving customer experiences while leveraging operational efficiencies. This initiative is expected to deliver significant results in both the short and medium term. In May, the Bank also launched its Micro, Small, and Medium-sized Enterprises (MSME) Unit, reinforcing its commitment to providing inclusive banking solutions to Grenadians from all walks of life.

Total revenue surged by 52%, or \$54.2 million, rising from \$104.3 million in September 2023 to \$158.6 million in September 2024.

Total expenditure amounted to \$114.6 million, reflecting a \$39.4 million increase from the previous year. The rise was primarily driven by higher volumes in card-related activities, increased staff and interest expense, and higher impairment costs.

In July 2024 Hurricane Beryl ravaged the island of Carriacou, destroying over 95% of the housing stock. The economic impact of Hurricane Beryl, caused an estimated \$218 million in damages (16.5% of Grenada's GDP), did not hinder the Bank's growth. The Bank's loan portfolio expanded, reflecting the resilience of Grenada's economy.

The Bank's focused strategy toward managing the non-performing loan portfolio has been notably successful, with the NPL ratio comfortably below the prudential standard at the close of the financial year.

**11. Changes in and Disagreements with Auditors on Accounting and Financial Disclosure.**

Describe any changes in auditors or disagreements with auditors, if any, on financial disclosure.

None

**12. Directors and Executive Officers of the Reporting Issuer.**

*(Complete Biographical Data Form attached in Appendix 1 and Appendix 1(a) for each director and executive officer)*

Furnish biographical information on directors and executive officers indicating the nature of their expertise.

**13. Other Information.**

The reporting issuer may, at its option, report under this item any information, not previously reported in a Form ECSRC – MC report provided that the material change occurred within seven days of the due date of the Form ECSRC – K 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.

None

**14. List of Exhibits**

List all exhibits, financial statements, and all other documents filed with this report.

Biographical data forms for Directors and Executives. Annual Report 2024

