

Daniel A. Roberts



## *managing director's report*

This year the Bank returned a profit after tax of \$13.05 million. This compares favourably with the 2006 performance, when the Bank recorded a profit of \$12.76 million before a one-off write back to profit of \$12.16 million resulting in a net profit of \$24.92 million. Excluding this one-off write back, the Bank's 2007 profit performance was 2.3 percent higher than the 2006 core performance. Total assets have increased by 3.8 percent to \$682 million. Notwithstanding this modest growth, the Bank was able to maintain its market share in all key segments.

Liquidity in the commercial banking sector tightened throughout the year. Data published by the Eastern Caribbean Central Bank (ECCB) show that total loans as a percentage of total deposits increased from 69.7 percent at the end of July 2006 to 73.7 percent a year later. The comparative figures for the Bank were 60.3 percent and 60.5 percent respectively. The quality of the loans portfolio remains good with non-performing loans within the prudential ceiling established by the ECCB. The Bank's capital base is solid with a capital adequacy ratio of 16 percent, well in excess of established norms.

The Bank continues to be focused on its key stakeholders. We continue to strive for service excellence. In order to get closer to our customers, respond to their needs and better gauge the customer experience, we have introduced additional measures to

## *managing director's report*

supplement the annual customer service survey. We continue to invest in training for our employees at all levels in the organization. During the year a dedicated Training Officer was appointed to increase the capacity of the Bank to deliver structured training locally and augment available regional training programmes. In September, the Bank received the Service Excellence Organisation designation from the Ontario Tourism Education Organisation (OTEC).

For supporting the communities we serve, the Bank received two Good Corporate Citizen Awards from the ECCB in November 2006 for outstanding contribution to Good Customer Service and Cultural Development in the Eastern Caribbean Currency Union. We are proud of these achievements which are fitting recognitions of our commitment to exceeding customers' expectations and raising the financial services industry standard, while contributing to the communities we serve. Earlier this year the Bank announced grant funding for three more major projects under the Power to Make a Difference programme; the Bishop's College expansion projects in Carriacou has been completed and the other projects are at various stages of implementation.

We begin fiscal 2008 with confidence and enthusiasm. Construction of our new building to house the St. George's branch at Melville Street commenced earlier this year and is progressing as planned. The new building will double the space available at

the existing branch and on completion, will facilitate introduction of many exciting new services while at the same time providing a more suitable environment for customers and staff. Improvements will also be made to our Grand Anse branch to better serve our customers.

I wish to thank the management and staff of the Bank for their dedication and hard work, for without their contribution this good result would not have been possible. I would also like to thank the Chairman and Directors for their guidance and counsel and all our customers for their continued loyal support.