

BRITISH CARIBBEAN BANK LIMITED

FINANCIAL STATEMENTS

March 31, 2023

Board of Directors

Sanford Lightbourne
Stewart Howard
Peter Gaze
Ambassador Audrey Joy Grant

Chairman
Managing Director
Director
Director

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
British Caribbean Bank Limited

Report on the audit of the financial statements

Opinion

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We have audited the accompanying financial statements of British Caribbean Bank Limited and its subsidiaries which comprise the statement of financial position as of 31 March 2022, the statement of comprehensive income, statement of cash flows, changes in equity for the year then ended and explanatory notes to the financial statements, including a summary of significant accounting policies. □

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In our opinion, the financial statements present fairly, in all material respects, the financial position of the Bank as of 31 March 2022 and its financial performance and cash flows for the year then ended in accordance with the accounting policies and the requirements of the Revised Code of Ethics for Professional Accountants (IESBA Code).

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Basis for Opinion

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Our audit was conducted in accordance with the standards of the Institute of Chartered Accountants of Belize. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements. We have also followed the Institute of Chartered Accountants of Belize's Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our ethical responsibilities under these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. □

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Responsibilities of Management and Those Charged with Governance for the Financial Statements

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Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting policies and the requirements of the Revised Code of Ethics for Professional Accountants (IESBA Code) and for the preparation of financial statements that are free from material misstatement, whether due to fraud or error. □

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In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, related matters, and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so. □

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Those charged with governance are responsible for overseeing the Bank's financial reporting process. □

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Auditor's responsibilities for the audit of the financial statements

Our objective is to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is not a guarantee that an audit conducted in accordance with the standards of the Institute of Chartered Accountants of Belize will detect all material misstatements. Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting policies and the requirements of the Revised Code of Ethics for Professional Accountants (IESBA Code) and for the preparation of financial statements that are free from material misstatement, whether due to fraud or error. □

As part of an audit in accordance with ISAs, we:

- (i) exercise professional judgement and maintain professional scepticism throughout the audit.
- (ii) identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (iii) obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Project's internal control.
- (iv) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (v) conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we should conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause an entity to cease to continue as a going concern.
- (vi) evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (vii) obtain sufficient audit evidence regarding the financial information of the Bank to express an opinion on the financial statements. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Crowe Belize LLP

26 June 2023

Statements of Income and Comprehensive Income

In United States dollars

	<u>Notes</u>	<u>Year ended March 31</u>	<u>Year ended March 31</u>
		2023	2022
		(\$000's)	(\$000's)
Interest income	17	6,289	3,481
Interest expense		(548)	(243)
Net interest income		5,741	3,238
Credit impairment (charges) releases	5	(418)	2,185
Net interest income after provision for loan losses		5,323	5,423
Non-interest income	18	870	1,438
Non-interest expense	19	(1,338)	(1,838)
Net income		4,855	5,023
Other comprehensive income			
<i>Items not reclassified to net income</i>			
Premises and equipment revaluation surplus		983	-
Total comprehensive income		5,838	5,023
Basic and diluted earnings per share	16	\$ 0.37	\$ 0.39

The notes on page 7 to 19 form an integral part of these financial statements.

Balance Sheets

In United States dollars

	<u>Notes</u>	<u>March 31</u>	<u>March 31</u>
		2023	2022
		(\$000's)	(\$000's)
Assets			
Cash and due from banks	2	1,549	1,841
Interest-bearing deposits		20,092	83,045
Investments	3	61,978	24,574
Loans (net of unearned income)	4	65,465	52,453
Less: allowance for loan losses	5	(327)	(2,138)
Premises and equipment	6	3,313	2,272
Other assets	7	642	472
Total assets		<u>152,712</u>	<u>162,519</u>
Liabilities and shareholders' equity			
Deposits:			
Demand deposits		52,378	44,996
Term deposits	8	60,371	79,193
Total deposits		112,749	124,189
Accrued expenses and other liabilities	9	1,980	740
Total liabilities		<u>114,729</u>	<u>124,929</u>
Commitments and contingent liabilities	11		
Shareholders' equity			
Common shares	10	13,000	13,000
Additional paid-in capital		11,000	11,000
Statutory reserve		13,000	13,000
Revaluation reserve		983	-
Retained earnings		-	590
Total shareholders' equity		<u>37,983</u>	<u>37,590</u>
Total liabilities and shareholders' equity		<u>152,712</u>	<u>162,519</u>

These financial statements were approved on behalf of the Board of Directors on 28 June 2023 by the following:



Director



Director

The notes on pages 7 to 19 form an integral part of these financial statements.