

**BRITISH CARIBBEAN BANK LIMITED**

**FINANCIAL STATEMENTS**

**March 31, 2022**

**Board of Directors**

**Sanford Lightbourne  
Stewart Howard  
Peter Gaze**

**Chairman  
Managing Director  
Director**

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## Independent auditor's report

To the Board of Directors and Shareholders of British Caribbean Bank Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of British Caribbean Bank Limited which comprise the balance sheets as of 31 March 2022 and 2021, and the related statements of income and comprehensive income, shareholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether these financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Basis for qualified opinion

As indicated in Note 5 to the financial statements, British Caribbean Bank Limited recognized a loan loss provision of \$2.14 million in fiscal 2022 and \$2.94 million in 2021 as required by the banking regulatory authority which, in our opinion, is contrary to accounting principles generally accepted in the United States of America.

### Qualified opinion

In our opinion, except for the effects on the financial statements of over-providing for loan losses by \$2.14 million as mentioned in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of British Caribbean Bank Limited as of 31 March 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

  
BDO Belize LLP  
Belize City, Belize  
21 June 2022

## Statements of Income and Comprehensive Income

In United States dollars

	Year ended March 31	Year ended March 31
	2022	2021
	(\$000's)	(\$000's)
Interest income (note 17)	3,481	4,503
Interest expense	(243)	(237)
<b>Net interest income</b>	<b>3,238</b>	<b>4,266</b>
Cash recovery from (allowance for) non-performing loans (note 5)	2,185	(2,940)
Net income after provision for loan losses	5,423	1,326
Non-interest income (note 18)	1,438	877
Non-interest expense (note 19)	(1,838)	(2,198)
<b>Net income</b>	<b>5,023</b>	<b>5</b>
<b>Basic and diluted earnings per share (note 16)</b>	<b>\$ 0.39</b>	<b>\$ 0.00</b>

The notes on page 6 to 17 form an integral part of these financial statements.

**Balance Sheets**

In United States dollars

	<u>March 31</u>	<u>March 31</u>
	2022	2021
	(\$000's)	(\$000's)
<b>Assets</b>		
Cash and due from banks (note 2)	1,841	231
Interest-bearing deposits	83,045	55,287
Investments (note 3)	24,574	12,341
Loans (net of unearned income) (note 4)	52,453	57,376
Less: allowance for loan losses (note 5)	(2,138)	(6,639)
Premises and equipment (note 6)	2,272	2,312
Assets held-for-sale (note 7)	-	791
Other assets (note 8)	472	695
<b>Total assets</b>	<u>162,519</u>	<u>122,394</u>
<b>Liabilities and shareholders' equity</b>		
Deposits:		
Demand deposits	44,996	21,430
Term deposits (note 9)	79,193	62,527
Total deposits	124,189	83,957
Accrued expenses and other liabilities	740	1,370
Total liabilities	<u>124,929</u>	<u>85,327</u>
Commitments and contingent liabilities (note 11)		
<b>Shareholders' equity</b>		
Common shares (note 10)	13,000	13,000
Additional paid-in capital	11,000	11,000
Statutory reserve	13,000	13,000
Retained earnings	590	67
Total shareholders' equity	<u>37,590</u>	<u>37,067</u>
<b>Total liabilities and shareholders' equity</b>	<u>162,519</u>	<u>122,394</u>

These financial statements were approved on behalf of the Board of Directors on 21 June 2022 by the following:

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

The notes on pages 6 to 17 form an integral part of these financial statements.