



Caribbean Union Bank



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INDEPENDENT AUDITORS' REPORT ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of
CARIBBEAN UNION BANK LIMITED

The accompanying summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at December 31, 2021 the summary consolidated statements of profit or loss and other comprehensive income, changes in shareholder's equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Caribbean Union Bank Limited for the year ended December 31, 2021. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated July 18, 2022.

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of Caribbean Union Bank Limited.

Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of a summary of the audited consolidated financial statements.

Auditors' Responsibility

Our responsibility is to express an opinion on the summary consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements".

Opinion

In our opinion, the summary consolidated financial statements derived from the audited consolidated financial statements of Caribbean Union Bank Limited for the year ended December 31, 2021 are consistent, in all material respects, with those consolidated financial statements.

Chartered Accountants
July 18, 2022

Antigua and Barbuda

Caribbean Union Bank Limited

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION December 31, 2021 (Expressed in Eastern Caribbean dollars)

	2021 \$	2020 \$
Assets		
Cash and balances with the Central Bank	23,048,407	34,501,180
Investment securities	16,398,575	194,523
Due from other banks	65,078,763	28,995,612
Treasury bills	15,521,379	11,994,318
Loans and advances	153,055,850	162,162,782
Other assets	1,471,799	4,069,498
Property and equipment	5,950,643	6,893,204
Deferred tax asset	6,133,242	6,308,954
Total assets	286,658,658	255,120,071
Liabilities		
Customers' deposits	234,745,074	203,962,014
Other liabilities and accrued expenses	8,085,937	7,962,391
Total liabilities	242,831,011	211,924,405
Shareholders' Equity		
Share capital	39,557,385	39,557,385
Treasury shares	(218,412)	(218,412)
Reserves	4,546,767	4,420,371
Accumulated deficit	(58,093)	(563,678)
Total Shareholders' Equity	43,827,647	43,195,666
Total liabilities and Shareholders' Equity	286,658,658	255,120,071

Approved for issue by the Board of Directors on 18th July, 2022 and signed on its behalf by:

Chairman

Director

SUMMARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME Year ended December 31, 2021 (Expressed in Eastern Caribbean dollars)

	2021 \$	2020 \$
Interest income		
Income from loans and advances	13,280,391	13,286,650
Income from deposits with other banks and investments	596,700	535,929
	13,877,091	13,822,579
Interest expense		
Time deposits	2,218,534	2,149,842
Chequing	87,169	67,089
Savings	1,106,925	837,564
	3,412,628	3,054,495
Net interest income	10,464,463	10,768,084
Fee and commission income	4,817,720	3,593,393
Other operating income	1,333,705	764,442
Operating income	16,615,888	15,125,919
Operating expenses		
General and administrative expenses	7,458,495	7,207,772
Employee costs	5,942,448	5,302,394
Depreciation	1,353,942	1,444,950
Provision for loan impairment	482,854	665,604
Directors' fees and expenses	479,100	428,083
Bad debt expense	1,612	-
	15,718,451	15,048,803
Profit before taxation	897,437	77,116
Taxation	(265,456)	309,758
Net profit after tax (carried forward)	631,981	386,874

SUMMARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)

Year ended December 31, 2021

(Expressed in Eastern Caribbean dollars)

	2021 \$	2020 \$
Net profit after tax (brought forward)	631,981	386,874
Other comprehensive income		
Items that will not be reclassified to profit or loss	-	-
Changes in the value of financial assets at fair value through OCI	-	-
Income tax relating to this item	-	-
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	631,981	386,874

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Year ended December 31, 2021

(Expressed in Eastern Caribbean dollars)

	Ordinary shares \$	Treasury shares \$	Statutory reserve \$	Regulatory reserve for loan impairment \$	Accumulated deficit \$	Total \$
Balance as at December 31, 2019	39,557,385	(218,412)	3,034,611	825,578	(390,370)	42,808,792
Net income for the year	-	-	-	-	386,874	386,874
Transfer to statutory reserve fund	-	-	92,588	-	(92,588)	-
Reserved for loan impairment for purposes	-	-	-	467,594	(467,594)	-
Balance as at December 31, 2020	39,557,385	(218,412)	3,127,199	1,293,172	(563,678)	43,195,666
Net income for the year	-	-	-	-	631,981	631,981
Transfer to statutory reserve fund	-	-	126,396	-	(126,396)	-
Balance as at December 31, 2021	39,557,385	(218,412)	3,253,595	1,293,172	(58,093)	43,827,647

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended December 31, 2021

(Expressed in Eastern Caribbean dollars)

	2021 \$	2020 \$
Cash flows from operating activities		
Profit before tax	897,437	77,116
Adjustments for:		
Depreciation	1,353,942	1,444,950
Provision for loan impairment	482,854	665,604
Interest income	(13,877,091)	(13,822,579)
Interest expense	3,412,628	3,054,495
Bad debt expense	1,612	-
Operating losses before changes in operating assets and liabilities	(7,728,618)	(8,580,414)
Change in restricted deposits	(2,122,000)	(481,000)
Change in loans and advances, net of repayments	8,578,640	(14,216,449)
Change in other assets	2,596,087	(2,173,344)
Change in financial assets at fair value through profit and loss	(2)	(787)
Change in customers' deposits	31,186,721	10,761,201
Change in other liabilities and accrued expenses	33,802	(1,557,090)
Cash generated from/(used in) operations	32,544,630	(16,247,883)
Interest paid	(3,816,289)	(2,469,462)
Interest received	13,900,230	12,646,682
Net cash generated from/(used in) operating activities	42,628,571	(6,070,663)
Cash flows from investing activities		
(Purchase)/redemption of treasury bills	(3,508,812)	36,108
Purchase of financial assets at amortized cost	(16,200,000)	(32,400,000)
Redemption of financial assets at amortized cost	-	48,600,000
Acquisition and recognition of property and equipment	(411,381)	(569,970)
Net cash (used in)/generated from investing activities	(20,120,193)	15,666,138
Increase in cash and cash equivalents	22,508,378	9,595,475
Cash and cash equivalents, beginning of year	51,928,792	42,333,317
Cash and cash equivalents, end of year	74,437,170	51,928,792

Notes to Summary Consolidated Financial Statements
December 31, 2021
(Expressed in Eastern Caribbean dollars)

1. Basis of preparation
These summary consolidated financial statements are derived from the audited consolidated financial statements of Caribbean Union Bank Limited for the year ended December 31, 2021.

