

• 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.

• Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of the Bank. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Report on Other Legal and Regulatory Requirements

Please see opinion on Regulatory Basis of Accounting.

The engagement partner on the audit resulting in this independent auditor's report is Reynaldo Magaña.



Moore Magaña LLP  
Chartered Accountants  
Belize City, Belize  
20 December 2021

## INDEPENDENT AUDITOR'S REPORT

### TO THE BOARD OF DIRECTORS OF NATIONAL BANK OF BELIZE LIMITED

#### Report on the audit of the financial statements

##### Qualified opinion on International Financial Reporting Standards

We have audited the accompanying financial statements of National Bank of Belize Limited (the Bank), which comprise the statement of financial position as at 31 August 2021, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended and explanatory notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion on International Financial Reporting Standards paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at 31 August 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

##### Basis for Qualified Opinion on International Financial Reporting Standards

The financial statements are prepared by the Bank on the basis of the financial reporting provisions of the Central Bank of Belize, including the Domestic Banks and Financial Institutions Act as Amended (DBFIA) and Practice Directions. The requirements of the financial reporting provisions of the DBFIA Practice Directions represent a departure from IFRS. We are unable to determine the effects on the financial statements, of the variances between the financial reporting provisions of the Central Bank of Belize and the DBFIA Practice Directions and IFRS for reporting period and corresponding figures.

##### Opinion on Regulatory Basis of Accounting

We have audited the accompanying financial statements of National Bank Limited (the Bank), which comprises the statement of financial position as at 31 August 2021, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and explanatory notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Bank as at 31 August 2021, and its financial performance and its cash flows for the year then ended in accordance with the financial reporting provisions of the Central Bank of Belize and the DBFIA.

##### Basis For Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Belize, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to form a basis for our qualified opinion on IFRS and opinion on Regulatory Basis of Accounting.

##### Emphasis of Matter

We draw attention to Note 2.5 of the financial statements which discuss a global pandemic and recommendation for containment and mitigation measures worldwide. As a consequence, the Central Bank has released a set of monetary and macro-prudential instruments in response to the COVID-19 Pandemic. The sector specific instruments are described in more detail in Note 2.5. Our opinion is not modified in respect of this matter.

##### Other Matter

The financial statements of the Bank for the year ended 31 August 2020, were audited by another auditor who expressed an unqualified opinion on those statements on 04 December 2020.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the financial reporting provisions of the Central Bank of Belize and the DBFIA Practice Directions, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern 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.

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

##### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole 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 a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

• 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.

• 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 Bank's internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

• 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 conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

#### National Bank of Belize Limited

##### Statement of financial position

As at 31 August 2021

In Belize dollars

	Notes	2021	2020
<b>Assets</b>			
Cash and cash equivalents	4b, 7	1,250,396	1,136,291
Balances with the Central Bank of Belize	4c, 8	17,334,846	12,841,678
Due from banks	4d, 9	4,464,168	317,373
Loans to customers	4e, 10	48,038,593	47,255,687
Other assets	4a, 11	957,500	612,365
Property and equipment	4h, 12	885,205	836,760
<b>Total assets</b>		<b>72,930,708</b>	<b>63,000,154</b>
<b>Liabilities</b>			
Customer accounts	4i, 13	53,117,498	41,447,811
Other liabilities	4a, 4j, 14	1,113,270	1,019,948
<b>Total liabilities</b>		<b>54,230,768</b>	<b>42,467,759</b>
<b>Equity</b>			
Share capital	4k, 15	35,025,000	35,025,000
General loan loss reserve	4l	462,008	443,952
Accumulated loss		(16,787,068)	(14,936,557)
<b>Total equity</b>		<b>18,699,940</b>	<b>20,532,395</b>
<b>Total liabilities and equity</b>		<b>72,930,708</b>	<b>63,000,154</b>

The accompanying notes form an integral part of these financial statements.

Approved on behalf of the Board and authorised for issue on 20 December 2021.

Signature of Director: 

Print Name: 

Signature of Director: 

Print Name: 

NATIONAL BANK OF BELIZE LTD  
53 REGENT STREET  
BELIZE CITY, BELIZE

#### National Bank of Belize Limited

##### Statement of comprehensive income

For the year ended 31 August 2021

In Belize dollars

	Notes	2021	2020
Interest income		3,346,504	3,154,400
Interest expense		(914,343)	(786,353)
<b>Net interest income</b>	<b>4m, 16</b>	<b>2,432,161</b>	<b>2,368,047</b>
Non-interest income	<b>4m, 17</b>	<b>562,050</b>	<b>290,340</b>
<b>Operating income</b>		<b>2,994,211</b>	<b>2,658,387</b>
(Charge) of loss allowance on loans to customers	<b>4a, 10</b>	<b>(593,307)</b>	<b>(38,674)</b>
Personnel expenses	<b>4m, 18</b>	<b>(2,155,559)</b>	<b>(2,042,687)</b>
Other operating expenses	<b>4h, 4m, 19</b>	<b>(1,628,658)</b>	<b>(1,694,994)</b>
<b>Net (loss) before tax</b>		<b>(1,383,313)</b>	<b>(1,088,888)</b>
Business tax	<b>4p, 20</b>	<b>(449,142)</b>	<b>(402,893)</b>
<b>Net (loss) after tax</b>		<b>(1,832,455)</b>	<b>(1,491,581)</b>
Other comprehensive income		-	-
<b>Total comprehensive (loss) for the year</b>		<b>(1,832,455)</b>	<b>(1,491,581)</b>