



Accountants &  
Business Advisers

**1<sup>st</sup> NATIONAL BANK ST. LUCIA LIMITED**

**SUMMARY FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**DECEMBER 31, 2022**

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF  
1<sup>st</sup> NATIONAL BANK ST. LUCIA LIMITED**

**Report on the Audit of the Summary Financial Statements**

***Opinion***

The summary financial statements, which comprise the summary statement of financial position as at December 31, 2022, the summary statement of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited financial statements of 1<sup>st</sup> National Bank St. Lucia Limited ("the Bank") for the year ended December 31, 2022.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, on the basis described in Note 1.

***Summary Financial Statements***

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements and our report thereon, therefore, is not a substitute for reading the audited financial statements and our report thereon. The audited financial statements and the summary financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

***The Audited Financial Statements and Our Report Thereon***

We expressed an unmodified audit opinion of the audited financial statements in our report dated May 31, 2024.

***Management's Responsibility for the Summary Financial Statements***

Management is responsible for the preparation of the summary financial statements in accordance with Note 1.

***Auditor's Responsibility for the Audit of the Summary Financial Statements***

Our responsibility is to express an opinion on whether the summary financial statement are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), "Engagement to Report on Summary Financial Statements."

GRENADA

May 31<sup>st</sup>, 2024

A handwritten signature in black ink that reads "PKF".

Accountants & Business Advisers

1<sup>st</sup> National Bank St. Lucia Limited  
Statement of Financial Position  
As at December 31, 2022  
(Expressed in Eastern Caribbean dollars)

	2022 \$	2021 \$
<b>Assets</b>		
Cash and balances with Central Bank	315,576,840	293,056,915
Due from other banks	133,214,671	98,809,989
Treasury bills	28,247,950	15,674,819
Loans and advances to customers	906,948,364	832,976,577
Investment securities	136,135,203	121,383,183
Defined benefit asset	3,277,000	2,667,000
Property and equipment	15,012,002	11,275,609
Right-of-use assets	14,276,239	16,016,686
Intangible assets	20,269,195	12,833,624
Income tax recoverable	471,537	-
Other assets	28,653,754	78,595,314
<b>Total assets</b>	<b>1,602,082,755</b>	<b>1,483,289,716</b>
<b>Liabilities</b>		
Due to customers	1,406,410,803	1,278,783,705
Due to banks	26,636,244	29,099,500
Other liabilities	28,501,273	45,752,192
Lease liabilities	16,150,282	17,517,941
Current income tax payable	-	1,118,486
Provisions	2,623,615	56,688
Deferred income tax liability	465,100	532,115
<b>Total liabilities</b>	<b>1,480,787,317</b>	<b>1,372,860,627</b>
<b>Equity:</b>		
<b>Capital and reserves:</b>		
Share capital	20,000,000	20,000,000
Reserves	55,079,008	34,095,186
Retained earnings	46,216,430	56,333,903
<b>Total equity</b>	<b>121,295,438</b>	<b>110,429,089</b>
<b>Total liabilities and equity</b>	<b>1,602,082,755</b>	<b>1,483,289,716</b>

Approved on behalf of the Board: -



Nigel A. Fulgence

President



Geraldine Lendor-Gabriel

Director

1<sup>st</sup> National Bank St. Lucia Limited  
Statement of Profit or Loss and Other Comprehensive Income  
For the year ended December 31, 2022  
(Expressed in Eastern Caribbean dollars)

	2022 \$	2021 \$
Interest and similar income	52,367,961	52,572,636
Interest expense and similar charges	(21,866,709)	(18,505,473)
<b>Net interest income</b>	<b>30,501,252</b>	<b>34,067,163</b>
<b>Other operating income, net</b>	<b>24,527,464</b>	<b>19,954,725</b>
<b>Net interest and other operating income</b>	<b>55,028,716</b>	<b>54,021,888</b>
Other expenses	(51,253,202)	(43,683,722)
Bargain purchase	8,894,978	-
Impairment recovery/(losses) on financial assets	4,619,361	(2,181,882)
<b>Profit before income tax</b>	<b>17,289,853</b>	<b>8,156,284</b>
Income tax expense	(961,233)	(4,173,764)
<b>Profit for the year</b>	<b>16,328,620</b>	<b>3,982,520</b>
<b>Other comprehensive income:</b>		
<b>Items that will never be reclassified to profit or loss:</b>		
Re-measurement of defined benefit asset	371,000	(697,000)
Deferred tax on re-measurement of defined benefit asset	111,300	209,100
Net fair value (losses)/gains on equity investments at FVOCI	(1,036,593)	1,673,454
<b>Items that are or may be reclassified subsequently to profit or loss:</b>		
Net fair value losses on debt investments at FVOCI	(4,907,978)	(686,031)
<b>Other comprehensive (loss)/income for the year</b>	<b>(5,462,271)</b>	<b>499,523</b>
<b>Total comprehensive income for the year</b>	<b>10,866,349</b>	<b>4,482,043</b>
<b>Earnings per share</b>		
<b>(expressed in EC\$ per share)</b>		
Basic and diluted	2.43	0.59

1<sup>st</sup> National Bank St. Lucia Limited  
Statement of Changes in Equity  
For the year ended December 31, 2022  
(Expressed in Eastern Caribbean dollars)

	Share capital	Statutory reserve	Revaluation reserve	Revaluation reserve on FVOCI investments	Other reserves	Retained earnings	Total equity
	\$	\$	\$	\$	\$	\$	\$
<b>Balance at December 31, 2021</b>	20,000,000	14,278,657	1,580,843	3,061,351	15,174,335	56,333,903	110,429,089
<b>Total comprehensive income</b>							
Profit for the year	-	-	-	-	-	16,328,620	16,328,620
<b>Other comprehensive income</b>							
Fair value loss on FVOCI investment securities	-	-	-	(5,944,571)	-	-	(5,944,571)
Re-measurement of defined benefit asset	-	-	-	-	-	371,000	371,000
Deferred tax on re-measurement of defined benefit asset	-	-	-	-	-	111,300	111,300
<b>Total other comprehensive income</b>	-	-	-	(5,944,571)	-	482,300	(5,462,271)
<b>Total comprehensive income</b>	-	-	-	(5,944,571)	-	16,810,920	10,866,349
Net transfer from retained earnings	-	3,265,724	50,660	-	-	(3,316,384)	-
Reserve for loan loss provision	-	-	-	-	22,408,626	(22,408,626)	-
Reserve for interest recognized on non-performing loans	-	-	-	-	1,203,383	(1,203,383)	-
<b>Balance at December 31, 2022</b>	20,000,000	17,544,381	1,631,503	(2,883,220)	38,786,344	46,216,430	121,295,438

1<sup>st</sup> National Bank St. Lucia Limited  
Statement of Changes in Equity  
For the year ended December 31, 2022  
(Expressed in Eastern Caribbean dollars)

	Share capital	Statutory reserve	Revaluation reserve	Revaluation reserve on FVOCI investments	Other reserves	Retained earnings	Total equity
	\$	\$	\$	\$	\$	\$	\$
<b>Balance at December 31, 2020</b>	20,000,000	13,482,153	1,530,183	2,073,928	10,571,797	59,328,127	106,986,188
<b>Total comprehensive income</b>							
Profit for the year	-	-	-	-	-	3,982,520	3,982,520
<b>Other comprehensive income</b>							
Fair value gain on FVOCI investment securities	-	-	-	987,423	-	-	987,423
Re-measurement of defined benefit asset	-	-	-	-	-	(697,000)	(697,000)
Deferred tax on re-measurement of defined benefit asset	-	-	-	-	-	209,100	209,100
<b>Total other comprehensive income</b>	-	-	-	987,423	-	(487,900)	499,523
<b>Total comprehensive income</b>	-	-	-	987,423	-	3,494,620	4,482,043
Net transfer from retained earnings	-	796,504	50,660	-	-	(847,164)	-
Reserve for loan loss provision	-	-	-	-	3,446,709	(3,446,709)	-
Reserve for interest recognized on non-performing loans	-	-	-	-	1,155,829	(1,155,829)	-
Profit share 2019	-	-	-	-	-	(384,195)	(384,195)
<b>Transactions with owners</b>							
Dividends to shareholders	-	-	-	-	-	(654,947)	(654,947)
<b>Balance at December 31, 2021</b>	20,000,000	14,278,657	1,580,843	3,061,351	15,174,335	56,333,903	110,429,089

1<sup>st</sup> National Bank St. Lucia Limited  
Statement of Cash Flows  
As of December 31, 2022  
(Expressed in Eastern Caribbean dollars)

	2022 \$	2021 \$
<b>Cash flows from operating activities</b>		
Profit for the year	16,328,620	3,982,520
Adjustments for:	-	
Depreciation and amortization	2,212,246	4,628,397
Depreciation on right-of-use assets	2,280,488	1,890,357
Loss/(Gain) on disposal of property and equipment	2,801	(22,301)
Impairment (recovery)/loss on financial assets	(672,194)	2,181,882
Defined benefit income	(12,000)	(60,000)
Dividend income	(320,493)	(338,985)
Tax expense	961,233	4,173,764
Tax penalties	106,168	-
Interest and similar income	(52,367,962)	(52,572,636)
Gain on acquisition	(8,894,978)	-
Interest expense and similar charges	21,866,710	18,505,473
<b>Cash flows before changes in operating assets and liabilities</b>	(18,509,361)	(17,631,529)
Change in mandatory reserve deposits with Central Bank	(136,485,426)	(27,713,295)
Change in loans and advances to customers	(125,762)	7,381,452
Change in other assets	63,932,488	(58,677,154)
Change in due to customers	(75,309,506)	136,239,145
Change in other liabilities	(32,962,686)	15,076,787
<b>Cash (used)/generated from operations</b>	(199,460,253)	54,675,406
Interest and similar income received	56,104,418	53,303,071
Interest expense and similar charges paid	(22,314,383)	(17,515,012)
Profit sharing and bonuses paid	-	(384,195)
Defined benefit contributions paid	(227,000)	(249,000)
Income taxes paid	(2,613,140)	(2,981,486)
<b>Net cash (used)/generated from operating activities</b>	(168,510,358)	86,848,784
<b>Cash flows from investing activities</b>		
Purchase of treasury bills	(49,420,947)	(467,259)
Proceeds from sale of treasury bills	36,900,256	2,423,487
Purchase of investment securities	(60,415,675)	(43,334,255)
Proceeds from sale of investment securities	39,699,209	6,097,215
Dividends received	320,493	338,985
Proceeds from sale of property and equipment	161	120,650
Acquisition of property and equipment	(2,822,468)	(1,223,933)
Acquisition of intangible assets	(724,460)	(20,643)
Acquisition of RBTT/RBC	129,783,988	77,625,649
<b>Net cash generated from investing activities</b>	93,320,557	41,559,896
<b>Cash flows from financing activities</b>		
Principal portion of lease liabilities	(1,907,534)	(960,560)
Proceeds from bank borrowings	-	29,700,000
Repayment on bank borrowings	(2,462,396)	(610,661)
Dividends paid on ordinary shares	(1,087)	(1,098,031)
<b>Net cash (used)/generated from financing activities</b>	(4,371,017)	27,030,748
<b>Net (decrease)/increase in cash and cash equivalents</b>	(79,560,818)	155,439,428
Cash and cash equivalents at 1 January	319,821,904	164,382,476
<b>Cash and cash equivalents at 31 December</b>	240,261,086	319,821,904

**1<sup>st</sup> National Bank St. Lucia Limited**  
**Note to the Summary Financial Statements**  
**for the year ended December 31, 2022**  
**(Expressed in Eastern Caribbean dollars)**

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**1. Basis of presentation**

The summary financial statements are prepared in accordance with the criteria developed by management. Management's criteria, requires the disclosure of the summary of financial position, statement of income, profit or loss and other comprehensive income, changes in equity and cash flows. These summary of financial statements are derived from the audited financial statements of 1<sup>st</sup> National Bank St. Lucia Limited for the year ended December 31, 2022, which are prepared in accordance with International Financial Reporting Standards.