



HERITAGE BANK LIMITED

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HERITAGE BANK LIMITED

STATEMENT OF FINANCIAL POSITION 31ST DECEMBER 2015

All amounts expressed in Belize dollars

	2015	2014
Assets:		
Cash and cash equivalents	108,448,704	71,286,078
Debt instrument investments	12,479,432	24,255,423
Loans receivable	136,292,138	139,003,621
Less: specific loan loss reserve	(14,746,020)	(15,773,381)
Other assets	2,023,446	1,402,329
Property and equipment	6,473,007	6,121,912
Total assets	250,970,707	226,295,982
Liabilities:		
Customers' deposits	210,817,494	206,300,276
Due to other banks	8,343,569	756,607
Other liabilities	2,464,846	2,672,605
Severance payable	424,615	264,261
Total liabilities	222,050,524	209,993,749
NET ASSETS	28,920,183	16,302,233
Shareholders' equity		
Share capital	42,100,000	32,054,078
Share premium	490,000	490,000
General loan loss reserve	1,170,209	1,170,209
Accumulated deficit:		
Statutory reserves	3,033,353	2,390,347
Unappropriated accumulated deficit	(17,873,379)	(19,802,401)
Total accumulated deficit	(14,840,026)	(17,412,054)
SHAREHOLDERS' EQUITY	28,920,183	16,302,233

Approved on behalf of the Board

 Director
 Director

REPORT OF THE INDEPENDENT AUDITOR TO THE BOARD OF DIRECTORS AND SHAREHOLDERS OF HERITAGE BANK LIMITED

We have audited the accompanying financial statements of Heritage Bank Limited which comprise the statement of financial position as at 31st December 2015 and the statement of comprehensive income, statements of changes in equity and cash flows for the year then ended, and summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, 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.

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 International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

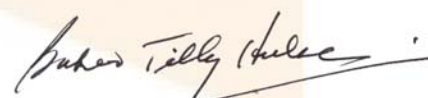
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion the financial statements present fairly, in all material respects, the financial position of Heritage Bank Limited as at 31st December 2015 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

In our opinion the financial statements present fairly, in all material respects, the financial position of Heritage Bank Limited as at 31st December 2015 and of its financial performance and cash flows for the year then ended in accordance with the Domestic Banks and Financial Institutions Act (2012) as specified in notes 1 and 2 of these financial statements.



Baker Tilly Hulse
Chartered Accountant
18th May 2016

Belize City,
Belize, C.A.

HERITAGE BANK LIMITED

STATEMENT OF COMPREHENSIVE INCOME YEAR ENDED 31ST DECEMBER 2015

All amounts expressed in Belize dollars

	2015	2014
Interest income	11,500,845	11,327,569
Interest expense	(3,828,434)	(4,493,852)
Net interest income	7,672,211	6,833,717
Fee and commission income	2,339,780	2,172,608
Fee and commission expense	(971,387)	(926,321)
Net fee and commission income	1,367,393	1,246,287
Net trading income	1,748,346	1,945,475
Other operating income	1,234,890	1,152,648
OPERATING INCOME	12,023,340	11,178,127
Provision for credit losses	-	(500,000)
Personnel expense	(4,295,448)	(3,536,787)
Other operating expenses	(3,598,270)	(3,198,600)
Operating income before taxes	4,129,322	3,942,740
Less: taxes	(1,557,595)	(1,719,117)
Net income for the year	2,572,027	2,223,623

BOARD OF DIRECTORS

Richard Sutton (Chairman)

Julieta Sanchez

McAlister Abbott

Carolyn Philip

Aldo Reyes

Karen Weir

Stephen Duncan (Managing Director/Secretary)