



**Republic Bank**  
We're the One for you!

**UNAUDITED THIRD QUARTER  
FINANCIAL STATEMENTS**  
FOR THE NINE MONTHS ENDED JUNE 30, 2017

**CHAIRMAN'S STATEMENT**

Dear Stockholder,

Your Bank recorded an after-tax profit of \$2,196 million for the nine month period ended June 30, 2017. This represents an increase of \$78 million or 3.7% when compared with the corresponding period last year. Our net interest and other income grew by \$285 million or 4.1%, driven by an increase of 6.1% in the loan portfolio.

As we move forward in the final quarter of fiscal 2017, we expect the Bank's future performance to remain satisfactory.

Nigel M. Baptiste  
Chairman of the Board  
July 17, 2017

**Republic Bank (Guyana) Limited**  
**Statement of Financial Position**

Expressed in millions of Guyana dollars

	UNAUDITED Jun-30-17	UNAUDITED Jun-30-16	AUDITED Sept-30-16
<b>ASSETS</b>			
Cash resources	11,980	22,422	16,162
Statutory deposit with Bank of Guyana	13,924	15,051	14,802
Investment securities	47,213	48,574	53,184
Advances	60,100	56,666	58,418
Other assets	2,335	2,107	2,148
Premises and equipment	7,237	6,415	6,744
Intangible assets	122	88	116
<b>TOTAL ASSETS</b>	<b>142,911</b>	<b>151,323</b>	<b>151,574</b>
<b>LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>			
<b>LIABILITIES</b>			
Customers' chequing, savings and deposit accounts	121,702	131,680	131,187
Due to banks	171	135	143
Pension liability	190	133	172
Other liabilities	3,242	3,226	3,357
<b>TOTAL LIABILITIES</b>	<b>125,305</b>	<b>135,174</b>	<b>134,859</b>
<b>STOCKHOLDERS' EQUITY</b>			
Stated capital	300	300	300
Statutory reserves	300	300	300
Other reserves	3,259	2,379	2,845
Retained earnings	13,747	13,170	13,270
	17,606	16,149	16,715
<b>TOTAL LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>	<b>142,911</b>	<b>151,323</b>	<b>151,574</b>

Richard S. Sammy, Managing Director

Christine McGowan, Corporate Secretary

Roy E. Cheong, Director, Chairman of Audit Committee

**Republic Bank (Guyana) Limited**  
**Statement of Income**

Expressed in millions of Guyana dollars

	UNAUDITED THREE MONTHS ENDED Jun-30-17	UNAUDITED THREE MONTHS ENDED Jun-30-16	UNAUDITED SIX MONTHS ENDED Jun-30-17	UNAUDITED SIX MONTHS ENDED Jun-30-16	UNAUDITED NINE MONTHS ENDED Jun-30-17	UNAUDITED NINE MONTHS ENDED Jun-30-16	AUDITED YEAR ENDED Sept-30-16
Net interest income	1,765	1,647	3,451	3,295	5,188	5,098	7,068
Other income	654	636	1,359	1,188	2,106	1,911	2,323
Operating income	2,419	2,283	4,810	4,483	7,294	7,009	9,391
Loan impairment expense	105	(76)	(198)	(156)	(339)	(411)	(786)
Operating expenses	(1,211)	(1,130)	(2,403)	(2,183)	(3,543)	(3,273)	(4,344)
<b>Profit before tax</b>	<b>1,313</b>	<b>1,077</b>	<b>2,209</b>	<b>2,144</b>	<b>3,412</b>	<b>3,325</b>	<b>4,261</b>
Tax	(477)	(382)	(787)	(771)	(1,216)	(1,207)	(1,558)
<b>Net profit after tax</b>	<b>836</b>	<b>695</b>	<b>1,422</b>	<b>1,373</b>	<b>2,196</b>	<b>2,118</b>	<b>2,703</b>
<b>Earnings per stock unit (G\$)</b>	<b>2.79</b>	<b>2.32</b>	<b>4.74</b>	<b>4.58</b>	<b>7.32</b>	<b>7.06</b>	<b>9.01</b>
<b>Average number of stock units ('000,000)</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>



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**Republic Bank (Guyana) Limited**  
**Statement of Comprehensive Income**

Expressed in millions of Guyana dollars

	UNAUDITED THREE MONTHS ENDED Jun-30-17	UNAUDITED THREE MONTHS ENDED Jun-30-16	UNAUDITED NINE MONTHS ENDED Jun-30-17	UNAUDITED NINE MONTHS ENDED Jun-30-16	AUDITED YEAR ENDED Sept-30-16
<b>Net profit after tax</b>	836	695	2,196	2,118	2,703
<i>Other comprehensive income (net of tax) that may be reclassified to profit and loss in subsequent periods or have been transferred to profit and loss in the current period:</i>					
<b>Net gain/(loss) on available-for-sale investments</b>	1	49	(70)	43	67
<i>Other comprehensive income (net of tax) that will not be reclassified to profit and loss in subsequent periods:</i>					
<b>Re-measurement loss on defined benefit plans</b>	-	-	-	-	(43)
<b>Total Comprehensive Income for the period, net of tax</b>	<b>837</b>	<b>744</b>	<b>2,126</b>	<b>2,161</b>	<b>2,727</b>

**Republic Bank (Guyana) Limited**  
**Statement of Cash Flows**

Expressed in millions of Guyana dollars

	UNAUDITED NINE MONTHS ENDED Jun-30-17	UNAUDITED NINE MONTHS ENDED Jun-30-16	AUDITED YEAR ENDED Sept-30-16
<b>Operating Activities</b>			
Profit before taxation	3,412	3,325	4,261
Adjustments for non-cash items	659	698	1,187
Increase in operating assets	(1,280)	(5,112)	(6,506)
(Decrease)/increase in operating liabilities	(9,600)	8,038	7,659
Corporation taxes paid	(1,318)	(1,183)	(1,435)
<b>Cash (used in)/from operating activities</b>	<b>(8,127)</b>	<b>5,766</b>	<b>5,166</b>
<b>Investing Activities</b>			
Net decrease/(increase) in investments	5,971	886	(4,315)
Additions to premises and equipment	(827)	(954)	(1,422)
Proceeds from sale of premises and equipment	8	26	27
<b>Cash from/(used in) investing activities</b>	<b>5,152</b>	<b>(42)</b>	<b>(5,710)</b>
<b>Financing Activities</b>			
Increase/(decrease) in balances due to other banks	28	(64)	(56)
Dividends paid	(1,235)	(1,235)	(1,235)
<b>Cash used in financing activities</b>	<b>(1,207)</b>	<b>(1,299)</b>	<b>(1,291)</b>
<b>Net (decrease)/increase in cash resources</b>	<b>(4,182)</b>	<b>4,425</b>	<b>(1,835)</b>
Cash and cash equivalents at beginning of period/year	16,162	17,997	17,997
<b>Cash and cash equivalents at end of period/year</b>	<b>11,980</b>	<b>22,422</b>	<b>16,162</b>
<b>Supplemental Information:</b>			
Interest received during the period/year	5,571	5,764	7,610
Interest paid during the period/year	386	404	604
Dividends received	9	9	9

**Republic Bank (Guyana) Limited**  
**Statement of Changes in Equity**

Expressed in millions of Guyana dollars

	Stated Capital	Statutory Reserves	Other Reserves	Retained Earnings	Total Equity
<b>Unaudited</b>					
<b>Nine months ended June 30, 2017</b>					
<b>Balance at October 1, 2016</b>	300	300	2,845	13,270	16,715
Total comprehensive (loss)/income for the period	-	-	(70)	2,196	2,126
Transfer to general banking risk reserve	-	-	484	(484)	-
Dividends	-	-	-	(1,235)	(1,235)
<b>Balance at June 30, 2017</b>	<b>300</b>	<b>300</b>	<b>3,259</b>	<b>13,747</b>	<b>17,606</b>
<b>Unaudited</b>					
<b>Nine months ended June 30, 2016</b>					
<b>Balance at October 1, 2015</b>	300	300	2,251	12,372	15,223
Total comprehensive income for the period	-	-	43	2,118	2,161
Transfer to general banking risk reserve	-	-	85	(85)	-
Dividends	-	-	-	(1,235)	(1,235)
<b>Balance at June 30, 2016</b>	<b>300</b>	<b>300</b>	<b>2,379</b>	<b>13,170</b>	<b>16,149</b>
<b>Audited</b>					
<b>Year ended September 30, 2016</b>					
<b>Balance at October 1, 2015</b>	300	300	2,251	12,372	15,223
Total comprehensive income for the period	-	-	67	2,703	2,770
Re-measurement loss on defined benefit plans	-	-	-	(43)	(43)
Transfer to general banking risk reserve	-	-	527	(527)	-
Dividends	-	-	-	(1,235)	(1,235)
<b>Balance at September 30, 2016</b>	<b>300</b>	<b>300</b>	<b>2,845</b>	<b>13,270</b>	<b>16,715</b>

**Republic Bank (Guyana) Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**

Expressed in millions of Guyana dollars

**1. Corporate information**

The Bank was incorporated in the Co-operative Republic of Guyana on November 20, 1984 as a limited liability company and continued under the Companies Act, Chapter 89:01 on May 16, 1997 and is licensed as Bankers under the Financial Institutions Act, Chapter 85:03.

The Bank was registered as a reporting issuer under the Securities Industry Act, Chapter 73:04 on April 7, 2003. It was designated as an approved mortgage finance company by the Minister of Finance on September 2, 2003 in accordance with section 15 of the Income Tax Act, Chapter 81:01.

Banking operations began on February 16, 1837 by the British Guiana Bank which had been incorporated on November 11, 1836. On November 17, 1913 operations were sold to The Royal Bank of Canada. Assets and Liabilities of the Guyana operations of The Royal Bank of Canada were acquired by the Government of Guyana on November 29, 1984 and vested in the National Bank of Industry and Commerce Limited on December 1, 1984. In October 1997 the Bank became a subsidiary of Republic Bank Limited of Trinidad and Tobago now Republic Financial Holdings Limited and subsequently changed its name to Republic Bank (Guyana) Limited on June 5, 2006.

On December 16, 2015 by Legal Notice No. 215 of 2015, the business of Republic Bank Limited was transferred and vested into Republic Finance and Merchant Bank Limited (FINCOR) save for the shareholdings in several subsidiaries. FINCOR was renamed Republic Bank Limited and Republic Bank Limited was renamed Republic Financial Holdings Limited.

Republic Financial Holdings Limited, the financial holding company for the Republic Group, is incorporated in the Republic of Trinidad and Tobago and its registered office is located at Republic House, 9-17 Park Street, Port of Spain. Republic Financial Holdings Limited is listed on the Trinidad and Tobago Stock Exchange.

The Republic Group (the 'Group') is a financial services group comprising several subsidiaries and associated companies. The Group is engaged in a wide range of banking, financial and related activities in the Caribbean and from November 2012, in Ghana.

**2. Basis of preparation**

This interim financial report for the period ended June 30, 2017 has been prepared in accordance with IAS 34, 'Interim Financial Reporting' and should be used in conjunction with the annual financial statements for the year ended September 30, 2016.

**3. Significant accounting policies**

The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the Bank's audited financial statements for the year ended September 30, 2016.



**Republic Bank (Guyana) Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**

Expressed in millions of Guyana dollars

**4. Capital commitments**

	UNAUDITED Jun-30-17	UNAUDITED Jun-30-16	AUDITED Sept-30-16
Contracts for outstanding capital expenditure not provided for in the financial statements	363	1,121	964
Other capital expenditure authorised by the Directors but not yet contracted for	-	99	-

**5. General Banking Risk Reserve**

Specific provisions are made for non-performing advances based on the difference between the loan balances and the discounted realisable value of collateral held. These provisions are charged through the Statement of Income.

A General Banking Risk Reserve is created as an appropriation of retained earnings, for the difference between the specific provision and non-performing advances. When the collateral is realised, the reserve is released back to retained earnings. The General Banking Risk Reserve serves to enhance the Bank's non-distributable capital base. As at June 30, 2017, the balance in the General Banking Risk Reserve was \$3,379 million.

**6. Related parties**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions. A number of banking transactions are entered into with related parties in the normal course of business. These transactions were carried out on commercial terms and conditions, at market rates.

	UNAUDITED Jun-30-17	UNAUDITED Jun-30-16	AUDITED Sept-30-16
<b>Outstanding balances</b>			
<b>Loans, investments and other assets</b>			
Fellow subsidiaries	10	8	2
Directors and key management personnel	61	70	69
Other related parties	765	440	482
	<u>836</u>	<u>518</u>	<u>553</u>

No provisions have been made against amounts due from related parties.

	UNAUDITED Jun-30-17	UNAUDITED Jun-30-16	AUDITED Sept-30-16
<b>Deposits and other liabilities</b>			
Fellow subsidiaries	185	50	81
Directors and key management personnel	137	115	122
Other related parties	1,814	2,023	2,182
	<u>2,136</u>	<u>2,188</u>	<u>2,385</u>

	UNAUDITED Jun-30-17	UNAUDITED Jun-30-16	AUDITED Sept-30-16
<b>Interest and other income</b>			
Parent Company	3	-	-
Directors and key management personnel	2	1	2
Other related parties	29	9	15
	<u>34</u>	<u>10</u>	<u>17</u>

	UNAUDITED Jun-30-17	UNAUDITED Jun-30-16	AUDITED Sept-30-16
<b>Interest and other expense</b>			
Fellow subsidiaries	71	71	95
Directors and key management personnel	11	11	7
Other related parties	6	12	17
	<u>88</u>	<u>94</u>	<u>119</u>

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Bank.

	UNAUDITED Jun-30-17	UNAUDITED Jun-30-16	AUDITED Sept-30-16
<b>Key management compensation</b>			
Short term benefits	62	59	80
	<u>62</u>	<u>59</u>	<u>80</u>

**Republic Bank (Guyana) Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**

Expressed in millions of Guyana dollars

**7. Segment reporting**

a) Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the person or group that allocates resources to and assesses the performance of the operating segments of the entity. The Bank has determined the Managing Director as its chief operating decision-maker.

Management considers its banking operation to be a single business unit. All business is conducted in Guyana with the exception of certain investment activities.

	Guyana	Trinidad and Tobago	Other Countries	Total
<b>b) Unaudited</b>				
<b>Nine months ended June 30, 2017</b>				
Interest income and other income	7,493	224	12	<b>7,729</b>
<b>Unaudited</b>				
<b>Nine months ended June 30, 2016</b>				
Interest income and other income	7,263	175	23	<b>7,461</b>
<b>Audited</b>				
<b>Year ended September 30, 2016</b>				
Interest income and other income	9,713	236	46	<b>9,995</b>

**8. Contingent liabilities**

a) As at June 30, 2017 there were certain legal proceedings outstanding against the Bank. No provision has been made as professional advice indicates that it is unlikely that any significant loss will arise, or that it would be premature at this stage of the actions to determine that eventuality.

b) **Customers' liabilities under acceptances, guarantees, indemnities and letters of credit.**

These represent the Bank's potential liability, for which there are equal and offsetting claims against its customers in the event of a call on these commitments.

	UNAUDITED Jun-30-17	UNAUDITED Jun-30-16	AUDITED Sept-30-16
<b>Guarantees</b>	1,852	1,910	1,902
<b>Letters of Credit</b>	181	189	182
	<u>2,033</u>	<u>2,099</u>	<u>2,084</u>
<b>Sectoral Information</b>			
State	823	842	858
Corporate and commercial	1,209	1,257	1,216
Personal	-	-	10
	<u>2,033</u>	<u>2,099</u>	<u>2,084</u>

**9. Interest of directors and executives and of their associates**

Of these categories, the following persons held stock units in the Bank, all of which were held beneficially:

Names	Jun-30-17	Jun-30-16	Sept-30-16
Mr. John G. Carpenter	150,000 stock units*	150,000 stock units*	150,000 stock units*
Mr. Roy E. Cheong	87,000 stock units**	87,000 stock units**	87,000 stock units**
Mrs. Yolande M. Foo	315,000 stock units*	315,000 stock units*	315,000 stock units*
Mr. Richard I. Vasconcellos	13,000 stock units	-	-

\*(held jointly with an associate(s))

\*\* (75,000 held jointly with an associate, and 12,000 held by an associate)

