

## FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2018

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

As at September 30, 2018  
Expressed in thousands of Guyana dollars (\$'000)

	2018	2017
<b>ASSETS</b>		
Cash	2,661,598	2,408,902
Statutory deposit with Bank of Guyana	16,178,382	13,967,485
Due from banks	21,238,204	11,452,834
Treasury Bills	33,096,297	40,039,152
Investment interest receivable	225,236	67,034
Advances	69,747,950	60,791,257
Investment securities	15,694,193	7,440,987
Premises and equipment	7,070,772	7,246,831
Intangible assets	94,770	130,207
Goodwill	1,228,222	1,228,222
Pension asset	13,700	-
Deferred tax assets	428,118	186,362
Other assets	505,848	1,270,222
<b>TOTAL ASSETS</b>	<b>168,183,290</b>	<b>146,229,495</b>
<b>LIABILITIES &amp; EQUITY</b>		
<b>LIABILITIES</b>		
Due to banks	117,037	127,988
Customers' chequing, savings and deposit accounts	144,654,913	124,879,378
Pension liability	-	135,200
Taxation payable	651,621	313,841
Deferred tax liabilities	378,906	355,590
Accrued interest payable	18,850	17,772
Other liabilities	2,197,682	2,099,245
<b>TOTAL LIABILITIES</b>	<b>148,019,009</b>	<b>127,929,014</b>
<b>EQUITY</b>		
Stated capital	300,000	300,000
Statutory reserves	300,000	300,000
Net unrealised gains	-	17,730
General banking risk reserve	795,389	3,512,532
Retained earnings	18,768,892	14,170,219
<b>TOTAL EQUITY</b>	<b>20,164,281</b>	<b>18,300,481</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>168,183,290</b>	<b>146,229,495</b>

These financial statements were approved by the Board of Directors on October 22, 2018 and signed on its behalf by:



Richard S. Sammy, Managing Director



Christine A. McGowan, Company Secretary



Roy E. Cheong, Director, Chairman of Audit Committee

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

For the year ended September 30, 2018  
Expressed in thousands of Guyana dollars (\$'000)

	Stated capital	Statutory reserves	Net unrealised gain/(loss)	General banking risk reserve	Retained earnings	Total equity
<b>Balance at September 30, 2016</b>	<b>300,000</b>	<b>300,000</b>	<b>(50,098)</b>	<b>2,895,525</b>	<b>13,269,967</b>	<b>16,715,394</b>
Profit for the year	-	-	-	-	2,738,939	2,738,939
Other comprehensive income	-	-	67,828	-	13,320	81,148
Total comprehensive income for the year	-	-	67,828	-	2,752,259	2,820,087
Transfer to general banking risk reserve	-	-	-	617,007	(617,007)	-
Dividends	-	-	-	-	(1,235,000)	(1,235,000)
<b>Balance at September 30, 2017</b>	<b>300,000</b>	<b>300,000</b>	<b>17,730</b>	<b>3,512,532</b>	<b>14,170,219</b>	<b>18,300,481</b>
Net impact of adopting IFRS 9	-	-	(17,730)	-	(90,314)	(108,044)
<b>Restated opening balance under IFRS 9</b>	<b>300,000</b>	<b>300,000</b>	<b>-</b>	<b>3,512,532</b>	<b>14,079,905</b>	<b>18,192,437</b>
Profit for the year	-	-	-	-	3,134,004	3,134,004
Other comprehensive income	-	-	-	-	72,840	72,840
Total comprehensive income for the year	-	-	-	-	3,206,844	3,206,844
Transfer from general banking risk reserve	-	-	-	(2,717,143)	2,717,143	-
Dividends	-	-	-	-	(1,235,000)	(1,235,000)
<b>Balance at September 30, 2018</b>	<b>300,000</b>	<b>300,000</b>	<b>-</b>	<b>795,389</b>	<b>18,768,892</b>	<b>20,164,281</b>

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

For the year ended September 30, 2018  
Expressed in thousands of Guyana dollars (\$'000)

	2018	2017
<b>Operating activities</b>		
Profit before taxation	4,664,597	4,228,804
<b>Adjustments for:</b>		
Depreciation and amortisation	511,487	449,772
Loan impairment expense	885,398	675,749
(Gain)/loss on sale of premises and equipment	(194,013)	10,661
Decrease in pension liability	(27,500)	(15,000)
Increase in advances	(9,024,400)	(2,703,987)
Increase/(decrease) in customers' deposits	19,775,535	(6,307,579)
(Increase)/decrease in statutory deposit with Bank of Guyana	(2,210,897)	834,753
Decrease/(increase) in other assets and investment interest receivable	609,053	(633,376)
Increase/(decrease) in other liabilities and accrued interest payable	99,514	(43,106)
Net cash provided by/(used in) operating activities before tax	15,088,774	(3,503,309)
Taxes paid	(1,423,746)	(1,705,780)
<b>Cash provided by/(used in) operating activities</b>	<b>13,665,028</b>	<b>(5,209,089)</b>
<b>Investing activities</b>		
Purchase of investment securities	(10,395,000)	(2,993,732)
Redemption of investment securities	1,094,215	2,682,766
Purchase of Treasury Bills	(38,382,700)	(43,126,450)
Redemption of Treasury Bills	45,408,200	48,585,100
Additions to premises and equipment	(325,129)	(996,225)
Proceeds from sale of premises and equipment	219,403	7,858
<b>Cash (used in)/provided by investing activities</b>	<b>(2,381,011)</b>	<b>4,159,317</b>
<b>Financing activities</b>		
Decrease in balances due to other banks	(10,951)	(15,214)
Dividends paid	(1,235,000)	(1,235,000)
<b>Cash used in financing activities</b>	<b>(1,245,951)</b>	<b>(1,250,214)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>10,038,066</b>	<b>(2,299,986)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>13,861,736</b>	<b>16,161,722</b>
<b>Cash and cash equivalents at end of the year</b>	<b>23,899,802</b>	<b>13,861,736</b>
<b>Cash and cash equivalents at end of year are represented by:</b>		
Cash on hand	2,661,598	2,408,902
Due from banks	21,238,204	11,452,834
	23,899,802	13,861,736
<b>Supplemental information:</b>		
Interest received during the year	7,810,406	7,611,980
Interest paid during the year	568,937	575,178
Dividends received	9,704	9,424

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

For the year ended September 30, 2018  
Expressed in thousands of Guyana dollars (\$'000)

	2018	2017
<b>Net profit after taxation</b>	<b>3,134,004</b>	<b>2,738,939</b>
<i>Items of other comprehensive income that will be reclassified to the Statement of Income in subsequent periods (net of tax):</i>		
Gain on available-for-sale investments	-	113,047
Income tax related to above	-	(45,219)
<b>Total items that will be reclassified to the Statement of income in subsequent periods:</b>	<b>-</b>	<b>67,828</b>
<i>Items of other comprehensive income that will not be reclassified to the Statement of Income in subsequent periods (net of tax):</i>		
Re-measurement gain on defined benefit plans	121,400	22,200
Income tax related to above	(48,560)	(8,880)
<b>Total items that will not be reclassified to the statement of income in subsequent periods (net of tax):</b>	<b>72,840</b>	<b>13,320</b>
<b>Total other comprehensive income for the year, net of tax</b>	<b>72,840</b>	<b>81,148</b>
<b>Total comprehensive income for the year, net of tax</b>	<b>3,206,844</b>	<b>2,820,087</b>

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

For the year ended September 30, 2018  
Expressed in thousands of Guyana dollars (\$'000)

	UNAUDITED THREE MONTHS ENDED Sept-30-18	UNAUDITED THREE MONTHS ENDED Sept-30-17	UNAUDITED NINE MONTHS ENDED Sept-30-18	UNAUDITED NINE MONTHS ENDED Sept-30-17	AUDITED YEAR ENDED Sept-30-18	AUDITED YEAR ENDED Sept-30-17
Net interest income	1,886,450	1,669,064	5,672,340	5,393,208	7,404,493	7,130,094
Other income	1,096,305	683,177	2,345,643	1,777,639	3,153,298	2,522,585
Operating income	2,982,755	2,352,241	8,017,983	7,170,847	10,557,791	9,652,679
Credit loss expense on financial assets	(237,090)	(337,031)	(674,439)	(535,494)	(885,398)	(675,749)
Operating expenses	(1,347,766)	(1,197,745)	(3,740,705)	(3,609,359)	(5,007,796)	(4,748,126)
Profit before taxation	1,397,899	817,465	3,602,839	3,025,994	4,664,597	4,228,804
Taxation	(409,212)	(274,140)	(1,168,489)	(1,060,999)	(1,530,593)	(1,489,865)
Net profit after taxation	988,687	543,325	2,434,350	1,964,995	3,134,004	2,738,939
Earnings per stock unit (\$)	3.30	1.81	8.11	6.55	10.45	9.13