



**Republic Bank**  
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#### CHAIRMAN'S STATEMENT

Dear Stockholder,

Your Bank recorded an after-tax profit of \$1,273 million for the first half of fiscal 2014. This represents an increase of \$128 million or 11.18%, when compared with the corresponding period last year. Total assets increased by \$834 million while total deposits decreased by \$1.0 billion year-on-year.

As a result of this improved performance an interim dividend of \$1.10 per stock unit, 10.0% more than the interim dividend of \$1.00 per stock unit paid last year was approved.

As we enter the second half of fiscal 2014, your Directors remain confident that the Bank's performance will continue at a satisfactory level provided an economic, political and social environment conducive to growth and development is maintained.

Nigel M. Baptiste  
Chairman of the Board  
April 28, 2014

## FINANCIAL STATEMENTS SIX MONTHS ENDED MARCH 31, 2014

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

Expressed in millions of Guyana dollars

	UNAUDITED Mar-31-14	UNAUDITED Mar-31-13	AUDITED Sept-30-13
<b>ASSETS</b>			
Cash resources	5,991	15,321	18,889
Statutory deposit with Bank of Guyana	13,165	13,529	13,675
Investment securities	53,522	48,592	45,395
Advances	49,246	43,629	46,574
Other assets	2,181	2,353	2,571
Premises and equipment	5,438	5,275	5,236
Intangible assets	163	173	195
<b>TOTAL ASSETS</b>	<b>129,706</b>	<b>128,872</b>	<b>132,535</b>
<b>LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>			
<b>LIABILITIES</b>			
Customers' chequing, savings and deposit accounts	113,564	114,604	117,118
Due to banks	146	186	189
Pension liability	259	276	247
Other liabilities	2,940	2,477	2,802
<b>TOTAL LIABILITIES</b>	<b>116,909</b>	<b>117,543</b>	<b>120,356</b>
<b>STOCKHOLDERS' EQUITY</b>			
Stated capital	300	300	300
Statutory reserves	300	300	300
Other reserves	1,757	1,370	1,231
Retained earnings	10,440	9,359	10,348
	12,797	11,329	12,179
<b>TOTAL LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>	<b>129,706</b>	<b>128,872</b>	<b>132,535</b>

John N. Alves, 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 Mar-31-14	UNAUDITED THREE MONTHS ENDED Mar-31-13	UNAUDITED SIX MONTHS ENDED Mar-31-14	UNAUDITED SIX MONTHS ENDED Mar-31-13	AUDITED YEAR ENDED Sept-30-13
Net interest income	1,513	1,298	2,980	2,568	5,557
Other income	581	589	1,240	1,155	2,141
Operating income	2,094	1,887	4,220	3,723	7,698
Loan impairment expense	142	66	283	115	276
Operating expenses	1,007	870	2,004	1,765	3,690
<b>Profit before tax</b>	<b>945</b>	<b>951</b>	<b>1,933</b>	<b>1,843</b>	<b>3,732</b>
Tax	341	378	660	698	1,378
<b>Net profit after tax</b>	<b>604</b>	<b>573</b>	<b>1,273</b>	<b>1,145</b>	<b>2,354</b>
<b>Earnings per stock unit (G\$)</b>	<b>2.01</b>	<b>1.91</b>	<b>4.24</b>	<b>3.82</b>	<b>7.85</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>



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

Expressed in millions of Guyana dollars

	UNAUDITED THREE MONTHS ENDED Mar-31-14	UNAUDITED THREE MONTHS ENDED Mar-31-13	UNAUDITED SIX MONTHS ENDED Mar-31-14	UNAUDITED SIX MONTHS ENDED Mar-31-13	AUDITED YEAR ENDED Sept-30-13
<b>Net profit after tax</b>	604	573	1,273	1,145	2,354
Net gains/(losses) on available-for-sale investments	42	20	75	(32)	(130)
Tax relating to components of other comprehensive income	(17)	(8)	(30)	13	52
<b>Other Comprehensive income for the period, net of tax</b>	25	12	45	(19)	(78)
<b>Total Comprehensive Income for the period, net of tax</b>	<b>629</b>	<b>585</b>	<b>1,318</b>	<b>1,126</b>	<b>2,276</b>

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

Expressed in millions of Guyana dollars

	UNAUDITED SIX MONTHS ENDED Mar-31-14	UNAUDITED SIX MONTHS ENDED Mar-31-13	AUDITED YEAR ENDED Sept-30-13
<b>Operating Activities</b>			
Profit before taxation	1,933	1,843	3,732
Adjustments for non-cash items	487	300	696
Increase in operating assets	(2,101)	(7,177)	(10,482)
(Decrease)/increase in operating liabilities	(3,495)	12,887	15,767
Corporation taxes paid	(607)	(635)	(1,226)
<b>Cash (used in)/ from operating activities</b>	<b>(3,783)</b>	<b>7,218</b>	<b>8,487</b>
<b>Investing Activities</b>			
Net (increase)/decrease in investments	(7,998)	(2,458)	680
Additions to premises and equipment	(376)	(196)	(739)
Proceeds from sale of premises and equipment	2	-	-
<b>Cash used in investing activities</b>	<b>(8,372)</b>	<b>(2,654)</b>	<b>(59)</b>
<b>Financing Activities</b>			
Decrease in balances due to other banks	(43)	(68)	(64)
Dividends paid	(700)	(600)	(900)
<b>Cash used in financing activities</b>	<b>(743)</b>	<b>(668)</b>	<b>(964)</b>
<b>Net (decrease)/increase in cash resources</b>	<b>(12,898)</b>	<b>3,896</b>	<b>7,464</b>
Cash and cash equivalents at beginning of period/year	18,889	11,425	11,425
<b>Cash and cash equivalents at end of period/year</b>	<b>5,991</b>	<b>15,321</b>	<b>18,889</b>
<b>Supplemental Information:</b>			
Interest received during the period/year	2,820	2,521	6,319
Interest paid during the period/year	356	383	728
Dividends received	8	7	7

## FINANCIAL STATEMENTS SIX MONTHS ENDED MARCH 31, 2014

## 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> Six months ended March 31, 2014					
<b>Balance at October 1, 2013</b>	300	300	1,231	10,348	12,179
Total comprehensive income for the period	-	-	45	1,273	1,318
Transfer to general banking risk reserve	-	-	481	(481)	-
Dividends	-	-	-	(700)	(700)
<b>Balance at March 31, 2014</b>	<b>300</b>	<b>300</b>	<b>1,757</b>	<b>10,440</b>	<b>12,797</b>
<b>Unaudited</b> Six months ended March 31, 2013					
<b>Balance at October 1, 2012</b>	300	300	1,358	8,845	10,803
Total comprehensive (loss)/income for the period	-	-	(19)	1,145	1,126
Transfer to general banking risk reserve	-	-	31	(31)	-
Dividends	-	-	-	(600)	(600)
<b>Balance at March 31, 2013</b>	<b>300</b>	<b>300</b>	<b>1,370</b>	<b>9,359</b>	<b>11,329</b>
<b>Audited</b> Year ended September 30, 2013					
<b>Balance at October 1, 2012</b>	300	300	1,358	8,845	10,803
Total comprehensive (loss)/income for the period	-	-	(78)	2,354	2,276
Transfer from general banking risk reserve	-	-	(49)	49	-
Dividends	-	-	-	(900)	(900)
<b>Balance at September 30, 2013</b>	<b>300</b>	<b>300</b>	<b>1,231</b>	<b>10,348</b>	<b>12,179</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 under the Companies Act, Chapter 89:01 and continued under the Companies Act 1991 on May 16, 1997 and is licensed as Bankers under the Financial Institutions Act 1995.

The Bank was registered as a reporting issuer under the Securities Industry Act 1998 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.

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 and subsequently changed its name to Republic Bank (Guyana) Limited on June 5, 2006. As at March 31, 2014 the stockholdings of Republic Bank Limited in the Bank was 51.1%.

Until October 31, 2012, the CL Financial Group held through its various subsidiaries, 51.4% of the shares of Republic Bank Limited, of which Colonial Life Insurance Company (Trinidad) Limited (CLICO) and CLICO Investment Bank Limited (CIB) combined, held 51.1%.

On November 1, 2012, 24.8% of Republic Bank Limited shares formerly owned by CLICO was transferred into an investment fund launched by the Government of the Republic of Trinidad and Tobago and called the CLICO Investment Fund (the Fund). The Trustee of the Fund is the CLICO Trust Corporation Limited which holds the 24.8% shareholding in Republic Bank Limited in trust solely for the benefit of subscribing Unit holders of the Fund. The Fund is as a consequence the largest shareholder in Republic Bank Limited.

### 2. Basis of preparation

This interim financial report for the period ended March 31, 2014 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, 2013.

### 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, 2013.



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

Expressed in millions of Guyana dollars

### 4. Capital commitments

	UNAUDITED Mar-31-14	UNAUDITED Mar-31-13	AUDITED Sept-30-13
Contracts for outstanding capital expenditure not provided for in the financial statements	909	1,173	1,030
Other capital expenditure authorised by the Directors but not yet contracted for	22	416	412

### 5. General Contingency 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 March 31, 2014, the balance in the General Banking Risk Reserve of \$1,716 million is part of Other Reserves which totals \$1,757 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 Mar-31-14	UNAUDITED Mar-31-13	AUDITED Sept-30-13
<b>Outstanding balances</b>			
<b>Loans, investments and other assets</b>			
Republic Bank Limited (Parent)	94	110	108
Fellow subsidiaries	2	1	2
Directors and key management personnel	36	41	37
Other related parties	323	440	386
	455	592	533
Provision for amounts due from related parties	-	-	-
<b>Deposits and other liabilities</b>			
Republic Bank Limited (Parent)	579	1,350	176
Fellow subsidiaries	5	10	12
Directors and key management personnel	156	128	132
Other related parties	1,155	1,454	1,073
	1,895	2,942	1,393
<b>Interest and other income</b>			
Directors and key management personnel	1	1	2
Other related parties	12	18	34
	13	19	36
<b>Interest and other expense</b>			
Republic Bank Limited (Parent)	51	38	71
Directors and key management personnel	7	8	2
Other related parties	4	4	7
	62	50	80
<b>Key management compensation</b>			
Short term benefits	42	41	82
	42	41	82

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

## FINANCIAL STATEMENTS SIX MONTHS ENDED MARCH 31, 2014

## 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>Six months ended March 31, 2014</b>				
Interest income and other income	4,475	32	49	4,556
<b>Unaudited</b>				
<b>Six months ended March 31, 2013</b>				
Interest income and other income	4,039	16	54	4,109
<b>Audited</b>				
<b>Year ended September 30, 2013</b>				
Interest income and other income	8,280	48	106	8,434

### 8. Contingent liabilities

a) As at March 31, 2014 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 Mar- 31-14	UNAUDITED Mar- 31-13	AUDITED Sept-30-13
Guarantees	1,771	1,640	1,691
Letters of Credit	342	543	242
	2,113	2,183	1,933
<b>Sectoral Information</b>			
State	793	811	698
Corporate and commercial	1,302	1,361	1,196
Personal	18	11	39
	2,113	2,183	1,933

### 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	March 31, 2014	March 31, 2013	September 30, 2013
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 **
Mr. John N. Alves	75,000 stock units *	75,000 stock units *	75,000 stock units *
Mrs. Yolande M. Foo	315,000 stock units***	315,000 stock units***	315,000 stock units***

\* (held jointly with an associate)

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

\*\*\* (held jointly with associates)

