



**CHAIRMAN'S STATEMENT**

Dear Stockholder,

Your Bank recorded an after-tax profit of \$1,928 million for the nine month period ended June 30, 2014. This represents an increase of \$206 million or 11.96%, when compared with the corresponding period last year. Total assets increased by \$3.2 billion or 2.54%, while total deposits increased by \$1.6 billion or 1.41%, year-on-year.

We are encouraged by the Bank's performance to date, but given the current economic environment, remain cautiously optimistic in respect of continued profit growth.

Nigel M. Baptiste  
Chairman of the Board

July 21, 2014

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

All amounts expressed in millions of Guyana dollars

	UNAUDITED Jun-30-14	UNAUDITED Jun-30-13	AUDITED Sept-30-13
<b>ASSETS</b>			
Cash resources	7,332	12,493	18,889
Statutory deposit with Bank of Guyana	13,310	13,316	13,675
Investment securities	52,339	48,275	45,395
Advances	50,185	45,772	46,574
Other assets	2,380	2,630	2,571
Premises and equipment	5,511	5,275	5,236
Intangible assets	154	205	195
<b>TOTAL ASSETS</b>	<b>131,211</b>	<b>127,966</b>	<b>132,535</b>
<b>LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>			
<b>LIABILITIES</b>			
Customers' chequing, savings and deposit accounts	114,995	113,400	117,118
Due to banks	236	125	189
Pension liability	265	290	247
Other liabilities	2,614	2,754	2,802
<b>TOTAL LIABILITIES</b>	<b>118,110</b>	<b>116,569</b>	<b>120,356</b>
<b>STOCKHOLDERS' EQUITY</b>			
Stated capital	300	300	300
Statutory reserves	300	300	300
Other reserves	1,865	989	1,231
Retained earnings	10,636	9,808	10,348
	13,101	11,397	12,179
<b>TOTAL LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>	<b>131,211</b>	<b>127,966</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**

All amounts expressed in millions of Guyana dollars

	UNAUDITED THREE MONTHS ENDED Jun-30-14	UNAUDITED THREE MONTHS ENDED Jun-30-13	UNAUDITED SIX MONTHS ENDED Jun-30-14	UNAUDITED SIX MONTHS ENDED Jun-30-13	UNAUDITED NINE MONTHS ENDED Jun-30-14	UNAUDITED NINE MONTHS ENDED Jun-30-13	AUDITED YEAR ENDED Sept-30-13
Net interest income	1,534	1,376	3,047	2,674	4,514	3,944	5,557
Other income	528	538	1,109	1,127	1,768	1,693	2,141
Operating income	2,062	1,914	4,156	3,801	6,282	5,637	7,698
Loan impairment expense	93	197	235	262	376	312	276
Operating expenses	982	903	1,989	1,774	2,986	2,668	3,690
<b>Profit before tax</b>	<b>987</b>	<b>814</b>	<b>1,932</b>	<b>1,765</b>	<b>2,920</b>	<b>2,657</b>	<b>3,732</b>
Tax	332	237	673	615	992	935	1,378
<b>Net profit after tax</b>	<b>655</b>	<b>577</b>	<b>1,259</b>	<b>1,150</b>	<b>1,928</b>	<b>1,722</b>	<b>2,354</b>
<b>Earnings per stock unit (G\$)</b>	<b>2.18</b>	<b>1.92</b>	<b>4.20</b>	<b>3.83</b>	<b>6.43</b>	<b>5.74</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>	<b>300</b>	<b>300</b>



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

All amounts expressed in millions of Guyana dollars

	UNAUDITED THREE MONTHS ENDED Jun-30-14	UNAUDITED THREE MONTHS ENDED Jun-30-13	UNAUDITED NINE MONTHS ENDED Jun-30-14	UNAUDITED NINE MONTHS ENDED Jun-30-13	AUDITED YEAR ENDED Sept-30-13
<b>Net profit after tax</b>	<b>655</b>	<b>577</b>	<b>1,928</b>	<b>1,722</b>	<b>2,354</b>
Net gains/(losses) on available-for-sale investments	(35)	(348)	40	(380)	(130)
Tax relating to components of other comprehensive income	14	139	(16)	152	52
<b>Other Comprehensive income for the period, net of tax</b>	<b>(21)</b>	<b>(209)</b>	<b>24</b>	<b>(228)</b>	<b>(78)</b>
<b>Total Comprehensive Income for the period, net of tax</b>	<b>634</b>	<b>368</b>	<b>1,952</b>	<b>1,494</b>	<b>2,276</b>

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

All amounts expressed in millions of Guyana dollars

	UNAUDITED NINE MONTHS ENDED Jun-30-14	UNAUDITED NINE MONTHS ENDED Jun-30-13	AUDITED YEAR ENDED Sept-30-13
<b>Operating Activities</b>			
Profit before taxation	2,920	2,657	3,732
Adjustments for non-cash items	683	608	696
Increase in operating assets	(3,421)	(9,501)	(10,482)
(Decrease)/ increase in operating liabilities	(2,313)	11,948	15,767
Corporation taxes paid	(1,089)	(924)	(1,226)
<b>Cash (used in)/ from operating activities</b>	<b>(3,220)</b>	<b>4,788</b>	<b>8,487</b>
<b>Investing Activities</b>			
Net (increase)/decrease in investments	(6,822)	(2,360)	680
Additions to premises and equipment	(539)	(331)	(739)
Proceeds from sale of premises and equipment	7	-	-
<b>Cash used in investing activities</b>	<b>(7,354)</b>	<b>(2,691)</b>	<b>(59)</b>
<b>Financing Activities</b>			
Increase/(decrease) in balances due to other banks	47	(129)	(64)
Dividends paid	(1,030)	(900)	(900)
<b>Cash used in financing activities</b>	<b>(983)</b>	<b>(1,029)</b>	<b>(964)</b>
<b>Net (decrease)/ increase in cash resources</b>	<b>(11,557)</b>	<b>1,068</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>7,332</b>	<b>12,493</b>	<b>18,889</b>
<b>Supplemental Information:</b>			
Interest received during the period/year	5,012	4,077	6,319
Interest paid during the period/year	479	516	728
Dividends received	8	7	7

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

All amounts 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, 2014</b>					
<b>Balance at October 1, 2013</b>	<b>300</b>	<b>300</b>	<b>1,231</b>	<b>10,348</b>	<b>12,179</b>
Total comprehensive income for the period	-	-	24	1,928	1,952
Transfer to general banking risk reserve	-	-	610	(610)	-
Dividends	-	-	-	(1,030)	(1,030)
<b>Balance at June 30, 2014</b>	<b>300</b>	<b>300</b>	<b>1,865</b>	<b>10,636</b>	<b>13,101</b>
<b>Unaudited</b>					
<b>Nine months ended June 30, 2013</b>					
<b>Balance at October 1, 2012</b>	<b>300</b>	<b>300</b>	<b>1,358</b>	<b>8,845</b>	<b>10,803</b>
Total comprehensive income for the period	-	-	(228)	1,722	1,494
Transfer from general banking risk reserve	-	-	(141)	141	-
Dividends	-	-	-	(900)	(900)
<b>Balance at June 30, 2013</b>	<b>300</b>	<b>300</b>	<b>989</b>	<b>9,808</b>	<b>11,397</b>
<b>Audited</b>					
<b>Year ended September 30, 2013</b>					
<b>Balance at October 1, 2012</b>	<b>300</b>	<b>300</b>	<b>1,358</b>	<b>8,845</b>	<b>10,803</b>
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**

All amounts 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 June 30, 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 June 30, 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.



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

Expressed in millions of Guyana dollars

**4. Capital commitments**

	UNAUDITED Jun-30-14	UNAUDITED Jun-30-13	AUDITED Sept-30-13
Contracts for outstanding capital expenditure not provided for in the financial statements	906	1,113	1,030
Other capital expenditure authorised by the Directors but not yet contracted for	87	413	412

**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, 2014, the balance in the General Banking Risk Reserve of \$1,844 million is part of Other Reserves which totals \$1,865 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-30-14	UNAUDITED Jun-30-13	AUDITED Sept-30-13
Outstanding balances			
<b>Loans, investments and other assets</b>			
Republic Bank Limited (Parent)	-	-	108
Fellow subsidiaries	-	-	2
Directors and key management personnel	34	39	37
Other related parties	343	391	386
	<u>377</u>	<u>430</u>	<u>533</u>
Provision for amounts due from related parties	-	-	-
<b>Deposits and other liabilities</b>			
Republic Bank Limited (Parent)	770	169	176
Fellow subsidiaries	7	14	12
Directors and key management personnel	195	141	132
Other related parties	1,129	1,522	1,073
	<u>2,101</u>	<u>1,846</u>	<u>1,393</u>
<b>Interest and other income</b>			
Directors and key management personnel	1	1	2
Other related parties	19	25	34
	<u>20</u>	<u>26</u>	<u>36</u>
<b>Interest and other expense</b>			
Republic Bank Limited (Parent)	71	54	71
Directors and key management personnel	11	11	2
Other related parties	5	6	7
	<u>87</u>	<u>71</u>	<u>80</u>
Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Bank.			
<b>Key management compensation</b>			
Short term benefits	56	55	82
	<u>56</u>	<u>55</u>	<u>82</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, 2014</b>				
Interest income and other income	6,665	47	72	<b>6,784</b>
<b>Unaudited</b>				
<b>Nine months ended June 30, 2013</b>				
Interest income and other income	6,090	32	81	<b>6,203</b>
<b>Audited</b>				
<b>Year ended September 30, 2013</b>				
Interest income and other income	8,280	48	106	<b>8,434</b>

**8. Contingent liabilities**

a) As at June 30, 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 Jun-30-14	UNAUDITED Jun-30-13	AUDITED Sept-30-13
Guarantees	1,708	1,460	1,691
Letters of Credit	205	597	242
	<u>1,913</u>	<u>2,057</u>	<u>1,933</u>
<b>Sectoral Information</b>			
State	785	800	698
Corporate and commercial	1,106	1,219	1,196
Personal	22	38	39
	<u>1,913</u>	<u>2,057</u>	<u>1,933</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-30-14	Jun-30-13	Sept-30-13
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(s))

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

