



CITIZENS BANK

It's where you belong

REGISTERED OFFICE: 201 Camp and Charlotte Sts., Georgetown, Guyana. Tel: 226-1705/9, Fax: 226-1719 or 227-8251
Statutory Information Published in Accordance with Supervision Guideline 10 issued under the Financial Institutions Act 1995

QUARTERLY REPORT - FOR THE QUARTER ENDED 31 DECEMBER 2015

STATEMENT OF INCOME

Thousands of Guyana Dollars	Unaudited For the three months ended 31-Dec-15	Unaudited For the three months ended 31-Dec-14	Unaudited For the year ended 31-Dec-15	Unaudited For the year ended 31-Dec-14	Audited For the year ended 30-Sep-15
INTEREST INCOME	785,010	757,873	3,278,891	2,947,246	3,251,754
INTEREST EXPENSE	(165,716)	(144,093)	(623,145)	(508,253)	(601,522)
NET INTEREST INCOME	619,294	613,780	2,655,746	2,438,993	2,650,232
OTHER INCOME	105,779	137,190	424,751	420,801	456,162
TOTAL NET INCOME	725,073	750,970	3,080,497	2,859,794	3,106,394
OPERATING EXPENSES	(323,089)	(288,061)	(1,194,605)	(1,050,815)	(1,159,577)
NET IMPAIRMENT ON FINANCIAL ASSETS	(33,326)	(41,354)	(471,390)	(152,216)	(479,418)
PROFIT BEFORE TAXATION	368,658	421,555	1,414,502	1,656,763	1,467,399
TAXATION CHARGE	(141,611)	(160,967)	(541,197)	(634,324)	(560,553)
PROFIT AFTER TAXATION	227,047	260,588	873,305	1,022,439	906,846
EARNINGS PER SHARE	\$3.82	\$4.38	\$14.68	\$17.19	\$15.24

STATEMENT OF COMPREHENSIVE INCOME

Thousands of Guyana Dollars	Unaudited For the three months ended 31-Dec-15	Unaudited For the three months ended 31-Dec-14	Unaudited For the year ended 31-Dec-15	Unaudited For the year ended 31-Dec-14	Audited For the year ended 30-Sep-15
PROFIT AFTER TAXATION	227,047	260,588	873,305	1,022,439	906,846
OTHER COMPREHENSIVE INCOME:					
<i>Items that may be subsequently reclassified to profit or loss</i>					
Fair value gain / (loss) on available-for-sale asset	1,480	6,217	(1,835)	6,335	2,901
Deferred tax (charge) / credit on fair value gain / (loss) on available-for-sale asset	(592)	(2,487)	734	(2,534)	(1,160)
	888	3,730	(1,101)	3,801	1,741
TOTAL COMPREHENSIVE INCOME	227,935	264,318	872,204	1,026,240	908,587

STATEMENT OF FINANCIAL POSITION

Thousands of Guyana Dollars	Unaudited As At 31-Dec-15	Unaudited As At 31-Dec-14	Audited As At 30-Sep-15
ASSETS			
Cash and balances with Bank of Guyana	6,667,506	5,408,981	5,921,773
Amounts due from other banks	5,696,490	1,774,549	3,020,996
Investment securities	1,755,774	2,622,407	757,158
Loans and advances	30,066,888	30,882,843	30,680,174
Other assets	2,889,501	2,058,837	2,734,359
TOTAL ASSETS	47,076,159	42,747,617	43,114,460
LIABILITIES			
Customers' deposits	38,649,313	32,819,504	34,905,524
Amount due to other bank	0	1,640,000	0
Other liabilities	959,849	1,550,541	969,874
TOTAL LIABILITIES	39,609,162	36,010,045	35,875,398
SHAREHOLDERS' EQUITY			
Share capital	594,913	594,913	594,913
Statutory reserve	594,913	594,913	594,913
General banking risk reserve	383,372	296,760	587,088
Other reserves	33,599	34,374	32,711
Retained earnings	5,860,200	5,216,612	5,429,437
TOTAL SHAREHOLDERS' EQUITY	7,466,997	6,737,572	7,239,062
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	47,076,159	42,747,617	43,114,460


STATEMENT OF CHANGES IN EQUITY

Thousands of Guyana Dollars	Share Capital	Statutory Reserve	Revaluation Reserve	Investment Revaluation Reserve	General Banking Risk Reserve	Retained Earnings	Total
For the year ended 31 December 2014							
As at beginning of period	594,913	594,913	33,512	(3,265)	265,461	4,368,577	5,854,111
Total comprehensive income	0	0	0	3,801	0	1,022,439	1,026,240
Transfer to general banking risk reserve	0	0	0	0	31,299	(31,299)	0
Other transfer	0	0	326	0	0	(326)	0
Dividend paid	0	0	0	0	0	(142,779)	(142,779)
As at end of period	594,913	594,913	33,838	536	296,760	5,216,612	6,737,572
For the year ended 31 December 2015							
As at beginning of period	594,913	594,913	33,838	536	296,760	5,216,612	6,737,572
Total comprehensive income	0	0	0	(1,101)	0	873,305	872,204
Transfer to general banking risk reserve	0	0	0	0	86,612	(86,612)	0
Other transfer	0	0	326	0	0	(326)	0
Dividend paid	0	0	0	0	0	(142,779)	(142,779)
As at end of period	594,913	594,913	34,164	(565)	383,372	5,860,200	7,466,997
For the three months ended 31 December 2014							
As at beginning of period	594,913	594,913	33,838	(3,194)	296,760	4,956,024	6,473,254
Total comprehensive income	0	0	0	3,730	0	260,588	264,318
As at end of period	594,913	594,913	33,838	536	296,760	5,216,612	6,737,572
For the three months ended 31 December 2015							
As at beginning of period	594,913	594,913	34,164	(1,453)	587,088	5,429,437	7,239,062
Total comprehensive income	0	0	0	888	0	227,047	227,935
Transfer from general banking risk reserve	0	0	0	0	(203,716)	203,716	0
As at end of period	594,913	594,913	34,164	(565)	383,372	5,860,200	7,466,997

STATEMENT OF CASH FLOWS

Thousands of Guyana Dollars	Unaudited For the three months ended 31-Dec-15	Unaudited For the three months ended 31-Dec-14	Unaudited For the year ended 31-Dec-15	Unaudited For the year ended 31-Dec-14	Audited For the year ended 30-Sep-15
OPERATING ACTIVITIES					
Profit before taxation	368,658	421,555	1,414,502	1,656,763	1,467,399
Adjustments to reconcile net profit to net cash provided by operating activities:					
Adjustment for non-cash items	31,396	30,341	124,924	118,016	123,869
Decrease / (increase) in operating assets	613,286	(2,020,600)	874,542	(5,361,437)	(1,726,102)
Increase / (decrease) in operating liabilities	3,554,622	(9,652)	5,181,864	(1,554,405)	1,572,388
Reserve requirement with Bank of Guyana	(352,231)	40,636	(375,537)	(103,247)	17,330
Taxes paid	(137,441)	(134,739)	(611,109)	(608,709)	(608,407)
NET CASH INFLOW / (OUTFLOW) - OPERATING ACTIVITIES	4,078,290	(1,672,459)	6,609,186	(5,853,019)	846,477
INVESTING ACTIVITIES					
Net movement of investment securities	(997,039)	419,676	857,020	4,339,379	2,273,735
Purchase of property and equipment	(12,958)	(91,830)	(880,294)	(677,631)	(947,206)
Proceeds from sale of property and equipment	800	0	1,400	850	600
NET CASH (OUTFLOW) / INFLOW - INVESTING ACTIVITIES	(1,009,197)	327,846	(21,874)	3,662,598	1,327,129
FINANCING ACTIVITIES					
Dividends paid	0	0	(142,779)	(142,779)	(142,779)
Proceeds from borrowings	0	1,640,000	0	2,940,000	0
Repayments	0	(1,300,000)	(1,640,000)	(1,300,000)	(1,300,000)
NET CASH INFLOW / (OUTFLOW) - FINANCING ACTIVITIES	0	340,000	(1,782,779)	1,497,221	(1,442,779)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT	3,069,093	(1,004,613)	4,804,533	(693,200)	730,827
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD	5,353,278	4,622,451	3,617,838	4,311,038	4,622,451
CASH AND CASH EQUIVALENTS AT END OF PERIOD	8,422,371	3,617,838	8,422,371	3,617,838	5,353,278

On behalf of the Board of Directors


CLIFFORD B. REIS
Chairman


ETON M. CHESTER
Managing Director



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NOTES TO THE QUARTERLY FINANCIAL STATEMENTS - 31 DECEMBER 2015

1. ACCOUNTING POLICIES

These interim financial statements were prepared to comply with Supervision Guideline 10 as issued by the Bank of Guyana. The accounting policies used are consistent with those applied in the annual financial statements for the year ended 30 September 2015.

2. TAXATION

The taxation charge is based on the actual results of the period, adjusted for the provisions of the applicable tax legislation, and includes an allowance for deferred taxation. Deferred taxation is computed using the liability method for all temporary differences arising between the tax bases of the assets and liabilities and their carrying values for financial reporting purposes.

3. DIRECTORS' INTERESTS

	Ordinary Shares of No Par Value	
	Beneficial Interest	Associate's Beneficial Interest
Clifford B. Reis	Nil	125,000
Rakesh K. Puri	Nil	9,929,241
Eton M. Chester	10,001	Nil

No other Director or his known associate has any beneficial interest in any shares of the Company.

4. SUBSTANTIAL SHAREHOLDERS

	Ordinary Shares of No Par Value
Banks DIH Limited	30,340,557
Continental Agencies Limited	9,929,241
Hand-In-Hand Group	5,318,856
Hand-In-Hand Pension Scheme	4,615,385

A substantial shareholder is defined as a person or entity entitled to exercise, or control the exercise of five percent (5%) or more of the voting power at any general meeting.

5. RELATED PARTY BALANCES AND TRANSACTIONS

	As At 31-Dec-15 \$'000	As At 31-Dec-14 \$'000	As At 30-Sept-15 \$'000
Loans	1,239,907	1,507,240	1,258,721
Deposits	11,031,598	7,171,708	8,161,515
Guarantees	25,251	32,271	25,251
	For three months Ended 31-Dec-15 \$'000	For three months Ended 31-Dec-14 \$'000	For nine months Ended 30-Sept-15 \$'000
Interest Income	27,654	22,874	143,976
Interest Expense	15,846	9,232	51,641

Related parties include major shareholders, key management personnel and other organisations controlled or significantly influenced by key management personnel

6. INTRA-GROUP OBLIGATIONS

Banks DIH Limited, the parent company of Citizens Bank Guyana Inc. has outstanding obligations comprising of loans and guarantees totalling \$584.3 million owing to the Bank as at 31 December 2015 (31 December 2014: \$650.0 million). Of the \$584.3 million obligations, \$15.0 million are guarantees while loans total \$569.3 million (31 December 2014: \$21.0 million were guarantees while loans totalled \$629.0 million). These obligations are included in balances shown in the Note (5).

7. CAPITAL COMMITMENTS

	As At 31-Dec-15 \$'000	As At 31-Dec-14 \$'000	As At 30-Sept-15 \$'000
Capital commitment for property and equipment			
Authorised but not contracted for	210,994	1,029,133	211,230
Authorised and contracted for	618,815	674,113	805,378

8. FAIR VALUE

Asset carried at fair value

The company's available - for sale investment security of \$134.7 million (2014: \$136.5 million) is carried at fair value based on a quoted price from an active market. It would therefore be classified as level 1.

Assets and liabilities not carried at fair value

The table below shows the fair value of assets and liabilities which are not carried at fair value on the statement of financial position but for which disclosures of fair value is required.

	IFRS 13 Level	31-Dec-15 Carrying Amount	31-Dec-15 Fair Value	31-Dec-14 Carrying Amount	31-Dec-14 Fair Value
Assets:					
Investment securities (Held-to-maturity)	Level 2	1,155,774	1,779,696	2,530,596	2,637,901
Loans and advances	Level 2	30,066,888	31,003,147	30,882,843	31,127,005

The fair value of held to maturity investment securities and loans and advances are based on net present values using discount rates reflective of market rates for similar assets.

The fair values of other financial assets and liabilities approximate to their carrying amounts given short term maturity.