



CITIZENS BANK

It's where you belong

NOTES TO THE QUARTERLY FINANCIAL STATEMENTS - 30 JUNE 2014

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 2013.

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
Dunstan Barrow	140,000	Nil
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	5,223,856
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 30-Jun-14 \$'000	As At 30-Jun-13 \$'000	As At 30-Sep-13 \$'000
Loans	1,500,582	1,473,183	1,460,956
Deposits	5,597,224	4,207,669	5,547,469
Letters of Credit & Guarantees	118,244	44,442	110,700
	For nine months Ended 30-Jun-14 \$'000	For nine months Ended 30-Jun-13 \$'000	For Year Ended 30-Sep-13 \$'000

Interest Income	95,557	131,531	162,434
Interest Expense	15,566	16,638	74,671

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, letters of credit and guarantees totalling \$764.9 million owing to the Bank as at 30 June 2014 (30 June 2013: \$753.8 million). Of the \$764.9 million obligations, \$108.0 million are guarantees while loans total \$656.9 million (30 June 2013: \$44.4 million were guarantees while loans totalled \$709.4). These obligations are included in balances shown in the Note (5). The collateral securing the credit facilities has now been perfected.

7. CAPITAL COMMITMENTS

	As At 30-June-14 \$'000	As At 30-June-13 \$'000	As At 30-Sep-13 \$'000
Capital commitment for property and equipment			
Authorised but not contracted for	852,388	1,929,246	1,382,085
Authorised and contracted for	440,894	0	202,358