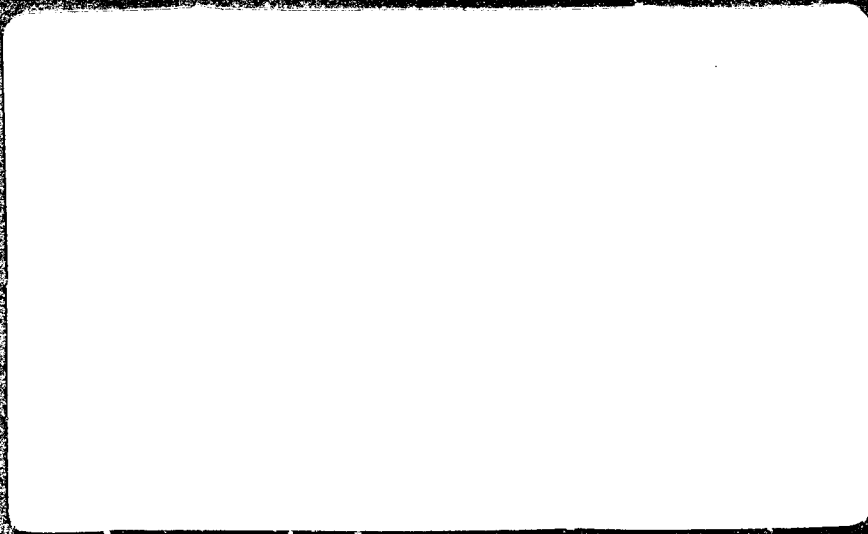


TSD LAL & CO.

TSD

Chartered Accountants



BANK OF BARODA (GUYANA) INC.

FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 MARCH, 2023
AN INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
BANK OF BARODA (GUYANA) INC.
(SUBSIDIARY OF BANK OF BARODA (INDIA))
ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Bank of Baroda (Guyana) Inc., which comprise the statement of financial position as at 31 March 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 2 to 42.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2023, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Guyana, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 5 (c), which explains that the Guyana Revenue Authority (GRA) has issued assessments for Corporation Tax liability of G\$195,607,232 for the years of income ended 31 March 2012, 31 March 2013, 31 March 2015 to 31 March 2018 and 31 March 2021 and Property Tax liability for 31 March 2017 to 31 March 2021. These additional taxes are currently in dispute in which they are at varying stages of the legal process (i.e. objection or appeal). Based on legal and professional advice, Management is of the opinion that the Bank will be successful on appeal and accordingly no provision has been recognised in these financial statements for the effect of the additional Tax assessments. Our opinion is not qualified in respect of this matter.

Responsibilities of those Charged with Governance for the Financial Statements

The Directors/Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of those Charged with Governance for the Financial Statements- cont'd

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so. The Audit Committee assists the Directors in discharging their responsibilities for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and, obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

The financial statements comply with the requirements of the Financial Institutions Act 1995 and the Companies Act 1991.

TSD Lal & Co.
TSD LAL & CO.
CHARTERED ACCOUNTANTS

Date: April 26, 2023

77 Brickdam,
Stabroek, Georgetown
Guyana

BANK OF BARODA (GUYANA) INC.
(SUBSIDIARY OF BANK OF BARODA (INDIA))
STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

		2022/2023	2021/2022
	Notes	G\$ 000	G\$ 000
Interest income			
Loans and advances		704,028	540,133
Investments: treasury bills	9(b)	68,718	24,997
Local bank deposits		4,802	8,494
Foreign bank deposits		5,183	18,373
		<u>782,731</u>	<u>591,997</u>
Interest expense			
Savings deposits		48,868	33,177
Term deposits		100,669	89,229
Other		2,951	8,693
		<u>152,488</u>	<u>131,099</u>
Net interest income		630,243	460,898
Other income	6	364,330	185,998
Net interest and other income		<u>994,573</u>	<u>646,896</u>
Non-interest expenses			
Salaries and other staff costs		138,070	114,221
Premises and equipment		104,692	86,918
Provision for bad debt		(36,067)	115,849
Bad debt written off		32,981	24,517
Others		119,868	114,975
Loss allowances - expected credit losses (ECLs)		8,437	(4,714)
		<u>367,981</u>	<u>451,766</u>
Profit before taxation	7	626,592	195,130
Taxation	5 (a)	(257,081)	(86,795)
Profit for the year		<u>369,511</u>	<u>108,335</u>
Total comprehensive income for the year		<u>369,511</u>	<u>108,335</u>

The accompanying notes form an integral part of these financial statements.

BANK OF BARODA (GUYANA) INC.
(SUBSIDIARY OF BANK OF BARODA (INDIA))
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Notes	31.03.2023 GS 000	31.03.2022 GS 000
ASSETS			
Cash Resources			
Cash and due by banks	8 (a)	1,901,352	4,744,993
Deposits with Bank of Guyana	8 (b)	6,738,607	4,030,250
		<u>8,639,959</u>	<u>8,775,243</u>
Investments			
Treasury bills	9 (a)	7,913,192	4,669,052
Loans and advances	10	7,740,921	6,232,033
		<u>15,654,113</u>	<u>10,901,085</u>
Property and equipment	11	154,013	163,777
Deferred tax	5 (b)	19,873	67,079
Tax recoverable		142,197	180,780
Other assets	12	20,343	39,372
		<u>336,426</u>	<u>451,008</u>
		<u>24,630,498</u>	<u>20,127,336</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	14	750,000	750,000
Retained earnings		2,408,396	2,139,312
Statutory reserve	20	472,723	417,296
Risk reserve		9,534	1,098
		<u>3,640,653</u>	<u>3,307,706</u>
Deposits			
Demand		8,269,904	6,277,327
Savings		4,286,811	3,233,735
Term		8,066,093	7,128,692
		<u>20,622,808</u>	<u>16,639,754</u>
Other payables	13	231,258	144,409
Taxation payable		135,779	35,467
		<u>367,037</u>	<u>179,876</u>
		<u>24,630,498</u>	<u>20,127,336</u>

These financial statements were approved by the Board of Directors on 26/04/2023

On behalf of the Board:

FOR
BANK OF BARODA (GUYANA) INC

..... Chief Executive Officer and Director

.....
Managing Director

.....
Director

The accompanying notes form an integral part of these financial statements.

BANK OF BARODA (GUYANA) INC.
(SUBSIDIARY OF BANK OF BARODA (INDIA))
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

	Note	Share Capital	Retained Earnings	Statutory Reserve	Risk Reserve	Total
		<u>GS 000</u>	<u>GS 000</u>	<u>GS 000</u>	<u>GS 000</u>	<u>GS 000</u>
Balance at 1 April 2021		750,000	2,092,227	401,046	5,812	3,249,085
Changes in equity 2021/2022						
Total comprehensive income for the period		-	108,335	-	-	108,335
Dividends paid	24	-	(45,000)	-	-	(45,000)
Transfer from/(to)		-	(16,250)	16,250	-	-
ECL Provision -Note 10a		-	-	-	(4,714)	(4,714)
Balance as at 31 March 2022		<u>750,000</u>	<u>2,139,312</u>	<u>417,296</u>	<u>1,098</u>	<u>3,307,706</u>
Changes in equity 2022/2023						
Total comprehensive income for the period		-	369,511	-	-	369,511
Dividends paid	24	-	(45,000)	-	-	(45,000)
Transfer from/(to)		-	(55,427)	55,427	-	-
ECL Provision -Note 10a		-	-	-	8,436	8,436
Balance as at 31 March 2023		<u><u>750,000</u></u>	<u><u>2,408,396</u></u>	<u><u>472,723</u></u>	<u><u>9,534</u></u>	<u><u>3,640,653</u></u>

The accompanying notes form an integral part of these financial statements.

BANK OF BARODA (GUYANA) INC.
(SUBSIDIARY OF BANK OF BARODA (INDIA))
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	2022/2023	2021/2022
	G\$ 000	G\$ 000
Operating activities		
Profit before taxation	626,592	195,130
Adjustment for:		
Depreciation	15,906	13,825
Loss/adjustment on disposal of assets	-	309
Loss allowances - expected credit losses (ECLs)	8,437	(4,714)
Operating profit before working capital changes	650,935	204,550
Increase in loans and advances	(1,508,888)	(406,610)
Increase in customers' deposits	3,983,054	5,832,410
Decrease/(increase) in other assets	19,029	13,379
Increase/(decrease) in other liabilities	86,849	(12,587)
Decrease/(increase) in required reserve with Bank of Guyana	(2,708,357)	(1,823,134)
Cash provided by operating activities	522,622	3,808,008
Taxes paid/adjusted (net)	(70,981)	(141,091)
Net cash provided by operating activities	451,641	3,666,917
Investing activities		
Movement in treasury bills	(3,244,140)	(1,768,896)
Additions to property and equipment	(6,142)	(27,552)
Net cash used in investing activities	(3,250,282)	(1,796,448)
Financing activities		
Dividends paid	(45,000)	(45,000)
Net cash used in Financing activities	(45,000)	(45,000)
Net increase in cash and short term funds	(2,843,641)	1,825,469
Cash and short term funds at beginning of year	4,744,993	2,919,524
Cash and short term funds at end of year	<u>1,901,352</u>	<u>4,744,993</u>
Cash and due by Banks	<u>1,901,352</u>	<u>4,744,993</u>

The accompanying notes form an integral part of these financial statements.

BANK OF BARODA (GUYANA) INC.
(SUBSIDIARY OF BANK OF BARODA (INDIA))
NOTES TO THE FINANCIAL STATEMENTS

1. Incorporation and activities

The company was registered as a banking institution in Guyana on 1 March 1999 and commenced operations on 25 May 1999. The registered office of the company is Lot 10 Regent and Avenue of the Republic, Georgetown, Guyana.

The company is licensed to carry on the business of banking operations in accordance with the provisions of the Financial Institutions Act 1995.

2. New and amended standards and interpretations

Amendments effective for the current year end

New and Amended Standards	Effective for annual periods beginning on or after
Amendments to IFRS 3: Reference to the Conceptual Framework	1 January, 2022
Amendments to IAS 16: Proceeds before intended use	1 January, 2022
Amendments to IAS 37: Onerous Contracts – Cost of fulfilling a contract	1 January, 2022
Annual Improvements 2018-2020	1 January, 2022

Amendments to IFRS 3: Reference to the Conceptual Framework

The amendments are intended to replace a reference to a previous version of the IASB's Conceptual Framework (the 1989 Framework) with a reference to the current version issued in March 2018 (the Conceptual Framework) without significantly changing its requirements.

The amendments add an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. At the same time, the amendments add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

Amendments to IAS 16: Proceeds before intended use

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment (PP&E), any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

Amendments to IAS 37: Onerous Contracts – Cost of fulfilling a contract

The amendments specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a 'directly related cost approach'. The costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

BANK OF BARODA (GUYANA) INC.
(SUBSIDIARY OF BANK OF BARODA (INDIA))
NOTES TO THE FINANCIAL STATEMENTS

2. New and amended standards and interpretations - cont'd

Annual Improvements 2018-2020

The following amendments were made from the 2018-2020 annual improvements cycle:

IFRS 1 First-time Adoption of International Financial Reporting Standards

The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the parent's date of transition to IFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

IFRS 9 Financial Instruments

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

IFRS 16 Leases: Illustrative Examples

The amendment removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying IFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying IFRS 16.

None of the foregoing amendments had a significant impact on the financial statements.

Pronouncements effective in future periods available for early adoption

	Effective for annual periods beginning on or after
New and Amended Standards	
IFRS 17 Insurance contracts	1 January, 2023
Amendments to IAS 1 and IFRS Practice statement 2: Disclosure of Accounting Policies	1 January, 2023
Amendments to IAS 8: Definition of Accounting Estimates	1 January, 2023
Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January, 2023
Amendments to IAS 1: Presentation of financial statements on classification of liabilities	1 January, 2023

BANK OF BARODA (GUYANA) INC.
(SUBSIDIARY OF BANK OF BARODA (INDIA))
NOTES TO THE FINANCIAL STATEMENTS

2. New and amended standards and interpretations - cont'd

The company has not opted for early adoption.

The standards and amendments that are expected to have an impact on the company's accounting policies when adopted are explained below.

Amendments to IAS 1 and IFRS Practice statement 2: Disclosure of Accounting Policies

The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

Amendments to IAS 8: Definition of Accounting Estimate

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

Amendments to IAS 1: Presentation of financial statements on classification of liabilities

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The Board proposed to defer the effective date to no earlier than 1 January 2024 (from 1 January 2023).

BANK OF BARODA (GUYANA) INC.
(SUBSIDIARY OF BANK OF BARODA (INDIA))
NOTES TO THE FINANCIAL STATEMENTS

3. Summary of Significant Accounting Policies

3.1 Accounting convention

The financial statements have been prepared under the historical cost convention and conform with the International Financial Reporting Standards adopted by the Institute of Chartered Accountants of Guyana. The principal accounting policies are set out below.

3.2 Interest income and the effective interest rate method:

Under IFRS 9 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost.

The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset. The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Bank recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

The Bank calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Bank calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Bank reverts to calculating interest income on a gross basis.

Interest income is recognised on Standard Advances. Interest income is not recognised on Credit Impaired assets.

3.3 Non-interest income

The bank earns income from a diverse range of services provided to its customers. Income earned from the provision of services is recognized as revenue as the services are provided. Fees and commissions are recognized as earned. Examples of these types of accounts are:

- Commitment Fees - negotiation, application fees for new loan accounts
- Drafts and Transfers - cost of drafts, telegraphic transfer
- Ledger Fees - charge for new cheque book
- Safe Custody - annual rental of safe deposit boxes

3.4 Foreign currency transactions

Transactions in currencies other than Guyana dollars are recorded at the official or Cambio rates of exchange prevailing on the dates of the transaction. At each reporting period, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the official or Cambio rates prevailing on that date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in the profit or loss for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised in the statement of profit and other comprehensive

BANK OF BARODA (GUYANA) INC.
(SUBSIDIARY OF BANK OF BARODA (INDIA))
NOTES TO THE FINANCIAL STATEMENTS

3. Summary of Significant Accounting Policies (cont'd)

3.5 Property, plant and equipment

Property, plant and equipment are stated generally at historical cost, except for those measured at fair value, when they are tested for impairment. Historical cost includes expenditure directly attributable to the acquisition of the items.

At the end of each reporting period, the Bank reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Bank estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Subsequent costs are included in the asset's carrying value or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Freehold building and computer equipment are depreciated on straight line method to write off the assets over their useful estimated lives. All other property and equipment are depreciated on the reducing balance method at rates sufficient to write off the cost of these assets to their residual values over their estimated useful lives as follows:-

Freehold building	2% - 5 %
Computer equipment	33 (1/3) %
Equipment including furniture and fixtures	10 - 20 %
Motor vehicles	20% - 30 %

The gain or loss arising on disposal or retirement of an item of property and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss and other comprehensive income.

**BANK OF BARODA (GUYANA) INC.
(SUBSIDIARY OF BANK OF BARODA (INDIA))
NOTES TO THE FINANCIAL STATEMENTS**

3. Summary of Significant Accounting Policies (cont'd)

3.6 Financial Instruments

Financial assets and liabilities are recognized on the Bank's statement of financial position when the Bank becomes a party to the contractual provisions of the instruments.

These instruments are intended to be held on a continuing basis and are recognized when the Bank enters into contractual arrangements with the counterparties to purchase securities.

Financial instruments carried on the statement of financial position include investment securities, loans and overdrafts, receivables, customer's deposits, payables, accruals, borrowing and cash resources. The recognition methods adopted for loans and overdrafts and investment securities are disclosed in the individual policy statements.

Cash and short term funds

Cash and short term funds comprise of cash due by and to banks and deposits with the Bank of Guyana in excess of the required reserve.

These are readily convertible to a known amount of cash, with maturity dates of less than three (3) months.

Other receivables

Other receivables are measured at amortised cost. Appropriate allowances for estimated unrecoverable amounts are recognized on an expected credit loss basis.

Deposits and other payables

Deposits and other payables are measured at amortised cost.

BANK OF BARODA (GUYANA) INC.
(SUBSIDIARY OF BANK OF BARODA (INDIA))
NOTES TO THE FINANCIAL STATEMENTS

3. Summary of Significant Accounting Policies (cont'd)

3.6 Financial Instruments - cont'd

Financial assets at amortised cost

The company only measures loans and advances and other financial investments at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. The company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objectives.

Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under IFRS 9. Financial assets and financial liabilities at FVPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit or loss with the exception of movements in fair value of liabilities designated at FVPL due to changes in the company's own credit risk which are recorded through OCI and do not get recycled to the profit or loss.

Reclassification of financial assets and liabilities

The company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the company acquires, disposes of, or terminates a business line.

Financial liabilities are never reclassified. The Bank did not reclassify any of its financial assets or liabilities in 2022/2023.

3.7 Derecognition of provisions

Provisions are derecognized when it is no longer probable that an outflow of economic resources will be required to settle the obligation.

3.8 Reporting Divisions

The bank's operations are considered a single business unit with certain operations carried out within Guyana and outside of Guyana.

BANK OF BARODA (GUYANA) INC.
(SUBSIDIARY OF BANK OF BARODA (INDIA))
NOTES TO THE FINANCIAL STATEMENTS

3. Summary of Significant Accounting Policies (cont'd)

3.9 Taxation

Tax expense for the period comprises current and deferred Tax. Tax is recognised in the statement of profit or loss and other comprehensive income.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Bank's liability for current tax is calculated using tax rates that have been enacted in the laws of Guyana at the end of each reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the assets realized based on tax rates (tax laws) that have been enacted by the end of the reporting period. Deferred tax is charged or credited to profit and loss.

3.10 Acceptances, guarantees and letters of credit

The Bank's potential liability under acceptances, guarantees and letters of credit is reported as a contingent liability.

3.11 Balances excluded from the accounts

The accounts do not include certain balances where, in the opinion of management, the Bank bears no financial responsibility as it acts merely as an intermediary. These balances are instead disclosed in note 15 of the financial statements.

3.12 Statutory reserve

The Financial Institutions Act 1995 of Guyana requires that a minimum of 15% of the net profit after deduction of taxes in each year must be transferred to a statutory reserve account until the balance on this reserve is not less than the paid up capital. This reserve is not distributable.

3.13 Reserve requirement

The Bank of Guyana requires that each commercial bank maintain a current account with a balance of 12% of their demand liabilities calculated on a weekly basis. The balance at period end is GUY\$ 6.7b (31.03.2022 - G\$4.03b) disclosed in note 8(b) of the financial statement.

BANK OF BARODA (GUYANA) INC.
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NOTES TO THE FINANCIAL STATEMENTS

3. Summary of Significant Accounting Policies (cont'd)

3.14 Impairment losses on loans and advances:

The Bank on a regular basis reviews its portfolio of loans with a view of assessing impairment. This is done in addition to what is required under the Bank of Guyana Supervision Guideline No.5 and IFRS 9 with respect to provisioning. Certain judgments are made that reflect the Bank's assessment of several critical factors that can influence future cash flows.

3.15 Risk reserve

The risk reserve is created as an appropriation of retained earnings to account for the difference between the requirements of IFRS 9 (ECLs) adopted by the Bank and the provisions as required under Bank of Guyana Supervision Guideline No.5.

The Bank has adopted the requirements of IFRS 9 and makes specific provisions on loans and advances. The provisions booked as at 31 March, 2023 amounted to **G\$9.534m** (2022- \$1.098m) compared with the provision of **G\$313.964m** (2022- \$348.315m) as required under Bank Of Guyana Supervision Guideline No. 5.

The risk reserve as at 31 March, 2022 was **G\$9.534m** (2022- G\$1.098m). The increase of **G\$8.436m** (2022- G\$4.714m) is shown as a transfer to risk reserve for the increase in loan impairment.

3.16 Dividends

Dividends that are proposed and declared are recorded as an appropriation of retained earnings in the statement of changes in equity in the period in which they have been approved. Dividends that are proposed and declared after the financial year end are disclosed as a note to the financial statements.

3.17 Leases

The Bank has assessed the lease and due to the short -term nature and low value, it applied exemption to treat the leases as an expense on a straight- line basis over the lease term.

3.18 Provisions

Provisions are recognised when the Bank has a present obligation (legal or constructive) as a result of a past event, it is probable that the Bank will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

BANK OF BARODA (GUYANA) INC.
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NOTES TO THE FINANCIAL STATEMENTS

3 Summary of Significant Accounting Policies (cont'd)

3.19 Critical accounting judgments and key sources of estimation uncertainty

a) Useful lives of plant and equipment:

Management reviews the estimated useful lives of plant and equipment at the end of each year to determine whether the useful lives of plant and equipment should remain the same.

b) Impairment of financial assets:

Management makes judgment at the end of each reporting period to determine whether financial assets are impaired. Financial assets are impaired when the carrying amount is greater than the recoverable amount and there is objective evidence of impairment. The recoverable amount is the present value of the future cash flows.

c) Loans and advances

It is the Bank's policy to provide for impaired loans on a consistent basis in accordance with the Financial Institutions Act (FIA) 1995 and established International Accounting Standards and practices.

Loans and advances to customers comprise of loans and advances originated by the bank and are classified as financial assets as per IFRS 9.

All loans and advances are recognised when cash is advanced to borrowers and are derecognised when borrowers repay their obligation and when the loan is written off. Loans are written off when all necessary legal procedures have been completed and the amount of the loss is finally determined.

Upon classification of a loan of non-accrual status, interest ceased to accrue and all previously accrued and unpaid interest is reversed in the current period.

Loans and advances are generally returned to accrual status when both principal and interest is reasonably assured and all delinquent principal and collection of interest payments are brought current.

d) Loan Impairment

It is the Bank's policy to provide for impaired loans on a consistent basis in accordance with the Bank of Guyana Supervision Guideline no.5 and established International Accounting Standards and Practices. Loans and advances to customers include loans and advances originated by the Bank and are classified as Financial Assets at amortised cost. Loans and advances are recognized when cash is advanced to borrowers and are derecognized when borrowers repay their obligations or when written off.

Losses for impaired loans are recognized promptly when there is objective evidence that impairment of a loan or portfolio of loans has occurred. Impairment losses are calculated on individual loans and on loans assessed collectively.

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NOTES TO THE FINANCIAL STATEMENTS

3. Summary of Significant Accounting Policies (cont'd)

3.19 Critical accounting judgments and key sources of estimation uncertainty (cont'd)

e) Loan Impairment

The Bank records the allowance for expected credit losses for all loans, loan commitments and financial guarantee contracts. The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Bank groups its loans into Stage 1, Stage 2, and Stage 3 as described below:

Stage 1: Credit risk has not increased significantly since initial recognition – recognise 12 months ECL, and recognise interest on a gross basis.

Stage 2: Credit risk has increased significantly since initial recognition – recognise lifetime ECL, and recognise interest on a gross basis.

Stage 3: Impairment occurs when there is objective evidence that an impairment event has occurred at reporting date and a loss allowance equal to lifetime ECLs is recognised and present interest on net basis (i.e gross carrying amount less loss allowance).

For financial assets classified under Stage 3, the Bank directly reduces the gross carrying amount when there is no reasonable expectation of recovery, which required that a write-off constitutes a derecognition event and may relate to either the asset in its entirety or a portion of it.

12 months ECL under stage 1 is calculated by multiplying the probability of default occurring in the next 12 months by the lifetime ECL that would result from that default, regardless when those losses occur.

Lifetime expected credit losses, results from all possible default events over the life of the financial asset. Lifetime expected credit losses are calculated based on a weighted average of the expected credit losses, with weighings being based on the respective probabilities of default.

The calculation of ECLs

The provisions or in other words "Impaired loss" are being calculated on standard Advances and for sub-standard Advances (explained below), the calculations were being carried out as per the Supervisory guidelines No.5 of Bank of Guyana.

BANK OF BARODA (GUYANA) INC.
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NOTES TO THE FINANCIAL STATEMENTS

3. Summary of Significant Accounting Policies (cont'd)

3.19 Critical accounting judgments and key sources of estimation uncertainty (cont'd)

e) Loan impairment -cont'd

The Bank has the necessary tools to ensure an adequate estimate and timely recognition of expected credit losses (ECLs). Information on historical loss experiences or the impact of current conditions may not fully reflect the credit risk in lending exposures. In that context, the Bank uses experienced credit judgment to thoroughly incorporate the expected impact of all reasonable and supportable forward-looking information, including macroeconomic factors, on its estimate for each stage of ECLs. The methodologies and key elements for assessing credit risk and measuring the level of allowances for ECL estimates are as follows:

Probability of Default (PD) is assigned to each risk measure and represents a percentage of the likelihood of default. The calculation is for a specific time frame and measures the percentage of loans and investments that default. The PD is then assigned to the risk level, and each risk level has one PD percentage.

For corporate exposures, 12 months PD is determined based on the matrix migration approach which considers migration of internal ratings done by the Bank based on the RAM model. The Lifetime-PD for the time horizon is computed using the basic exponentiation formula based on the average residual maturity of the respective rating grade.

Loss Given Default (LGD) - measures the expected loss and is shown as a percentage of exposure of default (EAD). LGD represents the amount unrecovered by the lender after selling the underlying asset if a default was to occur on a loan and investment.

The methodologies and key elements for assessing credit risk and measuring the level of allowances for ECL estimates are as follows:

Exposure at Default (EAD) is seen as an estimation of the extent to which the Bank may be exposed to in the event and at the time of, the borrower's and investment's was to default. The loan and investment repayments patterns and EAD value for each financial assets are then used to determine the overall default risk.

Collateral

It is the Bank's policy that all facilities are fully and tangibly secured. A insignificant portion of the loans are secured below 100% of the loans and advances values.

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NOTES TO THE FINANCIAL STATEMENTS

3. Summary of Significant Accounting Policies (cont'd)

3.19 Critical accounting judgments and key sources of estimation uncertainty (cont'd)

e) Loan Impairment cont'd

Classification

The Bank follows the prescription of the Bank of Guyana Supervision Guideline no.5 and classifies loans into the following categories:-

Grade 1/Pass: represents loans demonstrating financial condition, risk factors and capacity to repay that are good to excellent and generally reflects accounts which are not impaired and are up-to-date in repayments or operating within approved limits as per the Bank's policy guidelines.

Grade 2/Special mention: represents satisfactory risk and includes credit facilities which require closer monitoring or which operates outside product guidelines, or which require various degrees of special attention, where the collateral is not fully in place; where current market conditions are affecting a sector or industry; and that are progressively between 30 and 90 days past due.

Grade 3/Sub-Standard: represents loans for which principal and interest is due and unpaid between 90 to 179 days or, where interest charges for the three to five months have been capitalized for reasons such as primary sources of repayment has become insufficient, and where appropriate, mortgages in arrears by greater than 90 days where the value of the collateral is sufficient to repay both principal and interest in the event the account is identified for recovery action.

Grade 4/Doubtful/loss: represents loans accounts which are considered uncollectible or for which the collection of the full debt is improbable; accounts which have shown little or no improvement over the twelve months period prior to its present classification; principal or interest is due and unpaid for twelve months or more; or an account which may have some recovery value but is not considered practical nor desirable to defer write-off, for example, where litigations becomes protracted.

The Act further states that the principal balance (and not the amount of delinquent payments) shall be used in calculating the aggregate amount of past-due or non-performing accounts.

Past due

A loan is classified as past due when:

- (i) Principal or interest is due and unpaid for one month to less than three months or
- (ii) Interest charges for one to two months have been capitalized, refinanced or rolled over

An overdraft is classified as past due when:

- (i) The approved limit has been exceeded for one month to less than three months.
- (ii) The interest charges for one month to two months have not been covered by deposits.
- (iii) The account had turnovers which did not conform to the business Cycle.

Non-performing loans

For individually assessed accounts, loans are required to be designated as non-performing as soon as there is objective evidence that an impairment loss has incurred. Objective evidence of impairment includes observable data such as when contractual payments of principal or interest are 90 days overdue. Portfolios of loans are designated as non-performing if facilities are 90 days or more overdue.

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NOTES TO THE FINANCIAL STATEMENTS

3. Summary of Significant Accounting Policies (cont'd)

3.19 Critical accounting judgments and key sources of estimation uncertainty (cont'd)

e) Loan Impairment cont'd

Loan Accounts reported as past due are reclassified and reported as non- performing when:

Loans

- (i) Principal or interest is due and unpaid for three months or more, or
- (ii) Interest charges for three months or more have been capitalized, refinanced or rolled over.

Overdrafts

- (i) The approved limit has been exceeded for three months or more into a term loan after three months or more.
- (ii) Interest charges for three months or more have not been covered by deposits.
- (iii) The account has developed a hardcore which was not converted.

f) Loan losses

The Bank of Guyana Supervision Guideline no.5 prescribes that a loan be classified as loss where one or more of the following conditions apply:

- (i) An account is considered uncollectible.
- (ii) An account classified as doubtful with little or no improvement over the twelve month period.
- (iii) The unsecured portion of a loan with fixed repayment dates when:-
 - (1) Principal or interest is due and unpaid for twelve months or more, or
 - (2) Interest charges for twelve months or more have been capitalized, refinanced or rolled over
- (iv) The unsecured portion of an overdraft when:-
 - (1) The approved limit has been exceeded for six months or more, or
 - (2) Interest charges for six months or more have not been covered by deposits, or
 - (3) The account has developed a hard core which was not converted into a term loan after 12 months or more.
 - (4) Interest charges for twelve months or more have been capitalized, refinanced or rolled over.

Loans under this category include accounts which are considered uncollectible or for which the collection of the full debt is improbable; accounts which have shown little or no improvement over the twelve months period prior to its present classification; principal or interest is due and unpaid for twelve months or more; or an account which may have some recovery value but is not considered practical nor desirable to defer write-off, for example, where litigations becomes protracted.

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NOTES TO THE FINANCIAL STATEMENTS**

3. Summary of Significant Accounting Policies (Cont'd)

3.19 Critical accounting judgments and key sources of estimation uncertainty (cont'd)

f) Loan losses- cont'd

Loans and advances under this category include accounts which are considered uncollectible or for which the collection of the debt is highly improbable; accounts which have shown little or no improvement over the twelve months period prior to its present classification; principal or interest is due and unpaid for twelve months or more; or an account which may have some recovery value but it is not considered practical nor desirable to defer write-off, for example, where litigation

The Bank follows the prescriptions of the Financial Institutions Act 1995 and writes off such a loan three months after being so classified unless it shows a definite and significant improvement which indicates recovery within the next six months.

Provisioning

Provisioning for each classification categories is made based on the following minimum level:

<u>Classification</u>	<u>Level of Provision</u>
Pass	0%
Special Mention	0%
Sub-standard	0 - 20%
Doubtful	20 - 50%
Loss	100%

A general provision of 1% of the portion of the loan portfolio not individually assessed is also

g) Renegotiated Loans:

The Bank's policy in relation to renegotiated loans is in accordance with the Bank of Guyana Supervision Guideline No.5, paragraph No.14. This Act states that a renegotiated facility may be a facility which has been refinanced, rescheduled, hived-off, rolled-over, or otherwise modified because of weakness in the borrower's financial position or the non-servicing of the debt as arranged, where it has been determined by the Bank that the terms of the renegotiated loan are such as to remedy the specific difficulties faced by the borrower. There were no renegotiated loans during the year.

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NOTES TO THE FINANCIAL STATEMENTS

5. Taxation

(a) Reconciliation of tax expense and accounting profit

	2022/2023	2021/2022
	<u>G\$ 000</u>	<u>G\$ 000</u>
Accounting profit	626,592	195,130
Corporation tax at 40%	250,637	78,052
Add:		
Management fees	14,100	15,765
Property tax	11,235	9,376
Depreciation for accounting purposes	6,362	5,530
Loss allowance-Ecl	-	(1,885)
	<u>282,334</u>	<u>106,838</u>
Deduct:		
Tax effect of depreciation for tax purposes	3,259	2,936
Tax effect of tax exempt income	29,409	13,396
	<u>249,666</u>	<u>90,506</u>
Tax period basis	<u>(39,790)</u>	<u>10,684</u>
	209,876	101,190
Deferred taxation	<u>47,205</u>	<u>(14,395)</u>
	<u><u>257,081</u></u>	<u><u>86,795</u></u>
Taxation:		
-Current	209,876	101,190
-Deferred	<u>47,205</u>	<u>(14,395)</u>
	<u><u>257,081</u></u>	<u><u>86,795</u></u>

(b) Components of deferred tax liabilities/(assets)

	2022/2023	2021/2022
	<u>G\$ 000</u>	<u>G\$ 000</u>
Property and equipment	(59,663)	(56,395)
Tax period basis	<u>39,790</u>	<u>(10,684)</u>
	<u><u>(19,873)</u></u>	<u><u>(67,079)</u></u>

BANK OF BARODA (GUYANA) INC.
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NOTES TO THE FINANCIAL STATEMENTS

5. Taxation cont'd

(b) Movement in temporary differences	Tax Period Basis G\$ 000	Property and Equipment G\$ 000	Total G\$ 000
At 31 March 2021	1,186	(53,870)	(52,684)
Movement during the year	(11,870)	(2,525)	(14,395)
At 31 March 2022	(10,684)	(56,395)	(67,079)
Movement during the year	50,474	(3,269)	47,205
At 31 March 2023	39,790	(59,663)	(19,873)

(c) Tax assessed

(1) On 21 June, 2018, the Company received Notices of Assessment (“Assessments”) from the Guyana Revenue Authority claiming additional corporation taxes of G\$138,586,832 as a result of the disallowance of the Company’s claim for deduction for impairment losses on financial assets in relation to the years of income ended March 31, 2012, 2013, 2015 and 2016. The Bank has objected to the GRA’s assessment and has written to the Board of Review on the 9th August, 2018 for an appeal since the GRA maintained its position after the objection. At the time of filing the appeal, G\$19,773,112 was paid, the matter is still awaiting to be heard.

(2) On 27 January, 2023 the Company received Notice of further Assessment ("Assessments") claiming additional corporation taxes of G\$57,020,400 and addition Property taxes of G\$11,507,258 as a result of the disallowance of the Company's claim for deduction for impairment losses on the financial assets in relation to the years of income ended March 31, 2018-2022. The Bank has objected on the GRA's assessment and since the GRA maintained its position after the objection a letter of appeal will be filed. At the time of the report the appeal was not filed.

6. Other Income

	2022/2023 G\$ 000	2021/2022 G\$ 000
Exchange earned	4,559	5,752
Commission earned	70,760	29,953
Profit on exchange	246,896	124,361
Incidental charges	15,670	15,363
Bad debt recoveries	26,445	10,569
	<u>364,330</u>	<u>185,998</u>

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	2022/2023 G\$ 000	2021/2022 G\$ 000		
7. Profit before taxation	626,592	195,130		
After charging:				
Auditor's remuneration	2,495	2,567		
Depreciation	15,906	13,469		
Provision for impairment (Note 10(a))	(34,351)	114,132		
Loss allowance (Expected credit losses (ECLs))	8,436	(4,714)		
8. (a) Cash and Due by banks				
Cash	112,426	61,344		
Balances with other banks	1,788,926	4,683,649		
	1,901,352	4,744,993		
(b) Deposits with Bank of Guyana				
Statutory deposit and other balances	6,738,607	4,030,250		
	31.03.2023	31.03.2022		
	Fair Value G\$ 000	Cost G\$ 000	Fair Value G\$ 000	Cost G\$ 000
9. (a) Investments				
Treasury Bills	7,913,192	7,913,192	4,669,052	4,669,052

These are Government of Guyana treasury bills and were valued at amortised cost which approximates the fair value.

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NOTES TO THE FINANCIAL STATEMENTS

9. Investment (cont'd)	2022/2023	2021/2022
(b) Income from investment	G\$ 000	G\$ 000
Treasury Bills	<u>68,718</u>	<u>24,997</u>
10. Loans and advances		
Mortgages	4,113,615	3,667,118
Demand loans	109,468	88,672
Term	280,750	168,457
Overdrafts	3,393,487	2,508,727
Staff loan	2,748	3,191
Others	<u>154,817</u>	<u>144,183</u>
	8,054,885	6,580,348
Provision for impairment (a)	<u>(313,964)</u>	<u>(348,315)</u>
	<u>7,740,921</u>	<u>6,232,033</u>
(a) Provision for Impairment		
At beginning	348,315	234,183
Increase / (reduction) in provisions as per Bank of Guyana Supervision Guideline No.5	<u>(34,351)</u>	<u>114,132</u>
At End	<u>313,964</u>	<u>348,315</u>
(b) Loss allowances - Expected Credit Losses (ECLs)		
At Beginning	1,098	5,812
Movement for the period - ECLs	<u>8,436</u>	<u>(4,714)</u>
As at period end	<u>9,534</u>	<u>1,098</u>

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NOTES TO THE FINANCIAL STATEMENTS

11. Property and equipment

	Freehold Land and Buildings G\$ 000	Leasehold Structure G\$ 000	Furniture and Fittings G\$ 000	Motor Vehicles G\$ 000	Total G\$ 000
Cost					
At April 1, 2021	257,312	5,185	67,884	17,625	348,006
Additions	21,634	-	5,918	-	27,552
Disposals	-	-	(1,998)	-	(1,998)
Transfer/adjustment	1,050	-	(1,050)	(1)	(1)
At March 31, 2022	279,996	5,185	70,754	17,624	373,559
Additions	696	-	5,446	-	6,142
At March 31, 2023	280,692	5,185	76,200	17,624	379,701
Accumulated depreciation					
At April 1, 2021	130,001	5,182	48,954	13,509	197,646
Charge for the year	7,499	-	4,549	1,778	13,826
Adjustment	-	3	-	(1)	2
Depreciation written back	-	-	(1,692)	-	(1,692)
At March 31, 2022	137,500	5,185	51,811	15,286	209,782
Charge for the year	7,160	-	8,112	634	15,906
At March 31, 2023	144,660	5,185	59,923	15,920	225,688
Net book values					
At March 31, 2023	136,032	-	16,277	1,704	154,013
At March 31, 2022	142,496	-	18,943	2,338	163,777

BANK OF BARODA (GUYANA) INC.
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NOTES TO THE FINANCIAL STATEMENTS

12. Other assets

	31.03.2023 G\$ 000	31.03.2022 G\$ 000
Interest and commission accrued	14,184	36,703
Sundry Receivables	6,159	2,669
	20,343	39,372

13. Other payables

Sundry payables	135,020	67,359
Property tax	28,087	23,442
Accrued interest on deposits	68,151	53,608
	231,258	144,409

14. Share capital

Authorised:

Number of Ordinary Shares	75,000,000	75,000,000
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Issued and fully paid

75,000,000 Ordinary Shares	750,000	750,000
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Ordinary shares held by:

	31.03.2023	31.03.2022
Bank of Baroda (India)	74,999,998	74,999,998
Chairman	1	1
A. K. Gupta	1	1
	75,000,000	75,000,000

These are all ordinary shares with equal voting rights, a right to dividend and par value of \$10.

15. Balances excluded from the accounts

	31.03.2023 G\$ 000	31.03.2022 G\$ 000
	3,538	3,538

Monies received on behalf of customers and deposited in the External Payments Deposits Scheme with the Bank of Guyana, in accordance with the terms of agreement signed with each customer which specifically exclude the Bank from any liability.

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NOTES TO THE FINANCIAL STATEMENTS**

16. Capital risk management

The Bank manages its capital structure on an on-going basis. As part of this review, management considers the cost of capital and the risks associated with each class of capital. The Bank's overall strategy remains unchanged from the previous year.

The Capital structure of the Bank consists of equity, comprising issued capital, reserves and retained earnings.

Capital Adequacy

The company monitors its capital Adequacy with reference to the risk-based capital adequacy guidelines issued by the Bank of Guyana in keeping with the BASEL convention. The guidelines evaluate Capital Adequacy based upon the perceived risk associated with balance sheet assets, as well as certain off balance sheet exposures, and stipulate a minimum ratio of qualifying capital (Tier 1 and Tier 11) to risk-weighted assets of 55.69%.

BOB remains well capitalised with the Bank's Tier 1 Capital Adequacy Ratio standing at 55.69% as at 31 March, 2022 (31 March, 2022 -52.70%).

Total Tier 1 and Tier 11 Capital was 55.69% of risk-adjusted assets at 31 March, 2023 compared to 52.70% at the end of the previous year.

Gearing ratio

The gearing ratio at the year end was as follows:

	31.03.2023 G\$ 000	31.03.2022 G\$ 000
Debt (i)	20,622,808	16,639,754
Cash & treasury bills	(16,553,151)	(13,444,295)
Net debt	4,069,657	3,195,459
Equity (ii)	3,640,653	3,307,706
Net Debt to Equity Ratio	1.07	0.97:1

(i) Debt is defined as long-term and short-term deposits.

(ii) Equity includes all capital and reserves of the bank.

BANK OF BARODA (GUYANA) INC.
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NOTES TO THE FINANCIAL STATEMENTS

17. Financial Risk Management

The Bank's activities expose it to a variety of financial risks: market risk (including price risk, interest rate risk and currency risk), liquidity risk and credit risk. The Bank's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Bank's performance.

Management is responsible for the overall risk management approach and for approving the risk strategies and principles.

The Bank's management monitor and manages the financial risks relating to the operations of the Bank through internal risk reports which analyse exposures by degree and magnitude of risks. The Bank's risks are measured using methods which reflect the expected loss likely to arise in normal circumstances.

Monitoring and controlling risks is primarily performed based on limits established by the Bank. These limits reflect the business strategy and market environment of the Bank as well as the level of risk that the Bank is willing to accept.

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17 Financial risk management

Financial risk management objectives.

(a) Market risk

The Bank's activities expose it to financial risks of changes in foreign currency, exchange rates and interest rates. The Bank uses gap analysis, interest rate sensitivity and exposure limits to financial instruments to manage its exposure to interest and foreign currency risk. There has been no change in the Bank's exposure to market risks or the manner in which it manages these risks.

(i) Interest rate risk

The Bank is exposed to interest rate risk and its sensitivity to interest is considered material since its financial instruments are at varying rates.

The table below summarises the bank's exposure to interest rate risks:

	Maturing 31.03.2023				Total G\$ 000
	Interest Rate %	Within 1 Year G\$ 000	Over 5 Years G\$ 000	Non-Interest bearing G\$ 000	
Assets					
Cash resources	1.1 - 1.3	1,788,926	-	6,851,033	8,639,959
Investments	1	7,913,192	-	-	7,913,192
Loans and advances (net)	6.8 - 18	5,393,945	2,346,976	-	7,740,921
Tax recoverable		-	-	142,197	142,197
Other assets		-	-	20,343	20,343
		<u>15,096,063</u>	<u>2,346,976</u>	<u>7,013,573</u>	<u>24,456,612</u>
Liabilities					
Demand deposits		-	-	8,269,904	8,269,904
Term deposits	1-1.80	8,066,093	-	-	8,066,093
Savings	1	4,286,811	-	-	4,286,811
Taxation payable		-	-	135,779	135,779
Other payables		-	-	231,258	231,258
		<u>12,352,904</u>	<u>-</u>	<u>8,636,941</u>	<u>20,989,845</u>
Interest sensitivity gap		<u><u>2,743,159</u></u>	<u><u>2,346,976</u></u>		

BANK OF BARODA (GUYANA) INC.
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NOTES TO THE FINANCIAL STATEMENTS

17. Financial risk management (Cont'd)

(i) *Interest rate risk cont'd*

	Maturing 31.03.2022				Total G\$ 000
	Interest Rate %	Within 1 Year G\$ 000	Over 5 Years G\$ 000	Non-Interest bearing G\$ 000	
Assets					
Cash resources	1.1 - 1.3	4,683,649	-	4,091,594	8,775,243
Investments	1.20	4,669,052	-	-	4,669,052
Loans and advances (net)	6.8 - 18	2,906,760	3,325,273	-	6,232,033
Tax recoverable		-	-	180,780	180,780
Other assets		-	-	39,372	39,372
		<u>12,259,461</u>	<u>3,325,273</u>	<u>4,311,746</u>	<u>19,896,480</u>
Liabilities					
Demand deposit		-	-	6,277,327	6,277,327
Term deposit	1 - 1.25	7,128,692	560,099	-	7,688,791
Savings	1	3,233,735	-	-	3,233,735
Taxation payables		-	-	35,467	35,467
Other payables		-	-	144,409	144,409
		<u>10,362,427</u>	<u>560,099</u>	<u>6,457,203</u>	<u>17,379,729</u>
Interest sensitivity gap		<u><u>1,897,034</u></u>	<u><u>2,765,174</u></u>		

BANK OF BARODA (GUYANA) INC.
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NOTES TO THE FINANCIAL STATEMENTS

17. Financial risk management Cont'd

(a) Market risk cont'd

(ii) Currency risk

Assets and liabilities in foreign currencies

The Bank's exposure to the effects of fluctuations in foreign currency exchange rates arise mainly from foreign bank balances. The currencies which the Bank is mainly exposed to are EURO, United States Dollars, Pounds, and Indian Rupees.

The aggregate amounts of assets and liabilities denominated in currencies other than Guyana dollars are as shown:

	Euro G\$'000	USD G\$'000	£ G\$'000	Rupees G\$'000	Total G\$'000
As at 31 March 2023					
Assets	16,280	1,017,145	664	16,277	1,050,366
As at 31 March 2022					
Assets	8,550	2,476,862	8,510	9,958	2,503,880

Foreign currency sensitivity analysis

The following table details the company's sensitivity to a 2.5% increase and decrease in Guyana dollars (G\$) against the relevant currencies.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2.5% change in foreign currency rates. A positive number indicates an increase in profit where the relevant currencies strengthens 2.5% against the Guyana dollar for a 2.5% weakening of those currencies against the Guyana dollar there would be an equal and opposite impact on the profit, and balances below would be a negative.

	2022/2023	2021/2022
	G\$ 000	G\$ 000
Profit	26,259	62,597

(iii) Price risk

Price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual security of its issuer or factors affecting all securities traded in the market. Management continually identifies the risk and diversifies the portfolio to minimise the risks. The Bank does not actively trade in equity instruments.

The Bank's exposure to price risk is considered to be minimal.

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NOTES TO THE FINANCIAL STATEMENTS

17. Financial risk management (continued)

(b) Liquidity Risk

The Bank's policy is to maintain a strong liquidity position and to manage the liquidity profile of assets, liabilities and commitments so that cash flows are appropriately balanced and all funding obligations met when due. It is unusual for banks to have the maturities of its assets and liabilities completely matched since business transacted is often of uncertain term and differing types. As such the matching and controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to the management of the Bank.

The information given below relates to the major financial liabilities based on the remaining period at 31 March 2023 to the contractual maturity dates.

	Maturing 31.03.2023					Total G\$ 000
	Within One Year					
	On Demand G\$ 000	Due in 3 Months G\$ 000	Due in 3-12 Months G\$ 000	1 to 5 years G\$ 000	Over 5 years G\$ 000	
LIABILITIES						
Demand deposits	8,269,904	-	-	-	-	8,269,904
Term deposits	-	1,380,650	6,685,443	-	-	8,066,093
Saving deposits	4,286,811	-	-	-	-	4,286,811
Other payables	231,258	-	-	-	-	231,258
Taxation payable	135,779	-	-	-	-	135,779
	12,923,752	1,380,650	6,685,443	-	-	20,989,845

	Maturing 31.03.2022					Total G\$ 000
	Within One Year					
	On Demand G\$ 000	Due in 3 Months G\$ 000	Due in 3-12 Months G\$ 000	1 to 5 years G\$ 000	Over 5 years G\$ 000	
LIABILITIES						
Demand deposits	6,277,327	-	-	-	-	6,277,327
Term deposits	-	623,050	5,945,543	560,099	-	7,128,692
Saving deposits	3,233,735	-	-	-	-	3,233,735
Other payables	144,409	-	-	-	-	144,409
Taxation payable	35,467	-	-	-	-	35,467
	9,690,938	623,050	5,945,543	560,099	-	16,819,630

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NOTES TO THE FINANCIAL STATEMENTS**

17. Financial risk management (Cont'd)

(c) Credit risk

Credit risk is the risk that financial loss arises from the failure of a customer to meet its obligations under a contract. It arises principally from lending.

- Balances due by Banks include balances held with correspondent Banks. These Banks have been assessed by the Directors as being credit worthy, with very strong capacity to meet their

- Investments in Government of Guyana Treasury Bills and the Statutory deposits with the Bank of Guyana are assets for which the likelihood of default is extremely low and have therefore been considered virtually risk-free by the Directors.

The other cash resource is held with financial institution and the directors have been advised that the risk exposure to the Bank is considered minimal on account of the fact that this investment is for a very short duration, and the institution have been assessed by the directors to be creditworthy.

The objective of the bank's credit risk management is to optimally manage its credit risk exposure so as to:

- Not adversely affect its profitability and continue as a going concern.
- Comply with the requirements of the prevailing laws and bank regulations

The bank have standard policies and procedures dedicated to controlling and monitoring risk from such activities.

Compliance with credit policies and exposure limits is reviewed on a continuous basis. These policies include but are not limited to:

i) Collateral offered is subjected to inspection/field visit to enable the Bank to decide whether it concurs with the valuation's opinion. Valuations are assessed conservatively and reviewed regularly with the support of empirical evidence.

ii) Loans and overdrafts are generally collateralised with some or all of the following:

- Cash
- Mortgages
- Bill of Sale
- Guarantees
- Promissary Notes

iii) Security structures and legal conditions are reviewed from time to time to ensure they continue

BANK OF BARODA (GUYANA) INC.
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NOTES TO THE FINANCIAL STATEMENTS

17. Financial risk management (Cont'd)

(c) Credit risk

The table below shows the Bank's maximum exposure to credit risk.

	Maximum Exposure	
	31.03.2023 G\$ 000	31.03.2022 G\$ 000
Cash and due by banks	1,901,352	4,744,993
Deposit with Bank of Guyana	6,738,607	4,030,250
Treasury bills	7,913,192	4,669,052
Loans and advances(net)	7,740,921	6,232,033
Total	24,294,072	19,676,328
Customer liability under bill collections, guarantees and letters of credit.	3,341,229	395,482
Total credit risk exposure	27,635,301	20,071,810

The above table represents a worst case scenario of credit risk exposure to the bank without taking account of any collateral held or other credit enhancements attached.

<u>Credit quality</u>	31.03.2023	31.03.2022
<u>Loans and advances</u>	G\$ 000	G\$ 000
Neither pass due nor impaired	7,124,024	5,289,780
Pass due but not impaired	302,933	504,325
Impaired	313,964	786,243
	7,740,921	6,580,348

The collateral held are in excess of 100% of total loans and advances

The undiscounted fair value of collateral that the Bank held relating to loans individually determined to be impaired at 31 March 2023 amounted to G\$20,686.408m (31.03.2022 - G\$5,435.20m)

During the year, the Bank realised collateral amounting to G\$487.000m (31.03.2022 - 123.200m)

	Stage 1 (12 Month ECL)/Stage 2 (Lifetime ECL)	Stage 3 Credit impaired financial assets (Lifetime ECL)	Total
31.12.2023			
Gross exposure	7,426,957	313,964	7,740,921
ECL	(9,535)	(313,964)	(323,499)
Net Exposure	7,417,422	-	7,417,422
31.12.2022			
Gross exposure	5,794,105	786,243	6,580,348
ECL	(1,098)	(347,217)	(348,315)
Net Exposure	5,793,007	439,026	6,232,033

BANK OF BARODA (GUYANA) INC.
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NOTES TO THE FINANCIAL STATEMENTS

17. Financial risk management (Cont'd)

(c) Credit risk (cont'd)

Loans and advances which were pass due but not impaired

There are a variety of reasons why certain loans and advances designated as 'pass due' are not regarded as impaired. Unless other information is available to the contrary, all loans and advances between 90 to 180 days are not considered impaired as they may be well-secured. In addition, renewals may be delayed due to pending submission of required documentation and as such do not reflect any concern to the creditworthiness of the borrower. Further, pass due loans and advances secured in full by cash collateral are not considered impaired, and where appropriate, neither are mortgages in arrears by greater than 90 days where the value of the collateral is sufficient to repay both principal and interest in the event the account is identified for recovery action.

Loans and advances which were pass due but not impaired as at 31 March can be assessed by reference to the Bank's credit grading system. The following information is based on that system.

	31.03.2023 G\$ 000	31.03.2022 G\$ 000
Grade 1- Satisfactory risk	7,124,024	5,289,780
Grade 2- Monitor risk		
- Pass due up to 90 days	302,932	504,325

The security held for these loans are the same as those stated in Note 17 (c) (ii).

(d) Impaired loans and advances

The Bank's policy in its reviews of the level of impairment allowances for loans and advances includes a review of collateral held (e.g. reconfirmation of its enforceability) and an assessment of actual and anticipated receipts. For significant commercial and corporate debts, specialized credit committees with experience in insolvency and specific market factors are used to determine likely losses.

	31.03.2023 G\$ 000	31.03.2022 G\$ 000
<u>Sub-standard</u>		
-Pass Due 90-179 days	4,816	9,579
<u>Doubtful and loss</u>		
- 180-359 days	-	74,820
- 360 days	309,148	701,844
Total	313,964	786,243

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NOTES TO THE FINANCIAL STATEMENTS

17. Financial risk management (Cont'd)

(d) Impaired loans and advances cont'd

The table below depict the Bank's exposure to credit risk where financial instruments are held:

As at 31 March 2023

	Guyana G\$ 000	Outside of Guyana G\$ 000	Total G\$ 000
On Statement of Financial Position			
Cash resources	7,612,033	1,027,926	8,639,959
Treasury bills	7,913,192	-	7,913,192
Loans and advances (net)	7,740,921	-	7,740,921
Other assets	20,343	-	20,343
Taxes recoverable	142,197	-	142,197
	<u>23,428,686</u>	<u>1,027,926</u>	<u>24,456,612</u>
Off Statement of Financial Position			
Bill collection, guarantees, letters of credit	<u>3,341,229</u>	<u>-</u>	<u>3,341,229</u>
Total	<u><u>26,769,915</u></u>	<u><u>1,027,926</u></u>	<u><u>27,797,841</u></u>

As at 31 March 2022

	Guyana G\$ 000	Outside of Guyana G\$ 000	Total G\$ 000
On Statement of Financial Position			
Cash resources	6,618,612	2,156,631	8,775,243
Treasury bills	4,669,052	-	4,669,052
Loans and advances (net)	6,232,033	-	6,232,033
Other assets	39,372	-	39,372
Taxes recoverable	180,780	-	180,780
	<u>17,739,849</u>	<u>2,156,631</u>	<u>19,896,480</u>
Off Statement of Financial Position			
Bill collection, guarantees, letters of credit	<u>395,482</u>	<u>-</u>	<u>395,482</u>
Total	<u><u>18,135,331</u></u>	<u><u>2,156,631</u></u>	<u><u>20,291,962</u></u>

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NOTES TO THE FINANCIAL STATEMENTS

17. Financial risk management (Cont'd)

(e) Diversification of exposure

The Bank provides wide range of services to borrowers in over seven sectors within Guyana. As a result its portfolio of financial instruments with credit risk is highly diversified with no exposure to individual borrowers totalling more than 25% of the Bank's capital base (Group borrowers-40%).

The major activity of the Bank is in providing banking services to commercial, industrial and domestic consumers. The risk is spread over a cross-section of clients.

The carrying amount below represents the Bank's maximum exposure to credit risk for such loans.

	31.03.2023	31.03.2022
	G\$ 000	G\$ 000
<u>Loans and advances:</u>		
Agriculture	246,843	316,249
Services	2,250,980	1,846,709
Manufacturing	395,844	746,681
Household	370,603	230,910
Construction and engineering	1,394,839	442,760
Mining and quarrying	135,712	449,428
Housing loan and commercial real estate	3,260,064	2,547,611
	<u>8,054,885</u>	<u>6,580,348</u>
Provision for impairment (note 10 a)	(313,964)	(348,315)
	<u>7,740,921</u>	<u>6,232,033</u>

(f) Renegotiated loans and overdraft

The Bank renegotiated no facilities (2022- nil) for the year.

18. Related party transactions

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.

Listed below are transactions and balances with related parties:

	31.03.2023	31.03.2022
	G\$ 000	G\$ 000
(a) <u>Due from related party</u>		
Bank of Baroda Mumbai (i)	1,345	9,959
Bank of Baroda New York (i)	581,561	2,455,321
Bank of Baroda London (i)	664	8,511
Bank of Baroda Brussels (i)	16,277	8,548
	<u>599,847</u>	<u>2,482,339</u>
Bank of Baroda London (ii)	-	-
Bank of Baroda New York (ii)	428,079	1,490,311

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NOTES TO THE FINANCIAL STATEMENTS

18. Related party transactions (cont'd)

- (i) The above balances represents current accounts held with Subsidiaries of Bank of Baroda
(ii) This balance represents placements held with Bank of Baroda London at a value of nil (31.03.2022 - nil) and accrued interest income of nil (31.03.2022 - nil) and with the Bank of Baroda New York at a value of US\$2,048,225 (31.03.2022 - US\$7,130,676) and accrued interest income of US\$10,676 (31.03.2022 - US\$10,676).

(b) Key Management personnel

(i) Compensation

The Bank's 6 (2021/2022 - 6) key management personnel comprise its Chairman, Directors, Compliance officer and three Branch Managers. The remuneration paid to key management.

	31.03.2023	31.03.2022
	G\$ 000	G\$ 000
Short term employee benefits	60,547	66,179
(ii) Directors fees		
Chairman	320	320
(iii) Management fees to parent company		
Bank of Baroda (India)	45,985	46,857
This represents allocation of management fees for work done on behalf of Bank of Baroda Guyana by the parent company.		
(iv) Loans and advances		
Balance at end of the year	50,759	24,089

Employees of the Bank are granted loans at concessionary rates of interest.

No provision was made for loan losses to related parties.

19. Litigations/Contingent Liabilities

- (a) The Bank is the claimant in several litigation matters involving defaulting customers. The Directors are of the view that no provision for any contingency is necessary.

- (b) Customers' liability under acceptances, guarantees and letters of credit

	31.03.2023			
	Under 3	3 to 12	Over 12	
	Months	Months	Months	Total
	G\$ 000	G\$ 000	G\$ 000	G\$ 000
Commercial Sector	207,180	138,733	2,995,316	3,341,229

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19. Contingent liabilities (Cont'd)

	31.03.2022			
	Under 3	3 to 12	Over 12 Months	Total
	Months	Months		
	G\$ 000	G\$ 000	G\$ 000	G\$ 000
Commercial sector	289,314	106,168	-	395,482

20. Statutory reserve

	31.03.2023	31.03.2022
	G\$ 000	G\$ 000
At beginning	417,296	401,046
Movement	55,427	16,250
At end	472,723	417,296

This is computed in accordance with the Financial Institutions Act 1995.

21. Analysis of financial assets and liabilities by measurement basis

	31.03.2023	
	Financial assets and liabilities at amortised costs	Total
	G\$ 000	G\$ 000
ASSETS		
Cash and due by banks	1,901,352	1,901,352
Deposits with Bank of Guyana	6,738,607	6,738,607
Treasury Bills	7,913,192	7,913,192
Loans and advances	7,740,921	7,740,921
Other assets	20,343	20,343
	24,314,415	24,314,415
LIABILITIES		
Demand deposits	8,269,904	8,269,904
Savings deposits	4,286,811	4,286,811
Term deposits	8,066,093	8,066,093
Other payables	231,258	231,258
	20,854,066	20,854,066

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NOTES TO THE FINANCIAL STATEMENTS

21. Analysis of financial assets and liabilities by measurement basis (Cont'd)

	31.03.2022	
	Financial assets and liabilities at amortised costs	
	G\$ 000	Total G\$ 000
ASSETS		
Cash and due by banks	4,744,993	4,744,993
Deposits with Bank of Guyana	4,030,250	4,030,250
Treasury bills	4,669,052	4,669,052
Loans and advances	6,232,033	6,232,033
Other assets	39,372	39,372
	<u>19,715,700</u>	<u>19,715,700</u>
LIABILITIES		
Demand deposits	6,277,327	6,277,327
Savings deposits	3,233,735	3,233,735
Term deposits	7,128,692	7,128,692
Other paybles	144,409	144,409
	<u>16,784,163</u>	<u>16,784,163</u>

22. Fair value of financial instruments

Fair values have been determined as follows:

	IFRS 13 Level	31.03.2023		31.03.2022	
		Carrying value G\$ 000	Fair value G\$ 000	Carrying value G\$ 000	Fair value G\$ 000
Assets					
Treasury Bills	2	7,913,192	7,913,192	4,669,052	4,669,052
Loans and Advances	2	7,740,921	7,740,921	6,232,033	6,232,033
Other Assets	2	20,343	20,343	39,372	39,372
Cash and due by banks	1	1,901,352	1,901,352	4,744,993	4,744,993
Deposits with Bank of Guyana	1	6,738,607	6,738,607	4,030,250	4,030,250
		<u>24,314,415</u>	<u>24,314,415</u>	<u>19,715,700</u>	<u>19,715,700</u>
Liabilities					
Deposits	2	20,622,808	20,622,808	16,639,754	16,639,754
Other payables	2	231,258	231,258	144,409	144,409
		<u>20,854,066</u>	<u>20,854,066</u>	<u>16,784,163</u>	<u>16,784,163</u>
Property and Equipment		<u>154,013</u>	<u>154,013</u>	<u>163,777</u>	<u>163,777</u>

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NOTES TO THE FINANCIAL STATEMENTS

22. Fair value of financial instruments (cont'd)

Valuation techniques and assumptions applied for the purposes of measuring fair value:

Level 1- Fair value determination is with reference to quoted prices in active markets for identical assets and liabilities. Quotation from recognised stock exchange was used to value financial assets under this ranking.

Level 2- Fair value measurement are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial assets and financial liabilities were determined as follows:

- a) Loans and advances are net of specific and other provisions for impairment. The fair value of loans and advance is based on expected realisation of outstanding balances taking into account the company's history with respect to delinquencies.
- b) Financial instruments where the carrying amounts are equal to fair value:- Due to the short maturity, the carrying amount of certain financial instruments are assumed to approximate their fair value. These include cash resources, treasury bills, other assets, deposits, other payables and taxation.
- c) Property ,plant and equipment were measured primarily at cost less accumulated depreciation.

23. Segment reporting

A business segment reporting is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments.

A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those segments operating in other economic environments. Management considers its operations to be a single business unit. All business is done in Guyana except for certain activities.

	31.03.2023			31.03.2022		
	Guyana G\$ 000	Outside of Guyana G\$ 000	Total G\$ 000	Guyana G\$ 000	Outside of Guyana G\$ 000	Total G\$ 000
Fair value of treasury bills	7,913,192	-	7,913,192	4,669,052	-	4,669,052
Investment Income	68,718	-	68,718	24,997	-	24,997
	<u>7,981,910</u>	<u>-</u>	<u>7,981,910</u>	<u>4,694,049</u>	<u>-</u>	<u>4,694,049</u>
Cash resources:						
Local	7,612,033	-	7,612,033	6,618,612	-	6,618,612
Foreign	-	1,027,926	1,027,926	-	2,156,631	2,156,631
	<u>7,612,033</u>	<u>1,027,926</u>	<u>8,639,959</u>	<u>6,618,612</u>	<u>2,156,631</u>	<u>8,775,243</u>
Income from cash resources:						
Local	4,802	-	4,802	13,412	-	13,412
Foreign	-	2,231	2,231	-	20,750	20,750
	<u>4,802</u>	<u>2,231</u>	<u>7,033</u>	<u>13,412</u>	<u>20,750</u>	<u>34,162</u>

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24. Dividends

Amounts recognised as distributions to shareholders in the year:

	<u>31.03.2023</u>	<u>31.03.2022</u>
	<u>G\$</u>	<u>G\$</u>
Dividends paid	<u>45,000,000</u>	<u>45,000,000</u>
Proposed dividend of G\$0.50 per share (31.03.2022- G\$0.50)	<u>37,500,000</u>	<u>37,500,000</u>

The proposed dividend is subject to approval at the annual general meeting and has not been included as a liability in the financial statements.

25. Approval of financial statements

The financial statements were approved by the board of directors on April 26, 2023.