BANK OF BARODA (GUYANA) INC.
(SUBSIDIARY OF BANK OF BARODA (INDIA))

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

AND

INDEPENDENT AUDITOR'S REPORT

MAURICE SOLOMON & CO.
CHARTHERED ACCOUNTANTS / MANAGEMENT CONSULTANTS

BANK OF BARODA (GUYANA) INC
(SUBSIDIARY OF BANK OF BARODA (INDIA))
31 MARCH 2024

I N D E X

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 2024

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Bank of Baroda (Guyana) Inc. which comprise the Statement of Financial Position as at 31 March 2024, the Statement of Profit or Loss and Other Comprehensive Income and the 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 in pages 9 to 43.

In our opinion, the accompanying financial statements presents fairly, in all material respects of the financial position of Bank of Baroda (Guyana) Inc. as at 31 March 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

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 Bank of Baroda (Guyana) Inc. 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the International Ethics Standards Board for Accountants' 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 additional tax assessments for Corporation and Property Tax. These additional taxes are currently in dispute (i.e objection or appeal) by the Bank of Baroda. Based on legal and professional advice, Management determined that the Bank will be successful on the appeal. Therefore, no provision has been made in the financial statements. Our opinion is not qualified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. The key audit matters noted hereunder were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matter.

Key Audit Matters	How our audit procedures addressed the key audit matter
Impairment Provision for Loans and Mortgages	
Loans and mortgages amounting to $4B (after impairment provision) represent thirty-one percent (31%) of the total assets of the Bank as shown in the Statement of Financial Position. The methodologies required by IFRS 9 and Bank of Guyana in respect of impairment provisions involve significant judgment and assumptions by management on matters such as: • Loan classification as impaired; • Valuation of collaterals pledged and assumptions of future cash flows on impaired exposures; • Assessment of exposures with significant increase credit risk and exposure; and • Assumptions used in the expected credit losses (ECLs) impairment model as required by IFRS 9. With a high degree of significant judgment involved in assessing the mortgage impairment provision and in conformity with Supervision Guideline 5 and IFRS 9, mortgage impairment was considered a key audit matter.	Our procedures in relation to this key audit matter included, but were not limited to, the following: • We evaluated and tested the Bank's process and documented policy for mortgage loss provisioning; • For loan loss provisions calculated on an individual basis, we tested the factors underlying the impairment identification and quantification including forecasts of future cash flows, valuation of underlying collateral and estimates of recovery on default; • We also tested the aging of the loan portfolios and considered the completeness of the loan book assessed for impairment in conformity with the Bank of Guyana Supervision Guideline 5; • For mortgage loss provisions calculated on a collective basis, we reviewed management's inherent risk provisions estimate, with a focus on the reasonableness of the factors applied and assumptions used, considering the economic changes in Guyana; and • Finally, we focused on the adequacy of the Bank's financial statement disclosures regarding mortgage and the related provisions as required by IFRS 9

Regulatory Environment

The Bank operates in a highly regulated environment and non-compliance with laws and regulations, particularly the Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) Act. could result in the Bank facing penalties and other administrative sanctions by Bank of Guyana (BOG) and Financial Intelligence Unit (FIU).

The Compliance Officer is responsible to establish various controls to ensure that the Bank is AML/CFT compliant with governing regulations.

Our procedures in relation to this key audit matter included, but were not limited to, the following:

We evaluated and tested the Bank's internal controls with Emphasis on compliance with AML/CFT policy. This include:

- A review of policies and procedures in place including approval of those policies by those charged with governance;
- Adequate training and refresher programmes for new and existing bank personnel including those charged with governance;
- Testing of transactions to ensure AML/CFT requirements are carried out by bank personnel; and
- Reporting to Financial Intelligence Unit (FIU) are in conformity with the requirements of the AML/CFT Act.

Responsibilities of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, The Companies Act 1991, the Financial Institutions Act 1995, Bank of Guyana Supervision Guidelines, 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. In preparing the financial statements, management is responsible for assessing the Bank'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 management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives 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 (ISAs) 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 International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional skepticism 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 Bank's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's 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 Bank'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 Bank 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 those charged with governance 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.

Reports on Other Legal and Regulatory Requirements

The financial statements comply with the requirement of the Financial Institution Act 1995 and the Companies Act 1991.

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Maurice Solomon & Co.
Chartered Accountants
15th April 2024

BANK OF BARODA (GUYANA) INC
(SUBSIDIARY OF BANK OF BARODA (INDIA))
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	31.3.2024 G$ 000	31.3.2023 G$ 000
ASSETS			
Cash Resources			
Cash and Due by banks	**8 (a)**	1,788,642	1,901,352
Deposits with Bank of Guyana	**8 (b)**	7,425,147	6,738,607
		9,213,789	**8,639,959**
Investments			
Treasury bills	**9 (a)**	10,420,379	7,913,192
Loans and advances	**10**	9,087,470	7,740,921
		19,507,849	**15,654,113**
Property and equipment	**11**	157,908	154,013
Deferred tax	**5**	53,194	19,873
Tax recoverable		192,210	142,197
Other assets	**12**	46,950	20,343
		450,262	**336,426**
		29,171,900	**24,630,498**
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		750,000	750,000
Retained earnings		2,659,857	2,408,396
Statutory reserve		540,922	472,723
Risk reserve		10,066	9,534
		3,960,845	**3,640,653**
Deposits			
Demand		11,081,782	8,269,904
Savings		5,085,051	4,286,811
Term		8,641,561	8,066,093
		24,808,394	**20,622,808**
Other	**13**	302,047	231,258
Taxation payable		100,614	135,779
		402,661	**367,037**
		29,171,900	**24,630,498**

These financial statements were approved by the Board of Directors on 15|04|2024
On behalf of the Board:

FOR BANK OF BARODA (GUYANA) INC

Managing Director **Chief Executive Officer and Director**

Moses M. **Director**

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

BANK OF BARODA (GUYANA) INC
(SUBSIDIARY OF BANK OF BARODA (INDIA))
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 G$ 000	2023 G$ 000
Interest income			
Loans and advances		741,512	704,028
Investments: Treasury Bills	9(b)	78,291	68,718
Local bank deposits		7,464	4,802
Foreign bank deposits		8,326	5,183
		835,593	**782,731**
Interest expense			
Savings deposits		48,967	48,868
Term deposits		133,709	100,669
Other		1,682	2,951
		184,358	**152,488**
Net interest income		651,235	630,243
Other income	6	350,549	364,330
Net interest and other income		**1,001,784**	**994,573**
Non-interest expenses			
Salaries and other staff costs		145,780	138,070
Premises and equipment		109,797	104,692
Provision for bad debt		(123,112)	(36,067)
Bad debt write off		26,400	32,981
Other		148,368	119,868
Loss allowances - expected credit losses (ECLs)		532	8,437
		307,765	367,981
Profit before taxation	7	694,019	626,592
Taxation	5(a)	(239,359)	(257,081)
Profit after taxation		454,660	369,511
Total comprehensive income for the year		454,660	369,511

The accompanying notes forms 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 2024

	Share Capital	Retained Earnings	Statutory Reserve	Risk Reserve	Total
	G$ 000	G$ 000	G$ 000	G$ 000	G$ 000
Balance at 1 April 2022	750,000	2,139,312	417,296	1,098	3,307,706
Changes in equity 2022/2023					
Total Comprehensive income for the year	-	369,511	-	-	369,511
Dividend paid	-	(45,000)	-	-	(45,000)
Transfer	-	(55,427)	55,427	-	-
ECL provision	-	-	-	8,436	8,436
Balance as at 31 March 2023	750,000	2,408,396	472,723	9,534	3,640,653
Balance at 1 April 2023	750,000	2,408,396	472,723	9,534	3,640,653
Changes in equity 2023/2024					
Total Comprehensive income for the year	-	454,660	-	-	454,660
Dividend paid	-	(135,000)	-	-	(135,000)
Transfer	-	(68,199)	68,199	-	-
Application of IFRS 9 - recognition	-	-	-	532	532
Balance as at 31 March 2024	750,000	2,659,857	540,922	10,066	3,960,845

The accompanying notes forms 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 2024

	2024	2023
	G$ 000	G$ 000
Operating activities		
Profit before taxation	**694,019**	**626,592**
Adjustment for:		
Depreciation	15,217	15,906
Property tax	29,648	-
Loss allowances - expected credit losses (ECLs)	532	8,437
Operating profit before working capital changes	**739,416**	**650,935**
(Increase) in loans and advances	(1,346,549)	(1,508,888)
Increase in customers' deposits	4,185,586	3,983,054
Decrease/(Increase) in other assets	(26,607)	19,029
Increase in other liabilities	70,789	86,849
(Increase) in required reserve with Bank of Guyana	(686,540)	(2,708,357)
Cash generated in operating activities	**2,936,095**	**522,622**
Taxes paid/adjusted (net)	(387,506)	(70,981)
Net cash used in operating activities	**2,548,589**	**451,641**
Investing activities		
Increase in investements in treasury bills	(2,507,187)	(3,244,140)
Additions to property and equipment	(19,112)	(6,142)
Net cash used in investing activities	**(2,526,299)**	**(3,250,282)**
Financing activities		
Dividends paid	(135,000)	(45,000)
Net cash used in financing activities	**(135,000)**	**(45,000)**
Net (decrease) in cash and short term funds	**(112,710)**	**(2,843,641)**
Cash and short term funds at beginning of year	1,901,352	4,744,993
Cash and short term funds at end of year	**1,788,642**	**1,901,352**
Cash and due by Banks	**1,788,642**	**1,901,352**

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

1. INCORPORATION AND BUSINESS 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 acordance with the provisions of the Financial Institution Act 1995.

2. NEW AND AMENDED STANDARDS AND INTERPRETATIONS

a) ***Standards, amendments and interperations that are effective in current year and either not relevant or with has no material impact on the Bank's financial reporting.***

IFRS S1- General Requirements for Disclosure of Sustainability-related Financial Information (effective on or after 1 January 2024)

IFRS S2 - Climate related disclosures (effective on or after 1 January 2024)

IFRS 4 - Insurance contracts, Amendments regarding the expiry date of the deferral approach (effective on or after 1 January 2023)

IFRS 16 - Leases, Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions (effective on or after 1 January 2024)

IFRS 17 - Insurance Contracts Amendments to address concerns and implementation challenges that were identified after IFRS 17 was published (includes a deferral of the effective date to annual periods beginning on or after 1 January 2023).

IAS 7 - Statement of Cashflows, Amendments regarding supplier finance arrangements (effective 1 January 2024)

IAS 12 - Amendments regarding deferred tax on leases and decommissioning obligations (effective on or before 1 January 2023).

IAS 12 - Deferred tax related to Assets and Liabilities arising from a single transaction (effective on or before 1 January 2023).

IAS 37- Onerous Contracts, cost of fulfilling a contract (effective 1 January 2023).

b) ***The standards and amendments effective and has material impact on the Bank's financial reporting.***

IAS 1 - Disclosure of Accounting policies. (effective on or before 1 January 2023).

IAS 1 - Presentation of Financial Statements, Classification of Liabilities. (effective on or before 1 January 2024).

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

b) *The standards and amendments adopted and has material impact on the Bank's financial reporting. (cont'd)*

IAS 1 - Presentation of Financial Statements, Amendments regarding the classification of debt with covenants (effective on or before 1 January 2024).
IAS 1 - Presentation of Financial Statements, Amendments regarding the definition of material (effective on or before 1 January 2024).
IAS 8 - Definition Accounting estimates (effective on or before 1 January 2023).
IFRS 7 - Operating Segments, Amendments regarding supplier finance arrangements (effective on or after 1 January 2024).

c) *The standards and amendments that are not yet effective in the current year and expected to have to a material impact on the Bank's financial reporting.*

IAS 21 - 'Lack of Exchangeability to provide guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for reporting periods beginning on or after 1 January 2025.

IFRS 18 - 'Presentation and Disclosures in Financial Statements' was issued by the IASB on 9 April 2024 and is effective for periods beginning on or after 1 January 2027.

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:

Interest Income for all interest bearing financial instruments is measured at ammortised cost in the statement of profit or loss using the effective interst rate method under IFRS 9. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or where appropiate, a shorter period, to the net carrying amount of the financial asset or financial liability. When a financial asset becomes credit impaired and is regarded as non performing (stage three), interest income is calculated on the net ammortised cost after deducting an estimated credit loss.

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 comprehensive income.

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 net 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, plant 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 comprehensive income.

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

3.6 Financial Instruments

Class ificati

a) on

Financial assets and liabilties are recognized on the Bank's statement of financal 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, recivables, 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.

b) Cash and short term funds

Cash and short term funds comprise of cash and due by and to banks and deposits with 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.

c) Other receivables

Other Receivables' are measured at amortised cost. Appropiate allowances for estimated unrecoverable amounts are recognized in the statement of income when there is objective evidence that the asset is impaired. The allowance recognized is based on management's evaluation of the collectability of the receivables.

d) Deposits and other payables

Other payables' are measured at amortised cost.

e) Derecognition

Other receivables' and 'cash and short term funds' are derecognized when the right to receive cash flows from the asset has expired. Financial liabilties are derecognized when they are extinguished, i.e. when the obligation is discharged, cancelled or expired.

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

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.

3.9 Critical accounting judgments and key sources of estimation uncertainty

It is the directors' responsibility to select suitable accounting policies and to make judgments and estimates that are reasonable and prudent.

The preparation of the financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimated.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the financial

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.

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 value is greater that the recoverable amount and there is objective evidence of impairment. The recoverable amount is the present value of the future cash flows.

Held to maturity:

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

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

3.10 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 proposedand declared after the financial year end are disclosed as a note to the financial statement.

3.11 Leases

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

3.12 Loans and advances

Loans and advances to customers comprise of loans and advances originated by the bank and are classifed as financial assets at amortised cost.

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 the timely both principal and interest is reasonably assured and all delinqent principal and collection of interest payments are brought current.

a) ***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.

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

3.12 Loans and advances (cont'd)

b) Bank of Guyana Supervisory Guidelines no.5

Provisions are recognised when the Bank has a present legal or constructive obligation as a result of past events, it is probable that an outflow embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

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

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 limitsas per the Bank's policy guidelines.

Special Mention: - Represents satisfactory risk and includes credit facilities which close monitoring or which operates outside product guidelines, or which require various degrees of special attention are are progressively between 30 and 90 days past due.

Sub Standard: - Represents loans for which principal and interest is due and unpaid between 90 and 179 days or where interest charges for three to five months have been capitalized due to sources of repayments have become innsufficient.

Doubtful: - Represents loan for which collection of the full debt is improbable, accounts which shows little to no improvements and has been past due between 180 to 365 days.

Loss: - Represents loan considered to be uncollectible and has been past due for over 12 months.

Pass 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.

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 been incurred. Objective evidence of impairment includes observable data such as when contractual payments of principal or interest are 90 days overdue. Portfolio of loans are designed as non- performing if facilities are 90 days or more overdue.

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

(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.

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

3.12 Loans and advances (Cont'd)

c) Classification and recognition of IFRS 9 - Expected Credit Losses (ECLs)

Under the general approach adopted by the Bank, IFRS 9 establishes a three (3) stage impairment model, based on whether there has been a significant increase in the credit risk of a financial asset since its initial recognition. These three (3) stages would determine the amount of impairment to be recognised as expected credit losses (ECLs) at each reporting period as well as the amount of interest revenue to be recorded in future periods. ECLs are defined as the weighted average of credit losses, with the respective risks of a default occurring as the weights.
The stages under ECLs are as follows:-

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 occuring 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.

d) 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 months period.
(iii) The unsecured portion of a loan with fixed repayment dates when:-
a) Principal or interest is due and unpaid for twelve months or more, or
b) Interest charges for twelve months or more have been capitalized, refinanced or rolled over

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

3.12 Loans and advances (Cont'd)

d) Loan Losses (Cont'd)

(iv) the unsecured portion of an overdraft when:-

a) The approved limit has been exceed for six months or more

b) Interest charges for six months or more have not been covered by deposits

c) The account has become hard core and not converted to a term loan

d) Interest charges for 12 months or more has been capitalized, refinances 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.

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

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

e) Calculation of Expected Credit Losses (ECLs)

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.

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

3.12 Loans and advances (Cont'd)

e) Calculation of Expected Credit Losses (ECLs)

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.

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f) 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.

3.13 Revenue Recognition

Loans and Investments

Interest income is accounted for on the accrual basis for investments and for all loans other than non-accrual loans using the effective interest rate method. When a loan is classified as non-accrual, any previously accrued but unpaid interest thereon is reversed against income in the current period. Thereafter, interest income is recognised only after the loan reverts to performing status.

3.14 Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand and short term highly liquid investments that are both readily convertible into known amounts of cash and so maturity that they present insignificant risk of changes in value due to changing near to interest rates.

3.15 Taxation

Tax expense for the period comprises current and deferred Tax. Tax is recognised in the statement of net income, except to the extent that it relates to items recognised directly in equity. In this case, the tax is also recognised in equity.

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 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 Guyana at the end of each reporting period.

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

3.15 Taxation (Cont'd)

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. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized.

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 or substantively enacted by the end of the reporting period. Deferred tax is charged or credited to profit and loss, except when it relates to items charged or credited to the statement of comprehensive income, in which case the deferred tax is also dealt with in the statement of comprehensive income.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current assets against current liabilities, and when they relate to income taxes levied by the same taxation authority, and the Bank intends to settle its current tax assets and liabilities on a net basis.

3.16 Acceptances, guarantees and letters of credit

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

3.17 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 as a note on the accounts.

3.18 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.

3.19 Reserve requirement

The Bank of Guyana requires that each commercial Bank maintain a current account with a balance of 12% of their time and demand liabilities calculated on a weekly basis.

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

3.20 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 have adopted the requirements of IFRS 9 and makes specific provisions on loans and advances. The provisions booked as at 31 March, 2024 amounted to **$10.066m** (2023-$9.534m) compared with the provision of **$190.853m** (2023-$313.964m) as required under Bank Of Guyana Supervision Guideline No. 5.

The risk reserve as at 31 March, 2024 was **$10.006m** (2023 - $9.534m). The increase of **$0.532m** is shown as a transfer to risk reserve from the provision for impairment.

4. 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.

Credit Risk

Credit risk is the risk that financial loss arises from the failure of a customer to meet its obligations under a contract. 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 obligations as they fall due. It arises principally from lending. The related risk is therefore considered very low.

- 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.

4. Financial Risk Management (Cont'd)

Credit Risk (cont'd)

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 to fulfill their intended purpose and remain in line with current banking practice.

5. Taxation

(a) Reconciliation of tax expense and accounting profit

	31.3.2024 G$ 000	31.3.2023 G$ 000
Accounting profit	694,019	626,592
Corporation tax at 40%	277,608	250,637
Add:		
Management fees	22,036	14,100
Property tax	11,859	11,235
Depreciation for accounting purposes	6,087	6,362
	317,590	282,334
Deduct:		
Tax effect of depreciation for tax purposes	(2,937)	(3,259)
Tax effect of exempt income	(34,302)	(29,409)
	280,351	249,666
Tax period basis	(7,671)	(39,790)
Corporation tax	272,680	209,876
Deferred taxation	(33,321)	47,205
	239,359	257,081
Taxation:		
-Current	272,680	209,876
-Deferred	(33,321)	47,205
	239,359	257,081

Components of deferred tax liabilities/(assets)	31.3.2024 G$ 000	31.3.2023 G$ 000
Property and equipment	(61,600)	(59,663)
Income	8,406	39,790
	(53,194)	(19,873)

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 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)
Movement during the year	(31,384)	(1,937)	(33,321)
At 31 March 2024	8,406	(61,600)	(53,194)

(c) On 21st June, 2018, the Bank received a Notice of Assessment from the Guyana Revenue Authority claiming additional corporation taxes of $138,586,832 as a result of the disallowance of the company's claim for the deduction of estimated impairment losses on the financial assets in relation to the years of income ended 31st March 2012, 2013, 2015 and 2016. The bank has objected to the assessment and wrote the Board of Review on the 9th August, 2018 for an appeal since GRA maintained it's position after the objection. At the time of filing the appeal, $19,773,112 was paid in accordance with Section 82, paragraph (5) of the Income Tax Act. The matter is still to be heard by the board of review.

On 27th January, 2023 the Bank received another notice of Assessment claiming additional corporation taxes of $57,020,400 and additional property taxes of $11,507,258 as a result of the disallowance of the company's claim for deduction of estimated impairment losses on the financial assets in relation to the years of income ended 31st March, 2018-2022. The bank has objected to the claim and filed a letter of appeal on 9th May 2023 to the Board of Review. $22,842,553 was paid to the Revenue Authority in accordance with Section 82, paragraph (5) of the Income Tax Act.

	31.3.2024 G$ 000	31.3.2023 G$ 000
6. Other Income		
Exchange earned	4,074	4,559
Commission earned	88,519	70,760
Profit on exchange	236,448	246,896
Incidental charges	15,632	15,670
Bad debt recoveries	5,876	26,445
	350,549	364,330

	31.3.2024 G$ 000	31.3.2023 G$ 000
7. Profit before taxation	694,019	626,592
After charging:		
Auditor's remuneration	3,857	2,495
Depreciation	15,217	15,906
Provision for impairment (Note 10(a))	(123,112)	(34,351)
Loss allowance (Expected credit losses (ECLs))	532	8,436
8. (a) Cash and Due by banks		
Cash	147,287	112,426
Balances with other banks	1,641,355	1,788,926
	1,788,642	1,901,352
(b) Deposits with Bank of Guyana		
Statutory deposit and other balances	7,425,147	6,738,607

	31.03.2024		31.03.2023	
	Fair Value G$ 000	Cost G$ 000	Fair Value G$ 000	Cost G$ 000
9. (a) Investments				
Treasury Bills	10,420,379	10,420,379	7,913,192	7,913,192

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

	31.3.2024 G$ 000	31.3.2023 G$ 000
9. *Investment (cont'd)*		
(b) Income from investment		
Treasury Bills	78,291	68,718

10. Loans and advances

	31.3.2024 G$ 000	31.3.2023 G$ 000
Mortgages	4,665,502	4,113,615
Demand loans	105,414	109,468
Term	328,450	280,750
Overdrafts	4,092,096	3,393,487
Staff loan	2,830	2,748
Others	84,029	154,817
	9,278,322	8,054,885
Provision for impairment (a)	(190,852)	(313,964)
	9,087,470	7,740,921

(a) Provision for Impairment

	31.3.2024 G$ 000	31.3.2023 G$ 000
At beginning	313,964	348,315
Increase / (Reduction) in provisions as per Bank of Guyana Supervision Guideline No.5	(123,112)	(34,351)
At End	190,852	313,964

(b) Loss allowances - Expected Credit Losses (ECLs)

	31.3.2024 G$ 000	31.3.2023 G$ 000
At Beginning	9,534	1,098
Movement for the priod	532	8,436
As at year end	**10,066**	**9,534**

11. Property and equipment

	Freehold Land and Buildings G$ 000	Leasehold Structure G$ 000	Furniture and Fittings G$ 000	Motor Vehicles G$ 000	2024 Total G$ 000	2023 Total G$ 000
Cost						
At April 1, 2023	280,692	5,185	76,200	17,624	379,701	373,559
Additions	9,675	-	9,437	-	19,112	6,142
Disposals	-	-	-	-	-	-
At March 31, 2024	290,367	5,185	85,637	17,624	398,813	379,701
Accumulated depreciation						
At April 1, 2023	144,660	5,185	59,923	15,920	225,688	209,782
Charge for the year	7,285	-	7,490	442	15,217	15,906
Depreciation written back	-	-	-	-	-	-
At March 31, 2024	151,945	5,185	67,413	16,362	240,905	225,688
Net book values						
At March 31, 2023	**136,032**	-	**16,277**	**1,704**	-	**154,013**
At March 31, 2024	**138,422**	-	**18,224**	**1,262**	**157,908**	-

12. Other assets

	31.3.2024 G$ 000	31.3.2023 G$ 000
Interest and commission accrued	37,846	14,184
Sundry Receivables	9,104	6,159
	46,950	20,343

13. Other liabilities

Sundry Payables	198,843	135,020
Accrued interest on deposits	73,556	68,151
Property tax	29,648	28,087
	302,047	231,258

14. Share capital

Authorised:		
Number of Ordinary Shares	75,000,000	75,000,000
Issued and fully paid	G$ 000	G$ 000
75,000,000 Ordinary Shares	750,000	750,000
Ordinary shares held by:		
Bank of Baroda (India)	74,999,998	74,999,998
Chairman	1	1
Anand Kumar	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	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.

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 it's 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 I and Tier II) to risk-weighted assets of 50.06%.

Bank of Baroda (Guyana) Inc. remains well capitalised with the bank's tier I capital adequacy ratio standing at 50.06% as at 31 March, 2024 (2023 - 55.69%).

Total tier I and tier II capital was 50.06% of risk-adjusted assets as at 31 March 2024 (2023 - 55.69%)

Gearing ratio

The gearing ratio at the year end was as follows:

	31.03.2024 G$ 000	**31.3.2023 G$ 000**
Debt (i)	24,808,394	20,622,808
Cash & treasury bills	(19,634,168)	(16,553,151)
Net debt	5,174,226	4,069,657
Equity (ii)	3,960,845	3,640,653
Net Debt to Equity Ratio	1.31	1.07

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

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

17. Financial risk management

Management is responsible for the overall risk management approach and for assessing and improving the risk strategies and objectives

The Bank's management monitors 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. These risks include market risk (currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Bank's risks are measured using methods which reflect the expected loss likely to arise in normal circumstances.

(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 it's sensitivity to interest rate risk is considered material as majority of it's financial instruments are subjected to interest rates.

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

	Maturing 31.03.2024				
	Interest Rate %	Within 1 Year G$ 000	Over 5 Years G$ 000	Non-Interest bearing G$ 000	Total G$ 000
Assets					
Cash resources	1.25-3	1,641,355	-	7,572,434	9,213,789
Investments	1	10,420,379	-	-	10,420,379
Loans and advances (net)	6-18	8,226,180	861,290	-	9,087,470
Tax recoverable		-	-	192,210	192,210
Other assets		-	-	46,950	46,950
		20,287,914	861,290	7,811,594	28,960,798
Liabilities					
Demand deposits		-	-	11,081,782	11,081,782
Term deposits	1.25-1.75	6,118,590	2,522,971	-	8,641,561
Savings	0.5	5,085,051	-	-	5,085,051
Taxation payable		-	-	100,614	100,614
Other		-	-	302,047	302,047
		11,203,641	2,522,971	11,484,443	25,211,055
Interest sensitivity gap		9,084,273	(1,661,681)		

17. Financial risk management (Cont'd)

(i) *Interest rate risk cont'd*

	Maturing 31.03.2023				
	Interest Rate %	Within 1 Year G$ 000	Over 5 Years G$ 000	Non-Interest bearing G$ 000	Total 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
		15,096,063	2,346,976	7,013,573	24,456,612
Liabilities					
Demand deposit		-	-	8,269,904	8,269,904
Term deposit	1 - 1.8	8,066,093	-	-	8,066,093
Savings	1	4,286,811	-	-	4,286,811
Taxation payables		-	-	135,779	135,779
Other		-	-	231,258	231,258
		12,352,904	-	8,636,941	20,989,845
Interest sensitivity gap		2,743,159	2,346,976		

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, Sterling, and Indian Rupees.

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

	Euro $'000	USD $'000	£ $'000	Rupees $'000	Total $'000
As at 31 March 2024					
Assets	32,779	1,599,560	4,138	4,878	1,641,355
As at 31 March 2023					
Assets	16,280	1,017,145	664	16,277	1,050,366

Foreign currency sensitivity analysis

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

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 US dollar strengthens 2.5% against the Guyana dollar for a 2.5% weakening of the US dollar against Guyana dollar there would be an equal and opposite impact on the profit, and balances below would be a negative.

	2024 G$ 000	2023 G$ 000
Profit	41,034	26,259

(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.

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 appropiately balanced and all funding obligations met when due. It is unusual for banks to have the maturities of its assets and liabilties 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 assets and liabilities based on the remaining period at 31 March 2020 to the contractual maturity dates.

	Maturing 31.03.2024					
	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	Total G$ 000
ASSETS						
Cash resources	1,788,642	-	-	7,425,147	-	9,213,789
Investments	-	-	10,420,379	-	-	10,420,379
Loans and advances (net)	-	4,030,060	2,632,110	1,564,010	861,290	9,087,470
Other assets	46,950	-	-	-	-	46,950
Tax Recoverable	-	-	-	192,210	-	192,210
	1,835,592	**4,030,060**	**13,052,489**	**9,181,367**	**861,290**	**28,960,798**
LIABILITIES						
Demand deposits	11,081,782	-	-	-	-	11,081,782
Term deposits	-	4,015,930	2,102,660	2,522,971	-	8,641,561
Saving deposits	5,085,051	-	-	-	-	5,085,051
Other liabilities	302,047	-	-	-	-	302,047
Taxation payable	100,614	-	-	-	-	100,614
	16,569,494	**4,015,930**	**2,102,660**	**2,522,971**	**-**	**25,211,055**
Net assets/(liabilities)	**(14,733,902)**	**14,130**	**10,949,829**	**6,658,396**	**861,290**	**3,749,743**

17. Financial risk management (cont'd)

(b) Liquidity Risk (cont'd)

	Maturing					
	31.03.2023					
	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	Total G$ 000
ASSETS						
Cash resources	1,901,352	-	-	6,738,607	-	8,639,959
Investments	-	-	7,913,192	-	-	7,913,192
Loans and advances (net)	-	3,428,370	2,243,190	1,202,220	867,141	7,740,921
Other assets	20,343	-	-	-	-	20,343
Tax Recoverable	-	-	-	192,210	-	192,210
	1,921,695	**3,428,370**	**10,156,382**	**8,133,037**	**867,141**	**24,506,625**
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 liabilities	144,409	-	-	-	-	144,409
Taxation payable	35,467	-	-	-	-	35,467
	9,690,938	**623,050**	**5,945,543**	**560,099**	**-**	**16,819,630**
Net assets/(liabilities)	**(7,769,243)**	**2,805,320**	**4,210,839**	**7,572,938**	**867,141**	**7,686,995**

(c) Credit risk

Credit risk is the risk that the Bank will incur a loss because its customers, client, or counterparties failed to discharge their contractual obligations. It arises principally from lending. The Bank manages and controls credit risk by setting limits on the amount or risk it is willing to accept for individual counterparties and for geographical and industry concentrations and by monitoring exposures in relation to such limits.

The Bank structures the level of credit it undertakes by placing limits on the amounts of risk accepted in relation to one borrower or group of borrowers and to geographical and industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review, when considered necessary.

17. Financial risk management (Cont'd)

(c) Credit risk measurement

The bank has standard policies and procedures dedicated to controlling and monitoring risk from such activities. These policies include but are not limited to:

-Collateral offered is subject to inspection/field visit to enable the bank to decide whether it concurs with the valuation opinion. Valuations are assessed conservatively and reviewed regularly with the support of empirical evidence.

-Loans and overdrafts are secured with one or more of the following:

i) Cash
ii) Mortgages
iii) Bill of Sale
iv) Guarantees
v) Promissary Notes

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

	Maximum Exposure	
	31.03.2024 G$ 000	**31.03.2023 G$ 000**
Cash and due by banks	1,788,642	1,901,352
Deposit with Bank of Guyana	7,425,147	6,738,607
Treasury bills	10,420,379	7,913,192
Loans and advances	9,087,470	7,740,921
Total	**28,721,638**	**24,294,072**
Customer liability under bill collections, guarantees and letters of credit.	1,001,123	3,341,229
Total credit risk exposure	**29,722,761**	**27,635,301**

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.

Credit quality Loans and advances	**31.03.2024 G$ 000**	**31.03.2023 G$ 000**
Neither pass due nor impaired	8,599,675	7,124,024
Pass due but not impaired	487,795	302,933
Impaired	190,852	313,964
	9,278,322	7,740,921

17. Financial risk management (continued)

(c) Credit Risk Measurement (cont'd)

The collateral held are in excess of the total loans and advances. The fair value of the collateral held for loans that are deemed to be impaired at as 31 March 2024 amounted to $1,141m (2023- $1,211m).

During the year the bank did not realised any collateral (2023 - $487m).

	Stage 1 (12 months ECL)	Stage 2 (Lifetime ECL on Gross exposure)	Stage 3 (Lifetime ECL on net exposure)	**Total**
31.12.2024				
Gross Exposure	9,087,469	-	190,853	**9,278,322**
ECL	-	-	(190,853)	**(190,853)**
Net	**9,087,469**	-	-	**9,087,469**
31.12.2023				
Gross Exposure	7,426,957	-	313,964	**7,740,921**
ECL	(9,535)	-	(313,964)	**(323,499)**
Net	**7,417,422**	-	-	**7,417,422**

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.

	31.03.2024 G$ 000	**31.03.2023 G$ 000**
Grade 1- Satisfactory risk	8,599,675	7,124,024
Grade 2- Monitor risk		
- Pass due up to 90 days	487,795	302,932

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

17. Financial risk management (Cont'd)

(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 it 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.

	31.03.2024 G$ 000	31.03.2023 G$ 000
Sub-standard		
-Pass Due 90-179 days	-	4,816
Doubtful and loss		
- 180-359 days	50,861	-
- 360 days	139,991	309,148
Total	190,852	313,964

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

As at 31 March 2024

	Guyana G$ 000	Outside of Guyana G$ 000	Total G$ 000
On Statement of Financial Position			
Cash resources	8,334,687	1,641,355	9,976,042
Treasury bills	10,420,379	-	10,420,379
Loans and advances (net)	9,087,470	-	9,087,470
	27,842,536	1,641,355	29,483,891
Off Statement of Financial Position			
Bill collection, guarantees, letters of credit	1,001,123	-	1,001,123
Total	28,843,659	1,641,355	30,485,014

17. Financial risk management (Cont'd)

(d) Impaired loans and advances (con't)

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 recoveable	142,197	-	142,197
	23,428,686	1,027,926	24,456,612
Off Statement of Financial Position			
Bill collection, guarantees, letters of cre	3,341,229	-	3,341,229
Total	26,769,915	1,027,926	27,797,841

(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 finanical instruments with credit risk is highly diversified with no exposure to individual borrowers totalling more than 25% of the Bank's capital base.

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 relected below represents the Bank's maximum exposure to credit risk for such loans.

Loans and advances:	**31.03.2024 G$ 000**	**31.03.2023 G$ 000**
Agriculture	128,526	246,843
Services	3,047,971	2,250,980
Manufacturing	434,185	395,844
Household	480,609	370,603
Construction and engineering	1,371,827	1,394,839
Mining and quarrying	333,488	135,712
Housing loan and commerial real estate	3,481,716	3,260,064
	9,278,322	8,054,885
Provision for impairment (note 10 a)	(190,852)	(313,964)
	9,087,470	7,740,921

(f) Renegotiated loans and overdraft

The Bank renegotiated two (2) facilities (2023 - nil) during 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 finanacial or operating decisions.

Listed below are transactions and balances with related parties:

	31.03.2024 G$ 000	31.03.2023 G$ 000
(a) Due from related party		
Bank of Baroda Mumbai (i)	4,878	1,345
Bank of Baroda New York (i)	403,877	581,561
Bank of Baroda London (i)	4,138	664
Bank of Baroda Gujurat (i)	32,779	16,277
	445,672	599,847
Bank of Baroda New York (ii)- Placement	762,253	428,079

(i) The above balances represents current accounts held with Subsidiaries of Bank of Baroda.

(ii) This balance represents placements held with Bank of Baroda New York and interest is received at a rate of 1.25% - 3%.

(b) Key Management personnel

(i) Compensation

The Bank's 8 (2023 - 6) key management personnel comprise its Chairman, Director, Compliance officer and five Managers. The remuneration paid to key management.

	31.03.2024 G$ 000	31.03.2023 G$ 000
Short term employee benefits	58,480	60,547
(ii) Directors fees		
Chairman	320	320
(iii) Management fees to parent company		
Bank of Baroda (India)	66,952	45,985

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	1,009	50,759

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

No provision was made for loan losses to related parties.

19. Contingent Liabilities

(a) The Bank is the claimant in several ligitation 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

	31.03.2024			
	Under 3 Months G$ 000	3 to 12 Months G$ 000	Over 12 Months G$ 000	Total G$ 000
Commercial Sector	186,368	120,566	694,189	1,001,123

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

20. Statutory reserve

	31.03.2024 G$ 000	31.03.2023 G$ 000
At beginning	472,723	417,296
Movement	68,199	55,427
At end	540,922	472,723

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

21. Analysis of financial assets and liabilities by measurement basis

	31.03.2024	
	Financial assets and liabilities at amortised costs	Total
ASSETS	G$ 000	G$ 000
Cash and due by banks	1,788,642	1,788,642
Deposits with Bank of Guyana	7,425,147	7,425,147
Treasury Bills	10,420,379	10,420,379
Loans and advances	9,087,470	9,087,470
Other assets	46,950	46,950
	28,768,588	28,768,588
LIABILITIES		
Demand deposits	11,081,782	11,081,782
Savings deposits	5,085,051	5,085,051
Term deposits	8,641,561	8,641,561
Other liabilities	302,047	302,047
	25,110,441	25,110,441

	31.03.2023	
	Financial assets and liabilities at amortised costs	Total
ASSETS	G$ 000	G$ 000
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 liabilities	231,258	231,258
	20,854,066	20,854,066

22. Fair value of financial instruments

Fair values have been determined as follows:

		31.03.2024		31.03.2023	
	IFRS 13 Level	Carrying value G$ 000	Fair value G$ 000	Carrying value G$ 000	Fair value G$ 000
Assets					
Treasury Bills	2	10,420,379	10,420,379	7,913,192	7,913,192
Loans and Advances	2	9,087,470	9,087,470	7,740,921	7,740,921
Other Assets	2	46,950	46,950	20,343	20,343
Cash and bank due by banks	1	1,788,642	1,788,642	1,901,352	1,901,352
Deposits with Bank of Guyana	1	7,425,147	7,425,147	6,738,607	6,738,607
		28,768,588	28,768,588	24,314,415	24,314,415
Liabilities					
Deposits	2	24,808,394	24,808,394	20,622,808	20,622,808
Other Liabilities	2	302,047	302,047	231,258	231,258
		25,110,441	25,110,441	20,854,066	20,854,066
Property and Equipment		157,908	161,989	154,013	154,013

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

Level 1 Fair value determination is with reference to quoted price 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 measurements are those derived from inputs other than quoted price included within level 1 that are observable fromm 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 are net of specific and other provisions for impairment. The fair value of loans is based on expected realisation of outstanding balances taking into account the bank'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 amounts of certain financial instruments are assumed to approximate their fair value. These includes cash resources, other receivables and liabilities.

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.

	31.03.2024			31.03.2023		
	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	10,420,379	-	10,420,379	7,913,192	-	7,913,192
Investment Income	78,291	-	78,291	68,718	-	68,718
	10,498,670	-	10,498,670	7,981,910	-	7,981,910
Cash resources:						
Local	8,334,687	-	8,334,687	7,612,033	-	7,612,033
Foreign	-	1,641,355	1,641,355	-	1,027,926	1,027,926
	8,334,687	1,641,355	9,976,042	7,612,033	1,027,926	8,639,959
Income from cash resources:						
Local	7,464	-	7,464	4,802	-	4,802
Foreign	-	6,644	6,644	-	2,231	2,231
	7,464	6,644	14,108	4,802	2,231	7,033

24. Dividends

	31.3.2024 G$ 000	**31.3.2023 G$ 000**
Dividends paid	135,000	45,000
Proposed dividend	112,500	37,500

The proposed dividend is sudject to approval at the annual general meeting.

25. Approval of financial statements

The financial statements were approved by the board of directors on April 15,2024.