



# Republic Bank (Barbados) Limited

(A Subsidiary of Republic Financial Holdings Limited)

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2018

(Expressed in thousands of Barbados dollars)

	2018	2017
<b>ASSETS</b>		
Cash and cash equivalents	31,681	29,184
Deposits with Central Banks	191,165	88,119
Due from banks	50,902	78,541
Treasury bills	320,676	520,757
Advances	1,488,835	1,490,031
Other assets	247,446	236,131
<b>TOTAL ASSETS</b>	<b>2,330,705</b>	<b>2,442,763</b>
<b>LIABILITIES &amp; EQUITY</b>		
<b>LIABILITIES</b>		
Customers' current, savings and deposit accounts	1,988,053	1,909,871
Other fund raising instruments	52,332	73,700
Other liabilities	65,684	66,819
<b>TOTAL LIABILITIES</b>	<b>2,106,069</b>	<b>2,050,390</b>
<b>EQUITY</b>		
Stated capital	48,000	48,000
Statutory reserves	52,602	52,602
Revaluation reserves	9,236	9,942
Other reserves	(24,966)	95,443
Retained earnings	139,764	186,386
<b>TOTAL EQUITY</b>	<b>224,636</b>	<b>392,373</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>2,330,705</b>	<b>2,442,763</b>

These financial statements were approved by the Board of Directors on October 26, 2018 and signed on its behalf by:

		
Chairman	Director	Director

## CONDENSED CONSOLIDATED STATEMENT OF INCOME FOR THE YEAR ENDED SEPTEMBER 30, 2018

(Expressed in thousands of Barbados dollars)

	2018	2017
<b>Net interest income and other income</b>	<b>170,984</b>	<b>161,481</b>
Operating expenses	(105,700)	(106,165)
<b>Operating profit</b>	<b>65,284</b>	<b>55,316</b>
Credit loss expense on financial assets	(38,217)	(8,672)
<b>Net profit before taxation</b>	<b>27,067</b>	<b>46,644</b>
Taxation	2,862	(9,797)
<b>Net profit after taxation</b>	<b>29,929</b>	<b>36,847</b>

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED SEPTEMBER 30, 2018

(Expressed in thousands of Barbados dollars)

	2018	2017
<b>Net profit after taxation</b>	<b>29,929</b>	<b>36,847</b>
<b>Other comprehensive income:</b>		
Items of other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):		
Realized loss transferred to net profit	-	25
Tax effect	-	(6)
	-	19
Revaluation of available-for-sale investment securities	-	1,425
Tax effect	-	(356)
	-	1,069
<b>Net other comprehensive income that may be reclassified to profit or loss in subsequent periods:</b>	<b>-</b>	<b>1,088</b>
Items of other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax):		
Re-measurement losses on defined benefit plans, net of tax	(1,838)	(7,908)
Loss on revaluation of property	(706)	-
<b>Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:</b>	<b>(2,544)</b>	<b>(7,908)</b>
<b>Total other comprehensive loss for the year, net of tax</b>	<b>(2,544)</b>	<b>(6,820)</b>
<b>Total comprehensive income for the year, net of tax</b>	<b>27,385</b>	<b>30,027</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED SEPTEMBER 30, 2018

(Expressed in thousands of Barbados dollars)

	Stated Capital	Statutory Reserves	Reserves	Retained Earnings	Total
<b>Balance at October 1, 2016</b>	48,000	52,602	115,406	184,738	400,746
Total comprehensive income for the year	-	-	(6,820)	36,847	30,027
Transfer from general contingency reserve	-	-	(3,201)	3,201	-
Dividends	-	-	-	(38,400)	(38,400)
<b>Balance at September 30, 2017</b>	<b>48,000</b>	<b>52,602</b>	<b>105,385</b>	<b>186,386</b>	<b>392,373</b>
<b>Balance at October 1, 2017 as previously reported</b>	48,000	52,602	105,385	186,386	392,373
Net impact of adopting IFRS 9	-	-	(118,571)	(41,385)	(159,956)
<b>Restated opening balance under IFRS 9</b>	<b>48,000</b>	<b>52,602</b>	<b>(13,186)</b>	<b>145,001</b>	<b>232,417</b>
Total comprehensive income for the year	-	-	(2,544)	29,929	27,385
Other adjustments	-	-	-	354	354
Dividends	-	-	-	(35,520)	(35,520)
<b>Balance at September 30, 2018</b>	<b>48,000</b>	<b>52,602</b>	<b>(15,730)</b>	<b>139,764</b>	<b>224,636</b>

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED SEPTEMBER 30, 2018

(Expressed in thousands of Barbados dollars)

	2018	2017
<b>Net cash provided by/(used in) operating activities</b>	<b>75,375</b>	<b>(21,775)</b>
Net cash (used in)/provided by investing activities	(470,421)	28,916
Cash used in financing activities	(56,725)	(63,569)
<b>Net decrease in cash and cash equivalents</b>	<b>(451,771)</b>	<b>(56,428)</b>
Cash and cash equivalents at beginning of year	628,482	684,910
<b>Cash and cash equivalents at end of year</b>	<b>176,711</b>	<b>628,482</b>

## Notes to the Condensed Consolidated Financial Statements

### Note 1

The summary consolidated financial statements are prepared in accordance with criteria developed by management. Under management's established criteria, management discloses the summary consolidated statement of financial position, summary consolidated statement of comprehensive income, summary of consolidated statement of changes in equity and summary of consolidated statement of cash flows. These summary consolidated financial statements are derived from the audited consolidated financial statements of Republic Bank (Barbados) Limited and its subsidiary for the year ended 30 September 2018, which are prepared in accordance with International Financial Reporting Standards.

### Current year changes in accounting policies

The Group early adopted IFRS 9 'Financial Instruments' (IFRS 9) in place of IAS 39 'Financial Instruments: Recognition and Measurement' (IAS 39) during the 2018 financial year. The Group has not restated comparative information for 2017 for financial instruments in the scope of IFRS 9 and it is therefore not comparable to the information presented for 2018. The adoption of IFRS 9 resulted in changes in accounting policy in two principal areas, classification and measurement, and impairment.



# Republic Bank (Barbados) Limited

(A Subsidiary of Republic Financial Holdings Limited)

## REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

### TO THE SHAREHOLDER OF REPUBLIC BANK (BARBADOS) LIMITED

#### Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at 30 September 2018, the summary consolidated statement of income, summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows for the year then ended and related notes, are derived from the complete audited consolidated financial statements of Republic Bank (Barbados) Limited and its subsidiary ("the Group") for the year ended 30 September 2018.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, on the basis described in Note 1.

#### Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards ("IFRSs"). Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

#### The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 26 October 2018.

The audited consolidated financial statements and the summary consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

#### Responsibilities of Management for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements in accordance with Note 1.

#### Auditor's Responsibilities for the Audit of the Summary Consolidated Financial Statements

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

*Ernst & Young Ltd*

BARBADOS  
26 October 2018

#### Republic Bank (Barbados) Limited's Board of Directors:

Nigel Baptiste - Chairman, Derwin Howell, Jacqueline Quamina, William Layne, Anthony Clerk, Andrew Hutchinson, Debbie Fraser, Robert Carter, Ralph Williams, G. Anthony King