



## FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30 2018 - GUYANA BRANCH

### Statutory information required to be published under Supervision Guideline No. 10

#### The Bank of Nova Scotia - Guyana Branch Statement of Financial Position (Stated in \$'000)

	UNAUDITED As at 30 June 2018	UNAUDITED As at 30 June 2017	AUDITED As at 31 October 2017
<b>ASSETS</b>			
Cash on hand and in transit	1,086,542	1,103,037	1,312,547
Due from banks and related companies	9,493,668	6,250,424	12,025,429
Deposits with Central Bank	7,022,432	6,797,491	6,803,597
Investment securities	8,755,029	9,353,552	5,568,302
Net loans to customers	48,252,902	46,541,708	47,229,813
Assets classified as held for sale	31,988	40,728	36,628
Property, plant and equipment	805,668	869,940	818,190
Deferred tax	226,321	150,030	226,321
Miscellaneous assets	216,329	570,751	123,015
<b>TOTAL ASSETS</b>	<b>75,890,879</b>	<b>71,677,661</b>	<b>74,143,842</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>LIABILITIES</b>			
Deposits	56,467,075	55,641,873	57,891,180
Due to banks and related companies	1,276,021	19,756	824,943
Provision for taxation	10,103	229,057	941,542
Other liabilities	3,029,731	2,480,369	730,742
<b>TOTAL LIABILITIES</b>	<b>60,782,930</b>	<b>58,471,055</b>	<b>60,388,407</b>
<b>SHAREHOLDERS' EQUITY</b>			
Assigned capital	251,327	251,327	251,327
Other capital	801,700	801,700	801,700
Statutory reserve fund	251,400	251,400	251,400
General banking risk reserve	495,029	0	98,435
Head office account	13,308,493	11,902,179	12,352,573
<b>Total Shareholders' Equity</b>	<b>15,107,949</b>	<b>13,206,606</b>	<b>13,755,434</b>
<b>Total liabilities and shareholders' equity</b>	<b>75,890,879</b>	<b>71,677,661</b>	<b>74,143,842</b>

#### The Bank of Nova Scotia - Guyana Branch Statement of Income (Stated in \$'000)

	UNAUDITED Three months ended		UNAUDITED Six months ended		AUDITED Year ended
	30 June 2018	30 June 2017	30 June 2018	30 June 2017	31 October 2017
<b>NET INTEREST AND OTHER INCOME</b>					
Net Interest Income	1,296,982	1,227,495	2,571,036	2,462,909	5,009,345
Other Income	680,458	641,097	1,295,990	1,446,120	2,694,078
Net Interest and Other Income	1,977,440	1,868,592	3,867,026	3,909,029	7,703,423
<b>NON-INTEREST EXPENSES</b>					
Loan loss expense	(27,127)	56,123	74,616	123,586	278,897
Other	833,905	674,670	1,581,736	1,398,621	2,929,888
Non-Interest Expenses	806,778	730,793	1,656,352	1,522,207	3,208,786
<b>INCOME BEFORE TAXATION</b>	<b>1,170,662</b>	<b>1,137,799</b>	<b>2,210,674</b>	<b>2,386,822</b>	<b>4,494,637</b>
Provision for taxation	(453,960)	(455,119)	(969,186)	(954,728)	(1,686,985)
<b>INCOME AFTER TAXATION</b>	<b>716,703</b>	<b>682,680</b>	<b>1,241,488</b>	<b>1,432,094</b>	<b>2,807,652</b>

#### The Bank of Nova Scotia - Guyana Branch Consolidated Cash Flows (Stated in \$'000)

	UNAUDITED Six months ended 30 June 2018	UNAUDITED Six months ended 30 June 2017	AUDITED Year ended 31 October 2017
<b>Cash flows from operating activities</b>			
Net income before taxes	2,210,674	2,386,822	4,494,637
Adjustments to reconcile income before taxation to <b>Net cash for operating activities</b>			
Interest income	(2,682,661)	(2,583,306)	(5,244,617)
Interest expense	111,625	120,397	235,272
Depreciation	74,616	69,043	139,953
Net (Gain)/Loss on disposal of property, plant and equipment	(5,456)	789	(606)
Changes in deposits with the Central Bank	(143,264)	(344,623)	(356,122)
Changes in due to bank and related companies	(642,692)	(650,203)	84,994
Change in loans	(617,624)	(1,717,143)	(2,710,872)
Change in deposits	(1,084,538)	21,670	3,666,351
Change in other liabilities	681,198	430,734	122,452
Change in other assets	114,378	(299,954)	26,800
Interest received	2,648,686	2,580,323	5,219,559
Interest paid	(111,753)	(124,140)	(239,037)
Taxation paid	(1,223,652)	(790,641)	(1,465,539)
Net cash from operating activities	(670,463)	(900,232)	3,973,224
<b>Cash flows used in investing activities</b>			
Change in investments	(2,796,644)	4,921,253	2,195,672
Change in property, plant & equipment	24,909	43,569	(53,431)
Net cash used in investing activities	(2,771,735)	4,964,822	2,142,241
<b>Cash flows used in financing activities</b>			
Remittances including withholding tax	(732,361)	(2,400,826)	(2,400,826)
Net cash used in financing activities	(732,361)	(2,400,826)	(2,400,826)
(Decrease) / increase in cash and cash equivalents	(4,174,559)	1,663,765	3,714,640
Cash and cash equivalents, beginning of period	14,754,769	8,486,243	9,623,336
Cash and cash equivalents, end of period	10,580,209	10,150,008	13,337,976
<b>Cash and cash equivalents</b>			
Cash on hand and in transit	1,086,542	1,103,037	1,312,547
Due from banks and related companies with original maturity date not exceeding 3 months	9,493,668	9,046,971	12,025,429
Cash and cash equivalents	10,580,210	10,150,008	13,337,976

#### The Bank of Nova Scotia - Guyana Branch Consolidated Cash Flows (Stated in \$'000)

##### Significant Accounting Policies

##### Basis of preparation

These interim financial statements have been prepared to comply with the requirements of Bank of Guyana's Supervisory Guideline Disclosure of Information (revised) which requires the financial statements to be prepared on a quarterly Calendar basis which differs from fiscal ending October 31. The accounting policies used in the preparation of the financial statements are the same as were followed in the financial statements as at October 31, 2017.

##### Comparative information

Comparative amounts in the Consolidated Statements of Income and Financial Position have been restated to conform to presentation changes in the current financial period.

July 30, 2018

Raymond Smith  
Country Manager

#### The Bank of Nova Scotia - Guyana Branch Consolidated Statement of Changes in Equity For the period ended 30 June 2018 (Stated in \$'000)

	Assigned Capital	Other Capital Reserve	General Banking Risk Reserve	Statutory Reserve	Retained Earnings	Total Shareholders' Equity
<b>Six months ended 30 June 2018</b>						
Balance as at 31 December 2017	251,327	801,700	98,435	251,400	13,195,960	14,598,822
Net income for the period					1,241,488	1,241,488
<b>Other comprehensive income, net of tax</b>						
- Revaluation of available-for-sale investments						
<b>Total comprehensive income</b>	-	-	-	-	1,241,488	1,241,488
<b>Transactions with owners, recorded directly into equity</b>						
Withholding taxes paid					(732,361)	(732,361)
Transfer of Profits			396,594		(396,594)	-
Transfer to reserve			396,594		(1,128,955)	(732,361)
Balance as at 30 June 2018	251,327	801,700	495,029	251,400	13,308,493	15,107,949
<b>Six months ended 30 June 2017</b>						
Balance as at 31 December 2016	251,327	801,700	-	251,400	12,870,911	14,175,338
Net income for the period					1,432,094	1,432,094
<b>Other comprehensive income, net of tax</b>						
- Revaluation of available-for-sale investments						
<b>Total comprehensive income</b>	-	-	-	-	1,432,094	1,432,094
<b>Transactions with owners, recorded directly into equity</b>						
Withholding taxes paid					0	0
Transfer of Profits					(2,400,826)	(2,400,826)
Transfer to reserve					(2,400,826)	(2,400,826)
Balance as at 30 June 2017	251,327	801,700	-	251,400	11,902,179	13,206,606
<b>Year ended 31 October 2017</b>						
Balance as at 31 October 2016	251,327	801,700	-	251,400	12,044,181	13,348,608
Net income for the year					2,807,652	2,807,652
<b>Other comprehensive income, net of tax</b>						
- Revaluation of available-for-sale investments						
<b>Total comprehensive income</b>	-	-	-	-	2,807,652	2,807,652
<b>Transactions with owners, recorded directly into equity</b>						
Withholding taxes paid					-	-
Transfer of Profits			98,435		(2,400,826)	(2,400,826)
Transfer to reserve			98,435		(98,435)	-
Balance as at 31 October 2017	251,327	801,700	98,435	251,400	12,352,573	13,755,434