THIRST PARK, GEORGETOWN, GUYANA, P.O. BOX 10194 • TEL: 592-225-0910 • FAX: 592-226-6523

2020
ANNUAL REPORT

AGRO-PROCESSING

CELEBRATING OUR HERITAGE OF INNOVATION

mission

We are committed to building on our traditions of Excellence by providing Quality Products and Services, Financial Results and Management Performance that meet the interests of our Shareholders, Employees, Customers, Suppliers and the Communities in which we operate.

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contents

the seeds
of early beginnings

The sciences of Archaeology and Palaeontology have traced the origins of farming to around 10,000 years ago to somewhere in the Indus Valley and possibly as a separate development in China along the Yangtze River. Early civilisation records indicate that around 5500 BC, the Sumerian civilisation of the Middle East and other Greco-Roman civilisations recognised the need for a specialised agricultural workforce for their societies to thrive. It is within this period that we saw the invention of an irrigation system amongst other things and the specialised workforce alluded to which allowed for the development of the first cities. These in turn, led to the first written laws and the development of complex societies. Considered from this perspective, agriculture drove civilisation which included religious practices, social attitudes and legal codes.

Modern farming practices began sometime around the 18th Century during that period generally referred to as "The British Agricultural Revolution" when several advances and changes were made to farming methods in a relatively short period which saw massive increases in yields and more efficient processes.

It is said that these changes permitted the Industrial Revolution and an even greater concentration of urban development

which fuelled the growth of the empire. The next significant changes would not be observed until the "war years" which saw the further development of intensive farming which proved to be a godsend. Since the 1970s, global cereal production has quadrupled. New forms of fertilisers such as Nitrates allowed for even greater yields which as a result of this system, allowed for greater access to food much more cheaply. All of these advances created in their own way, conflicting needs, the greatest of which is the protection of the environment and to instigate best practices that protect it, while providing for the growing needs of future population growth. Today our food supply feeds approximately seven billion people with a surplus going forward. Humans were again forced to confront another challenge which came in the form of what to do with the excess agricultural products.

the engines of growth

The answers to that challenge can probably trace their origins back to that period described in history as the Industrial Revolution also known as the First Industrial Revolution which saw the transition to new manufacturing processes in Europe and the United States in the period from about 1760 to 1840. This transition included going from hand production methods to mechanical methods including new chemical processes and mechanised factory production systems. The Industrial Revolution marked a major turning point in history, with the result being that almost every aspect of daily life was influenced in some way. Some economists have posited that the major effect of the Industrial Revolution was that the standard of living for the general population in the western world began to increase consistently for the first time in history. Others have argued that there was no meaningful improvement until the late 19th and early 20th Centuries.

One of the significant developments arising out of the benefits coming out of the Industrial Revolution was the sharp increase in agricultural output and the urgent question of what to do with the increase. This challenge gave rise to an aspect of the manufacturing process called

Agro Processing which is defined as a set of techno-economic activities which are applied to all products originating from agricultural and livestock farms, aquaculture sources and forests for their conservation handling and value added capabilities with the intention being to make these products usable as food, feed for animals, fibres for conversion to various products or industrial raw materials.

A significant benefit of Agro Processing apart from the conversion process, is that it is a major source of utilisation of farm products, employment and revenue generation thereby providing access to food and other necessities to large groups of people across the world.

These processing methods used to convert fresh foods into value added products can involve one or a combination of processes which may include among others, pasteurisation, freezing or fermentation. The agricultural products which Agro-based companies utilise for conversion to value added products can include wheat, rice, corn, barley, various meat products, fruit and vegetables.

a harvest of Innovation

The historical record of our country reveals that rice as an agricultural product was first introduced into the then British Guiana during the 18th Century by the Dutch Governor Laurens Storm Van Gravesande in 1738 to supplement the diet of the slaves who worked on the plantations. With the arrival of indentured labourers from East India, the demand for rice increased greatly.

With the end of indentureship, many workers chose to remain in the country and gravitated to the planting of rice. By 1896, British Guiana was producing more rice than was needed for domestic consumption.

Some 90 years after that well documented reality an opportunity arose to utilise the activity of Agro Processing to create added value products and employment opportunities. During the first half of the 1980s, Banks DIH Limited established a Winery to produce the Santa Rosa Brand of wines. The economic events of the same decade forced the company to rethink the Winery's role and purpose within the company's business model. Out of that evaluation came our first tentative steps into the activity described as Agro Processing through the conversion of rice into the value added product branded as "Banko Wines".

Some 40 years after that manufacturing process was first utilised, the company in 2020 purchased from the local Rice Industry, in excess of two million pounds of rice, a part of which is used as an adjunct in the Brewing process and the remainder for processing and conversion into Banko Wines, both of which are significant contributors to the Company's revenue generation. Our Banko Wine Brand has attracted a significant acceptance both at home and within the Caricom Region, with the principal markets being Trinidad and Tobago, Antigua and Suriname. The Banko Family of Wines includes Banko Red and White wines, Banko Cherry Brandy, Banko Ginger Wine and its most recent addition, Banko Pink Moscato.

chairman's report

My Fellow Shareholders, it gives me great pleasure to report on the results achieved by the Banks DIH Limited Group for the period ended 30 September 2020.

Revenue and Profits for the Group

The Group's third party revenue was $34.222 billion compared to $32.917 billion in 2019 representing an increase of $1.305 billion or 4.0%.

The Trading Profit from Operations for the Group was $8.851 billion when compared with $7.529 billion achieved in 2019, representing an increase of $1.322 billion or 17.6%.

Profit after Tax attributable to the Shareholders of the Parent Company was $5.666 billion compared to $4.897 billion in 2019, an increase of $769.0 million or 15.7%.

The Group's Net Asset Value per share increased from $45.25 to $50.89 by 12.5%. The Board of Directors of the Company has recommended a dividend proposal of $1.35 per share unit resulting in an overall cost of $1.147 billion as compared with $985.8 million in 2019, an increase of $161.5 million or 16.4%.

Revenue and Profits for the Company

Revenue generated by the Company was $30.468 billion compared to $29.597 billion in 2019, an increase of $871.0 million or 2.9%.

The Profit before Tax for the Company was $7.329 billion compared to $6.167 billion, achieved in 2019, an increase of $1.162 billion or 18.8%, while the Profit after Tax for the Company increased from $4.524 billion to $5.271 billion by $747.0 million or 16.5%.

Fellow Shareholders, the Financial Year which ended on 30 September 2020, presented new and varied challenges and experiences, among which can be counted the post elections uncertainties and the Nation-wide mitigation measures which were implemented to counter the effects of the COVID-19 Pandemic. I can report, that the Group, having experienced those challenges, by virtue of team work and commitment, was able to surmount the obstacles presented, utilising the combined strengths of our work-force, the market acceptance

of our Brands, our effective selling and distribution network, and our loyal customer base. The combined contribution of this resource base, enabled us to achieve increased revenue streams, better control of operational expenses and optimal use of our financial resources.

Capital Expenditure

During the period under review, capital investment projects were undertaken within our production and related facilities which enabled the more efficient conversion of raw materials into finished products, achieving better efficiencies and operational controls.

We completed the relocation of the Liquor Warehouse to Thirst Park and completed the extension of the Stores to accommodate increased and improved storage. Various roofing areas across Thirst Park were upgraded or replaced. New Processing, Baking and Packaging Equipment were installed on the Biscuit and Cone Biscuit Plants. Our Rum Production Facilities were upgraded with New Bottle Rinsing and Capping Equipment and Chilling and Storage capacities. Our Power Generation and Distribution capacity was enhanced by the acquisition of a new Cummins Generator, Transformers and a Fuel Purification System for the Central Services' boilers. New LPG Forklifts and Trucks were acquired to enhance the functions of the Distribution Channels across the Company. The Selling and Marketing Functions were improved by way of the introduction of additional Ice-cream Freezers, Beverage Coolers and Bottled Water Dispensers. Additionally, our ICT Capacity and Response Functions were upgraded with the Installation of New Hardware and Software Systems.

At the time of reporting, there were Capital Projects which were started during the period under review which will be completed within the new Financial Year. These include the Beer Bottling and Soft Drink Plants' upgrade, the installation of the new CIP System for the Rum Factory and the Winery, the installation of additional Records' Storage Facilities, the completion of a New Motorised Truck Washing Facility and the continuing construction of the multi-level parking facility and headquarters for the new Banks Automotive and Services Inc.

Citizens Bank Guyana Inc

The revenue of Citizens Bank Guyana Inc, a 51% owned subsidiary of the company was $3.749 billion compared with $3.422 billion generated in 2019, an increase of $327.0 million or 9.6%. The Profit before Tax was $1.673 billion compared to $1.599 billion in 2019, an increase of $74.0 million or 4.6%, while Profit after Tax was $982.2 million compared to $955.3 million, an increase of $26.9 million or 2.8%.

Net Interest Income was $2.835 billion.

The earnings per share was $16.51 while the total asset base was $63.8 billion. Loan Assets were increased from $29.8 billion to $31.7 billion reflecting an increase of 6.4% or $1.9 billion.

Banks Automotive and Services Inc

Banks Automotive and Services Inc., a 100% owned subsidiary of the Company generated revenues of $78.2 million. The Profit before Tax was $8.6 million.

Dividends

The Board of Directors declared a first interim dividend of $0.30 per share unit which was paid on 28 May 2020. A second interim dividend of $0.30 per share unit was also paid on 26 October 2020, and now the Board of Directors recommends a final dividend of $0.75 per share unit, making the overall dividend per share unit of $1.35 or an overall cost of $1.147 billion, an increase of $161.5 million or 16.4% over the previous year.

chairman's report cont'd

Growth in Shareholders' Value

My Fellow Shareholders, irrespective of the challenges which confronted us during the period under review, we were able to record growth in Shareholder value.

From the Net Profit of $5.666 billion attributable to Shareholders, a dividend payment of $985.8 million was made, leaving the sum of $4.680 billion which was transferred to Retained Earnings. The Shareholders' Net Asset Value per share is now $50.89 per share when compared with the 2019 value of $45.25 per share, an increase of $5.64 or 12.5%.

Total Quality Management and Environment Safety Functions

My Fellow Shareholders, for the period under review, our Production Plants successfully completed the following ISO and Coca-Cola Quality and Safety Management Systems Audits:

- ISO 9001:2015 (Quality Management System) Surveillance Audit
- ISO 22000:2005 – Food Safety Management System
- ISO/TS 22002-1:2009 – Prerequisite Programmes on Food Safety
- ISO/TS 22002-4:2013 - Prerequisite Programmes on Packaging Manufacturing for our NR PET Manufacturing
- FSSC 22000-Version 4.1 - Food Safety System Certification
- The Coca-Cola Global Organisation Virtual Audit

Additionally, my Fellow Shareholders, I can report with much pride that Banks DIH Ltd has consistently retained the top spot within the Emerging Market Segment of the Coca-Cola Latin Centre Business Unit, QSI scoring System, achieving the maximum score of 300 points for Product Quality and Safety. During the year the Brewery achieved in the League of Excellence third in the Americas out of fourteen (14) Breweries and eleventh worldwide out of forty-nine (49) Breweries.

The Environment Department also completed the first part of the ISO 14001:2015 and OSHA 18001:20077 Audit and is currently transitioning into ISO 45001:2018.

Consequent upon the onset of the COVID-19 Pandemic in March 2020, we implemented a company-wide schedule of mitigation measures to counter the effects of the Pandemic within the Company. These included the creation of sanitising and washing stations, at entry points and designated areas

within the Company's facilities, recording of temperatures, fogging and sanitising of office spaces, production areas and vehicles. The services of our Industrial Nurse were co-opted to monitor the health status of staff members and to oversee quarantining measures, if needed. Additionally, a company-wide upgrade of safety equipment and alarm systems was completed which included fire suppressant foam systems for the Power Plant and the Rum Factory Departments.

Community Relations/Partnerships

My Fellow Shareholders, our Mission Statement expresses our hopes and aspirations for our Company. Within the constraints so dramatically displayed by the COVID-19 Pandemic, we continued to support the Communities within which we operate. Our Brand Ambassadors' Programme, support for Religious and Faith based Communities, Apprenticeship and Work Study Programmes continued. We supported our employees through training programmes facilitated by the Training Department and the provision of scholarships to pursue degree programmes at the University of Guyana.

Future Outlook

My Fellow Shareholders, Financial Year 2019-2020 has passed into the history books and forms a part of our experiences. Our expectations for the future must be grounded in truth and reality. As you are aware, the Board of Directors has approved the diversification of the Company's business model to include business ventures into transportation and alternative energy solutions. We will pursue this new and emerging segment of our business activities with diligence and purpose as has been our intention over the past sixty-five (65) years of our existence.

Acknowledgement

I acknowledge the expertise and counsel that the Board of Directors contributed to the progress of the Company throughout the year as well as that of our leadership team and employees. Importantly, on behalf of the Board, I would like to express our gratitude to our valued Shareholders, Suppliers, Employees and Customers.

Clifford Barrington Reis,C.C.H.
Chairman / Managing Director

the board of directors

Roy Errol Cheong, A.A.,
Vice Chairman

Melissa Jessica De Santos,
Director

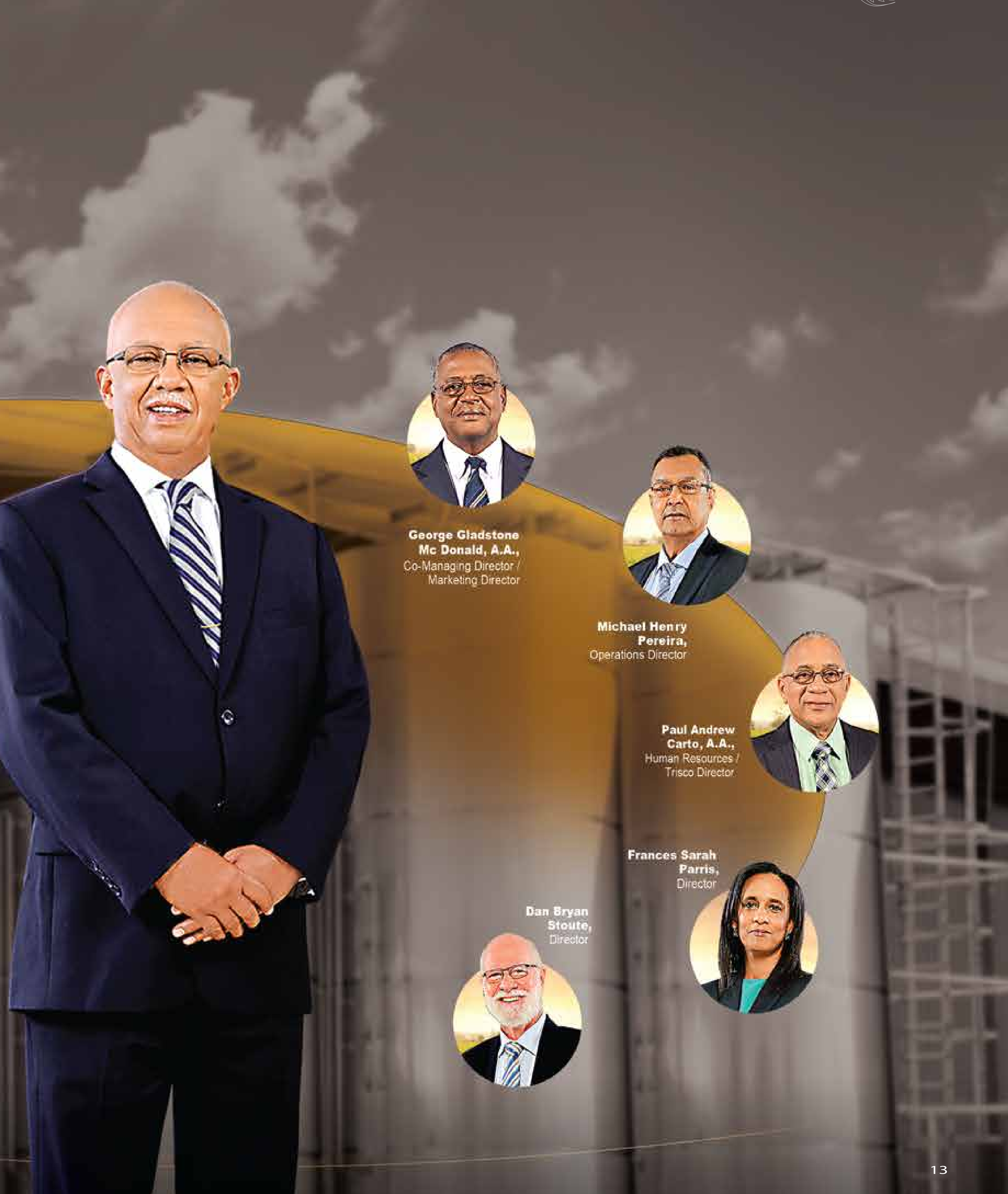
Ronald Graham Burch-Smith,
Director

Mohamed Shabir Hussein, A.A.,
Engineering Services Director

Leslie B. Doodnauth,
Worker Management Participation Board Director

Kavorn Debora Kyte-Williams,
Secretary / Corporate Legal Officer

Clifford Barrington Reis, C.C.H.,
Chairman / Managing Director



George Gladstone Mc Donald, A.A.,
Co-Managing Director / Marketing Director

Michael Henry Pereira,
Operations Director

Paul Andrew Carto, A.A.,
Human Resources / Trisco Director

Frances Sarah Parris,
Director

Dan Bryan Stoute,
Director

board of directors' report

The Directors have pleasure in presenting their 65th Annual Report and the audited Financial Statements for the year ended 30 September 2020.

Principal Activities
The Principal Activities of the Group are brewing, blending, bottling and wholesale marketing of beers, wines, liquors, and assorted beverages; the processing of food items; the operation of restaurants, bars, laundry services, hotel, the operation of commercial banking, transportation and alternative energy products and services.

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Reserves
The sum of $5.666 billion Profit attributable to shareholders has been transferred to Retained Earnings. After the payment of dividends, the Reserves at the 30 September 2020 is $41.237 billion.

Capital Expenditure
Investment in Capital Equipment, Plant and Machinery continued during the year under review.

We completed the relocation of our Liquor Warehouse, Raw Material Storage Bond and replacing/resurfacing Roofs around the Company. New Dough Processing Equipment was installed to enhance the consistency of the quality of our various types of Biscuits, New Cone Baking Machine to increase the capacity of Cone Cup Production. There was the acquisition and installation of a New Rinser, Capper, Chiller, Motors, Pumps and Storage Tanks in our Rum Production Plant. Our Power Supply and Distribution was enhanced with the purchase of a New Cummins Generator, Transformers, and our Steam Generation capacity was improved with the installation of a new Fuel Purification system for the Central Services' Boilers.

New Forklifts and Sales Trucks were acquired to consolidate the Distribution Channels of our Products across the Country. There was also the introduction of a significant number of Ice-cream freezers, Beverage Coolers and Dispensers for our Rainforest, Aqua Mist and Tropical Mist Water Brands in various Business Offices, Government Ministries and Retail Outlets. There was also the installation of New Computer Equipment and Software to improve our Information Processing Capability.

Currently, there are Capital Projects on-going which are expected to be completed in the new Financial Year. These include the Beer and Soft Drink Plants' Upgrades, CIP Plant for the Rum Factory, New Records' Storage Facilities, New Truck Wash Facilities and continued construction of our Multi-storied Parking Facility and the headquarters of Banks Automotive and Services Inc., to be located at Demerara Park.

Directors
The following Directors retire by rotation in accordance with Article 108 and being eligible offer themselves for election: Mr. Dan Bryan Stoute and Ms. Melissa Jessica De Santos.

Auditors
The retiring Auditors, Messrs. Jack A. Alli, Sons & Co., have indicated their willingness to be appointed.

Directors' Interests
The interests of the Directors holding office at 30 September 2020 in the ordinary shares of the Company and its subsidiaries were as follows:

Ordinary Shares of No Par Value
Banks DIH Ltd

	Beneficial	Non Beneficial	Associates' Beneficial Interest
Clifford B. Reis	636,635	-	2,022,865
Roy E. Cheong	562,500	-	293,985
George G. Mc Donald	656,353	-	-
Michael H. Pereira	1,509,231	64,591	339,983
Paul A. Carto	567,911	-	567,911
Mohamed S. Hussein	610,180	-	-
Frances S. Parris	1,000	-	-
Ronald G. Burch-Smith	44,327	-	-
Leslie B. Doodnauth	49,050	20,000	38,750
Melissa J. De Santos	2,465	-	-

Ordinary Shares of No Par Value
Citizens Bank Guyana Inc

	Beneficial	Non Beneficial	Associates' Beneficial Interest
Clifford B. Reis	-	-	125,000
Roy E. Cheong	-	-	31,250
Frances S. Parris	6,250	-	-

No other Director of Banks DIH Ltd or any of their associates has any beneficial interest in any shares issued by Citizens Bank Guyana Inc.

Caribanks Shipping Company Ltd
No Director of Banks DIH Ltd has any beneficial interest in any shares issued by Caribanks Shipping Company Ltd.

Banks Automotive and Services Inc.
Mr. Clifford B. Reis has one (1) share as a nominee shareholder.

Interest in Contract
During the year, none of the Directors had a material interest in any contract of significance to the Company.

Directors' Fees per Annum	$
Roy E. Cheong	1,770,305
Dan B. Stoute	1,557,733
Frances S. Parris	1,557,733
Ronald G. Burch-Smith	1,557,733
Melissa J. De Santos	1,557,733

Directors' Service Contracts
Other than normal Service Contracts with Directors under the Companies Act 1991, there are no other Service Contracts with the Directors.

Intra Group Loan
Banks DIH Ltd had no outstanding loans owing to its subsidiary, Citizens Bank Inc. at 30 September 2020.

Substantial Shareholders
The following held substantial shareholdings in the Share Capital of the Company at 30 September 2020:

Demerara Life Group of Companies	No. of Shares	% Shareholding
2020	96,931,679	11.4
2019	96,931,679	11.4

Trust Company (Guyana) Limited	No. of Shares	% Shareholding
2020	75,851,215	8.9
2019	77,498,821	9.1

Banks Holdings Ltd	No of Shares	% Shareholding
2020	50,046,155	5.9
2019	50,046,155	5.9

Hand-in-Hand Group of Companies	No of Shares	% Shareholding
2020	45,768,132	5.4
2019	45,768,132	5.4

A substantial shareholder is defined as a person or entity entitled to exercise or control the exercise of five percent or more of the voting power at any general meeting of the Company.

Issued Share Capital of Subsidiaries at 30 September 2020	Ordinary Shares of No Par Value
Citizens Bank Guyana Inc.	59,491,300
Caribanks Shipping Co. Ltd	250
Banks Automotive and Services Inc.	1,000

Current Litigation Matters
On 1st April 2016, Guyana Revenue Authority consented to a substantial tax write off for a local manufacturing Company. Acting on legal advice, Banks DIH wrote to the Guyana Revenue Authority claiming that it was entitled under Article 149D of the Constitution to be treated equally by the State as it treated the local manufacturing Company's liability. Guyana Revenue Authority did not respond favourably. As a result, Banks DIH acting on legal advice caused to be filed in the High Court of Guyana, legal proceedings against the Guyana Revenue Authority and the Attorney General of Guyana, claiming *inter alia:*

"… a declaration that Banks DIH Limited is entitled under Article 149D of the Constitution to have the Guyana Revenue Authority treat its liability for Consumption Tax for the years 2001 – 2006 and its liability to Excise Tax for the years 2007 – 2016 equally or materially in similar manner as the Guyana Revenue Authority treated a local manufacturing company's liability for the same taxes during the same periods as embodied in the consent order dated 1st April, 2016."

The proceedings by Banks DIH are pending in the High Court of the Supreme Court of Judicature.

Corporate Governance
We remain dedicated to the Principles of Good Corporate Governance and ensuring that the integrity of the Group remains untarnished. The Board recognises the equitable rights of shareholders, ensures the timely and accurate disclosure of all material matters including its financial situation, performance and ownership and the strategic guidance of the business.

The standing Committees of the Board during the year were as follows:

The Audit & Finance Committee comprising Mr. R.E. Cheong (Chairman), Messrs. D. Stoute, R.G. Burch-Smith and Ms. M. De Santos.

The Corporate Governance & Human Resources Committee comprising Messrs. D. Stoute (Chairman), R.E. Cheong, and Ms. Frances S. Parris.

The election of Non–executive Directors takes place at the Annual General Meeting of the Company. Non - executive Directors are elected to hold office for a period of two years and can offer themselves for election. Executive Directors are nominated to hold office for a period of two years. Their continuation as Executive Directors for any subsequent period following their nomination to the Board requires the Board's ratification.

The positions of Chairman of the Board and Chief Executive Officer or Managing Director are combined positions and held by Executive Director, Mr. Clifford B. Reis. The position of Vice Chairman is held by a Non - executive Director, Mr. R. Errol Cheong. The position of Co-Managing Director/Marketing Director is held by Mr. George G. Mc Donald. A minimum of twelve Board meetings are held each year at the Company's Corporate Headquarters, Thirst Park, Ruimveldt, Georgetown.

Programme
for the 65th Annual General Meeting

Thirst Park, Georgetown, Friday, 29 January 2021

1. The Meeting called to order at 2.00 p.m.
2. Presentation of the Financial Statements for the year ended 30 September 2020 and the Reports of the Directors and Auditors thereon.
3. Chairman's Report and Question Period.
4. Declaration of Dividend.
5. Directors' Service Agreements providing for their remuneration and other items as listed under the Notice of Meeting.

NOTE: As a consequence of the mitigation measures implemented by the COVID-19 Pandemic Task Force, the Board of Directors regretfully advises Shareholders that there will not be the customary distribution of gifts to Shareholders as a token for attending the meeting and neither will there be a Bar Service for this virtual meeting.

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS		NON-EXECUTIVE DIRECTORS
Clifford Barrington Reis, C.C.H.	Chairman/Managing Director	Roy Errol Cheong, A.A. Vice Chairman, Banks DIH Limited
George Gladstone Mc Donald , A.A.	Co-Managing Director/Marketing Director	Dan Bryan Stoute Consultant
Michael Henry Pereira	Operations Director	Frances Sarah Parris General Manager/Corporate Secretary Citizens Bank Guyana Inc.
Paul Andrew Carto, A.A.	Human Resources/Trisco Director	Ronald Graham Burch-Smith Attorney-at-Law
Mohamed Shabir Hussein, A.A.	Engineering Services Director	Melissa Jessica De Santos Chief Executive Officer Demerara Mutual Life Assurance Society Limited
Alester Cameron	Worker Management Participation Board Director	
Kavorn Debora Kyte-Williams	Secretary/Corporate Legal Officer	

BANKERS

Citizens Bank Guyana Inc, 231-233 Camp Street & South Road, Lacytown, Georgetown
Republic Bank (Guyana) Limited, 38/40 Water Street, Georgetown
Guyana Bank for Trade & Industry Limited, 47 Water Street, Georgetown
Bank of Nova Scotia, 104 Carmichael Street, Georgetown
Demerara Bank Limited, 230 Camp & South Streets, Georgetown

AUDITORS

Messrs. Jack A. Alli, Sons & Co.
145 Crown Street, Queenstown
Georgetown, Guyana

ATTORNEYS-AT-LAW

Messrs. Cameron & Shepherd
2 Avenue of the Republic
Georgetown, Guyana

Messrs. Boston & Boston
2 Croal Street, Stabroek
Georgetown, Guyana

Notice
of the Meeting

Notice is hereby given that the 65th Annual General Meeting of Banks DIH Limited will be held at Thirst Park, Georgetown on Friday, 29 January 2021 at 2.00 p.m. for the following purposes. In light of the restrictions on public gatherings imposed under the Health Ordinance as a result of the COVID-19 global pandemic, the Annual General Meeting will be conducted in the manner directed under the Order of Court No. 2020-HC-DEM-CIV-FDA-2077 dated the 25th day of November, 2020 and entered on the 2nd day of December, 2020 before the Honourable Mr. Justice Sandil Kissoon.

(a) no more than seven individuals (whose names are set out at (i) to (vii) below) representing, personally or by proxy, no less than 10% of the shareholding of Banks DIH Limited shall be present, in the capacity solely as shareholders, at the Annual General Meeting namely;

(i) **Natasha Vieira**, Attorney-at-Law
(ii) **Chandra Gajraj**, Trust Company (Guyana) Ltd
(iii) **James Morgan**, The Demerara Mutual Life Assurance Society Ltd
(iv) **Jennifer Khan**, Banks DIH Limited
(v) **Eton Chester**, Citizens Bank Guyana Inc
(vi) **Wilfred A. Lee**, Hand-in-Hand Insurance Company
(vii) **Roger Yee**, Guyana & Trinidad Mutual Group of Insurance Companies

(b) as a shareholder of Banks DIH Limited you are entitled to observe the Annual General Meeting via electronic/virtual platform but not to be physically present at the Meeting. The access code for the electronic/virtual platform has been mailed to you along with this Notice;

(c) as a shareholder of Banks DIH Limited you are entitled to appoint one of the seven individuals named at (a) above as your proxy with instructions as to voting on the Motions to be proposed at the Annual General Meeting. These Motions are set out in the Proxy Form, mailed to you along with this Notice;

(d) shareholders may contact the Company Secretary's Office (Mrs. Kavorn Kyte-Williams) at telephone numbers 592-225-0918 or 592-225-0910, Ext. 2235 or email: kkyte-williams@banksdih.com to address any questions in relation to this Notice or the Annual General Meeting.

AGENDA

A. To receive the Financial Statements for the year ended 30 September 2020 and the Reports of the Directors and Auditors thereon.

B. To consider and (if thought fit) pass the following Resolution:
1. "That the Financial Statements for the year ended 30 September 2020 and the Reports of the Directors and Auditors thereon be and are hereby adopted."

C. To consider the declaration of a Final Dividend of $0.75 per share as recommended by the Directors in addition to an Interim Dividend of $0.30 per share and a second Interim Dividend of $0.30 per share previously declared by them and (if thought fit) pass the following Resolution:
2. "That the Interim Dividend of $0.30 per share and a second Interim Dividend of $0.30 per share already paid be confirmed and that a Final Dividend of $0.75 per share as recommended by the Directors in respect of the year ended 30 September 2020 be approved and paid to shareholders on the Company's Register at the close of the business on 29 January 2021."

Notice
of the Meeting (cont'd)

D. To elect Directors in accordance with Article 109 of the Company's by-laws.
The Directors retiring by rotation are Mr. Dan Bryan Stoute and Ms. Melissa Jessica De Santos, who being eligible, offer themselves for election.
To consider and (if thought fit) pass the following Resolutions:
3. (a) "That the Directors be elected en bloc."
(b) "That the retiring Directors Mr. Dan Bryan Stoute and Ms. Melissa Jessica De Santos, be and are hereby elected Directors of the Company."

E. To fix the remuneration of the Directors in accordance with Article 86 of the Company's by-laws and Section 104 of the Companies' Act Cap. 89:01.
To consider and (if thought fit) pass the following Resolution:
4. "That the remuneration of $1,732,823 per annum be paid to the Non-Executive Vice Chairman; the remuneration of $1,432,823 per annum be paid to each Non-Executive Director in accordance with Article 86 of the Company's by-laws and Section 104 of the Companies' Act Cap. 89:01 and that a Travelling Allowance for each Non-Executive Director be fixed at $561,117 per annum; and that the additional sum of $106,060 per annum be provided for additional remuneration for each Director serving on Technical Committees."

F. To appoint Auditors in accordance with Article 143 of the Company's by-laws.
To consider and (if thought fit) pass the following Resolution:
5. "That Messrs. Jack A. Alli, Sons & Company be and are hereby appointed Auditors for the period ending with the conclusion of the next Annual General Meeting."

G. To fix the remuneration of the Auditors in accordance with Article 146 of the Company's by-laws.
To consider and (if thought fit) pass the following Resolution:
6. "That the remuneration of the Auditors be fixed at $25,500,000 for the current financial year."

H. To fix charitable donations in accordance with Article 62 of the Company's by-laws.
To consider and (if thought fit) pass the following Resolution:
7. "That the amount appropriated for charitable donations be fixed at $5,040,000 for the current financial year."

I. To transact any other business of an Ordinary Meeting.

Proxy Forms must be completed, dated, stamped and deposited at the Registered Office of Banks DIH Limited no less than forty-eight (48) hours before the date of the Annual General Meeting. (Note: Saturdays and Holidays are to be excluded when determining the forty-eight (48) hour period).

BY ORDER OF THE BOARD

Kavorn Debora Kyte-Williams
Secretary/Corporate Legal Officer

REGISTERED OFFICE

Thirst Park
Georgetown
Guyana

21 December 2020

Report
of the Independent Auditors to the Members of Banks DIH Limited

Opinion

We have audited the financial statements of Banks DIH Limited (the 'Company') and its Subsidiaries (together the 'Group') which comprise the statements of financial position of the Group and the Company as at 30 September 2020, and the statements of income, statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended for the Group and the Company, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 35 to 99.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and the Company as at 30 September 2020 and of their financial performances and their cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Guyana Companies Act.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and Company of the current period. These matters were addressed in the context of our audit of the financial statements of the Group and Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Valuation of property, plant and equipment *See notes 2(d) to 2(g), 3(d), 4 and 31 to the financial statements for disclosures of related accounting policies, judgements, estimates and balances. (Group and Company)*	
The carrying values of property, plant and equipment for the Group and the Company are $27.5 billion and $24.2 billion, respectively. Property, plant and equipment represent 28 percent and 52 percent of total assets of Group and Company, respectively, and as such, the category is significant to the financial statements. Material misstatements relating to the carrying values of property, plant and equipment could arise on (a) the composition of costs capitalised; (b) the choice of	Our procedures in relation to this key audit matter included, but were not limited to, the following. • We tested internal controls relevant to the authorisation, procurement and monitoring of property, plant and equipment. • We verified, on a sample basis, costs capitalised in the year to supporting documentation.

Report
of the Independent Auditors to the Members of Banks DIH Limited

Key audit matter	How our audit addressed the key audit matter
depreciation rates; and (c) the identification and estimation of impairment, or reversal of impairment. Given the significance of property, plant and equipment to the financial statements and possibilities for misstatement, the valuation of this category was considered a key audit matter.	• We reviewed relevant cost categories expensed in the year to identify other potential capital items. • We assessed the appropriateness of depreciation rates applied to capital items, on a sample basis. • We physically inspected capital items, on a sample basis, to determine the working condition. • We carried out procedures to identify signs of impairment of capital items. • For impaired items or categories of items, we evaluated the key assumptions, methodologies, cash generating unit determination and other key inputs used by management in calculating impairment. We re-performed the impairment calculations.
Impairment of financial assets *See notes 2(i), 2(j), 3(a), 7, 8 and 29 to the financial statements for disclosures of related accounting policies, judgements, estimates and balances. (Group)*	
The Group has gross loans and advances and investment securities carried at amortised cost amounting to $40.5 billion, or 41 percent of total assets. Against this gross amount, there is a provision for impairment of $1.3 billion at the year end. To determine the provision for impairment, the Group applies IFRS 9 *Financial Instruments* which prescribes a forward-looking expected credit loss (ECL) impairment model. The methodology required by IFRS 9 in respect of impairment provisions is complex and involves significant judgement by management on matters such as: • Criteria for a significant increase in credit risk, which impacts the stage that the asset is classified as; • Inputs and techniques to determine probability of default (PD), loss given default (LGD) and exposure at default (EAD); • Influence of forward-looking factors; • Expected recoveries from collateral. During the year, the Group provided support to qualified borrowers whose operations were impacted by the COVID-19 pandemic. The support was in the form of a moratorium on loan payments. Significant judgement was required by management to determine which of those borrowers experienced a significant deterioration in underlying credit quality.	Our procedures in relation to this key audit matter included, but were not limited to, the following. • We evaluated the accounting policies adopted by the Group in relation to classification and measurement and impairment of financial instruments. • We evaluated the criteria used by the Group in determining whether a significant increase in credit risk has occurred, and the definition of default applied. • We tested the classifications applied by the Group's credit monitoring system by examining actual performance for a sample of accounts. • We evaluated the appropriateness of management's judgement in respect of the classification of financial assets impacted by the COVID-19 pandemic. • We tested the completeness of financial assets included in the ECL calculation. • We evaluated the appropriateness of management's judgement relating to forward-looking information. • We tested, on a sample basis, data included in the model and the resulting PD, LGD and EAD estimates. For the sample selected, we tested the calculation of the ECLs.

Report
of the Independent Auditors to the Members of Banks DIH Limited

Key audit matter	How our audit addressed the key audit matter
Given the complexity of impairment methodologies and significant reliance on management's judgement, the impairment of financial assets was considered a key audit matter.	• We tested the completeness of the credit-impaired financial assets identified by management by examining sources of objective evidence of credit impairment. • For a sample of credit-impaired financial assets, we re-performed management's impairment calculations. We considered whether key judgements were appropriate given the prevailing economic, sectoral and individual circumstances. Collateral values were assessed against the reports of valuation experts and current market conditions.
Valuation of employee benefits *See notes 2(r), 3(b) and 9 to the financial statements for disclosures of related accounting policies, judgements, estimates and balances. (Group and Company)*	
The Company has future defined benefit commitments to employees on retirement. The financial obligations of these commitments are based on years of service and salary levels at retirement. At the year end, the present value of the defined benefit obligations amounted to $2.3 billion. There were assets amounting to $2.1 billion to meet the defined benefit obligations. The determination of the present value of the defined benefit obligations involves the use of a projection model and the application of a number of assumptions. Due to the complexity of the projection model required, the Company engaged an external actuary to perform the valuations. The assumptions relevant to the determination of the costs in the year and year end valuation include the inflation rate, the discount rate, future salary increases and mortality rates. Variation in assumptions can have a material impact on the calculation of the liabilities. Given the complexity of the process to value the defined benefit obligations, their valuation was considered a key audit matter.	Our procedures in relation to this key audit matter included, but were not limited to, the following. • We engaged an actuarial specialist to assist with the evaluation of the methodology and underlying assumptions used by management's actuary. • We evaluated the valuation model used by management's actuary against the requirements of IAS 19, *Employee Benefits*. • We assessed the reasonableness of assumptions used by management to determine the valuation of defined benefit obligations. This included comparing assumptions to external data (e.g. national averages) or internal data (e.g. salary experience and commitments). • We tested the completeness and accuracy of data extracted and supplied to management's actuary, which was used to value the obligations. • We assessed the competence and objectivity of management's actuary. • We confirmed the valuation of assets held to meet the defined benefit obligations.

Report
of the Independent Auditors to the Members of Banks DIH Limited

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements of the Group and Company and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements of the Group and Company does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and Company, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and Company, or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of these financial statements of the Group and Company in accordance with IFRSs and the requirements of the Guyana Companies Act, 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 these financial statements, management is responsible for assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and Company, 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 Group and Company's internal control.

Report
of the Independent Auditors to the Members of Banks DIH Limited

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- 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 Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and Company 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 auditors' report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and Company, including the disclosures, and whether the financial statements of the Group and Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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.

We also provide to those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the Group and Company of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefit of such communication.

The engagement partner in charge of the audit resulting in this independent auditors' report is Khalil Alli.

Jack A. Alli, Sons & Co.

JACK A. ALLI, SONS & CO.
145 Crown Street Georgetown, Guyana
07 December 2020

Consolidated Statement of Financial Position
30 SEPTEMBER 2020

Thousands of Guyana Dollars	Note	2020	2019
ASSETS			
Non-current assets			
Property, plant and equipment	4	27,535,780	25,806,364
Investment in associate	5	0	1,169
Investment securities	7	2,308,913	2,178,750
Loans and advances	8	26,763,439	25,609,723
Employee benefits	9	196,823	173,061
Deferred taxation	10	109,266	102,562
		56,914,221	53,871,629
Current assets			
Inventories	11	6,434,359	6,671,126
Receivables and prepayments	12	1,417,552	1,583,605
Investment securities	7	7,245,764	3,016,773
Loans and advances	8	4,968,208	4,036,339
Cash resources	13	20,577,103	18,215,808
Taxation recoverable		143,505	143,505
		40,786,491	33,667,156
TOTAL ASSETS		97,700,712	87,538,785
EQUITY AND LIABILITIES			
Capital and reserves attributable to shareholders			
Share capital	14	2,009,889	2,009,889
Reserves	15	41,236,811	36,443,978
		43,246,700	38,453,867
Non-controlling interest		4,957,498	4,568,069
Total equity		48,204,198	43,021,936
Non-current liabilities			
Customers' deposits	17	539,227	113,139
Deferred taxation	10	2,386,086	2,376,794
Employee benefits	9	451,026	411,806
		3,376,339	2,901,739
Current liabilities			
Customers' deposits	17	40,266,821	35,930,446
Payables and accruals	18	4,531,033	4,575,588
Taxation payable		1,322,321	1,109,076
		46,120,175	41,615,110
TOTAL EQUITY AND LIABILITIES		97,700,712	87,538,785

The notes on pages 35 to 99 form an integral part of these financial statements. The Board of Directors approved these financial statements for issue on 27 November 2020.

CLIFFORD B. REIS
CHAIRMAN

ROY E. CHEONG
VICE-CHAIRMAN

Consolidated Statement of Income

FOR THE YEAR ENDED 30 SEPTEMBER 2020

Thousands of Guyana Dollars	Note	2020	2019
Revenue	20	34,221,517	32,917,100
Changes in inventories of finished goods and work in progress		(190,547)	87,663
Raw materials and consumables used		(7,547,825)	(7,502,735)
Excise taxes		(3,498,572)	(3,545,980)
Staff costs		(5,323,741)	(4,846,068)
Depreciation		(2,992,035)	(3,082,124)
Interest payable - banking		(353,021)	(336,732)
Other operating expenses		(5,464,614)	(6,161,808)
PROFIT FROM OPERATIONS		8,851,162	7,529,316
Net finance income	21	9,154	10,898
Share of results of associate		(1,169)	(2,049)
Other income	22	40,324	117,362
PROFIT BEFORE TAXATION	23	8,899,471	7,655,527
Taxation	24	(2,752,062)	(2,290,046)
PROFIT AFTER TAXATION		6,147,409	5,365,481
ATTRIBUTABLE TO:			
Equity holders of the parent		5,666,155	4,897,407
Non-controlling interest		481,254	468,074
		6,147,409	5,365,481
EARNINGS PER SHARE	25	6.67 Dollar	5.76 Dollar

The notes on pages 35 to 99 form an integral part of these financial statements.

Consolidated Statement of Comprehensive Income
FOR THE YEAR ENDED 30 SEPTEMBER 2020

Thousands of Guyana Dollars	**2020**	**2019**
PROFIT FOR THE YEAR	6,147,409	5,365,481
OTHER COMPREHENSIVE INCOME:		
Items that will not be reclassified to profit or loss:		
Remeasurement of employee benefits	(19,942)	(13,818)
Deferred tax credit arising on remeasurement of employee benefits	4,986	3,454
Deferred tax charge relating to revaluation of property arising from changes in tax legislation	0	(71,380)
Net fair value gains on equity investments designated as FVOCI	127,473	525,145
	112,517	443,401
TOTAL COMPREHENSIVE INCOME	6,259,926	5,808,882
ATTRIBUTABLE TO:		
Equity holders of the parent	5,778,672	5,340,808
Non-controlling interest	481,254	468,074
	6,259,926	5,808,882

The notes on pages 35 to 99 form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 30 SEPTEMBER 2020

Thousands of Guyana Dollars **Note**

		ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT						NON-CONTROLLING INTEREST	TOTAL
YEAR ENDED 30 SEPTEMBER 2020		**Share Capital**	**Revaluation Reserve**	**Statutory Reserve**	**Retained Earnings**	**General Banking Risk Reserve**	**Investments Valuation Reserve**		
Balance as at beginning of year		2,009,889	7,138,590	303,407	27,177,421	148,614	1,675,946	4,568,069	43,021,936
Comprehensive income:									
Net profit for the year		0	0	0	5,666,155	0	0	481,254	6,147,409
Remeasurement of employee benefits, net of tax		0	0	0	(14,956)	0	0	0	(14,956)
Net fair value gains on equity investments designated as FVOCI		0	0	0	0	0	127,473	0	127,473
Unwinding of deferred tax on revaluation		0	18,223	0	(18,223)	0	0	0	0
Total comprehensive income		0	18,223	0	5,632,976	0	127,473	481,254	6,259,926
Statutory transfer and transactions with owners:									
Transfer from general banking risk reserve	**15**	0	0	0	82,862	(82,862)	0	0	0
Dividends paid to shareholders	**16**	0	0	0	(985,839)	0	0	0	(985,839)
Dividends paid to non-controlling interest		0	0	0	0	0	0	(91,825)	(91,825)
Total of transfers and transactions with owners		0	0	0	(902,977)	(82,862)	0	(91,825)	(1,077,664)
Balance as at end of year		2,009,889	7,156,813	303,407	31,907,420	65,752	1,803,419	4,957,498	48,204,198
YEAR ENDED 30 SEPTEMBER 2019									
Balance as at beginning of year		2,009,889	7,240,800	303,407	23,247,198	112,808	1,150,801	4,178,702	38,243,605
Comprehensive income:									
Net profit for the year		0	0	0	4,897,407	0	0	468,074	5,365,481
Remeasurement of employee benefits, net of tax		0	0	0	(10,364)	0	0	0	(10,364)
Net deferred tax impact relating to revaluation of property arising from tax legislation changes		0	(71,380)	0	0	0	0	0	(71,380)
Net fair value gains on equity investments designated as FVOCI		0	0	0	0	0	525,145	0	525,145
Transfer of revaluation gain on disposal of property		0	(46,784)	0	46,784	0	0	0	0
Unwinding of deferred tax on revaluation		0	15,954	0	(15,954)	0	0	0	0
Total comprehensive income		0	(102,210)	0	4,917,873	0	525,145	468,074	5,808,882
Statutory transfer and transactions with owners:									
Transfer to general banking risk reserve	**15**	0	0	0	(35,806)	35,806	0	0	0
Dividends paid to shareholders	**16**	0	0	0	(951,844)	0	0	0	(951,844)
Dividends paid to non-controlling interest		0	0	0	0	0	0	(78,707)	(78,707)
Total of transfers and transactions with owners		0	0	0	(987,650)	35,806	0	(78,707)	(1,030,551)
Balance as at end of year		2,009,889	7,138,590	303,407	27,177,421	148,614	1,675,946	4,568,069	43,021,936

The notes on pages 35 to 99 form an integral part of these financial statements.

Consolidated Statement of Cash Flows
FOR THE YEAR ENDED 30 SEPTEMBER 2020

Thousands of Guyana Dollars	**2020**	**2019**
OPERATING ACTIVITIES		
Profit before taxation	8,899,471	7,655,527
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation of property, plant and equipment	2,992,035	3,082,124
Provision for defined benefit obligations	(4,484)	(175,500)
Loss on disposal of property, plant and equipment	60,672	42,385
ECL transition adjustment	0	(168,889)
Dividends receivable	(17,089)	(27,133)
Net finance income	(9,154)	(10,898)
Net impairment of investment securities	(6,326)	(5,079)
Net impairment of loan and advances	129,411	(33,952)
Net impairment of receivables	3,207	6,364
Share of results of associated company	1,169	2,049
Loans and advances	(2,214,996)	(4,375,407)
Customers' deposits	4,762,463	1,249,846
Inventories	236,767	(332,991)
Receivables and prepayments	162,846	(347,293)
Reserve requirement with Bank of Guyana	32,112	(325,325)
Payables and accruals	(44,555)	537,517
Taxes paid	(2,531,243)	(2,485,342)
Net Cash Inflow - Operating Activities	12,452,306	4,288,003
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(4,785,249)	(3,344,125)
Additions to investment securities (including fair value gains)	(6,567,899)	(4,653,872)
Proceeds from sale of property, plant and equipment	3,126	37,611
Proceeds from sale/maturity of investment securities	2,342,544	5,480,614
Dividends received	17,089	27,133
Interest received	9,154	10,898
Net Cash Outflow - Investing Activities	(8,981,235)	(2,441,741)

The notes on pages 35 to 99 form an integral part of these financial statements.

Consolidated Statement of Cash Flows
FOR THE YEAR ENDED 30 SEPTEMBER 2020

Thousands of Guyana Dollars	Note	2020	2019
FINANCING ACTIVITIES			
Dividends paid to shareholders		(985,839)	(951,844)
Dividends paid to non-controlling interest		(91,825)	(78,707)
Net Cash Outflow - Financing Activities		(1,077,664)	(1,030,551)
NET MOVEMENT IN CASH AND CASH EQUIVALENTS		2,393,407	815,711
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF YEAR		13,223,949	12,408,238
CASH AND CASH EQUIVALENTS AS AT END OF YEAR	**13**	15,617,356	13,223,949

The notes on pages 35 to 99 form an integral part of these financial statements.

Statement of Financial Position

30 SEPTEMBER 2020

Thousands of Guyana Dollars	Note	2020	2019
ASSETS			
Non-current assets			
Property, plant and equipment	**4**	24,168,444	22,504,933
Investment in associate	**5**	8,000	8,000
Investment in subsidiaries	**6**	487,178	387,178
Investment securities	**7**	1,820,771	1,693,298
Employee benefits	**9**	196,823	173,061
Deferred taxation	**10**	63,554	59,689
		26,744,770	24,826,159
Current assets			
Inventories	**11**	6,433,845	6,671,126
Receivables and prepayments	**12**	1,078,110	1,194,949
Cash resources	**13**	12,078,038	9,138,273
		19,589,993	17,004,348
TOTAL ASSETS		46,334,763	41,830,507
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	**14**	2,009,889	2,009,889
Reserves	**15**	36,828,510	32,431,011
		38,838,399	34,440,900
Non-current liabilities			
Deferred taxation	**10**	2,352,675	2,332,801
Employee benefits	**9**	451,026	411,806
		2,803,701	2,744,607
Current liabilities			
Payables and accruals	**18**	3,803,166	3,914,274
Borrowings	**19**	0	143,746
Taxation payable		889,497	586,980
		4,692,663	4,645,000
TOTAL EQUITY AND LIABILITIES		46,334,763	41,830,507

The notes on pages 35 to 99 form an integral part of these financial statements. The Board of Directors approved these financial statements for issue on 27 November 2020.

CLIFFORD B. REIS
CHAIRMAN

ROY E. CHEONG
VICE-CHAIRMAN

Statement of Income

FOR THE YEAR ENDED 30 SEPTEMBER 2020

Thousands of Guyana Dollars	Note	2020	2019
Revenue	20	30,467,731	29,597,396
Changes in inventories of finished goods and work in progress		(129,865)	87,663
Raw materials and consumables used		(7,547,825)	(7,502,735)
Excise taxes		(3,498,572)	(3,545,980)
Staff costs		(4,859,248)	(4,846,069)
Depreciation		(2,729,197)	(2,820,106)
Other operating expenses		(4,528,325)	(4,994,867)
PROFIT FROM OPERATIONS		7,174,699	5,975,302
Net finance (cost) / income	21	(27,978)	4,349
Other income	22	181,959	187,496
PROFIT BEFORE TAXATION	23	7,328,680	6,167,147
Taxation	24	(2,057,859)	(1,643,615)
PROFIT AFTER TAXATION		5,270,821	4,523,532

The notes on pages 35 to 99 form an integral part of these financial statements.

Statement of Comprehensive Income
FOR THE YEAR ENDED 30 SEPTEMBER 2020

Thousands of Guyana Dollars	2020	2019
PROFIT FOR THE YEAR	5,270,821	4,523,532
OTHER COMPREHENSIVE INCOME:		
Items that will not be reclassified to profit or loss:		
Remeasurement of employee benefits	(19,942)	(13,818)
Deferred tax credit arising on remeasurement of employee benefits	4,986	3,454
Deferred tax charge relating to revaluation of property arising from changes in tax legislation	0	(71,380)
Net fair value gains on equity investments designated as FVOCI	127,473	525,145
	112,517	443,401
TOTAL COMPREHENSIVE INCOME	5,383,338	4,966,933

The notes on pages 35 to 99 form an integral part of these financial statements.

Statement of Changes in Equity

FOR THE YEAR ENDED 30 SEPTEMBER 2020

Thousands of Guyana Dollars	Note					
YEAR ENDED 30 SEPTEMBER 2020		**Share Capital**	**Revaluation Reserve**	**Retained Earnings**	**Investments Valuation Reserve**	**Total**
Balance as at beginning of year		2,009,889	7,011,364	23,743,700	1,675,947	34,440,900
Comprehensive income:						
Net profit for the year		0	0	5,270,821	0	5,270,821
Remeasurement of employee benefits, net of tax		0	0	(14,956)	0	(14,956)
Net fair value gains on equity investments designated as FVOCI		0	0	0	127,473	127,473
Unwinding of deferred tax on revaluation		0	18,223	(18,223)	0	0
Total comprehensive income		0	18,223	5,237,642	127,473	5,383,338
Transactions with owners:						
Dividends paid to shareholders	**16**	0	0	(985,839)	0	(985,839)
Total transactions with owners		0	0	(985,839)	0	(985,839)
Balance as at end of year		2,009,889	7,029,587	27,995,503	1,803,420	38,838,399

YEAR ENDED 30 SEPTEMBER 2019		**Share Capital**	**Revaluation Reserve**	**Retained Earnings**	**Investments Valuation Reserve**	**Total**
Balance as at beginning of year		2,009,889	7,113,786	20,151,334	1,150,802	30,425,811
Comprehensive income:						
Net profit for the year		0	0	4,523,532	0	4,523,532
Remeasurement of employee benefits, net of tax		0	0	(10,364)	0	(10,364)
Net deferred tax impact relating to revaluation of property arising from tax legislation changes		0	(71,380)	0	0	(71,380)
Net fair value gains on equity investments designated as FVOCI		0	0	0	525,145	525,145
Transfer of revaluation gain on disposal of property		0	(46,784)	46,784	0	0
Unwinding of deferred tax on revaluation		0	15,742	(15,742)	0	0
Total comprehensive income		0	(102,422)	4,544,210	525,145	4,966,933
Transactions with owners:						
Dividends paid to shareholders	**16**	0	0	(951,844)	0	(951,844)
Total transactions with owners		0	0	(951,844)	0	(951,844)
Balance as at end of year		2,009,889	7,011,364	23,743,700	1,675,947	34,440,900

The notes on pages 35 to 99 form an integral part of these financial statements.

Statement of Cash Flows
FOR YEAR ENDED 30 SEPTEMBER 2020

Thousands of Guyana Dollars	Note	2020	2019
OPERATING ACTIVITIES			
Profit before taxation		7,328,680	6,167,147
Adjustments to reconcile net profit to net cash provided by operating activities:			
Depreciation of property, plant and equipment		2,729,197	2,820,106
Investment property fair value gains		(6,516)	(18,935)
Provision for defined benefit obligations		(4,484)	(175,500)
Loss on disposal of property, plant and equipment		61,470	42,961
Dividends receivable		(112,662)	(109,052)
Net finance cost / (income)		27,978	(4,349)
Net impairment of receivables		3,207	6,364
Inventories		237,281	(332,991)
Receivables and prepayments		113,632	(242,422)
Payables and accruals		(111,108)	440,305
Taxes paid		(1,734,347)	(2,091,224)
Net Cash Inflow - Operating Activities		8,532,328	6,502,410
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(4,449,819)	(3,121,060)
Proceeds from sale of property, plant and equipment		2,157	34,261
Dividends received		112,662	109,052
Acquisition of shares in subsidiary		(100,000)	0
Interest received		22,552	23,653
Net Cash Outflow - Investing Activities		(4,412,448)	(2,954,094)
FINANCING ACTIVITIES			
Repayments of borrowings		(143,746)	(146,675)
Dividends paid to shareholders		(985,839)	(951,844)
Interest paid		(50,530)	(19,304)
Net Cash Outflow - Financing Activities		(1,180,115)	(1,117,823)
NET MOVEMENT IN CASH AND CASH EQUIVALENTS		2,939,765	2,430,493
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF YEAR		9,133,209	6,702,716
CASH AND CASH EQUIVALENTS AS AT END OF YEAR	**13**	12,072,974	9,133,209

The notes on pages 35 to 99 form an integral part of these financial statements.

Notes to the Financial Statements
30 SEPTEMBER 2020

1. INCORPORATION AND BUSINESS ACTIVITIES

Incorporation

Banks DIH Limited (the Company) was incorporated in Guyana on 09 September 1955. Its registered office is located at Thirst Park, Greater Georgetown.

Principal Activities

The principal activities of the Company and its subsidiaries (the Group) are as follows:

(a) Beverages

The brewing, blending and wholesale marketing of beers, wines, liquors and assorted beverages.

(b) Financial Services

The operation of commercial banking.

(c) Food and Restaurants

The processing of food items and the operation of restaurants.

(d) Others

The operation of hotel, laundry services and automotive sales and services.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below.

(a) Basis of Preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of properties and investment securities measured at fair value. The financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IFRSs'). The Company's financial statements are presented to satisfy the requirements of the Guyana Companies Act.

The preparation of the Group's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. Such estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable in the circumstances and constitute management's best judgement at the date of the financial statements.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Notes to the Financial Statements
30 SEPTEMBER 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of Preparation (Cont'd)

Pronouncements effective in current period

The following new standard and interpretation, amendments and improvements to existing standards have been published and are effective in the current year.

IFRS 16	Leases
IFRIC 23	Uncertainty over income tax treatments
IFRS 9	Amendments - Prepayment features with negative compensation
IAS 28	Amendments - Long-term interests in associates and joint ventures
IAS 19	Amendments - Plan amendment, curtailment or settlement
Annual improvements cycle (2015 - 2017):	
- IFRS 3	Obtaining control of a business that is a joint operation
- IFRS 11	Remeasurement of interest in joint operation when joint control of a business that is a joint operation is obtained
- IAS 12	Income tax consequences of dividends on financial instruments classified as equity
- IAS 23	Treatment of borrowing costs outstanding after the related qualifying asset is ready for its intended use or sale

The impact of the pronouncements that are relevant to the Group's financial reporting are described below.

IFRS 16 Leases

IFRS 16 *Leases* sets out the principles for recognition, measurement, presentation and disclosure of leases and it replaces IAS 17 and its related interpretation IFRIC 4, which made a distinction in classification between finance and operating leases. For a lessee, finance leases were recognised as an asset that were depreciated over the lease term and the amount due to the lessor recognised as borrowings, while operating leases were recognised as a periodic rental payment that was treated as a current expense in the statement of income.

IFRS 16 introduces a single lease accounting model for lessees. It requires lessees to recognise a lease liability reflecting future lease payments and a "right-of-use" for virtually all lease contracts. The standard includes an optional exemption for certain short-term leases and leases of low-value assets. There are no significant changes to the accounting for lessors.

On adoption of IFRS 16 from 01 October 2019, there were no significant adjustments to the amounts recognised in the Group's financial statements. The new accounting policy on Leases is disclosed in note 2(u).

IFRIC 23 Uncertainty over Income Tax Treatment

This interpretation was finalised and published in June 2017 with an effective date of implementation for the Company’s financial year commencing 01 October 2019. The Interpretation clarifies how to apply the recognition and measurement requirements in IAS 12 Income Taxes when there is uncertainty over income tax treatments. In particular, the Interpretation addresses whether uncertain tax treatments should be considered separately or together with one or more other uncertain tax treatments, and addresses the assumptions an entity makes about how probable it is that a taxation authority will accept an uncertain tax treatment. There was no resulting impact on the Group’s financial reporting.

Notes to the Financial Statements
30 SEPTEMBER 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of Preparation (Cont'd)

Pronouncements effective in future periods

The following new standard and amendments and improvements to existing standards have been published and are effective in future financial years. No significant impact is expected to arise from these new pronouncements.

IFRS 17	Insurance contracts
IAS 1	Amendment - Classification of liabilities as current or non-current
IAS 1 / IAS 8	Amendments - Definition of material
IAS 16	Amendments - Proceeds before intended use
IAS 37	Amendment - Onerous contracts: Cost of fulfilling a contract
IFRS 3	Amendments - Definition of a business
IFRS 10 / IAS 28	Amendments - Sale or contribution of assets between an investor and its associate or joint venture
IFRS 16	Amendment - COVID-19 related rent concessions
IFRS 9 / IAS 39	Interest rate benchmark reform (Phases 1 and 2)
Annual improvements to IFRS Standards 2018 - 2020 Cycle:	
	- Minor amendments to IFRS 1, IFRS 9 and IAS 41
	- Amendment to illustrative examples accompanying IFRS 16

(b) Basis of Consolidation

The consolidated financial information includes the accounts of Banks DIH Limited and its subsidiaries, together with the Group's share of the results of its associate.

Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. All inter-company transactions, balances and unrealised gains on transactions with subsidiaries are eliminated for consolidation purposes.

The Group applies a policy of treating transactions with non-controlling interests as transactions with parties external to the Group.

An associate is an entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% to 50% of the voting rights. The investment in the associated company is accounted for under the equity method of accounting.

(c) Foreign Currencies

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Group operates. The financial statements are presented in Guyana Dollars, which is the Group's functional currency.

Transactions and balances

Transactions involving foreign currencies are translated into the functional currency using exchange rates prevailing at the dates of the transactions. Foreign currency gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income.

Notes to the Financial Statements
30 SEPTEMBER 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Property, Plant and Equipment

Freehold properties of the Group are stated at revalued amounts less accumulated depreciation and impairment losses. Other properties, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Property values are subject to annual management reviews. Professional valuations are conducted when these reviews indicate a potentially significant variation from recorded values.

Depreciation is provided on a straight line basis at rates estimated to write-off the assets over their expected useful lives. The estimated useful lives of assets are reviewed by taking account of commercial and technological obsolescence as well as normal wear and tear. Depreciation rates are adjusted, if appropriate.

The current rates of depreciation are:

Freehold properties	2% per annum
Leasehold properties	Life of lease
Plant and machinery	5 - 10% per annum
Furniture, fittings and equipment	6.66 - 33.33% per annum
Motor vehicles	20 - 25% per annum
Containers	20% - 50% per annum

No depreciation is provided on construction in progress.

Subsequent costs are included in the asset's carrying amount 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 Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of income during the financial period in which they are incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

(e) Investment Property

Property leased by the parent Company to the banking subsidiary is considered to be investment property in the Company's financial statements. Investment property is measured initially at cost and subsequently at fair value. Changes in fair values are recognised in the statement of income.

(f) Intangible Assets (Computer Software)

The costs of acquiring, customising and installing computer software are capitalised and amortised on a straight line basis over the estimated useful economic life of five years. Costs associated with maintenance of computer software are expensed as incurred.

(g) Impairment of Non-financial Assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable or at least at every reporting date. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Notes to the Financial Statements
30 SEPTEMBER 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Financial Assets and Liabilities - Recognition and Derecognition

Recognition

The initial measurement of a financial asset or liability is at fair value plus transaction costs that are directly attributable to the issuance or purchase.

Derecognition

The Group, in some instances, renegotiates or otherwise modifies the contractual cash flows of financial assets. When this happens, the Group assesses whether or not the new terms are substantially different to the original terms. If the terms are substantially different, the Group derecognises the original financial asset and recognises a new asset at fair value and recalculates a new effective interest rate for the asset.

The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the Group also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are recognised in the statement of income as a gain or loss on derecognition.

In cases other than modification, a financial asset is derecognised when the contractual rights to the cash flows from the asset have expired; or when the Group transfers the contractual rights to receive the cash flows from the financial asset; or has assumed an obligation to pay those cash flows to an independent third party; or the Group has transferred substantially all the risks and rewards of ownership of that asset to an independent third-party. Management determines whether substantially all the risks and rewards of ownership have been transferred by quantitatively comparing the variability in cash flows before and after the transfer. If the variability in cash flows remains significantly similar subsequent to the transfer, the Group has retained substantially all of the risks and rewards of ownership.

On derecognition of a financial asset, the difference between the carrying amount and the sum of consideration received and any cumulative gain or loss that had been recognised in other comprehensive income, is recognised in the statement of income.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. If an existing financial liability is replaced by another from the same counterparty on substantially different terms, or the terms of the existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability at fair value. The difference in the respective carrying amount of the existing liability and the new liability is recognised as a gain/loss in the statement of income.

(i) Financial Assets and Liabilities - Classification and Measurement

Classification of financial assets

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss);
- those to be measured at amortised cost.

Notes to the Financial Statements
30 SEPTEMBER 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Financial Assets and Liabilities - Classification and Measurement (Cont'd)

The classification requirements for debt and equity instruments are described below.

Classification - Debt instruments

The classification of debt instruments depends on the business model used for managing the financial assets and the contractual terms of the cash flows.

The business model reflects how the Group manages the assets in order to generate cash flows. That is, whether the Group's objective is solely to collect the contractual cash flows from the assets, or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of the 'other' business model and measured at FVPL. Factors considered by the Group in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, and how risks are assessed and managed.

Where the business model is to hold assets to collect contractual cash flows or collect contractual cash flows and sell, the Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI' test). In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e. interest includes only consideration for the time value of money, credit risk, and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured as FVPL.

Measurement - Debt instruments

There are three measurement approaches for debt instruments depending on the classification of the financial assets.

- Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in the statement of income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as a separate line item in the statement of income.

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Changes in fair value are taken through OCI. The recognition of interest income and impairment gains or losses are recognised in the statement of income. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in the statement of income using the effective interest rate method. Impairment losses are presented as a separate line item in the statement of income.

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt instrument that is measured at FVPL is recognised in the statement of income in the period in which it arises. Assets held for trading are classified as FVPL.

Notes to the Financial Statements
30 SEPTEMBER 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Financial Assets and Liabilities - Classification and Measurement (Cont'd)

Classification and measurement - Equity instruments

Equity instruments are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

The Group measures all equity instruments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the statement of income following the derecognition of the investment. The Group's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. Impairment losses (and reversals of impairment losses) are not reported separately from other changes in fair value. Dividends from such investments continue to be recognised in the statement of income when the Group's right to receive payments is established.

Gains and losses on equity investments at FVPL are included in the statement of income.

Financial liabilities - Classification and Measurement

Financial liabilities are classified as "measured at amortised cost".

Criteria for non-performing classification (applicable to banking subsidiary)

In accordance with the Bank of Guyana's Supervision Guideline 5 *"Loan Portfolio Review, Classification, Provisioning, and Other Related Requirements"* (SG 5), the banking subsidiary classifies loans and advances as 'non-performing' when:

(a) for a loan or an account with fixed repayment dates -

- (i) principal or interest is due and unpaid for three months or more; or
- (ii) interest charges for three months or more have been capitalised, refinanced, or rolled-over.

(b) for an overdraft or an account without fixed repayment dates -

- (i) approved limit has been exceeded for three months or more; or
- (ii) credit line has expired for three months or more; or
- (iii) interest charges for three months or more have not been covered by deposits; or
- (iv) the account has developed a hardcore which was not converted into a term loan after three months or more.

A non-performing account may be restored to a performing status when all arrears of principal and interest have been paid or when it otherwise becomes well-secured and full collection is expected within three months.

Loans which have been refinanced, rescheduled, rolled-over, or otherwise modified because of weaknesses in the borrower's financial position or the non-repayment of the debt as arranged are classified as renegotiated. Facilities are only renegotiated if the banking subsidiary is satisfied that the financial position of the borrower can service the debt under the new conditions.

During the year, the Company provided support to qualified borrowers whose operations were impacted by the COVID-19 pandemic. These borrowers were granted a moratorium on loan payments up to December 2020.

Notes to the Financial Statements
30 SEPTEMBER 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Impairment of Financial Assets

Expected Credit Loss (ECL) model

The Group assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments classified at amortised cost and FVOCI and with the exposures arising from loan commitments and guarantees. The Group recognises a loss allowance for such losses at each reporting date.

The measurement of ECL reflects:

- An unbiased and probability-weighted amount determined from possible outcomes;
- The time value of money;
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The ECL is measured on either a 12-month or lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. ECL is calculated by multiplying the Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD).

- PD is an estimate of the likelihood of default over the next 12 months or over the remaining lifetime of the obligation.

- LGD represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by counterparty, type of claim and availability of collateral. It is expressed as a percentage loss per unit of exposure at the time of default.

- EAD is based on the amounts that the Group expects to be owed at the time of default, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, expected drawdowns on commitments and accrued interest from missed payments.

The ECL is determined by projecting PD, LGD and EAD for future months and for each individual exposure. The multiplication of the three components results in the ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective rate.

The lifetime PD is developed by applying a maturity profile to the current 12-month PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data.

The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries post default including collateral type and projected collateral values, historical discounts to market/book values due to forced sales, time to repossession and recovery costs observed.

The 12-month and lifetime EADs are determined based on expected payment profile.

Forward-looking macroeconomic information is also included in determining these factors.

There are no differences in the estimation techniques or significant assumptions for the ECL calculations as at 30 September 2019 and 30 September 2020.

Notes to the Financial Statements
30 SEPTEMBER 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Impairment of Financial Assets (Cont'd)

Expected Credit Loss (ECL) model (Cont'd)

Three-stage method

The ECL impairment model uses a three-stage approach based on the extent of credit deterioration since origination.

Stage 1: 12 month ECL applies to all financial assets that have not experienced a significant increase in credit risk since origination and are not credit impaired. The ECL is computed using a 12-month PD that represents the probability of default occurring over the next 12 months.

Stage 2: When a financial asset experiences a significant increase in credit risk subsequent to origination but is not credit impaired, it is considered to be in Stage 2. This requires the computation of ECL based on lifetime PD that represents the probability of default occurring over the remaining estimated life of the financial asset.

Stage 3: Financial assets that have objective evidence of impairment are included in this stage. Similar to Stage 2, the allowance for credit losses continue to capture the lifetime ECL.

Definition of default and credit-impaired assets

The Group defines a financial asset as in default, which is fully aligned with the definition of credit-impaired, when it meets either quantitative or qualitative criteria, as defined below.

Quantitative criteria - The Group ordinarily considers that default on a financial asset has occurred when the borrower is more than 90 days past due on contractual payments. In the current year, consideration was taken of the moratorium granted to qualified borrowers on loan payments until December 2020 - note 2(i).

Qualitative criteria - The Group considers a financial instrument to be in default if there are clear indicators that the borrower is in significant financial difficulty and therefore unlikely to pay. Some indicators are: bankruptcy of the borrower; breach of financial covenants; borrower is in long-term forbearance.

The criteria for default have been applied to all financial instruments held by the Group and are consistent with the definition of default used for internal credit risk management purposes.

An instrument is considered to no longer be in default (i.e. to be 'cured') when it no longer meets any of the default criteria for a consecutive period of twelve months.

Assessment of significant increase in credit risk

The Group assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The assessment considers macroeconomic outlook, management judgement, and delinquency. In the current year, consideration was taken of the moratorium granted to qualified borrowers on loan payments until December 2020 - note 2(i). There is a rebuttal presumption that the credit risk of the financial instrument has increased since initial recognition when contractual payments are more than 30 days overdue. The Group has not chosen to rebut this assumption.

Notes to the Financial Statements
30 SEPTEMBER 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Impairment of Financial Assets (Cont'd)

Expected Credit Loss (ECL) model (Cont'd)

Forward-looking information

The estimation of expected credit losses for each stage and the assessment of significant increases in credit risk consider information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information requires significant judgement. In its ECL model, the Group incorporates forward-looking information on macroeconomic performance, specifically GDP growth.

Modified financial assets

If the terms of a financial asset are modified or an existing financial asset is replaced with a new one, an assessment is made to determine if the existing financial asset should be derecognised. Where a modification does not result in derecognition, the date of origination continues to be used to determine significant increase in credit risk. Where a modification results in derecognition, the new financial asset is recognised at its fair value on the modification date. The modification date is also the date of origination for this new asset.

Modifications of the contractual terms of financial assets may result in derecognition of the original asset when the changes to the terms are considered substantial. The original financial asset is derecognised and the new asset is recognised at fair value; any difference arising is recognised in the statement of income.

Write-off policy

The Group writes off an impaired financial asset (and the related impairment allowance), either partially or in full, when there is no realistic prospect of recovery. Where financial assets are secured, write-off is generally after receipt of any proceeds from the realisation of security. In circumstances where, based on the net realisable value of any collateral, there is no reasonable expectation of full recovery, write-off may occur earlier. The Group also recognises the statutory provisions contained in Supervision Guideline 5 relative to the write off of accounts classified as 'Loss'.

Guarantees and credit commitments

Financial guarantees are initially measured at fair value and subsequently measured at the higher of the loss allowance and the premium received on initial recognition. Loan commitments are measured as the amount of the loss allowance. For financial guarantees and loan commitments, the loss allowance is recognised as a provision. However, based on the historical experience and collateral held, the Group considers the risk of loss in the event of default to be low and consequently, the ECL to be immaterial.

Trade receivables

The Group applies the simplified approach permitted by IFRS 9, which requires that the impairment provision is measured at initial recognition and throughout the life of the receivables using lifetime ECL. The Group applies specific provisions for higher risk accounts, identified primarily from the age of the balance owed. All other accounts are grouped together based on shared credit risk characteristics. Loss rates based on historical payment patterns, adjusted for forward-looking information, are then applied to the balance of non-specific accounts.

Notes to the Financial Statements
30 SEPTEMBER 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Impairment of Financial Assets (Cont'd)

Expected Credit Loss (ECL) model (Cont'd)

Cash resources

Cash resources are within the scope of IFRS 9 impairment approach. However, based on the historical experience and the nature of the counterparties, the Group considers the risk of default to be low and consequently, the ECL to be immaterial.

Supervision Guideline 5 (applicable to banking subsidiary)

The Group is required to consider the need for impairment of financial assets in accordance with IFRS, as well as the provisioning requirements of the Bank of Guyana, as set out in SG 5. Where the impairment provision required under SG 5 is greater than that required under IFRS 9, the excess is dealt with as an appropriation of retained earnings to a general banking risk reserve.

The banking subsidiary is required to conduct a loan review of at least 70 percent of its portfolio including large accounts and off-balance sheet commitments, and all past-due and non-performing accounts.

The following information should be considered in the review:

a) original terms and purpose of facility against current balance and status;
b) financial information on the borrower;
c) evaluation of the project being financed;
d) status of collateral including recent valuation, legal assignments and insurance;
e) past record of the borrower; and
f) performance of other members of the group (if applicable).

Following the review of the portfolio, accounts are classified into one of five categories being Pass, Special Mention, Substandard, Doubtful or Loss.

The provision levels stipulated in SG 5 are as follows.

Classification	**Provision**
Pass	0%
Special Mention	0%
Substandard	
- portion secured by cash, cash substitutes, government securities or government guarantees	0%
- others	20%
Doubtful	50%
Loss	100%

Each of the five categories has specific classification criteria based on facility performance, collateral status and financial condition of borrower. Additionally, a general provision equivalent to 1 percent of the portfolio not reviewed is required.

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2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Taxation

The tax expense for the year comprises of current and deferred tax and is recognised in the statement of income and in the other comprehensive income, as appropriate.

The current corporate tax charge is identified on the basis of the tax laws enacted at the reporting date. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The Group provides for deferred tax using the liability method for all temporary differences arising between the tax bases of the assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred corporation tax.

The principal temporary differences arise from depreciation on property, plant and equipment, revaluations of certain assets, provision for post-employment benefits, impairment provisions and deferred income previously subject to taxation. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

(l) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined by the weighted average method. Cost of finished goods and work in progress comprise raw material costs, direct labour costs, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less costs to completion and selling expenses.

(m) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less a provision for impairment.

(n) Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, balances with banks, the non-restricted balance with the Bank of Guyana and investment securities with an original maturity of less than three months but excludes external payment deposits with commercial banks.

(o) Share Capital and Dividends

Ordinary shares with discretionary dividends are classified as equity.

Dividends are recognised as a deduction from shareholders' equity in the period in which they are approved by shareholders or, as in the case of interim dividends, when paid by the directors as authorised under the Company's by-laws.

Notes to the Financial Statements
30 SEPTEMBER 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(p) Borrowings

Borrowings are recognised initially at the proceeds received and subsequently at amortised cost. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset are capitalised as part of the cost of that asset.

(q) Customers' Deposits

Customers' deposits are recognised initially at the nominal amount of funds received and subsequently at amortised cost.

(r) Employee Benefits

(i) Post-employment benefits

The Group operates defined contribution schemes for the majority of employees. The Group's contributions to the defined contribution schemes are charged to the statement of income in the year to which they relate.

The Company also guarantees a certain level of post-employment benefit to long-serving employees. The guaranteed benefit is based on number of years service and salary levels at retirement. The Company has made a provision for this obligation.

The governance of the post-employment benefit arrangements is the responsibility of the Trustees appointed by the Group.

(ii) Termination gratuities

The Company offers a termination gratuity to employees after a minimum number of years service, which is based on years of service and salary level at termination. The expected costs of these gratuity payments are accrued over the period of employment. The Company has made a provision for this obligation.

The provisions in respect of the guaranteed post-employment benefits and the termination gratuities represent the present value of the obligations at the year end minus the fair value of any assets held to cover the obligations. The obligations have been calculated by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past service costs are recognised immediately in the statement of income.

(s) Trade Payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost.

Notes to the Financial Statements
30 SEPTEMBER 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(t) Revenue Recognition

Sales of goods and services

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities.

Revenue is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for goods and services. The Group has concluded that it is the principal in its revenue arrangements because it typically controls the goods and services before transferring them to the customer.

Revenue is recognised as performance obligations are satisfied, that is, over time or at a point in time. The majority of the Group's performance obligations are satisfied at a point in time, i.e. when control of the good is transferred to the customer. In determining the transaction price for sales, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer, if any.

If the consideration in a contract includes a variable component, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. Some sales arrangements involve volume discounts and incentives and certain promotional support; in such cases, revenue is reduced by these expenses.

Interest income

Interest income on financial instruments are recognised in the statement of income for all interest-bearing instruments on an accrual basis using the effective interest rate method.

The effective interest rate is the rate that exactly discounts the future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees that are integral to the effective interest rate.

In accordance with Bank of Guyana Supervision Guideline 5, interest income on 'non-performing' accounts is not accrued unless it is well-secured and full collection of arrears is expected within 3 months. Note 2(i) to these financial statements describes the basis for classifying accounts as 'non-performing'. Any uncollected interest is reversed from income at the time the facility is classified as 'non-performing'.

Other sources of revenue

- The recognition of fees and commission is determined by the purpose of the fee or commission and the basis of accounting for any associated financial instrument. Income earned on completion of a significant act is recognised when the act is completed. Income earned from the provision of services is recognised as revenue as the services are provided.

- Dividend income is recognised when the right to receive payment is established.

- Lease income is recognised over the term of the lease to reflect a constant rate of return.

Notes to the Financial Statements
30 SEPTEMBER 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(u) Leases

As lessor

As lessor, payments received under an operating lease are credited to the statement of income on a straight-line basis over the period of the lease.

As lessee (policy from 01 October 2019)

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a net present value basis, discounted at the interest rate implicit in the lease, or, if that rate cannot be readily determined, at the Group's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases, which are those with a lease term of 12 months or less, are recognised on a straight-line basis as an expense in the statement of income.

As lessee (policy up to 30 September 2019)

Payments made under operating leases are charged to the statement of income on a straight line basis over the period of the lease.

(v) Segmental Reporting

The Group's business activities have been classified into three categories for segmental reporting in a manner consistent with the internal reporting provided to the chief operating decision-maker and based largely on the nature of the products and services. The chief operating decision-maker has been identified as the Board of Directors of the parent company.

The categories are Beverages, Commercial Banking and All Other Segments. The 'All Other Segments' category includes the Food and Restaurants, Hotel and Laundry Services, and Automotive unit sales and servicing segments as these do not meet the quantitative thresholds specified in IFRS 8. The types of products and services in each reportable segment are identified in note 1 to these financial statements.

The Group's operations are located in Guyana.

Notes to the Financial Statements
30 SEPTEMBER 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(w) Financial Instruments

Financial instruments carried on the statement of financial position include investment securities, loans and advances, receivables, customers' deposits, payables, accruals, borrowings and cash resources. The recognition methods adopted for each significant instrument is disclosed in the individual policy statements.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also exercises judgement in applying the Group's accounting policies. Areas that involve a higher degree of judgement or complexity, and major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment are described in this note.

(a) Impairment Losses on Financial Assets

The measurement of the expected credit loss allowance for financial assets under IFRS 9 is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). The ECL provisions generated by the models adopted are influenced by a number of factors, changes in which can result in different outcomes.

Some of the significant judgements and estimates that influence the outcome of the ECL provisions are:

- Choice of criteria for determining significant increase in credit risk;
- Choice of models and assumptions for the measurement of ECL;
- Recoverable values from collateral and time to recovery;
- Pattern of future cash flows;
- Basis for establishing forward-looking overlay adjustments; and
- Basis for establishing groups of similar financial assets for ECL purposes.

(b) Employee Benefits

The liability for employee benefits is based on the application of the projected unit credit method by an independent actuary using certain assumptions (stated in note 9). The future payments of employee benefits may differ from the estimated amounts due to deviations from the assumptions used.

(c) Values of Property, Plant and Equipment

The residual values and useful lives of property, plant and equipment are reviewed at each reporting date and estimates made of the values expected to be obtained from disposal of the assets at the end of their useful lives and the expected period over which the assets are expected to be available for use.

Notes to the Financial Statements
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Thousands of Guyana Dollars

4. PROPERTY, PLANT AND EQUIPMENT

Group

	Freehold Properties	Leasehold Properties	Plant and Machinery	Furniture, Fittings and Equipment	Motor Vehicles	Containers	Construction in Progress	Total
Cost / Valuation								
As at 01 October 2019	11,949,360	1,445	16,474,761	5,739,032	2,698,850	4,558,838	1,370,297	42,792,583
Additions	150,830	0	292,830	412,511	93,694	1,205,735	2,629,649	4,785,249
Transfers	259,970	0	779,607	34,930	99,310	0	(1,173,817)	0
Disposals	0	0	(322,328)	(179,677)	(42,791)	(679,525)	(18,635)	(1,242,956)
As at 30 September 2020	12,360,160	1,445	17,224,870	6,006,796	2,849,063	5,085,048	2,807,494	46,334,876
Depreciation and Impairment								
As at 01 October 2019	(302,998)	(721)	(8,056,717)	(3,623,951)	(2,275,875)	(2,725,957)	0	(16,986,219)
Depreciation charge	(180,750)	(360)	(1,094,454)	(625,718)	(209,501)	(881,252)	0	(2,992,035)
Written back on disposals	0	0	285,465	172,873	42,791	678,029	0	1,179,158
As at 30 September 2020	(483,748)	(1,081)	(8,865,706)	(4,076,796)	(2,442,585)	(2,929,180)	0	(18,799,096)
Net Carrying Amount								
As at 30 September 2020	11,876,412	364	8,359,164	1,930,000	406,478	2,155,868	2,807,494	27,535,780
Cost / Valuation								
As at 01 October 2018	11,877,577	1,538	14,932,364	5,049,004	2,675,321	4,718,900	1,763,088	41,017,792
Additions	65,355	0	248,788	506,697	110,360	907,147	1,505,778	3,344,125
Transfers	60,018	0	1,429,524	330,652	72,123	0	(1,892,317)	0
Disposals	(53,590)	(93)	(135,915)	(147,321)	(158,954)	(1,067,209)	(6,252)	(1,569,334)
As at 30 September 2019	11,949,360	1,445	16,474,761	5,739,032	2,698,850	4,558,838	1,370,297	42,792,583
Depreciation and Impairment								
As at 01 October 2018	(126,070)	(419)	(7,129,503)	(3,156,780)	(2,201,380)	(2,779,281)	0	(15,393,433)
Depreciation charge	(176,928)	(375)	(1,063,129)	(605,320)	(229,693)	(1,006,679)	0	(3,082,124)
Written back on disposals	0	73	135,915	138,149	155,198	1,060,003	0	1,489,338
As at 30 September 2019	(302,998)	(721)	(8,056,717)	(3,623,951)	(2,275,875)	(2,725,957)	0	(16,986,219)
Net Carrying Amount								
As at 30 September 2019	11,646,362	724	8,418,044	2,115,081	422,975	1,832,881	1,370,297	25,806,364

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4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)
Company

Cost / Valuation	Freehold Properties	Plant and Machinery	Furniture, Fittings and Equipment	Motor Vehicles	Containers	Construction in Progress	Total
As at 01 October 2019	9,303,919	16,571,781	3,643,775	2,618,532	4,558,838	1,296,201	37,993,046
Additions	40,229	292,830	337,291	82,879	1,205,735	2,490,855	4,449,819
Transfers	259,970	779,607	34,930	99,310	0	(1,173,817)	0
Disposals	0	(322,328)	(155,316)	(38,381)	(679,525)	(18,635)	(1,214,185)
Fair value gains	6,516	0	0	0	0	0	6,516
As at 30 September 2020	9,610,634	17,321,890	3,860,680	2,762,340	5,085,048	2,594,604	41,235,196
Depreciation and Impairment							
As at 01 October 2019	(118,840)	(8,083,852)	(2,344,793)	(2,214,671)	(2,725,957)	0	(15,488,113)
Depreciation charge	(122,661)	(1,099,305)	(424,987)	(200,992)	(881,252)	0	(2,729,197)
Written back on disposals	0	285,465	148,683	38,381	678,029	0	1,150,558
As at 30 September 2020	(241,501)	(8,897,692)	(2,621,097)	(2,377,282)	(2,929,180)	0	(17,066,752)
Net Carrying Amount							
As at 30 September 2020	9,369,133	8,424,198	1,239,583	385,058	2,155,868	2,594,604	24,168,444
Cost / Valuation							
As at 01 October 2018	9,244,201	15,029,384	3,031,774	2,594,556	4,718,900	1,763,088	36,381,903
Additions	34,355	248,788	402,077	97,011	907,147	1,431,682	3,121,060
Transfers	60,018	1,429,524	330,652	72,123	0	(1,892,317)	0
Disposals	(53,590)	(135,915)	(120,728)	(145,158)	(1,067,209)	(6,252)	(1,528,852)
Fair value gains	18,935	0	0	0	0	0	18,935
As at 30 September 2019	9,303,919	16,571,781	3,643,775	2,618,532	4,558,838	1,296,201	37,993,046
Depreciation and Impairment							
As at 01 October 2018	0	(7,151,787)	(2,054,917)	(2,133,652)	(2,779,281)	0	(14,119,637)
Depreciation charge	(118,840)	(1,067,980)	(403,926)	(222,681)	(1,006,679)	0	(2,820,106)
Written back on disposals	0	135,915	114,050	141,662	1,060,003	0	1,451,630
As at 30 September 2019	(118,840)	(8,083,852)	(2,344,793)	(2,214,671)	(2,725,957)	0	(15,488,113)
Net Carrying Amount							
As at 30 September 2019	9,185,079	8,487,929	1,298,982	403,861	1,832,881	1,296,201	22,504,933

Included in the Company's freehold property are properties leased to the banking subsidiary with a carrying value of $670,351 (2019 - $663,835). Of this total, properties with a carrying value of $658,093 have been identified for sale to the banking subsidiary in the coming year. The leased properties are carried at fair values determined at the year end by Duesbury's Enterprise, Property Valuation Service. A fair value gain of $6,516 (2019 - $18,935) is recognised in the statement of income.

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4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

If freehold properties were stated on the historical cost basis, the total carrying value of properties would be as follows:

	GROUP		COMPANY	
	2020	**2019**	**2020**	**2019**
Cost	6,243,447	5,872,876	3,503,589	3,202,389
Accumulated depreciation	(828,710)	(703,841)	(618,910)	(569,142)
Net carrying amount	5,414,737	5,169,035	2,884,679	2,633,247

5. INVESTMENT IN ASSOCIATE

Nature of investment in associate	Principal activity	Place of business	Interest held in ordinary shares 2020	Interest held in ordinary shares 2019
B&B Farms Inc.	Poultry rearing	Guyana	40%	40%

Cost of investment in associate	GROUP		COMPANY	
	2020	**2019**	**2020**	**2019**
Cost of investment in associate	8,000	8,000	8,000	8,000
Share of post acquisition reserves	(8,000)	(6,831)	0	0
	0	1,169	8,000	8,000
Share of associate's loss after tax from continuing operations	(1,169)	(4,383)	0	0

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6. INVESTMENT IN SUBSIDIARIES

Nature of investment in subsidiaries	Principal activity	Place of business	Interest held in ordinary shares
Citizens Bank Guyana Inc.	Commercial banking	Guyana	51%
Caribanks Shipping Company Ltd.	Dormant	Guyana	100%
Banks Automotive and Services Inc.	Automotive sales	Guyana	100%

Cost of investment in subsidiaries	COMPANY 2020	COMPANY 2019
Cost of equity investment in subsidiaries	487,178	387,178

Non-controlling interest

Summarised below is financial information for the banking subsidiary which has a 49 percent non-controlling interest. The financial information is before inter-company eliminations.

	BANKING SUBSIDIARY 2020	BANKING SUBSIDIARY 2019
Summarised Statement of Financial Position:		
Assets	63,824,269	54,875,759
Liabilities	53,706,925	45,553,169
Net assets	10,117,344	9,322,590
Summarised Statement of Comprehensive Income:		
Revenue	3,748,682	3,421,514
Expenses	(2,075,780)	(1,822,166)
Profit before tax	1,672,902	1,599,348
Tax charge	(690,751)	(644,095)
Profit after tax	982,151	955,253
Other comprehensive income	0	0
Total comprehensive income	982,151	955,253

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6. INVESTMENT IN SUBSIDIARIES (CONT'D)	**BANKING SUBSIDIARY**	
	2020	**2019**
Non-controlling interest (cont'd)		
Dividends paid to non-controlling interest	91,825	78,707
Summarised Statement of Cash Flows:		
Net cash generated from operating activities	6,888,639	64,885
Net cash (used in) / generated from investing activities	(4,559,816)	607,027
Net cash used in financial activities	(239,667)	(160,626)
Net increase in cash and cash equivalents	2,089,156	511,286
Cash and cash equivalents as at beginning of year	12,326,292	11,815,006
Cash and cash equivalents as at end of year	14,415,448	12,326,292

7. INVESTMENT SECURITIES	**GROUP**		**COMPANY**	
	2020	**2019**	**2020**	**2019**
Investment securities at amortised cost	7,478,994	3,257,955	0	0
Fair value through profit or loss	254,912	244,270	0	0
Equity investments designated as FVOCI	1,820,771	1,693,298	1,820,771	1,693,298
	9,554,677	5,195,523	1,820,771	1,693,298

As reported in the statement of financial position:

Non-current	2,308,913	2,178,750	1,820,771	1,693,298
Current	7,245,764	3,016,773	0	0
	9,554,677	5,195,523	1,820,771	1,693,298

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8. LOANS AND ADVANCES (BANKING SEGMENT)	**GROUP**		**COMPANY**	
	2020	**2019**	**2020**	**2019**
Overdrafts	1,764,879	1,631,688	0	0
Term loans	16,996,455	15,568,057	0	0
Mortgages	10,496,511	10,539,772	0	0
Non-accrual accounts	2,874,368	2,749,101	0	0
	32,132,213	30,488,618	0	0
Accrued interest receivable	878,405	307,004	0	0
Provision for impairment	(1,278,971)	(1,149,560)	0	0
	31,731,647	29,646,062	0	0
As reported in the statement of financial position:				
Non - current	26,763,439	25,609,723	0	0
Current	4,968,208	4,036,339	0	0
	31,731,647	29,646,062	0	0

9. EMPLOYEE BENEFITS	**GROUP AND COMPANY**		
		2020	
	Post-Employment Benefits	**Termination Gratuities**	**Total**
Amount recognised in statement of financial position:			
Present value of obligations	1,263,130	1,054,516	2,317,646
Fair value of assets held	(1,459,953)	(603,490)	(2,063,443)
Net (asset) / liability	(196,823)	451,026	254,203
Amount recognised in statement of income:			
Current service cost	10,713	40,185	50,898
Net interest (income) / cost	(9,822)	22,600	12,778
	891	62,785	63,676

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9. EMPLOYEE BENEFITS (CONT'D)

	GROUP AND COMPANY 2020		
	Post- Employment Benefits	**Termination Gratuities**	**Total**
Amount recognised in other comprehensive income:			
Experience losses - demographic	2,361	12,023	14,384
Experience losses / (gains) - financial	41,145	(35,587)	5,558
	43,506	(23,564)	19,942
Movement in present value of obligation:			
As at beginning of year	1,242,939	1,004,359	2,247,298
Current service cost	10,713	40,185	50,898
Interest cost	61,327	50,903	112,230
Actuarial losses	2,361	12,023	14,384
Benefits paid	(54,210)	(52,954)	(107,164)
As at end of year	1,263,130	1,054,516	2,317,646
Movement in fair value of plan assets:			
As at beginning of year	1,416,000	592,553	2,008,553
Expected return on asset	0	28,304	28,304
Interest	71,149	0	71,149
Contributions	68,159	0	68,159
Benefits paid	(54,210)	(52,954)	(107,164)
Actuarial (losses) / gains	(41,145)	35,587	(5,558)
As at end of year	1,459,953	603,490	2,063,443
Actual returns on assets held	30,003	63,891	93,894

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9. EMPLOYEE BENEFITS (CONT'D)

	GROUP AND COMPANY		
	2019		
	Post-Employment Benefits	**Termination Gratuities**	**Total**
Amount recognised in statement of financial position:			
Present value of obligations	1,242,939	1,004,359	2,247,298
Fair value of assets held	(1,416,000)	(592,553)	(2,008,553)
	(173,061)	411,806	238,745
Amount recognised in statement of income:			
Current service cost	15,554	37,883	53,437
Past service cost	0	785	785
Net interest (income) / cost	(4,273)	17,861	13,588
	11,281	56,529	67,810
Amount recognised in other comprehensive income:			
Experience (gains) / losses - demographic	(64,861)	14,914	(49,947)
Experience losses - financial	42,730	21,035	63,765
	(22,131)	35,949	13,818
Movement in present value of obligation:			
As at beginning of year	1,287,240	947,557	2,234,797
Current service cost	15,554	37,883	53,437
Past service cost	0	785	785
Interest cost	63,673	48,149	111,822
Actuarial (gains) / losses	(64,861)	14,914	(49,947)
Benefits paid	(58,667)	(44,929)	(103,596)
As at end of year	1,242,939	1,004,359	2,247,298
Movement in fair value of plan assets:			
As at beginning of year	1,327,070	507,300	1,834,370
Expected return on asset	0	30,288	30,288
Interest	67,946	0	67,946
Contributions	122,382	120,929	243,311
Benefits paid	(58,668)	(44,929)	(103,597)
Actuarial losses	(42,730)	(21,035)	(63,765)
As at end of year	1,416,000	592,553	2,008,553
Actual returns on assets held	25,216	9,253	34,469

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9. EMPLOYEE BENEFITS (CONT'D)

Principal Assumptions	**GROUP AND COMPANY 2020**	**2019**
Principal actuarial assumptions used:		
Discount rate	5%	5%
Future salary increase	4%	4%

Sensitivity Analysis

The impact on the defined benefit obligations of changes in the key assumptions are:

	GROUP AND COMPANY 2020		**GROUP AND COMPANY 2019**	
Post-employment Benefits:	1% increase	1% decrease	1% increase	1% decrease
Discount rate	(80,546)	90,080	(80,941)	90,686
Future salary increase	6,138	(6,017)	9,266	(9,012)

	2020		**2019**	
Termination Gratuities:	1% increase	1% decrease	1% increase	1% decrease
Discount rate	(38,087)	43,136	(39,054)	38,776
Future salary increase	31,557	(28,395)	31,099	(25,121)

Assets, Funding and Maturity Profile

The plan assets for the post-employment benefit arrangement are comprised of funds held in trust for the defined benefit obligation, as well as the value of individual contribution accounts of qualifying persons held in an insured pension scheme.

	GROUP AND COMPANY 2020	**2019**
Cash resources held for defined benefit obligation	1,307,372	1,278,428
Individual contribution accounts in insured pension scheme	152,581	137,572
	1,459,953	1,416,000

The plan asset for the termination gratuities represents cash resources placed in trust to meet the future obligations arising under this arrangement.

Where obligations under the post-employment benefit and the termination gratuity arrangements materialise, the Company is obligated to meet any amounts in excess of the assets held.

Expected contributions to the post-employment benefit arrangement for the year ending 30 September 2020 are $14,238 (2019 - $14,172). The weighted average durations of the post-employment benefit arrangement and termination gratuities are 6 years and 4 years respectively (2019 - 6 years and 4 years).

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10. DEFERRED TAXATION

Deferred taxes are calculated in full on temporary differences under the liability method using the applicable tax rates. There is no enforceable right to set off tax assets against liabilities within the Group and the following amounts are shown in the statement of financial position.

Deferred Tax Assets	**GROUP**					**COMPANY**	
	Right-of-use Assets	**Employee benefits**	**Fair value loss on investment securities**	**Provision for ECL impairment**	**Total**	**Employee benefits**	**Total**
For the year ended 30 September 2020							
As at beginning of year	0	59,689	0	42,873	102,562	59,689	59,689
Credited / (charged) to statement of income	227	(1,121)	1,339	1,273	1,718	(1,121)	(1,121)
Credited to other comprehensive income	0	4,986	0	0	4,986	4,986	4,986
As at end of year	227	63,554	1,339	44,146	109,266	63,554	63,554
Balance expected to be recovered after more than 12 months	227	63,554	1,339	44,146	109,266	63,554	63,554
For the year ended 30 September 2019							
As at beginning of year	0	110,118	0	64,331	174,449	110,118	110,118
Charged to statement of income	0	(53,883)	0	(21,458)	(75,341)	(53,883)	(53,883)
Credited to other comprehensive income	0	3,454	0	0	3,454	3,454	3,454
As at end of year	0	59,689	0	42,873	102,562	59,689	59,689
Balance expected to be recovered after more than 12 months	0	59,689	0	36,225	95,914	59,689	59,689

Deferred Tax Liabilities	**GROUP**				**COMPANY**			
	Accelerated tax depreciation	**Revaluation gains on property**	**Fair value gains on investment securities**	**Total**	**Accelerated tax depreciation**	**Revaluation gains on property**	**Fair value gains on investment securities**	**Total**
For the year ended 30 September 2020								
As at beginning of year	1,405,635	970,920	239	2,376,794	1,370,066	962,496	239	2,332,801
Charged / (credited) to statement of income	27,731	(18,439)	0	9,292	38,097	(18,223)	0	19,874
As at end of year	1,433,366	952,481	239	2,386,086	1,408,163	944,273	239	2,352,675
Balance expected to be realised after more than 12 months	1,433,366	952,481	239	2,386,086	1,408,163	926,050	239	2,334,452
For the year ended 30 September 2019								
As at beginning of year	1,415,733	986,154	239	2,402,126	1,376,208	977,518	239	2,353,965
Credited to statement of income	(80,758)	(15,954)	0	(96,712)	(76,802)	(15,742)	0	(92,544)
Charged to other comprehensive income	0	71,380	0	71,380	0	71,380	0	71,380
Reclassification	70,660	(70,660)	0	0	70,660	(70,660)	0	0
As at end of year	1,405,635	970,920	239	2,376,794	1,370,066	962,496	239	2,332,801
Balance expected to be realised after more than 12 months	1,275,041	954,966	239	2,230,246	1,256,950	946,754	239	2,203,943

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11. INVENTORIES	GROUP		COMPANY	
	2020	**2019**	**2020**	**2019**
Production raw materials and work in progress	1,882,549	1,772,742	1,882,549	1,772,742
Packaging material	1,255,169	862,162	1,255,169	862,162
Spares and expense stocks	1,760,096	1,715,941	1,760,096	1,715,941
Finished goods	532,536	778,041	532,022	778,041
Goods in transit	1,004,009	1,542,240	1,004,009	1,542,240
	6,434,359	6,671,126	6,433,845	6,671,126

12. RECEIVABLES AND PREPAYMENTS

Trade receivables (gross)	744,549	708,947	744,549	708,947
Provision for impairment	(22,212)	(23,133)	(22,212)	(23,133)
Trade receivables (net)	722,337	685,814	722,337	685,814
Other receivables	439,434	643,543	323,689	493,433
Prepayments	255,781	254,248	32,084	15,702
	1,417,552	1,583,605	1,078,110	1,194,949

Included in Other Receivables for the Group is Repossessed Assets of $94,035 (2019 - $78,510).

13. CASH RESOURCES	GROUP		COMPANY	
	2020	**2019**	**2020**	**2019**
Balance with Bank of Guyana in excess of reserve requirement	7,675,700	6,711,125	0	0
Balance with subsidiary	0	0	11,010,749	8,235,552
Cash in hand and balances with other banks	7,941,656	6,512,824	1,062,225	897,657
Included in cash and cash equivalents	15,617,356	13,223,949	12,072,974	9,133,209
Reserve requirement with Bank of Guyana	4,954,683	4,986,795	0	0
External payment deposit	5,064	5,064	5,064	5,064
	20,577,103	18,215,808	12,078,038	9,138,273

The Group's banking entity is required to maintain a monetary reserve with the Bank of Guyana which is based on customers' deposits and other specified liabilities. External payment deposits are to be remitted to foreign creditors subject to approval from the Bank of Guyana.

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14. SHARE CAPITAL

	COMPANY	
	2020	**2019**
Authorised		
1,400,000,000 ordinary shares of no par value		
Issued and Fully Paid		
849,861,536 ordinary shares of no par value	2,009,889	2,009,889

15. RESERVES

The nature and purpose of reserves held by the Group, other than retained earnings, are:

Revaluation Reserve

The surplus arising on the revaluation of freehold properties is recorded in this reserve.

Investments Valuation Reserve

The movements in the fair values of investment securities carried at fair value through other comprehensive income are recorded in this reserve.

Statutory Reserve

The Financial Institutions Act 1995, requires registered institutions to transfer annually a minimum of 15% of profit after taxation to a statutory reserve until the balance on this reserve is equal to the paid up capital of the institution. This reserve is relevant to the Group's interest in commercial banking.

General Banking Risk Reserve

This reserve represents the statutory and other loss provisions that exceed the loan impairment provision. This reserve is relevant to the Group's interest in commercial banking.

16. DIVIDENDS

	COMPANY	
	2020	**2019**
Prior year interim paid - $0.30 per share (2019 - $0.28 per share)	254,958	237,961
Prior year final dividend paid $0.56 per share (2019 - $0.54 per share)	475,923	458,925
Current year interim paid - $0.30 per share (2019 - $0.30 per share)	254,958	254,958
	985,839	951,844

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16. DIVIDENDS (CONT'D)

A second interim dividend in respect of the financial year of $0.30 per share (2019 - $0.30 per share), totalling $254,958 (2019 - $254,958), has been declared and paid after the year end. A final dividend in respect of the financial year of $0.75 per share (2019 - $0.56 per share), totalling $637,396 (2019 - $475,922), is to be proposed at the annual general meeting on 29 January 2021.

	GROUP		COMPANY	
17. CUSTOMERS' DEPOSITS (BANKING SEGMENT)	**2020**	**2019**	**2020**	**2019**
Demand deposits	7,820,405	7,092,689	0	0
Savings deposits	24,213,638	19,018,365	0	0
Term deposits	8,652,193	9,770,598	0	0
Accrued interest payable	119,812	161,933	0	0
	40,806,048	36,043,585	0	0
As reported in the statement of financial position:				
Non-current	539,227	113,139	0	0
Current	40,266,821	35,930,446	0	0
	40,806,048	36,043,585	0	0

18. PAYABLES AND ACCRUALS

Trade payables	1,902,614	2,276,008	1,902,614	2,276,008
Other payables	1,055,497	870,271	564,677	459,564
Accruals	1,424,951	1,271,274	1,313,988	1,149,090
Deferred income	147,971	158,035	21,887	29,612
	4,531,033	4,575,588	3,803,166	3,914,274

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19. BORROWINGS

	GROUP		COMPANY	
	2020	**2019**	**2020**	**2019**
Loan from banking subsidiary:				
2016 / 2025 (8.5% per annum)	0	0	0	143,746
As reported in the statement of financial position:				
Current	0	0	0	143,746

The Company had pledged certain property, plant and equipment as security against borrowings which amounted to $143,746 at the end of the prior year. There were no borrowings outstanding at the end of the current year and the associated security on assets was cancelled.

20. REVENUE

	GROUP		COMPANY	
	2020	**2019**	**2020**	**2019**
Earned in Guyana:				
Sales of goods	29,718,820	28,894,072	29,640,620	28,894,072
Banking income	3,675,586	3,319,704	0	0
Provision of other services	38,576	66,134	38,576	66,134
Earned out of Guyana:				
Sales of goods	788,535	637,190	788,535	637,190
	34,221,517	32,917,100	30,467,731	29,597,396

21. NET FINANCE INCOME / (CHARGE)

Interest payable to licensed financial entities	0	0	(50,530)	(19,304)
Interest receivable (non-banking)	9,154	10,898	22,552	23,653
	9,154	10,898	(27,978)	4,349

22. OTHER INCOME

Dividends from quoted equity securities	17,089	27,133	112,662	109,052
Fair value gains on investment property	0	0	6,516	18,935
Fair value gains on investment securities	10,642	43,176	0	0
Other	12,593	47,053	62,781	59,509
	40,324	117,362	181,959	187,496

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23. PROFIT BEFORE TAXATION

	GROUP		COMPANY	
	2020	**2019**	**2020**	**2019**
Profit before taxation is shown after charging / (crediting) the following:				
Cost of inventories				
(excluding inventory write-downs)	7,738,372	7,415,072	7,677,690	7,415,072
Inventory write-downs	67,078	66,207	67,078	66,207
Depreciation of property, plant and equipment	2,992,035	3,082,124	2,729,197	2,820,106
Impairment of receivables	9,770	18,861	9,770	18,861
Reversal of impairment of receivables	(6,563)	(12,497)	(6,563)	(12,497)
Impairment of loans and advances	313,463	214,670	0	0
Reversal of impairment of loans and advances	(184,052)	(248,622)	0	0
Impairment of investment securities	3,348	256	0	0
Reversal of impairment of investment securities	(9,674)	(5,335)	0	0
Net foreign exchange gains	13,425	53,707	13,425	53,707
Auditors' remuneration (including expenses)	40,640	36,675	26,465	23,369
Directors' fees and expenses (note 28)	16,938	15,077	8,002	7,641
Lease expenses	23,488	29,902	16,361	16,174
Defined contribution scheme contributions	87,295	82,225	75,035	71,524

24. TAXATION

Current taxation	2,680,209	2,344,698	1,993,113	1,717,938
Deferred taxation	7,574	(21,371)	20,995	(38,661)
Prior year adjustment	64,279	(35,617)	43,751	(35,662)
Associated company's tax	0	2,336	0	0
	2,752,062	2,290,046	2,057,859	1,643,615
Reconciliation of tax expense and accounting profit:				
Accounting profit	8,899,471	7,655,527	7,328,680	6,167,147
Tax calculated at the tax rate of 25% & 40% (2019 - 25%/27.5% or 40%) as appropriate	2,508,706	2,222,405	1,836,093	1,580,331
Income exempt from corporation tax	(118,913)	(133,192)	(33,239)	(36,130)
Expenses not deductible for tax purposes	8,917	31,648	8,775	31,517
Property, withholding and capital gains taxes	362,311	319,746	275,502	239,749
Prior year adjustment	(8,746)	(35,617)	(29,272)	(35,662)
Impact of change in corporation tax rate	0	(121,523)	0	(121,523)
Other	(213)	6,579	0	(14,667)
	2,752,062	2,290,046	2,057,859	1,643,615

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24. TAXATION (CONT'D)

The Group separately classifies its activities as non-commercial or commercial, with the applicable corporation tax rates being 25% and 40% respectively (2019 - 25%/27.5% and 40%).

The dormant subsidiary has tax losses available to set off against future pre-tax income of $19,350 (2019 - $19,247). The deferred tax asset of $4,837 (2019 - $4,812) in relation to the tax losses associated with the dormant subsidiary was not recognised.

25. EARNINGS PER SHARE

	GROUP	
	2020	**2019**
Profit attributable to equity holders of the parent	5,666,155	4,897,407
Weighted average number of shares in issue (thousands)	849,862	849,862
Basic earnings per share	6.67 Dollar	5.76 Dollar

26. CONTINGENT LIABILITIES

	GROUP		COMPANY	
	2020	**2019**	**2020**	**2019**
Bonds	2,902	2,902	2,902	2,902
Guarantees	0	0	102,351	102,351
	2,902	2,902	105,253	105,253

The banking subsidiary's potential liabilities under guarantees at year-end totalled $1,013,531 (2019 - $1,114,506).

As at the year end there were certain legal proceedings outstanding against the Group. No provision has been made as management is of the opinion that such proceedings are either without merit or are unlikely to result in any significant loss to the Group.

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26. CONTINGENT LIABILITIES (CONT'D)

Tax Assessments against the Banking Subsidiary

On 20 December 2018, the banking subsidiary received Notices of Assessment (“Assessments”) from the Guyana Revenue Authority claiming additional corporation taxes of $534,416 as a result of the disallowance of the banking subsidiary’s claim for deduction for impairment losses on financial assets in relation to the years of income ended 30 September, 2010 to 2012, and 2014 to 2016, inclusive.

The accounting policy on impairment losses on financial assets, as described in note 2(j) to these financial statements, recognizes the banking subsidiary’s obligation to comply with provisioning requirements contained in International Financial Reporting Standards (IFRS) and in the Supervision Guidelines issued by the Bank of Guyana. For purposes of its corporation tax computations, the banking subsidiary’s impairment losses on financial assets as determined under IFRS, were claimed as deductions in accordance with Section 16(1)(e) of the Income Tax Act, which provides for the deduction of provisions for bad and doubtful debts incurred in a trade or business.

Accordingly, the banking subsidiary on 04 January 2019 filed Notices of Objection to these assessments under the provisions of the Income Tax Act. The Guyana Revenue Authority acknowledged the objections and that the tax in dispute is being held in abeyance until the objections are determined. The objections remain undetermined to the present. The banking subsidiary has been advised by its attorneys that its objections are well founded.

Tax Appeal by the Company

The Guyana Revenue Authority sought to raise withholding tax on income earned outside of Guyana by suppliers who do not carry on trade or business in Guyana. On 08 August 2019, the Company was required to file an Appeal in the High Court against an assessment to withholding tax raised by the Guyana Revenue Authority. The sum claimed by the Guyana Revenue Authority for the period 2009 to 2016 was $89,940.

On 06 February 2020, the High Court decided the Appeal in favour of the Company and set aside the assessment for withholding tax in the sum of $89,940 made against the Company. An Order was issued by the High Court for the Guyana Revenue Authority to repay the said sum which was lodged by the Company to facilitate the Appeal. The Company, through its attorneys, wrote the Guyana Revenue Authority requesting repayment of the aforesaid sum. In response, the Guyana Revenue Authority agreed to refund the aforesaid sum by allowing the Company to set off the amount against its corporation tax for the current year of assessment.

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27. COMMITMENTS	**GROUP**		**COMPANY**	
	2020	**2019**	**2020**	**2019**
Undrawn credit facilities (banking segment)	1,209,745	856,856	0	0
Capital commitments:				
For property, plant and equipment:				
Authorised and contracted for	2,251,376	2,522,234	1,308,586	2,520,163
Authorised but not contracted for	4,544,813	2,592,390	4,107,477	1,734,786
For intangible assets:				
Authorised and contracted for	35,433	25,027	0	0
Authorised but not contracted for	205,802	224,551	157,185	157,054

28. RELATED PARTY TRANSACTIONS

Key Management Compensation

Short term benefits	493,095	485,984	430,759	437,933
Post employment benefits	36,869	39,455	34,735	37,381
	529,964	525,439	465,494	475,314

Key management compensation includes directors' fees and expenses for services as directors as follows:

	GROUP		**COMPANY**	
	2020	**2019**	**2020**	**2019**
Clifford B. Reis	2,040	1,740	0	0
Roy E. Cheong	1,770	1,693	1,770	1,693
Frances S. Parris	1,558	1,487	1,558	1,487
Dan B. Stoute	1,558	1,487	1,558	1,487
Ronald G. Burch-Smith	3,282	2,911	1,558	1,487
Melissa J. De Santos	1,558	1,487	1,558	1,487
George G. Mc Donald	1,724	1,424	0	0
Michael H. Pereira	1,724	1,424	0	0
Paul A. Carto	1,724	1,424	0	0
	16,938	15,077	8,002	7,641

No emoluments were paid to the executive directors for their services as directors to the parent company.

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28. RELATED PARTY TRANSACTIONS (CONT'D)

	GROUP	
	2020	**2019**
Key Management Transactions		
Loans and advances repayable to the Banking Subsidiary		
Balance as at end of year	200,515	181,125
Interest income on loans and advances repayable	12,624	10,419
Customers' deposits held by the Banking Subsidiary		
Balance as at end of year	66,194	69,226
Interest expense on deposits	898	717

Parent Company Transactions with Banking Subsidiary	COMPANY	
	2020	**2019**
Interest charges on loans and advances	50,531	19,304
Interest income on cash deposits	13,399	12,755
Rental income for property	62,280	51,785
Dividends received	95,573	81,919

Balances outstanding with the banking subsidiary at the year end are shown in notes 13 and 19. Additionally at the year end the banking subsidiary has issued guarantees on the parent company's behalf totalling $102,351 (2019 - $102,351).

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28. RELATED PARTY TRANSACTIONS (CONT'D)

	GROUP		COMPANY	
Transactions with Other Related Parties	**2020**	**2019**	**2020**	**2019**
Loans repayable to the banking subsidiary	420,185	279,643	0	0
Interest income on loans repayable	35,344	30,994	0	0
Deposits held by the banking subsidiary	3,177,572	4,967,005	0	0
Interest expense on deposits	24,013	84,053	0	0
Provision of services to the Group	152,883	104,726	119,307	104,726

Loans and advances to related parties (except those who are employees of the banking subsidiary) are on commercial terms. ECL impairment provisions on loans and advances to related parties at year end amounted to $456 (2019 - $762).

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Categories of Financial Instruments

Financial instruments carried at the reporting date include investment securities, loans and advances, receivables, cash resources, borrowings, customers' deposits, payables and accruals.

In accordance with IFRS 7, the categories of financial assets and financial liabilities are as follows:

- financial assets measured at amortised cost
- financial assets measured at fair value through profit or loss
- financial assets measured at fair value through other comprehensive income
- equity instruments designated as fair value through other comprehensive income
- financial liabilities measured at amortised cost
- financial liabilities measured at fair value through profit or loss

The classification criteria for each category of financial instrument is described in note 2(i).

The following tables analyse the Group's financial instruments into the relevant IFRS 7 categories.

	Financial Assets			Financial Liabilities	Total
GROUP	**Amortised Cost**	**FVPL**	**Equities FVOCI**	**Amortised Cost**	
As at 30 September 2020					
Financial assets:					
Investment securities	7,478,994	254,912	1,820,771	0	9,554,677
Loans and advances	31,731,647	0	0	0	31,731,647
Receivables	1,067,736	0	0	0	1,067,736
Cash resources	20,577,103	0	0	0	20,577,103
	60,855,480	254,912	1,820,771	0	62,931,163
Financial liabilities:					
Customers' deposits	0	0	0	40,806,048	40,806,048
Payables and accruals	0	0	0	4,383,062	4,383,062
	0	0	0	45,189,110	45,189,110

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Categories of Financial Instruments (Cont'd)

	Financial Assets			Financial Liabilities	Total
GROUP	**Amortised Cost**	**FVPL**	**Equities FVOCI**	**Amortised Cost**	
As at 30 September 2019					
Financial assets:					
Investment securities	3,257,955	244,270	1,693,298	0	5,195,523
Loans and advances	29,646,062	0	0	0	29,646,062
Receivables	1,250,847	0	0	0	1,250,847
Cash resources	18,215,808	0	0	0	18,215,808
	52,370,672	244,270	1,693,298	0	54,308,240
Financial liabilities:					
Customers' deposits	0	0	0	36,043,585	36,043,585
Payables and accruals	0	0	0	4,417,553	4,417,553
	0	0	0	40,461,138	40,461,138

	Financial Assets		Financial Liabilities	Total
COMPANY	**Amortised Cost**	**Equities FVOCI**	**Amortised Cost**	
As at 30 September 2020				
Financial assets:				
Investment securities	0	1,820,771	0	1,820,771
Receivables	1,046,026	0	0	1,046,026
Cash resources	12,078,038	0	0	12,078,038
	13,124,064	1,820,771	0	14,944,835
Financial liabilities:				
Payables and accruals	0	0	3,781,279	3,781,279
	0	0	3,781,279	3,781,279

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Categories of Financial Instruments (Cont'd)

	Financial Assets		Financial Liabilities	Total
COMPANY	**Amortised Cost**	**Equities FVOCI**	**Amortised Cost**	
As at 30 September 2019				
Financial assets:				
Investment securities	0	1,693,298	0	1,693,298
Receivables	1,179,247	0	0	1,179,247
Cash resources	9,138,273	0	0	9,138,273
	10,317,520	1,693,298	0	12,010,818
Financial liabilities:				
Borrowings	0	0	143,746	143,746
Payables and accruals	0	0	3,884,662	3,884,662
	0	0	4,028,408	4,028,408

Risks arising from Financial Instruments

Financial risks are inherent to the operations of the Group and management of these risks is central to the Group's continuing profitability. The Group is exposed to credit risk, liquidity risk, interest rate risk and foreign exchange risk. The objective of the Group's risk management policies and efforts is to minimise the effects of the risks inherent to its operations. Risk management is an ongoing process which involves the identification, assessment and monitoring of risks through the application of various approaches which are guided by the Group's policies. These risks are continuously monitored at both the executive and directorate levels. Management engages in the daily monitoring of risks and provides the Board of Directors with monthly reports which analyse exposures to the various elements of risk.

The main financial risks affecting the Group are discussed in the following parts to this note.

Credit Risk

The Group takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due, through its holding of investment securities, loans and advances, receivables and cash resources. It can also arise from guarantees and letters of credit provided or credit commitments given by the banking subsidiary.

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Credit Risk (Cont'd)

For financial assets recognised on the statement of financial position, the exposure to credit risk equals to their carrying amounts. For guarantees and letters of credit, the maximum exposure to credit risk is the amount that the banking subsidiary would have to pay if the guarantees and letters of credit were to be called upon. For credit commitments of the banking subsidiary that are irrevocable over the life of the respective facilities, the maximum exposure to credit risk is the full amount of the committed facilities.

The following table presents the maximum exposure to credit risk arising on financial instruments, before taking account of any collateral held or other credit enhancements and after allowance for impairment, where appropriate.

The table excludes Group's financial assets with a carrying value of $2,075,683 which comprise investments classified as FVPL or equity investments designated as FVOCI (2019 - $1,937,568). For the Company, financial assets with a carrying value of $1,820,771 which comprise equity investments designated as FVOCI are excluded from the table (2019 - $1,693,298).

	GROUP		COMPANY	
	2020	**2019**	**2020**	**2019**
On statement of financial position:				
Investment securities	7,478,994	3,257,955	0	0
Loans and advances	31,731,647	29,646,062	0	0
Receivables	1,067,736	1,250,847	1,046,026	1,179,247
Cash resources	20,577,103	18,215,808	12,078,038	9,138,273
	60,855,480	52,370,672	13,124,064	10,317,520
Off statement of financial position:				
Guarantees	1,013,531	1,114,506	0	0
Credit commitments	1,209,745	856,856	0	0
	2,223,276	1,971,362	0	0
Maximum exposure to credit risk	63,078,756	54,342,034	13,124,064	10,317,520

Credit risk is managed to achieve a sustainable and superior risk-reward performance while maintaining exposures within acceptable risk parameters. The Group's policies and processes for managing credit risk are described below for each of its major financial assets.

The risk management policies and processes have been described separately for the Company and its banking subsidiary, where applicable.

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Credit Risk (Cont'd)

Management of investment securities and cash resources

Company

The Company's investment securities comprise equity holdings which are not considered to give rise to credit risk.

In relation to its cash resources, the Board of Directors is required to approve the use of new financial institutions for the placement of cash resources. Thereafter, the use of banking facilities is at the discretion of management.

Collateral is not usually collected on cash resources with banks given the sound nature of such institutions.

Banking subsidiary

Managing the credit risks associated with investment securities and cash balances with other banks differs in an important respect from loans originated by the banking subsidiary in that the counterparties involved are usually government bodies or established financial institutions. Within the banking subsidiary, management of the portfolio of investment securities and cash balances with other banks is the responsibility of the Finance and Treasury Department.

The Board of Directors of the banking subsidiary is required to approve all acquisitions of investment securities or the use of new financial institutions for the placement of cash resources. Thereafter, re-investments into investment securities or use of banking facilities with financial institutions is at the discretion of management.

Collateral is not usually collected on investment securities issued by government bodies or secured on government assets. Corporate investment securities are usually secured on the assets of the issuer. Valuations are not usually carried out on these assets given the corporate standing of the issuers. Collateral is not usually collected on amounts due from other banks as funds are only placed with institutions that are deemed to be financially sound.

Management continuously monitors the financial standing of issuers of investment securities and holders of cash balances. This practice provides necessary information to determine any changes in credit risk, thereby triggering ECL provisions.

Management of loans and advances, including exposures off the statement of financial position

Banking subsidiary

The granting of credit through loans, advances, guarantees and letters of credit is one of the banking subsidiary's major sources of income and is therefore one of its most significant risks. The banking subsidiary therefore dedicates considerable resources towards controlling it effectively including a specialised Credit Department responsible for reviewing loan applications and monitoring granted loan facilities within the policies and guidelines established by the Board of Directors.

In executing its lending activities, the following measures are relied upon to mitigate the risk of default:

(a) Credit applications are initially reviewed by an officer of the banking subsidiary's Credit Department during which details of the purpose of the facility, the financial standing of the applicant and the collateral available as security are obtained. The applicant's ability to repay the sums required are assessed based on information collected and an initial recommendation made by the Credit Department.

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Credit Risk (Cont'd)

Management of loans and advances, including exposures off the statement of financial position (Cont'd)

Banking subsidiary (Cont'd)

(b) The banking subsidiary usually requires that collateral be lodged. Forms of acceptable collateral include cash, real estate, securities, machinery or equipment. The banking subsidiary has established policies that guide its loan to value based on the type of collateral lodged. During the review of the loan application, an independent valuation of the collateral to be lodged is obtained, where possible.

(c) Any recommended loan applications are then subject to the approval from either senior management or the Board of Directors depending on the level of the amount applied for. There are internally pre-set limits which dictate the level of approval required.

(d) The banking subsidiary's exposure to any single borrower is limited by the applicable provisions of the Financial Institutions Act. Additionally, the banking subsidiary monitors exposure to industry segments to avoid over-exposure to any one sector.

(e) The Credit Department is required to carry out weekly reviews of any past due or impaired facilities. For all other facilities, quarterly reviews are carried out by the Credit Department.

(f) Independent valuations of collateral lodged against facilities are carried out at least every two years, where possible. Where securities are lodged as collateral, management monitors their market performance for indicators of impairment.

(g) Oversight from the Credit Committee of the Board of Directors.

(h) The Banking Subsidiary's risk management practices provides information to assist with the identification of changes in credit risk of loans and advances; estimation of recoverable amounts from collateral and the likely exposure at default.

Management of Receivables

Company

The Company's exposure to credit risk on receivables arises from credit transactions with wholesale and retail customers. To mitigate the credit risk arising on these balances, the Company adopts the following measures:

(a) Credit applications are subject to approval of senior management after review of the financial position of the customer, past trading and other relevant factors.

(b) Credit limits are set by senior management and subject to regular monitoring.

(c) A standard repayment period of thirty to sixty days is imposed.

The Company does not collect collateral as security for receivable balances.

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Credit Risk (Cont'd)

Credit risk concentration

The tables below analyse the Group's exposure to credit risk on its financial instruments by industry sector, showing the associated impairment provision.

GROUP **As at 30 September 2020**	**Households**	**Services**	**Real Estate**	**Manu-facturing**	**Mining and Quarry**	**Con-struction**	**Agriculture**	**Government**	**Financial**	**Other**	**Total**
On statement of financial position:											
Investment securities	0	0	0	0	0	0	0	7,478,994	0	0	7,478,994
Loans and advances	2,982,250	9,566,974	13,684,148	1,167,502	963,190	2,764,560	603,023	0	0	0	31,731,647
Receivables	0	0	0	0	0	0	0	0	0	1,067,736	1,067,736
Cash resources	0	0	0	0	0	0	0	0	20,577,103	0	20,577,103
	2,982,250	9,566,974	13,684,148	1,167,502	963,190	2,764,560	603,023	7,478,994	20,577,103	1,067,736	60,855,480
Off statement of financial position:											
Guarantees	465,497	379,911	0	99,201	0	68,922	0	0	0	0	1,013,531
Credit commitments	294,063	607,040	0	139,860	24,058	143,965	759	0	0	0	1,209,745
	759,560	986,951	0	239,061	24,058	212,887	759	0	0	0	2,223,276
Total exposure	3,741,810	10,553,925	13,684,148	1,406,563	987,248	2,977,447	603,782	7,478,994	20,577,103	1,067,736	63,078,756

GROUP **As at 30 September 2019**	**Households**	**Services**	**Real Estate**	**Manu-facturing**	**Mining and Quarry**	**Con-struction**	**Agriculture**	**Government**	**Financial**	**Other**	**Total**
On statement of financial position:											
Investment securities	0	18,764	0	0	0	0	0	2,383,984	855,207	0	3,257,955
Loans and advances	2,418,886	8,839,461	12,757,230	1,239,662	949,029	2,812,472	629,322	0	0	0	29,646,062
Receivables	0	0	0	0	0	0	0	2,172	12,981	1,235,694	1,250,847
Cash resources	0	0	0	0	0	0	0	0	18,215,808	0	18,215,808
	2,418,886	8,858,225	12,757,230	1,239,662	949,029	2,812,472	629,322	2,386,156	19,083,996	1,235,694	52,370,672
Off statement of financial position:											
Guarantees	380,369	498,857	0	185,234	0	50,046	0	0	0	0	1,114,506
Credit commitments	292,198	319,255	0	55,990	94,543	94,556	314	0	0	0	856,856
	672,567	818,112	0	241,224	94,543	144,602	314	0	0	0	1,971,362
Total exposure	3,091,453	9,676,337	12,757,230	1,480,886	1,043,572	2,957,074	629,636	2,386,156	19,083,996	1,235,694	54,342,034

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Credit Risk (Cont'd)

The tables below analyse the Group's exposure to credit risk on its financial instruments by geographic region.

GROUP **As at 30 September 2020**	**Guyana**	**Caricom**	**North America**	**Europe**	**Total**
On statement of financial position:					
Investment securities	7,271,880	207,114	0	0	7,478,994
Loans and advances	31,731,647	0	0	0	31,731,647
Receivables	783,771	283,965	0	0	1,067,736
Cash resources	15,255,535	156,118	2,916,507	2,248,943	20,577,103
	55,042,833	647,197	2,916,507	2,248,943	60,855,480
Off statement of financial position:					
Guarantees	1,013,531	0	0	0	1,013,531
Credit commitments	1,209,745	0	0	0	1,209,745
	2,223,276	0	0	0	2,223,276
Total exposure	57,266,109	647,197	2,916,507	2,248,943	63,078,756

GROUP **As at 30 September 2019**	**Guyana**	**Caricom**	**North America**	**Europe**	**Total**
On statement of financial position:					
Investment securities	2,197,902	204,847	632,721	222,485	3,257,955
Loans and advances	29,646,062	0	0	0	29,646,062
Receivables	1,083,604	154,329	7,169	5,745	1,250,847
Cash resources	13,587,119	34,428	2,444,308	2,149,953	18,215,808
	46,514,687	393,604	3,084,198	2,378,183	52,370,672
Off statement of financial position:					
Guarantees	1,114,506	0	0	0	1,114,506
Credit commitments	856,856	0	0	0	856,856
	1,971,362	0	0	0	1,971,362
Total exposure	48,486,049	393,604	3,084,198	2,378,183	54,342,034

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Credit Risk (Cont'd)

The tables below analyse the Company's exposure to credit risk on its financial instruments by counterparty type and geographic sector.

COMPANY **As at 30 September 2020**	**Retailers**	**Whole-salers**	**Financial**	**Other**	**Total**
Receivables	208,727	229,650	0	607,649	1,046,026
Cash resources	0	0	12,078,038	0	12,078,038
	208,727	229,650	12,078,038	607,649	13,124,064

As at 30 September 2019	**Retailers**	**Whole-salers**	**Financial**	**Other**	**Total**
Receivables	269,917	275,254	0	634,783	1,179,247
Cash resources	0	0	9,138,273	0	9,138,273
	269,917	275,254	9,138,273	634,783	10,317,520

COMPANY **As at 30 September 2020**	**Guyana**	**Out of Guyana**	**Total**
Receivables	762,061	283,965	1,046,026
Cash resources	12,078,038	0	12,078,038
	12,840,099	283,965	13,124,064

As at 30 September 2019	**Guyana**	**Out of Guyana**	**Total**
Receivables	1,025,348	153,899	1,179,247
Cash resources	9,138,273	0	9,138,273
	10,163,621	153,899	10,317,520

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Credit Risk (Cont'd)

Financial assets subject to impairment

The Group monitors the quality of its financial assets through use of an internal grading system representing management's best estimate of the credit risk for the counterparty based on information presently available. The grades used are as follows:

Grade	Description
1	High grade - very strong likelihood of the asset being recovered.
2	Standard grade - good likelihood of the asset being recovered.
3	Special monitoring grade - concern over counterparty's ability to make payments when due.
4	Sub-standard grade - past due or individually impaired.

The following tables analyse the credit risk exposure by class of financial instruments, for which an ECL allowance is recognised.

MORTGAGES

	30 Sept 2020				30 Sept 2019
	Stage 1	Stage 2	Stage 3		
Grade	12-month ECL	Lifetime ECL	Lifetime ECL	Total	Total
1	362,539	0	0	362,539	3,021,388
2	6,414,949	630,009	0	7,044,958	6,955,394
3	2,151,276	390,751	0	2,542,027	126,256
4	0	0	1,277,571	1,277,571	982,771
Gross	8,928,764	1,020,760	1,277,571	11,227,095	11,085,809
ECL loss allowance	18,296	9,284	206,613	234,193	202,614
Carrying amount	8,910,468	1,011,476	1,070,958	10,992,902	10,883,195

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Credit Risk (Cont'd)

Financial assets subject to impairment (Cont'd)

TERM LOANS

	30 Sept 2020				**30 Sept 2019**
	Stage 1	Stage 2	Stage 3		
Grade	12-month ECL	Lifetime ECL	Lifetime ECL	Total	Total
1	785,199	0	0	785,199	1,133,980
2	5,462,549	987,580	0	6,450,129	13,183,591
3	6,705,619	2,698,520	0	9,404,139	43,126
4	0	0	3,204,405	3,204,405	3,556,201
Gross	12,953,367	3,686,100	3,204,405	19,843,872	17,916,898
ECL loss allowance	34,827	13,252	953,414	1,001,493	939,289
Carrying amount	12,918,540	3,672,848	2,250,991	18,842,379	16,977,609

OVERDRAFTS

	30 Sept 2020				**30 Sept 2019**
	Stage 1	Stage 2	Stage 3		
Grade	12-month ECL	Lifetime ECL	Lifetime ECL	Total	Total
1	0	415,271	0	415,271	491,389
2	0	1,345,377	0	1,345,377	1,129,192
3	0	0	0	0	11,107
4	0	0	179,003	179,003	161,227
Gross	0	1,760,648	179,003	1,939,651	1,792,915
ECL loss allowance	0	34,706	8,579	43,285	7,657
Carrying amount	0	1,725,942	170,424	1,896,366	1,785,258

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Credit Risk (Cont'd)

Financial assets subject to impairment (Cont'd)

INVESTMENT SECURITIES (AMORTISED COST)

	30 Sept 2020				30 Sept 2019
	Stage 1	Stage 2	Stage 3		
Grade	12-month ECL	Lifetime ECL	Lifetime ECL	Total	Total
1	7,439,983	0	0	7,439,983	3,198,939
2	0	0	0	0	0
3	0	0	0	0	0
4	0	0	88,805	88,805	115,136
Gross	7,439,983	0	88,805	7,528,788	3,314,075
ECL loss allowance	9,626	0	40,168	49,794	56,120
Carrying amount	7,430,357	0	48,637	7,478,994	3,257,955

TRADE RECEIVABLES

	30 Sept 2020			30 Sept 2019
	Gross		Net Exposure	
Grade	Amount	Lifetime ECL	Total	Total
1	634,518	633	633,885	627,627
2	88,562	110	88,452	58,187
3	0	0	0	0
4	21,469	21,469	0	0
	744,549	22,212	722,337	685,814

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Credit Risk (Cont'd)

Movement in impairment provision	Loans and Advances (Mortgages)	Loans and Advances (Term Loans)	Loans and Advances (Overdrafts)	Investment Securities (AC)	Trade Receivables	**2020** Total
Stage 1: 12 month ECL						
Balance as at 01 October 2019	21,850	45,210	2,336	6,278	0	75,674
ECL on new instruments issued	8,987	13,895	0	4,125	0	27,007
ECL of transfers between categories	(12,541)	(24,278)	(2,336)	(777)	0	(39,932)
Balance as at 30 September 2020	18,296	34,827	0	9,626	0	62,749
Stage 2: Lifetime ECL						
Balance as at 01 October 2019	28,413	9,373	0	0	0	37,786
ECL on new instruments issued	6,615	3,879	34,706	0	0	45,200
ECL of transfers between categories	(25,744)	0	0	0	0	(25,744)
Balance as at 30 September 2020	9,284	13,252	34,706	0	0	57,242
Stage 3: Lifetime ECL (credit-impaired)						
Balance as at 01 October 2019	152,351	884,706	5,321	49,842	0	1,092,220
Additional provision	78,397	223,657	8,226	0	0	310,280
Reversal of provision	(24,135)	(154,949)	(4,968)	(9,674)	0	(193,726)
Balance as at 30 September 2020	206,613	953,414	8,579	40,168	0	1,208,774
Simplified method						
Balance as at 01 October 2019	0	0	0	0	23,133	23,133
Amounts written off	0	0	0	0	(4,128)	(4,128)
Additional provision	0	0	0	0	9,770	9,770
Reversal of provision	0	0	0	0	(6,563)	(6,563)
Balance as as 30 September 2020	0	0	0	0	22,212	22,212
Total						
Balance as at 30 September 2020	234,193	1,001,493	43,285	49,794	22,212	1,350,977

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Credit Risk (Cont'd)

Movement in impairment provision	Loans and Advances (Mortgages)	Loans and Advances (Term Loans)	Loans and Advances (Overdrafts)	Investment Securities (AC)	Trade Receivables	**2019** Total
Stage 1: 12 month ECL						
Balance as at 01 October 2018	21,305	32,892	3,337	6,022	0	63,556
ECL on new instruments issued	8,341	35,614	418	256	0	44,629
ECL of transfers between categories	1,241	263	(1,419)	0	0	85
Other credit loss movements	(9,037)	(23,559)	0	0	0	(32,596)
Balance as at 30 September 2019	21,850	45,210	2,336	6,278	0	75,674
Stage 2: Lifetime ECL						
Balance as at 01 October 2018	28,960	14,086	0	0	0	43,046
ECL on new instruments issued	2,115	3,112	0	0	0	5,227
ECL of transfers between categories	8,551	3,162	0	0	0	11,713
Other credit loss movements	(11,213)	(10,987)	0	0	0	(22,200)
Balance as at 30 September 2019	28,413	9,373	0	0	0	37,786
Stage 3: Lifetime ECL (credit-impaired)						
Balance as at 01 October 2018	174,384	1,116,085	289,153	210,049	0	1,789,671
Amounts written off	(7,488)	(242,352)	(246,850)	(154,872)	0	(651,562)
Additional provision	56,333	151,735	0	0	0	208,068
Reversal of provision	(70,878)	(140,762)	(36,982)	(5,335)	0	(253,957)
Balance as at 30 September 2019	152,351	884,706	5,321	49,842	0	1,092,220
Simplified method						
Balance as at 01 October 2018	0	0	0	0	34,189	34,189
Amounts written off	0	0	0	0	(17,420)	(17,420)
Additional provision	0	0	0	0	18,861	18,861
Reversal of provision	0	0	0	0	(12,497)	(12,497)
Balance as as 30 September 2019	0	0	0	0	23,133	23,133
Total						
Balance as at 30 September 2019	202,614	939,289	7,657	56,120	23,133	1,228,813

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Credit Risk (Cont'd)

Commentary on movement in ECL provision

The reasons for changes in the ECL loss provision between 01 October 2019 and 30 September 2020 are:

Stage 1 ECL - a decrease of $12,925 or 17%:
- Transfers to other stages due to increase in credit risk of certain customers.
- Transfers to other stages due to impact of COVID-19 on specific sectors of the economy.

Stage 2 ECL - an increase of $19,456 or 51%:
- Transfers from stage 1 due to increase in credit risk of certain customers.
- Transfers from stage 1 due to impact of COVID-19 on specific sectors of the economy.

Stage 3 ECL - an increase of $116,554 or 11%:
- Transfers from other stages due to increase in credit risk of certain customers.
- Transfers from other stages due to impact of COVID-19 on specific sectors of the economy.

The reasons for changes in the ECL loss provision between 01 October 2018 and 30 September 2019 are:

Stage 1 ECL - an increase of $12,118 or 19%:
- Growth in the portfolio which resulted in increase in allowances during the year;
- Transfers from other stages due to improved credit risk performance.

Stage 2 ECL - a decrease of $5,260 or 12%:
- Early / partial repayments and maturities of facilities which resulted in assets and related allowances being derecognised during the year.

Stage 3 ECL - a decrease of $697,451 or 39%:
- Write-off of loss facilities totalling to $651,652;
- Improvements in the credit risk profile of customers.

Collateral

The banking subsidiary employs a range of policies and practices to mitigate credit risk. The most common of these is accepting collateral for funds advanced. The banking subsidiary has internal policies on the acceptability of specific classes of collateral or credit risk mitigation.

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Credit Risk (Cont'd)

Collateral (Cont'd)

The banking subsidiary prepares a valuation of the collateral obtained as part of the loan origination process. This valuation is reviewed periodically. The principal collateral types for loans and advances are:

- Mortgages over properties
- Charges over premises, vehicles, equipment and inventory

Investments in debt securities and government instruments are generally unsecured.

The banking subsidiary's policies regarding obtaining collateral have not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the banking subsidiary since the prior period.

A portion of the banking subsidiary's loans and advances has sufficiently low 'loan to value' ratios, which results in no loss allowance being recognised in accordance with the expected credit loss model. The carrying amount of such instruments is $13,014,766 as at 30 September 2020 (2019 - $13,316,541).

The banking subsidiary closely monitors collateral held for financial assets considered to be credit-impaired, as it becomes more likely that the banking subsidiary will take possession of collateral to mitigate potential credit losses. The fair value of collateral held for financial assets that are credit-impaired amounted to $4,660,980 as at 30 September 2020 (2019 - $4,904,455).

The banking subsidiary's policy is to advertise collateral to the public in an effort to recover outstanding sums. During the year, the banking subsidiary obtained collateral from defaulting counterparties. The nature and carrying amounts of assets obtained, which are still held at the reporting date, are shown in the table below.

	2020	2019
Real Estate	8,783	78,510
Equipment	6,085	0

Modified facilities

The banking subsidiary sometimes modifies the terms of loans and advances due to commercial renegotiations, or for distressed loans, with a view of maximising recovery. Renegotiations are usually considered upon request or where it is judged that a defaulting borrower will be better able to service outstanding debt under revised conditions.

The risk of default of such assets after modification is assessed at the reporting date and compared with the risk under the original terms at initial recognition. The banking subsidiary may determine that that credit risk has significantly improved after restructuring, so that the assets are moved from Stage 3 to Stage 2 to Stage 1. This is only the case for assets which have performed in accordance with the new terms for 12 consecutive months or more. The gross carrying amount of such assets held as at 30 September 2020 was $56,140 (2019 - $81,183).

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29. **FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)**

Credit Risk (Cont'd)

Written-off financial assets

During the financial year the banking subsidiary did not write-off any financial assets (2019 - $651,562).

Liquidity Risk

This is the risk that the Group will be unable to meet its obligations when they fall due.

Management of Liquidity Risk

Company

The Company's liquidity management policy involves monitoring of forecasted cashflows and considering levels of liquid assets necessary to meet these obligations. Credit lines from financial institutions are negotiated as necessary.

Banking subsidiary

The Audit, Finance and Risk Management Committee of the banking subsidiary is responsible for approving the risk management policies and practices. Management is responsible for implementing those approved policies and practices.

The banking subsidiary's liquidity management process is monitored by the Finance and Treasury Department and includes the following measures:

(a) Day to day funding is managed by monitoring future cash flows to ensure that requirements can be met. Projections of cash flow profiles and expected maturities of financial instruments are relied upon to monitor future cash flows.

(b) Funds are borrowed on the inter-bank market to meet day-to-day shortfalls.

(c) A portfolio of highly marketable assets is maintained that can be sold or used as collateral for funding in the event of any unforeseen interruption to cash flow.

(d) Statutory liquidity ratios are regularly monitored.

(e) The banking subsidiary is required to retain a balance of cash at the Bank of Guyana to meet any unforeseen and significant shortfalls in liquidity. The amount to be deposited at the Bank of Guyana is dependent on the level of liabilities held in the form of customer deposits.

Given the nature of the banking subsidiary's operations, most of its financial liabilities are not demanded on the earliest date that repayment is due.

Notes to the Financial Statements
30 SEPTEMBER 2020

Thousands of Guyana Dollars

29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Liquidity Risk (Cont'd)

Contractual maturity of financial liabilities

The tables below present the cash flows payable by the Group under financial liabilities by remaining contractual maturities at the reporting date. The amounts disclosed in the tables are the contractual undiscounted cash flows of financial liabilities including payments of future interest.

GROUP **As at 30 September 2020**	**Within 3 months**	**Over 3 months but not over 6 months**	**Over 6 months but not over 12 months**	**Over 1 year but not over 5 years**	**Over 5 years**	**Total**
On statement of financial position:						
Customers' deposits	34,076,101	2,895,341	3,379,663	584,997	0	40,936,102
Payables and accruals	4,383,062	0	0	0	0	4,383,062
Off statement of financial position:						
Guarantees	283,805	93,065	190,840	445,821	0	1,013,531
Credit commitments	1,209,745	0	0	0	0	1,209,745
	39,952,713	2,988,406	3,570,503	1,030,818	0	47,542,440

GROUP **As at 30 September 2019**	**Within 3 months**	**Over 3 months but not over 6 months**	**Over 6 months but not over 12 months**	**Over 1 year but not over 5 years**	**Over 5 years**	**Total**
On statement of financial position:						
Customers' deposits	28,855,544	3,056,089	4,180,281	115,879	0	36,207,793
Payables and accruals	4,417,553	0	0	0	0	4,417,553
Off statement of financial position:						
Guarantees	412,199	94,344	388,880	219,083	0	1,114,506
Credit commitments	856,856	0	0	0	0	856,856
	34,542,152	3,150,433	4,569,161	334,962	0	42,596,708
COMPANY						
As at 30 September 2020						
Payables and accruals	3,781,279	0	0	0	0	3,781,279
	3,781,279	0	0	0	0	3,781,279
As at 30 September 2019						
Borrowings	41,495	41,495	66,856	0	0	149,846
Payables and accruals	3,884,662	0	0	0	0	3,884,662
	3,926,157	41,495	66,856	0	0	4,034,508

Notes to the Financial Statements
30 SEPTEMBER 2020

Thousands of Guyana Dollars

29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Foreign Exchange Risk

Foreign currency exposure arises from the Group's holding of foreign denominated assets and liabilities. Management of the Group reviews and manages the risk of unfavourable exchange rate movements by constant monitoring of market trends. To further mitigate against foreign exchange risk, the Group maintains a large percentage of its foreign - denominated assets and liabilities in stable currencies.

The aggregate amounts of assets and liabilities denominated in foreign currencies are shown in the tables below, along with the impact before tax of a reasonably possible change in the exchange rate (all changes in exchange rates reflect a strengthening against the Guyana Dollar).

	Assets	Liabilities	Net Position	% change	Impact on income increase / (decrease)	Impact on OCI increase / (decrease)
GROUP						
As at 30 September 2020						
United States Dollar	6,466,791	3,263,599	3,203,192	1.0%	32,032	0
Trinidad & Tobago Dollar	476,579	0	476,579	1.0%	2,976	1,789
Other	380,771	2,780	377,991	1.0%	3,777	3
As at 30 September 2019						
United States Dollar	5,998,424	3,194,887	2,803,537	1.0%	28,035	0
Trinidad & Tobago Dollar	462,657	0	462,657	1.0%	2,771	1,855
Other	207,027	2,295	204,732	1.0%	2,044	3
COMPANY						
As at 30 September 2020						
United States Dollar	2,527,549	1,278,201	1,249,348	1.0%	12,493	0
Trinidad & Tobago Dollar	178,948	0	178,948	1.0%	0	1,789
Other	307	0	307	1.0%	0	3
As at 30 September 2019						
United States Dollar	1,801,116	1,546,522	254,594	1.0%	2,546	0
Trinidad & Tobago Dollar	185,543	0	185,543	1.0%	0	1,855
Other	306	0	306	1.0%	0	3

Notes to the Financial Statements
30 SEPTEMBER 2020

Thousands of Guyana Dollars

29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument or its fair value will fluctuate because of changes in the market interest rates.

Management of Interest Rate Risk

Company

The Company's interest rate risk exposure arises primarily on its borrowings and cash balances. The risk is managed by entering into fixed rate instruments thereby minimising the cash flow risk that could arise.

Banking Subsidiary

The Audit, Finance and Risk Management Committee of the banking subsidiary is responsible for approving the risk management policies and practices. Management is responsible for implementing those approved policies and practices.

Management manages this risk by a number of measures, including selection of assets which best match the maturity of liabilities and the offering of deposit opportunities that match the maturity profile of assets. Maturity gap profiles and interest rate sensitivity analysis are relied upon to manage this risk.

The banking subsidiary's interest bearing instruments include investment securities, loans and advances, cash resources, customers' deposits and borrowings. The majority of these instruments are of a fixed rate nature and carried at amortised cost.

Concentration of risk

The Group is exposed to certain risks associated with fluctuations in the prevailing levels of interest rates where the Group's assets and liabilities have varying repricing dates.

The tables below set out the Group's exposure to interest rate risk by categorising the Group's assets and liabilities by the earlier of contractual repricing and maturity dates.

Notes to the Financial Statements
30 SEPTEMBER 2020

Thousands of Guyana Dollars

29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Interest Rate Risk (Cont'd)

Concentration of risk (Cont'd)

GROUP **As at 30 September 2020**	**Up to 1 year**	**Over 1 year but not over 5 years**	**Over 5 years**	**Non-interest bearing**	**Total**
Assets					
Investment securities	7,245,764	0	233,230	2,075,683	9,554,677
Loans and advances	4,968,208	5,492,726	20,392,308	878,405	31,731,647
Cash resources	5,047,937	0	0	15,529,166	20,577,103
Other assets	0	0	0	35,837,285	35,837,285
	17,261,909	5,492,726	20,625,538	54,320,539	97,700,712
Liabilities					
Customers' deposits	35,453,466	539,227	0	4,813,355	40,806,048
Other liabilities	0	0	0	8,690,466	8,690,466
	35,453,466	539,227	0	13,503,821	49,496,514
Interest sensitivity gap	(18,191,557)	4,953,499	20,625,538		
As at 30 September 2019					
Assets					
Investment securities	3,016,773	0	241,182	1,937,568	5,195,523
Loans and advances	4,036,339	6,758,550	18,544,169	307,004	29,646,062
Cash resources	2,735,786	0	0	15,480,022	18,215,808
Other assets	0	0	0	34,481,392	34,481,392
	9,788,898	6,758,550	18,785,351	52,205,986	87,538,785
Liabilities					
Customers' deposits	31,189,422	113,139	0	4,741,024	36,043,585
Other liabilities	0	0	0	8,473,264	8,473,264
	31,189,422	113,139	0	13,214,288	44,516,849
Interest sensitivity gap	(21,400,524)	6,645,411	18,785,351		

Notes to the Financial Statements
30 SEPTEMBER 2020

Thousands of Guyana Dollars

29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Interest Rate Risk (Cont'd)

Concentration of risk (Cont'd)

COMPANY As at 30 September 2020	Up to 1 year	Over 1 year but not over 5 years	Over 5 years	Non-interest bearing	Total
Assets					
Cash resources	11,327,747	0	0	750,291	12,078,038
Other assets	0	0	0	34,256,725	34,256,725
	11,327,747	0	0	35,007,016	46,334,763
Liabilities					
Other liabilities	0	0	0	7,496,364	7,496,364
	0	0	0	7,496,364	7,496,364
Interest sensitivity gap	11,327,747	0	0		
As at 30 September 2019					
Assets					
Cash resources	8,494,353	0	0	643,920	9,138,273
Other assets	0	0	0	32,692,234	32,692,234
	8,494,353	0	0	33,336,154	41,830,507
Liabilities					
Borrowings	143,746	0	0	0	143,746
Other liabilities	0	0	0	7,245,861	7,245,861
	143,746	0	0	7,245,861	7,389,607
Interest sensitivity gap	8,350,607	0	0		

Notes to the Financial Statements
30 SEPTEMBER 2020

Thousands of Guyana Dollars

29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Interest Rate Risk (Cont'd)

	GROUP	
	2020	**2019**
The effective interest rates on significant financial assets and liabilities are:	%	%
Investment securities	1.1	1.8
Loans and advances	9.8	10.1
Customers' deposits	0.8	0.9

Price Risk

The Group is exposed to price risk on equity securities risk in relation to investment securities classified as FVPL or designated as FVOCI. The majority of such investment securities are traded on one or more of the regional stock exchanges. Should the market prices on these investment securities change by 5 percent with all other variables held constant, the impact on the statement of income and the OCI would be $12,746 and $91,039, respectively (2019 - $12,213 and $84,665).

Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns to the shareholders and benefits to other stakeholders, to maintain an optimal capital structure to reduce the cost of capital and to maintain a prudent relationship between the capital base and the underlying risks of the business.

Company

In pursuing the capital management objectives, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as total debt divided by total capital. The gearing ratio at the reporting date was as follows:

	COMPANY	
	2020	**2019**
Total debt	0	143,746
Total equity	38,838,399	34,440,900
Gearing ratio	N/A	0.004 : 1

Notes to the Financial Statements
30 SEPTEMBER 2020

Thousands of Guyana Dollars

29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONT'D)

Capital Management (Cont'd)

Banking subsidiary

In pursuing the capital management objectives, the banking subsidiary has regard to capital requirements imposed by the Bank of Guyana. These requirements measure capital adequacy as a percentage of capital resources to risk weighted assets (Risk Asset Ratio). Risk weighted assets are a function of risk weights stipulated by the Bank of Guyana applied to the banking subsidiary's assets. The Risk Asset Ratio should not be less than 8%, with a tier 1 component of not less than 4%.

Regulatory Capital:	**2020**	**2019**
Tier I capital	9,930,358	8,984,885
Tier II capital	58,061	58,061
Prescribed deduction	(126,960)	(123,874)
	9,861,459	8,919,072
Risk-weighted Assets:		
On-balance sheet	31,147,471	30,194,977
Off-balance sheet	506,766	557,253
	31,654,237	30,752,230
Regulatory Ratios:		
Tier I capital ratio	31.4%	29.2%
Total capital ratio	31.2%	29.0%

Notes to the Financial Statements
30 SEPTEMBER 2020

Thousands of Guyana Dollars

30. SEGMENTAL INFORMATION

2020	**Beverages**	**Commercial Banking**	**All Other Segments**	**Net of Consolidation Eliminations**	**GROUP Total**
Revenue	28,305,244	3,726,117	2,240,687	(50,531)	34,221,517
Segment profit before taxation	6,981,714	1,650,338	262,015	17,767	8,911,834
Loss on disposal of property, plant and equipment					(60,672)
Loss from associated company					(1,169)
Income and gains on investment securities					27,731
Net finance income					9,154
Other income					12,593
Profit before taxation					8,899,471
Segment assets	39,460,098	63,380,141	4,936,895	(12,601,699)	95,175,435
Investment in associated company					0
Investment securities at fair value					2,075,683
Employee benefits					196,823
Taxation (including deferred taxation)					252,771
Total assets					97,700,712
Segment liabilities	3,829,077	53,236,479	6,875	(11,735,350)	45,337,081
Employee benefits					451,026
Taxation (including deferred taxation)					3,708,407
Total liabilities					49,496,514
Capital expenditure	3,851,422	335,430	598,397	0	4,785,249
Depreciation	2,514,107	305,342	215,090	(42,504)	2,992,035

Notes to the Financial Statements
30 SEPTEMBER 2020

Thousands of Guyana Dollars

30. SEGMENTAL INFORMATION (CONT'D)

2019	Beverages	Commercial Banking	All Other Segments	Net of Consolidation Eliminations	GROUP Total
Revenue	26,947,113	3,339,008	2,650,283	(19,304)	32,917,100
Segment profit before taxation	5,753,510	1,516,856	264,049	37,286	7,571,701
Loss on disposal of property, plant and equipment					(42,385)
Loss from associated company					(2,049)
Income and gains on investment securities					70,309
Net finance income					10,898
Other income					47,053
Profit before taxation					7,655,527
Segment assets	35,104,973	54,445,111	4,806,208	(9,175,372)	85,180,920
Investment in associated company					1,169
Investment securities at fair value					1,937,568
Employee benefits					173,061
Taxation (including deferred taxation)					246,067
Total assets					87,538,785
Segment liabilities	4,040,786	44,979,423	17,511	(8,418,547)	40,619,173
Employee benefits					411,806
Taxation (including deferred taxation)					3,485,870
Total liabilities					44,516,849
Capital expenditure	2,115,560	223,065	1,005,500	0	3,344,125
Depreciation	2,601,687	254,069	218,420	7,948	3,082,124

Notes to the Financial Statements
30 SEPTEMBER 2020

Thousands of Guyana Dollars

30. SEGMENTAL INFORMATION (CONT'D)

Other Segmental Information

	GROUP 2020	2019
(a) Source of Revenue		
Sales of beverages	28,305,244	26,947,113
Commercial banking income	3,726,117	3,339,008
Sales of food items	2,123,911	2,584,149
Hotel and laundry services income	38,576	66,134
Automotive unit sales and servicing	78,200	0
	34,272,048	32,936,404
Net of consolidation eliminations	(50,531)	(19,304)
Total revenue	34,221,517	32,917,100

(b) Geographical Information

The analysis of the Group's revenue between earnings in Guyana and earnings out of Guyana is shown in note 20 to these financial statements.

There are no non-current assets, other than financial instruments, located out of Guyana. The geographic analysis of the Group's financial instruments held at the year end is shown in note 29 to these financial statements.

(c) Major Customers

There was no revenue deriving from transactions with a single customer that amounted to 10 percent or more of the Group's revenue.

Notes to the Financial Statements
30 SEPTEMBER 2020

Thousands of Guyana Dollars

31. FAIR VALUE ESTIMATION

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The sections that follow provide an analysis of the fair values of the Group's and Company's assets and liabilities based on the following hierarchy contained in IFRS 13:

Level 1	Quoted prices (unadjusted) in active markets for identical assets and liabilities.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
Level 3	Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs).

Assets carried at fair value

	GROUP		COMPANY	
FVPL and FVOCI Investments	**2020**	**2019**	**2020**	**2019**
Level 1	254,912	244,270	0	0
Level 2	1,820,771	1,692,384	1,820,771	1,692,384
Level 3	0	914	0	914
	2,075,683	1,937,568	1,820,771	1,693,298

Where the fair value of an investment security (FVPL or FVOCI) is based on a quoted market price in an active market, the instrument is classified in Level 1. A market is regarded as active if quoted market prices are readily and regularly available from an exchange, dealer, broker, industry, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Where the fair value of an investment security (FVPL or FVOCI) is determined by a quoted price for an identical instrument in a market that is considered less active or by a quoted price in an active market for a similar instrument, that instrument is included in Level 2.

If the fair value is based on one or more significant inputs that are not derived from observable market data, the instrument is included in Level 3.

Property

Freehold properties are recorded at independent professional valuations. Valuations of the parent company's properties were carried out by Rodrigues Architects Limited in 2018 while the valuation of the banking subsidiary's freehold property was carried out by Patterson Associates in 2017. Investment property was revalued in 2020 by Duesbury's Enterprise, Property Valuation Service. All valuations were based on open market value.

The valuation of property has been derived by reference to the current market value in the case of land, and the replacement cost in the case of buildings. The most significant input for these valuation approaches is the value or replacement cost per square foot which is considered to be observable. The valuation of property is classified as Level 2.

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Thousands of Guyana Dollars

31. FAIR VALUE ESTIMATION (CONT'D)

Assets and liabilities not carried at fair value

The table below shows the fair values of assets and liabilities which are not carried at fair value on the statement of financial position but for which disclosure of fair value is required.

		GROUP		COMPANY	
	IFRS 13 Level	2020 Carrying Amount	2020 Fair Value	2020 Carrying Amount	2020 Fair Value
Assets:					
Investment securities (Amortised cost)	Level 2	7,478,994	7,481,041	0	0
Loans and advances	Level 2	31,731,647	31,815,291	0	0
Liabilities:					
Borrowings	Level 2	0	0	0	0

		GROUP		COMPANY	
	IFRS 13 Level	2019 Carrying Amount	2019 Fair Value	2019 Carrying Amount	2019 Fair Value
Assets:					
Investment securities (Amortised cost)	Level 2	3,257,955	3,290,546	0	0
Loans and advances	Level 2	29,646,062	30,248,430	0	0
Liabilities:					
Borrowings	Level 2	0	0	143,746	143,746

The fair values of investment securities and loans and advances are based on net present values using discount rates reflective of market conditions for similar assets.

The fair value of borrowings is considered to approximate carrying values given the consistency of the inherent interest rate with market conditions.

The fair values of receivables, cash resources, customers' deposits and other financial liabilities approximate to carrying amounts given their short-term nature.

Five Year Statistical Summary

Company

YEARS TO SEPTEMBER 30	2020	2019	2018	2017	2016
Thousands of Guyana Dollars					
OPERATING DATA					
Sales - Net of Excise Taxes	26,969,159	26,051,416	23,919,002	23,156,314	22,328,366
Taxes	2,057,859	1,643,615	1,946,763	1,494,507	1,550,154
Net Profit after Tax for Shareholders	5,270,821	4,523,532	4,085,166	3,584,269	4,356,976
Cash Cost Of Dividends Paid	985,839	951,844	892,354	802,410	1,370,000
Net Dividend Cover	5.35	4.75	4.58	4.47	3.18
STATEMENT OF FINANCIAL POSITION DATA					
Number of issued & fully paid Capital	849,862	849,862	849,862	849,862	1,000,000
Working Capital	14,897,328	12,359,348	9,387,976	7,820,867	10,509,514
Net Property, Plant and Equipment	24,168,444	22,504,933	22,262,266	20,125,967	20,246,462
Stockholders' Equity	38,838,399	34,440,900	30,425,811	25,695,688	28,541,325
Assets	46,334,763	41,830,507	37,980,352	33,150,528	35,190,286
Liabilities	7,496,364	7,389,607	7,554,541	7,454,840	6,648,961
PER ORDINARY SHARE UNIT					
Net Profit	6.20	5.32	4.81	4.10	4.36
Stockholders' Equity	45.70	40.53	35.80	30.24	28.54
Dividends paid for Year	1.16	1.12	1.05	0.90	1.37

Group

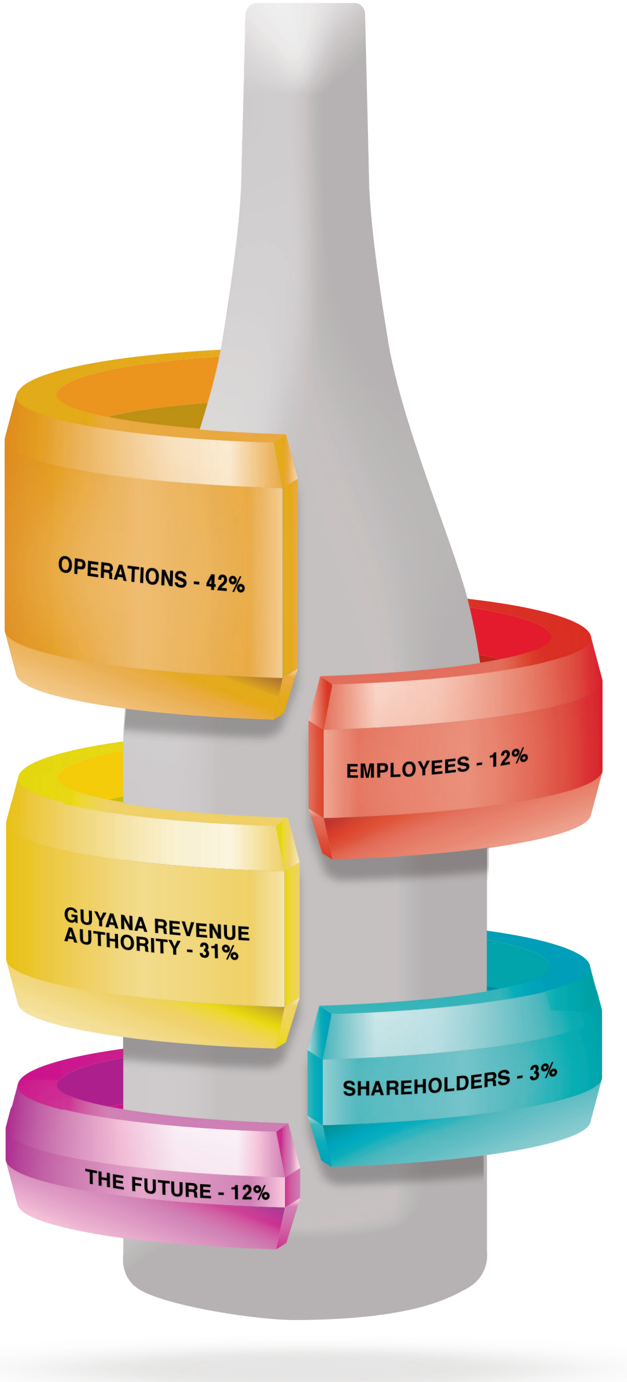
YEARS TO SEPTEMBER 30	2020	2019	2018	2017	2016
Thousands of Guyana Dollars					
OPERATING DATA					
Sales - Net of Excise Taxes	30,722,945	29,371,120	26,979,351	26,613,989	25,516,295
Taxes	2,752,062	2,290,046	2,348,314	1,989,573	1,824,790
Net Profit after Tax for Shareholders	5,666,155	4,897,407	4,286,356	3,887,795	4,468,140
Cash Cost Of Dividends Paid	985,839	951,844	892,354	802,410	1,370,000
Net Dividend Cover	5.75	5.15	4.80	4.85	3.26
STATEMENT OF FINANCIAL POSITION DATA					
Number of issued & fully paid Capital	849,862	849,862	849,862	849,862	1,000,000
Working Capital	(5,333,686)	(7,947,954)	(7,988,970)	(11,071,714)	(9,466,390)
Net Property, Plant and Equipment	27,535,780	25,806,364	25,624,359	23,601,031	23,375,880
Stockholders' Equity	43,246,700	38,453,867	34,124,221	29,175,923	31,721,304
Assets	97,700,712	87,538,785	81,319,447	75,946,222	77,260,878
Liabilities	49,496,514	44,516,849	42,959,530	42,746,048	41,815,726
PER ORDINARY SHARE UNIT					
Net Profit	6.67	5.76	5.04	4.44	4.47
Stockholders' Equity	50.89	45.25	40.15	34.33	31.72
Dividends paid for Year	1.16	1.12	1.05	0.90	1.37

Social Distribution for the Company 2020

We present below a statement of the Social Distribution for the Company.

	2020 $(000)
Revenue	30,467,731
VAT & Environmental Levy	4,796,675
Net Income on Investment	153,981
	35,418,387
Utilised/Distributed as follows:	
Operations: Production and Operating Cost	14,688,317
Employees: Salaries and Wages net of PAYE	4,295,093
Guyana Revenue Authority: Excise Tax, Corporate Taxes, VAT, Environmental Levy and PAYE	11,071,170
Shareholders: Dividend & Shareholders' Relation	1,078,825
Future: Retained for Company's Future	4,284,982
	35,418,387

Operations	42%
To Employees	12%
To Guyana Revenue Authority	31%
To Shareholders	3%
Retained for the Future	12%



Procedure for Transfer of Shares

1. (a) A Shareholder (Transferor) who wishes to transfer his/her shares should call at our Registered Office with the relevant share certificate(s) and proper identification.

   The person(s) [Transferee(s)] to whom the share(s) is (are) to be transferred is (are) also required to call at our Registered Office with the proper identification.

   (b) Our Share Registrar will assist in completing the Transfer Form(s) which must be signed by the Transferor and Transferee.

   (c) In the case where the parties are unable to come into our Registered Office, the Share Transfer Form must be completed and signed by both the Transferor and Transferee in the presence of and attested to by a Notary Public or Justice of the Peace or Commissioner of Oaths to Affidavits.

   (d) Our Shares Office will advise on the stamp duty and the cost of the stamps for the new certificate(s) as well as the transfer fee payable.

   (e) In the event a shareholder does not have the share certificate(s), then the loss of the share certificate(s) will have to be advertised in the newspapers at the shareholder's expense. The shareholder will also be required to submit an Affidavit, sign a Form of Indemnity and pay the relevant stamp duty.

   (f) The legal personal representative of a deceased shareholder can have the shares of the deceased transferred by submitting to our Shares Registrar the share certificate(s) along with the original or certified copy of Letters of Administration/Probate of the Estate with the Will and Statement of Assets and Liabilities attached (where applicable).

2. If at anytime you change your address or wish to revoke a standing instruction given to our Registered Office, please inform us in writing.

3. A dividend cheque that is more than six months old from the date it was issued, can be reissued at our Registered Office at Thirst Park.

4. A lost or misplaced dividend cheque should be communicated to our Registered Office so that a 'stop-payment' can be effected. The fee for the 'stop-payment' has to be paid by the shareholder and a new dividend cheque will be issued for payment after six weeks have elapsed.

5. Shareholders can register for a Web Account by visiting the company's website at www.banksdih.com. Click on Web Account under Services and get your personalised account which will enable you to make online dividend enquiries and monitor your shareholding.

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