

First Citizens Bank Limited And Its Subsidiaries (A Subsidiary of First Citizens Group Financial Holdings Limited)

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR SIX MONTHS ENDED 31 MARCH 2024

(Expressed in Trinidad and Tobago dollars)



First Citizens

Condensed Consolidated Interim Statement of Financial Position

	Unaudited Mar 2024 \$'000	Unaudited Mar 2023 \$'000	Audited Sept 2023 \$'000
ASSETS			
Cash and Statutory Deposits	9,986,888	11,086,174	10,288,686
Financial Assets			
- Investments securities	12,432,902	12,258,499	12,299,777
- Loans to customers	21,104,809	19,524,946	20,089,527
Other assets	791,676	749,593	951,816
Property, plant and equipment	944,265	856,498	932,186
Goodwill	156,886	156,886	156,886
Defined Benefit Asset	81,525	98,081	78,274
TOTAL ASSETS	45,498,951	44,730,677	44,797,152
LIABILITIES			
Customers' deposits and other funding instruments	32,690,680	32,666,229	32,531,259
Due to other banks	1,536,510	1,316,741	1,334,461
Creditors and accrued expenses	1,029,481	720,267	824,825
Lease Liabilities	258,413	240,862	270,599
Debt securities in issue	1,685,875	1,716,157	1,689,456
Notes due to related companies	--	58,000	--
TOTAL LIABILITIES	37,200,959	36,718,256	36,650,600
SHAREHOLDERS' EQUITY			
Share capital	458,557	458,557	458,557
Statutory reserve	1,241,412	1,241,412	1,241,412
Fair value reserve	908,040	912,829	858,932
Retained earnings	5,689,983	5,399,623	5,587,651
SHAREHOLDERS' EQUITY	8,297,992	8,012,421	8,146,552
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	45,498,951	44,730,677	44,797,152

On 29 April 2024, the Board of Directors of First Citizens Bank Limited authorised these consolidated financial statements for issue.

Director *Anthony Isidore Smart*

Director *C. M. Wharfe*

Condensed Consolidated Interim Income Statement

Note	Unaudited Three months ended		Unaudited Six months ended		Audited Sep 2023 \$'000
	Mar 2024 \$'000	Mar 2023 \$'000	Mar 2024 \$'000	Mar 2023 \$'000	
Net interest income	494,837	450,644	1,007,002	867,447	1,857,296
Other Income	169,977	149,021	333,069	302,621	615,160
Total net income	664,814	599,665	1,340,071	1,170,068	2,472,456
Credit impairment expenses net recoveries	(2,744)	(7,748)	(3,271)	989	(38,428)
Expenses	(389,755)	(360,684)	(745,904)	(669,443)	(1,385,027)
Operating profit	272,315	231,233	590,896	501,614	1,049,001
Share of profit in associates and joint venture	5,838	4,539	13,755	10,335	24,176
Profit before taxation	278,153	235,772	604,651	511,949	1,073,177
Taxation	(57,630)	(70,074)	(166,444)	(145,882)	(293,102)
Profit after taxation	220,523	165,698	438,207	366,067	780,075

Condensed Consolidated Statement of Comprehensive Income

	Unaudited Three months ended		Unaudited Six months ended		Audited Sep 2023 \$'000
	Mar 2024 \$'000	Mar 2023 \$'000	Mar 2024 \$'000	Mar 2023 \$'000	
Profit after taxation	220,523	165,698	438,207	366,067	780,075
Other comprehensive income:					
Items that will not be classified to profit or loss					
Remeasurement of defined benefit liability	--	--	--	--	(16,157)
Net gains/(losses) on investments in equity instruments designated at FVOCI	9,009	(52,639)	11,783	(57,622)	(70,853)
Revaluation of property, plant and equipment net of tax	9,259	--	9,259	--	--
	18,268	(52,639)	21,042	(57,622)	(87,010)
Items may be classified to profit or loss					
Exchange difference on translation	7,833	(9,362)	605	(2,842)	(2,433)
Reclassified to profit or loss on disposal	6,540	(1,242)	10,557	10,924	14,410
Net (losses)/gains on financial assets measured at FVOCI	(25,170)	986	23,310	29,985	1,581
	(10,797)	(9,618)	34,472	38,067	13,558
Total other comprehensive income/(loss)	7,471	(62,257)	55,514	(19,555)	(73,452)
Total comprehensive income	227,994	103,441	493,721	346,512	706,623

Condensed Consolidated Statement of Changes in Equity

	Share Capital \$'000	Statutory Reserve \$'000	Other Reserves \$'000	Retained Earnings \$'000	Shareholders' Equity \$'000
Balance at 1 October 2023	458,557	1,241,412	858,932	5,587,651	8,146,552
Total comprehensive income	--	--	55,514	438,207	493,721
Revaluation surplus on disposal of equity	--	--	(6,406)	6,406	--
- transfer to retained earnings	--	--	--	(342,281)	(342,281)
Dividends	--	--	--	--	--
Balance at 31 March 2024	458,557	1,241,412	908,040	5,689,983	8,297,992
Balance at 1 October 2022	458,557	1,241,412	932,384	5,257,379	7,889,732
Total comprehensive (loss) / income	--	--	(19,555)	366,067	346,512
Dividends	--	--	--	(223,823)	(223,823)
Balance at 31 March 2023	458,557	1,241,412	912,829	5,399,623	8,012,421
Balance at 1 October 2022	458,557	1,241,412	932,384	5,257,379	7,889,732
Total comprehensive (loss)/income	--	--	(73,452)	780,075	706,623
Dividends	--	--	--	(449,803)	(449,803)
Balance at 30 September 2023	458,557	1,241,412	858,932	5,587,651	8,146,552

Condensed Consolidated Statement of Cash Flow

	Unaudited Mar 2024 \$'000	Unaudited Mar 2023 \$'000	Audited Sept 2023 \$'000
Cash Flow From Operating Activities			
Profit before taxation	604,651	511,949	1,073,177
Adjustments to reconcile profit to net cash provided by operating activities:			
- changes in operating assets and liabilities	(919,843)	(803,160)	(1,728,610)
Cashflows from operating activities before changes in operating assets and liabilities	(315,191)	(291,211)	(655,433)
Changes in operating assets and liabilities:			
Net change in loans to customers	(1,022,731)	(626,640)	(1,231,573)
Net change in customers' deposits and other funding	159,421	348,147	223,824
Net change in other assets	139,389	(15,077)	(234,618)
Net change in statutory deposits with Central Bank	560,134	64,703	1,416,549
Net changes in investments instruments	(75,468)	917,416	865,841
Interest received	1,131,448	999,036	2,054,984
Interest paid	(124,322)	(144,141)	(273,665)
Net change in creditors and accrued expenses	137,850	(42,411)	117,119
Taxes paid	(120,580)	(84,003)	(208,997)
Net cash inflow from operating activities	469,949	1,125,819	2,074,031
Cash Flows From Investing Activities			
Net change in short-term investments	95,925	(472,489)	(359,395)
Proceeds from disposal of property, plant and equipment	148	1,778	3,962
Purchase of property, plant and equipment	(38,207)	(46,516)	(114,722)
Net cash outflow from investing activities	57,866	(517,227)	(470,155)
Cash Flows From Financing Activities			
Repayment of debt securities	(3,581)	(1,235,012)	(1,261,713)
Repayment of Lease liabilities	(24,326)	(16,862)	(49,200)
Repayment of loan note payable	--	--	(58,000)
Dividend paid	(342,281)	(223,823)	(449,803)
Net cash outflow from financing activities	(370,188)	(1,475,697)	(1,818,716)
Net increase/(decrease) in cash and cash equivalents	157,627	(867,105)	(214,840)
Cash and cash equivalents at beginning of year	4,413,891	4,626,278	4,626,278
Effect of exchange rate changes	(5,415)	4,988	2,453
Cash and cash equivalents at end of period	4,566,103	3,764,161	4,413,891

REPRESENTED BY:-

Cash and cash equivalent	9,986,888	11,086,174	10,288,686
Due to other banks	(1,536,510)	(1,316,741)	(1,334,461)
Less:			
Statutory Deposit	(3,175,770)	(5,087,749)	(3,735,904)
Short Term Investments (Maturity over 3 months)	(708,505)	(917,523)	(804,430)
Total	4,566,103	3,764,161	4,413,891

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(Expressed in Trinidad and Tobago dollars)



First Citizens

Notes to the Condensed Consolidated Interim Financial Statements

1 General Information

First Citizens Bank Limited (the Bank) and its subsidiaries (together the Group or First Citizens Group) provide retail, commercial and corporate banking as well as investment banking services. The Group operates primarily in Trinidad and Tobago and the Eastern Caribbean region.

The Bank is a wholly owned subsidiary of First Citizens Group Financial Holdings Limited (FCGFH), which is a subsidiary of First Citizens Holdings Limited (Holdings). Holdings is a company owned by the Government of the Republic of Trinidad and Tobago (GORTT). Holdings is the majority shareholder of FCGFH, with shareholding interest of 60.1%. The registered office is located at 9 Queen's Park East, Port of Spain.

Based on the corporate restructure in October 2021, the Bank was delisted and FCGFH was listed on the Trinidad and Tobago Stock Exchange.

The Group currently comprises the following entities:

Entity	Nature of operations	Country of incorporation	Ownership interest
First Citizens Depository Services Limited (formerly First Citizens Asset Management Limited)	The company acts as custodian for third parties and provides paying agent services	Trinidad & Tobago	100%
First Citizens Bank (Barbados) Limited	Banking, including the provision of mortgages for residential and commercial properties	Barbados	100%
First Citizens Costa Rica SA	Service related transactions	Costa Rica	100%
First Citizens Financial Services (St. Lucia) Limited	Selected banking and financial service operations	St. Lucia	100%
First Citizens Investment Services Limited and its Subsidiaries	Investment & asset management services and repo business	Trinidad & Tobago	100%
First Citizens Trustee Services Limited	Provision of trustee, administration and paying agency services	Trinidad & Tobago	100%

The Group also has investment in the following entities:

Entity	Nature of operations	Country of incorporation	Ownership interest
Infolink Services Limited	Provision of automated banking reciprocity services	Trinidad & Tobago	25%
St. Lucia Electricity Services Limited	Provision of electrical power to consumers	St. Lucia	19%
Term Finance (Holdings) Limited	Provision of short term loans to individuals and small-medium sizes business	Trinidad & Tobago	19.9%

2 Basis of preparation

The interim consolidated financial statement for the six months period ended 31 March 2024, has been prepared in accordance with IAS 34 "Interim Financial Reporting" and should be read in conjunction with the audited consolidated financial statements for the year ended 30 September 2023.

3 Significant Accounting Policies

The accounting policies adopted in the preparation of the interim financial statement are consistent with those followed in the preparation of the annual financial statements for the year ended 30 September 2023.

4 Commitments

	Mar 2024 \$'000	Mar 2023 \$'000	Sept 2023 \$'000
Capital Commitments			
Capital expenditure approved by the Directors but not provided for in these accounts	146,088	194,108	186,348
Credit Commitments			
Commitments for loans approved not yet disbursed	740,345	849,073	913,247

5 Credit impairment expenses net recoveries

	Mar 2024 \$'000	Mar 2023 \$'000	Sept 2023 \$'000
Expected Credit Losses			
Loans and advances	(10,127)	(2,143)	(56,163)
Other financial assets	6,856	3,132	17,735
	(3,271)	989	(38,428)

Notes to the Condensed Consolidated Interim Financial Statements (cont'd)

6 Related Party Transactions

	Mar 2024 \$'000	Mar 2023 \$'000	Sept 2023 \$'000
(a) Directors and key management personnel			
Salaries and other short-term employee benefits	37,202	36,242	61,647
Loans and receivables	19,200	19,955	16,842
Interest income	418	412	796
Customers' Deposits	23,681	34,041	29,359
Interest expense	130	162	336
Other Funding instruments	1,171	2,006	2,352
Interest expense-Other funding	21	75	122

(b) Transactions with related parties

	Mar 2024 \$'000	Mar 2023 \$'000	Sept 2023 \$'000
Customers' Deposit	63,703	4,831	62,423
Long-term notes	--	58,000	--
Customer Deposit - parent	63,444	8,862	15,178
Due from parent	911	734	821
Due to other related parties	228	286	--

(c) Pension Plan

	Mar 2024 \$'000	Mar 2023 \$'000	Sept 2023 \$'000
Employer's contribution	29,286	28,391	56,783

(d) Government of the Republic of Trinidad and Tobago (GORTT)

In 2009, the Bank entered into a Liquidity Support Agreement with GORTT and the Central Bank in relation to the acquisition of the shares of Caribbean Money Market Brokers Limited, now First Citizens Investment Services Limited which provided indemnification of the Bank against certain losses.

The current amount outstanding on these arrangements and obligations and the related income and expenses are disclosed below: -

	Mar 2024 \$'000	Mar 2023 \$'000	Sept 2023 \$'000
Liabilities			
Due to GORTT	27,157	26,572	26,572

(e) Other transactions with the Government of the Republic of Trinidad and Tobago

In addition to the balances in (d) above, the Group in its ordinary course of business enters into lending, deposit and investment transactions with the GORTT, other state owned institutions, state agencies and local government bodies. Transactions and balances between the Group and these related parties are as follows:

	Mar 2024 \$'000	Mar 2023 \$'000	Sept 2023 \$'000
Loans to customers	3,214,378	3,207,920	3,349,488
Interest income	114,024	108,458	234,544
Customers' deposits	9,975,948	10,602,175	10,038,125
Interest expense	8,971	9,127	17,325
Investments	7,185,205	6,896,523	6,925,769
Investment income	258,833	185,274	428,464
Other funding instruments	688,443	419,389	591,474
Interest expense	2,787	2,153	7,359

(f) The COVID-19 Small & Medium Enterprises (SME) Stimulus Loan

The (COVID - 19) Small & Medium Enterprises (SME) Stimulus Loan is an initiative the GORTT embarked upon, geared specifically towards bringing relief to the Small and Medium Enterprises businesses that were negatively affected as a result of the crisis caused by the COVID-19 pandemic. The GORTT provided a guarantee for 75% of the loan value. The interest on these loans will be paid by the GORTT for the duration of the loan.

	Mar 2024 \$'000	Mar 2023 \$'000	Sept 2023 \$'000
SME Loans	58,770	63,890	61,759
Interest income	892	953	1,884

7 Contingent Liabilities

Litigation

The Group is involved in claims and counterclaims arising from the conduct of its business. Based on the facts now known to the Group, the Directors believe that the outcome of these matters would not have a material adverse effect on the position of the Group.

8 Segment Reporting

The segmental information used by the Executive and Senior Management is as follows:-

	Retail & Corporate Banking \$'000	Treasury & Investment Banking \$'000	Trustee & Asset Management \$'000	Group Functions \$'000	Eliminations \$'000	Total \$'000
Period ended 31 March 2024						
Total net revenue	942,425	432,803	50,520	3,191	(88,867)	1,340,071
Profit Before Taxation	523,030	289,767	29,235	(170,429)	(66,952)	604,651
Total Assets	24,493,555	21,872,526	594,274	559,874	(2,021,278)	45,498,951
Period ended 31 March 2023						
Total net revenue	843,588	543,687	50,014	2,228	(269,449)	1,170,068
Profit Before Taxation	484,116	396,394	24,854	(141,394)	(252,021)	511,949
Total Assets	22,914,612	22,789,122	460,345	667,459	(2,100,861)	44,730,677
Year ended 30 September 2023						
Total net revenue	1,770,246	930,233	102,251	5,557	(335,831)	2,472,456
Profit Before Taxation	965,460	654,964	52,446	(302,956)	(296,737)	1,073,177
Total Assets	23,669,181	22,259,328	462,655	459,444	(2,053,456)	44,797,152