

The Central Bank of The Bahamas

GUIDANCE NOTICE

Re: Annual Publication of Audited Financial Statements

Senior I Name, Email: Email Address
Licensee Name

A. Purpose

This Guidance Notice:

1. supersedes previous guidance with respect to the Annual Publication of Audited Financial Statements (“the publication requirements”) contained in the September and December 2009 Quarterly Letters to Senior Officials, and the Notices of April 6th, 2010 and April 21st 2010; and
2. specifies the Central Bank’s (the Bank) publication requirements, pursuant to Section 8 of the Banks and Trust Companies Regulation Act, 2000 (“BTCRA”), as amended by the Banks and Trust Companies Regulation (Amendment) Act, 2010.

B. Effective Date

1. This Guidance Note has immediate effect.

C. Definitions

1. A **full set of audited financial statements** means the balance sheet, the external auditors’ opinion, and the statements of income, cash flow, and changes in equity, and the entire suite of notes to the financial statements.

D. Scope

1. These publication requirements supplement and do not replace other publication/disclosure requirements under other relevant Bahamian laws or accounting financial reporting standards. Where a licensee is incorporated in The Bahamas and is a publicly listed company on the Bahamas International Securities Exchange (BISX), it must also comply with publication/disclosure rules as laid down by BISX for publicly listed companies in The Bahamas.

E. Publication Requirements

1. Branch of a Foreign Bank and / or Trust Company

- a. A licensee may publish [in the Official Gazette or on its website] a full set of its audited financial statements; **OR**
- b. A licensee, which falls into this licence category, is permitted to publish [in the Official Gazette or on its website] an abridged version of its audited financial statements, which must include:
 - i. the balance sheet;
 - ii. a footnote advising that the public may obtain a copy of the full set of the audited financial statements at its registered office in The Bahamas; and
 - iii. the address from or at which the public may obtain or inspect a full set of the audited financial statements.
- c. Where the external auditors' opinion on the audited financial statements refers to a material matter contained in a note to the financial statements, then that entire note must be published.

2. A Locally Incorporated Bank and/ or Trust Company

- a. A licensee may publish [in the Official Gazette or on its website] a full set of its audited financial statements; **OR**
- b. A licensee, which falls into this licence category, is permitted to publish [in the Official Gazette or on its website] an abridged version of its audited financial statements which must include:
 - i. The balance sheet;
 - ii. The external auditors' opinion on the audited financial statements; and
 - iii. The Notes to the audited financial statements (unless the licensee has requested and received a waiver of this requirement due to the Notes being twenty [20] or more pages in length)¹.
- c. Where the external auditors' opinion on the audited financial statements refers to a material matter contained in a note to the financial statements, then that entire note must be published, irrespective of any waiver given by the Bank at iii above.

¹ A licensee should submit a full copy of the audited financial statements, when seeking such exemption waiver.

3. Domestic Commercial Banks (Authorised Dealers)

- a. A licensee within this licence category is required to publish [in the Official Gazette **OR** on its website] a full set of its audited financial statements. Where the notes to the audited financial statements comprise more than twenty [20] pages, the licensee may submit an application to the Bank for a waiver of the requirement to publish all the accompanying notes. However, where the external auditors' opinion on the audited financial statement refers to a material matter contained in a note to the financial statements, then that entire note must be published.
- b. A licensee should keep at least one copy of the full set of the audited financial statements at its registered office and at each branch (where applicable) in The Bahamas. The copy (or copies) must remain available for inspection by the public from the date of publication, at least until publication of the next audited financial statements.

F. Medium of Publication

Pursuant to Section 8 of the BTCRA, as amended by the Banks and Trust Companies Regulation (Amendment) Act 2010, a licensee may elect to publish the audited financial statements in the Official Gazette or on its website ("medium of publication"), subject to the following:

- a. A licensee must inform the Bank in writing at least **one [1] month** before the date of publication of its chosen medium of publication. This will become the **default medium of publication** of the licensee, unless the licensee has requested and received the Bank's prior approval to change its medium of publication. The licensee must specify the reason(s) for the change, when seeking the Bank's approval to change its **default medium of publication**.
- b. Where a licensee elects to publish in the Official Gazette, it must provide the Bank with **a copy of the "tear sheet" as evidence of publication**.
- c. Where a licensee elects to publish on its website, it must provide the Bank with the webpage address of the publication, along with a printed **copy of the webpage**, as evidence of publication. A licensee must ensure that the audited financial statements remain available on the website from the date of its publication until it publishes its next audited financial statements. Where practicable, the Bank strongly encourages licensees to create an archive of their audited financial statements that will permit trend analysis by the users of this information.

- d. A licensee is required to continue to submit to the Bank a copy of the full set of the audited financial statements within **four [4] months** of the end of its financial year.

Any questions regarding this Guidance Note should be directed to:

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