

## Financial statements

as at 31 March 2014

The financial statements on pages 173–244 for the financial year ended 31 March 2014 were approved on 12 May 2014 for presentation to the Annual General Meeting on 29 June 2014. They are presented in a form approved by the Board of Directors pursuant to Article 49 of the Bank's Statutes and are subject to approval by the shareholders at the Annual General Meeting.

Jaime Caruana  
General Manager

Hervé Hannoun  
Deputy General Manager



## Balance sheet

As at 31 March

<i>SDR millions</i>	Notes	2014	2013 restated	2012 restated
<b>Assets</b>				
Cash and sight accounts with banks	4	11,211.5	6,884.1	4,077.8
Gold and gold loans	5	20,596.4	35,367.1	35,912.7
Treasury bills	6	44,530.8	46,694.1	53,492.3
Securities purchased under resale agreements	6	50,554.4	28,469.5	46,210.8
Loans and advances	7	19,600.3	19,676.8	22,757.1
Government and other securities	6	70,041.1	62,643.3	77,877.7
Derivative financial instruments	8	3,002.2	5,855.7	7,303.9
Accounts receivable	9	2,777.4	6,171.2	7,845.5
Land, buildings and equipment	10	196.2	190.6	193.0
<b>Total assets</b>		<b>222,510.3</b>	211,952.4	255,670.8
<b>Liabilities</b>				
Currency deposits	11	180,472.2	166,160.3	195,778.5
Gold deposits	12	11,297.5	17,580.9	19,624.0
Securities sold under repurchase agreements	13	1,169.3	–	–
Derivative financial instruments	8	2,632.9	3,402.3	4,727.0
Accounts payable	14	8,411.5	5,335.3	16,745.5
Other liabilities	15	799.0	999.5	871.5
<b>Total liabilities</b>		<b>204,782.4</b>	193,478.3	237,746.5
<b>Shareholders' equity</b>				
Share capital	16	698.9	698.9	698.9
Statutory reserves	17	14,280.4	13,560.8	12,989.4
Profit and loss account		419.3	895.4	739.8
Less: shares held in treasury	18	(1.7)	(1.7)	(1.7)
Other equity accounts	19	2,331.0	3,320.7	3,497.9
<b>Total equity</b>		<b>17,727.9</b>	18,474.1	17,924.3
<b>Total liabilities and equity</b>		<b>222,510.3</b>	211,952.4	255,670.8

Prior-year figures have been restated due to a change in accounting policy – see note 3.

## Profit and loss account

For the financial year ended 31 March

<i>SDR millions</i>	Notes	<b>2014</b>	2013 restated
Interest income	21	1,599.8	2,154.0
Interest expense	22	(830.3)	(1,122.5)
<b>Net interest income</b>		<b>769.5</b>	1,031.5
Net valuation movement	23	(179.6)	(17.1)
<b>Net interest and valuation income</b>		<b>589.9</b>	1,014.4
Net fee and commission income	24	5.0	3.1
Net foreign exchange gain / (loss)	25	(33.3)	26.7
<b>Total operating income</b>		<b>561.6</b>	1,044.2
Operating expense	26	(273.9)	(260.8)
<b>Operating profit</b>		<b>287.7</b>	783.4
Net gain on sales of securities available for sale	27	40.5	82.7
Net gain on sales of gold investment assets	28	91.1	29.3
<b>Net profit for the financial year</b>		<b>419.3</b>	895.4
<b>Basic and diluted earnings per share (in SDR per share)</b>	29	<b>751.3</b>	1,604.3

Prior-year figures have been restated due to a change in accounting policy – see note 3.

## Statement of comprehensive income

For the financial year ended 31 March

<i>SDR millions</i>	Notes	2014	2013 restated
<b>Net profit for the financial year</b>		<b>419.3</b>	895.4
<b>Other comprehensive income</b>			
<b>Items either reclassified to profit and loss during the year, or that will be reclassified subsequently when specific conditions are met</b>			
Net valuation movement on securities available for sale	19A	(229.9)	(55.5)
Net valuation movement on gold investment assets	19B	(942.9)	(67.8)
<b>Items that will not be reclassified subsequently to profit and loss</b>			
Re-measurement of defined benefit obligations	19C	183.1	(53.9)
<b>Total comprehensive income for the financial year</b>		<b>(570.4)</b>	718.2

Prior-year figures have been restated due to a change in accounting policy – see note 3.

## Statement of cash flows

For the financial year ended 31 March

SDR millions	Notes	2014	2013 restated
<b>Cash flow from / (used in) operating activities</b>			
Interest and similar income received		2,183.3	2,923.9
Interest and similar expenses paid		(668.0)	(911.9)
Net fee and commission income	24	5.0	3.1
Net foreign exchange transaction gain	25	1.6	14.3
Operating expenses	26	(258.6)	(243.9)
<b>Non-cash flow items included in operating profit</b>			
Valuation movements on operating assets and liabilities	23	(179.6)	(17.1)
Net foreign exchange translation gain / (loss)	25	(34.9)	12.4
Change in accruals and amortisation		(745.8)	(980.5)
<b>Change in operating assets and liabilities</b>			
Currency deposit liabilities held at fair value through profit and loss		10,617.5	(14,079.8)
Currency banking assets		(21,947.9)	30,314.5
Sight and notice deposit account liabilities		6,014.4	(12,021.8)
Gold deposit liabilities		(6,283.4)	(2,043.1)
Gold and gold loan banking assets		13,807.7	472.2
Accounts receivable		1.2	0.3
Other liabilities / accounts payable		216.9	89.6
Net derivative financial instruments		2,084.1	123.5
<b>Net cash flow from operating activities</b>		<b>4,813.5</b>	3,655.7
<b>Cash flow from / (used in) investment activities</b>			
Net change in currency investment assets available for sale	6B	(1,682.4)	(489.6)
Net change in currency investment assets held at fair value through profit and loss		677.5	(56.8)
Securities sold under repurchase agreements		595.9	–
Net change in gold investment assets	5B	111.3	34.8
Net purchase of land, buildings and equipment	10	(21.1)	(14.5)
<b>Net cash flow used in investment activities</b>		<b>(318.8)</b>	(526.1)

<i>SDR millions</i>	Notes	2014	2013 restated
<b>Cash flow from / (used in) financing activities</b>			
Dividends paid		(175.8)	(168.4)
<b>Net cash flow used in financing activities</b>		<b>(175.8)</b>	(168.4)
<b>Total net cash flow</b>		<b>4,318.9</b>	2,961.2
Net effect of exchange rate changes on cash and cash equivalents		282.3	(66.5)
Net movement in cash and cash equivalents		4,036.6	3,027.7
<b>Net change in cash and cash equivalents</b>		<b>4,318.9</b>	2,961.2
<b>Cash and cash equivalents, beginning of year</b>	30	<b>7,225.6</b>	4,264.4
<b>Cash and cash equivalents, end of year</b>	30	<b>11,544.5</b>	7,225.6

Prior-year figures have been restated due to a change in accounting policy – see note 3.

## Movements in the Bank's equity

For the financial year ended 31 March

	Notes	Share capital	Statutory reserves	Profit and loss	Shares held in treasury	Other equity accounts		Total equity
						Defined benefit obligations	Gold and securities revaluation	
<i>SDR millions</i>								
<b>Equity at 31 March 2012</b>		<b>698.9</b>	<b>13,057.2</b>	<b>758.9</b>	<b>(1.7)</b>	<b>–</b>	<b>3,866.0</b>	<b>18,379.3</b>
Change in accounting policy for post-employment benefit obligations	3	–	(67.8)	(19.1)	–	(368.1)	–	(455.0)
<b>Equity at 31 March 2012 – restated</b>		<b>698.9</b>	<b>12,989.4</b>	<b>739.8</b>	<b>(1.7)</b>	<b>(368.1)</b>	<b>3,866.0</b>	<b>17,924.3</b>
Payment of 2011/12 dividend		–	–	(168.4)	–	–	–	(168.4)
Allocation of 2011/12 profit – restated		–	571.4	(571.4)	–	–	–	–
Total comprehensive income 2012/13 – restated	19	–	–	895.4	–	(53.9)	(123.3)	718.2
<b>Equity at 31 March 2013 – restated</b>		<b>698.9</b>	<b>13,560.8</b>	<b>895.4</b>	<b>(1.7)</b>	<b>(422.0)</b>	<b>3,742.7</b>	<b>18,474.1</b>
Payment of 2012/13 dividend		–	–	(175.8)	–	–	–	(175.8)
Allocation of 2012/13 profit – restated		–	719.6	(719.6)	–	–	–	–
Total comprehensive income	19	–	–	419.3	–	183.1	(1,172.8)	(570.4)
<b>Equity at 31 March 2014</b>		<b>698.9</b>	<b>14,280.4</b>	<b>419.3</b>	<b>(1.7)</b>	<b>(238.9)</b>	<b>2,569.9</b>	<b>17,727.9</b>

Prior-year figures have been restated due to a change in accounting policy – see note 3.