

The Stock Exchange Corner

Disclosures required in Interim Reports

by George Edwards

We have been focusing on disclosures that are required of Reporting Issuers as this is key to developing and maintaining a securities market that is fair, efficient, transparent and provides protection to investors. It is important that adequate information is released in a timely manner to enable members of the public to make informed rational investment decisions. Where the Guyana Securities Council feels that some bit of information should be conveyed to the public, they have the authority to call upon an issuer to provide such information as can be seen from Section 17 of Regulation No.8 of 2002. The section is quoted below:

17. (1) The Council may, at any time, require an issuer to –
 - (a) provide to the Council such information in the form and within the time limits as the Council may require; and
 - (b) publish that information in the form and within the time as the Council considers appropriate for the purpose of protecting investors and maintaining the smooth operation of the market.
- (2) If an issuer fails to comply with a requirement to publish information, the Council may itself publish the information.

We shall now look at the disclosures required in the interim reports of issuers which are addressed in Section 7 of Regulation No.8 of 2002.

Interim Reports

7. (1) The issuer shall prepare in respect of the first six months of each financial year of the issuer, unless that financial year is less than six months, an interim report containing the information required by paragraph (2) and, not later than four months after the end of that period of six months, the issuer shall –
 - (a) publish in at least two daily newspapers an announcement containing the information required by paragraph (2) to be contained in the interim report, the day after approval by or on behalf of its board of directors;

(b) send to the Council a copy of the interim report immediately on publication with the names of the relevant newspapers and the date of the publication; and

(c) as soon as reasonably practicable after such publication, send to the securities exchange and to every member and holder of its securities a copy of the interim report.

(2) Each interim report referred to in paragraph (1) shall include the following information, in respect of the issuer and its subsidiaries, on

(a) turnover

(b) interest paid and received

(c) profit (or loss) before taxation and extraordinary items with separate disclosure of any items included which are exceptional because of size or incidence;

(d) taxation on profits (Guyana and foreign), in each case indicating the basis of computation;

(e) profit attributable to minority interests;

(f) profit attributable to shareholders before extraordinary items;

(g) extraordinary items (net of taxation);

(h) exceptional items (net of tax);

(i) profit attributable to shareholders;

(j) amount of dividend paid or proposed on each class of shares (with particulars of each such class) and the amounts absorbed thereby (or an appropriate negative statement);

(k) transfers to and from reserves;

(l) earnings per share calculated on the basis of profits before extraordinary items;

(m) comparative figures of the matters specified in subparagraph (a)

to (j) inclusive for the corresponding previous period; and

(n) a statement as at the end of the six monthly period showing the

interests of each director and chief executive of the issuer, and of their associates in so far as is known or may be ascertained after reasonable enquiry, in the share capital of the issuer and its subsidiaries; the statement shall distinguish between beneficial and non-beneficial interests, and specify the company in which shares are held and the number of such shares.

- (3) Where the accounting information given in an interim report has not been audited that fact must be stated; if the accounting information contained in an interim report has been audited by the issuer's auditor, his report including any qualifications shall be set out in the interim report.
- (4) Any preliminary announcement of results for the full year shall also contain the information required by paragraph (2).

Stock Exchange Bulletin

New Stock Registrations

The following stocks have now been registered with the Guyana Securities Council:

Certificates of Interest in the **Government of St. Vincent and the Grenadines** fixed rate Bond 2014 valued at US\$4,703,163.45.

Government of Guyana:

Bank of Guyana Treasury Bills Issue: 551, 552

A173, A174, A175, A176, A177

B231, B232, B233, B234, B235, B238, B239,

B240, B241, B242, B243, B244, B245, B251,

B252, B253

Next week: How to Register a Securities Company

N.B. – More information may be accessed on our website: www.gasci.com