

## UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2020

(All amounts are in thousands of Ghana Cedis)

	2020	2019
Interest income	46,592	40,259
Interest expense	(11,253)	(17,150)
<b>Net interest income</b>	<b>35,339</b>	<b>23,109</b>
Fee and commission income	2,924	2,951
Fee and commission expense	(116)	(132)
<b>Net fee and commission income</b>	<b>2,808</b>	<b>2,819</b>
Net trading income	1,262	3,716
Other income	53	-
<b>Operating income</b>	<b>39,462</b>	<b>29,644</b>
Net impairment loss on financial assets	(1,663)	(6,164)
Personnel expenses	(9,090)	(5,476)
Depreciation and amortisation	(2,935)	(1,367)
Operating expenses	(7,741)	(7,900)
<b>Profit before tax</b>	<b>18,033</b>	<b>8,737</b>
Income tax expense	(4,508)	(2,184)
National stabilisation levy	(902)	(437)
<b>Profit for the period after tax</b>	<b>12,623</b>	<b>6,116</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<b>12,623</b>	<b>6,116</b>

The accompanying notes 1 to 4 form part of these financial statements

## UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

(All amounts are in thousands of Ghana Cedis)

	2020	2019
<b>Assets</b>		
Cash and cash equivalent	297,355	195,537
Investment securities	721,739	718,957
Non-pledged trading assets	972	-
Loans and advances	217,170	64,310
Current income tax assets	-	1,174
Other assets	12,381	23,364
Investments in associates	8,088	8,088
Property and equipment	11,106	9,488
Right of use asset	39,228	-
Intangible assets	628	1,057
Deferred income tax asset	4,252	992
<b>Total assets</b>	<b>1,312,919</b>	<b>1,022,967</b>
<b>Liabilities</b>		
Customer deposits	330,999	298,570
Deposits from banks and other financial institutions	400,210	223,608
Other liabilities	63,461	50,119
Lease liability	23,898	-
Current income tax liability	1,506	-
<b>Total liabilities</b>	<b>820,074</b>	<b>572,297</b>
<b>Shareholders' funds</b>		
Stated capital	400,000	400,000
Retained earnings	10,397	4,331
Statutory reserve	61,765	40,677
Credit risk reserve	19,394	4,373
Revaluation reserve	1,289	1,289
<b>Shareholders' funds</b>	<b>492,845</b>	<b>450,670</b>
<b>Total liabilities and shareholders' funds</b>	<b>1,312,919</b>	<b>1,022,967</b>

The accompanying notes 1 to 4 form part of these financial statements

## STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2020

(All amounts are in thousands of Ghana Cedis)

	Stated capital	Retained earnings	Statutory reserve	Credit risk reserve	Revaluation reserve	Total
At 1 January 2019	400,000	(2,761)	37,619	8,407	1,289	444,554
Profit for the period	-	6,116	-	-	-	6,116
<b>Total comprehensive income</b>	-	6,116	-	-	-	6,116
Transfer to statutory reserve	-	(3,058)	3,058	-	-	-
Transfer to credit risk reserve	-	4,034	-	(4,034)	-	-
<b>Total transactions with owners</b>	-	976	3,058	(4,034)	-	-
<b>At 31 March 2019</b>	<b>400,000</b>	<b>4,331</b>	<b>40,677</b>	<b>4,373</b>	<b>1,289</b>	<b>450,670</b>
At 1 January 2020	400,000	3,429	55,453	20,051	1,289	480,222
Profit for the period	-	12,623	-	-	-	12,623
<b>Total comprehensive income</b>	-	12,623	-	-	-	12,623
Transfer to statutory reserve	-	(6,312)	6,312	-	-	-
Transfer to regulatory credit risk reserve	-	657	-	(657)	-	-
<b>Total transactions with owners</b>	-	(5,655)	6,312	(657)	-	-
<b>At 31 March 2020</b>	<b>400,000</b>	<b>10,397</b>	<b>61,765</b>	<b>19,394</b>	<b>1,289</b>	<b>492,845</b>

The accompanying notes 1 to 4 form part of these financial statements

## UNAUDITED STATEMENT OF CASHFLOWS FOR THE PERIOD ENDED 31 MARCH 2020

(All amounts are in thousands of Ghana Cedis)

	2020	2019
<b>Cash flows from operating activities</b>		
Profit before income tax	18,033	8,737
<b>Adjustment for:</b>		
Depreciation and amortisation	2,933	1,367
Impairment charge on loans and advances	2,477	6,722
Gain on disposal of property and equipment	(53)	-
Changes in loans and advances to customers	42,344	934
Changes in restricted balances	11,258	2,429
Changes in other assets	(6,619)	(8,264)
Changes in customer deposits	(18,064)	(5,745)
Changes in deposits from banks and other financial institutions	36,032	33,302
Changes in other liabilities	8,926	(336)
Changes in investment securities	11,531	(112,875)
Purchase of trading assets	133	-
<b>Cash generated from/(used in) operations</b>	<b>108,931</b>	<b>(73,729)</b>
Tax paid	(2,963)	(2,807)
National stabilisation levy paid	(630)	(543)
<b>Net cash generated from/(used in) operations</b>	<b>105,338</b>	<b>(77,079)</b>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(1,236)	(265)
Purchase of intangible assets	(193)	(157)
Proceeds from disposal of property and equipment	53	-
<b>Net cash used in investing activities</b>	<b>(1,376)</b>	<b>(422)</b>
<b>Increase in cash and cash equivalents</b>	<b>103,962</b>	<b>(77,501)</b>
<b>Analysis of changes in cash and cash equivalents</b>		
Cash and cash equivalents at 1 January	163,179	243,644
Increase in cash and cash equivalents	103,962	(77,501)
<b>Cash and cash equivalents at 31 March</b>	<b>267,141</b>	<b>166,143</b>

The accompanying notes 1 to 4 form part of these financial statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2020

### 1.0 Significant Accounting policies

The accounting policies followed for the period ended 31 March, 2020 are consistent with those followed in the financial statements for the year ended 31st December, 2019.

### 2.0 Quantitative Disclosures

	MARCH 2020	MARCH 2019
Capital Adequacy Ratio	60.83%	76.12%
Non-Performing Loan Ratio	22.16%	38.74%
Liquid Ratio	139.50%	176.05%

### 3.0 Qualitative Disclosures

(i) The Bank's dominant risks are: credit risk, liquidity risk, market risk and operational risk.

#### (ii) Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. Under this framework, the Board has established a number of separate independent bodies responsible for managing and monitoring risks. These include, Board sub-committees, Credit Committee of management (MCC), Risk Management Department, Asset and Liability Management Committee (ALCO), which are responsible for developing and monitoring the Bank's risk management policies in their specified areas. All Board committees report regularly to the Board of Directors on their activities.

The Bank's risk management policies are established to identify and analyse the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Bank, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The risks arising from financial instruments to which the Bank is exposed are financial risks, which includes credit risk, liquidity risk and market risk.

(iii)

	MARCH 2020	MARCH 2019
Default in Statutory Liquidity	Nil	Nil
Default in Statutory Liquidity Sanction	Nil	Nil

4.0 The financial statements do not contain untrue statements, misleading facts or omit material facts to the best of our knowledge.

VICTOR YAW ASANTE  
(Managing Director/ CEO)

SEMIU LAMIDI  
(Director)

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