

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30TH SEPTEMBER 2019

(All amounts are expressed in Ghana Cedis)

	2019	2018
Interest income	126,808,437	47,851,697
Interest expense	(57,130,206)	(16,573,082)
Net interest income	69,678,231	31,278,615
Fee and commission income	8,508,540	6,666,321
Fee and commission expense	(503,267)	(231,567)
Net fee and commission income	8,005,273	6,434,754
Net trading income	9,473,777	12,923,083
Other income	4,109	273,514
Operating income	87,161,390	50,909,966
Net impairment loss on financial assets	(7,648,843)	(687,072)
Personnel expenses	(18,471,693)	(17,091,612)
Depreciation and amortisation	(4,166,879)	(4,872,175)
Operating expenses	(24,534,376)	(19,590,172)
Profit before tax	32,339,599	8,668,935
Income tax expense	(8,084,897)	(2,167,234)
National stabilisation levy	(1,616,980)	(433,447)
Profit for the period after tax	22,637,722	6,068,254
Other comprehensive income	-	-
Total comprehensive income for the period	22,637,722	6,068,254

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

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30TH SEPTEMBER 2019

(All amounts are expressed in Ghana Cedis)

	2019	2018
Assets		
Cash and cash equivalent	159,214,198	174,509,829
Investment securities	712,134,835	178,877,327
Loans and advances	188,361,262	70,638,959
Current income tax assets	459,610	236,953
Other assets	26,394,849	17,647,836
Investments in associates	8,088,100	8,088,100
Property and equipment	11,570,349	10,773,189
Intangible assets	717,809	1,187,676
Deferred income tax asset	992,097	585,662
Total assets	1,107,933,109	462,545,531
Liabilities		
Customer deposits	294,935,364	282,253,315
Deposits from banks and other financial institutions	291,377,494	34,152,186
Other liabilities	54,428,223	18,657,911
Total liabilities	640,741,081	335,063,412
Shareholders' funds		
Stated capital	400,000,000	60,000,000
Income surplus	7,477,163	24,427,301
Statutory reserve	48,938,021	34,436,228
Credit risk reserve	9,487,892	7,329,638
Capital surplus	1,288,952	1,288,952
Shareholders' funds	467,192,028	127,482,119
Total liabilities and shareholders' funds	1,107,933,109	462,545,531

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

STATEMENT OF CHANGES IN EQUITY AS AT 30TH SEPTEMBER 2019

(All amounts are expressed in Ghana Cedis)

	Stated Capital	Income Surplus	Statutory Reserves	Credit risk reserve	Capital Surplus	Total
At 1 January 2018	60,000,000	26,282,147	32,919,164	3,567,131	1,288,952	124,057,394
Changes on initial application of IFRS 9	-	-	-	-	-	-
Increase in impairment provisioning	-	(2,643,529)	-	-	-	(2,643,529)
Transfer from credit risk reserve	-	2,643,529	-	(2,643,529)	-	-
Restated balance at 1 January 2018	60,000,000	26,282,147	32,919,164	923,602	1,288,952	121,413,865
Profit for the period	-	6,068,254	-	-	-	6,068,254
Total comprehensive income	-	6,068,254	-	-	-	6,068,254
Transfer to statutory reserve	-	(1,517,064)	1,517,064	-	-	-
Transfer to credit risk reserve	-	(6,406,036)	-	6,406,036	-	-
Total transactions with owners	-	(7,923,100)	1,517,064	6,406,036	-	-
At 30 September 2018	60,000,000	24,427,301	34,436,228	7,329,638	1,288,952	127,482,119
At 1 January 2019	400,000,000	(2,761,536)	37,619,160	8,407,730	1,288,952	444,554,306
Profit for the period	-	22,637,722	-	-	-	22,637,722
Total comprehensive income	-	22,637,722	-	-	-	22,637,722
Transfer to statutory reserve	-	(11,318,861)	11,318,861	-	-	-
Transfer to credit risk reserve	-	(1,080,162)	-	1,080,162	-	-
Total transactions with owners	-	(12,399,023)	11,318,861	1,080,162	-	-
At 30 September 2019	400,000,000	7,477,163	48,938,021	9,487,892	1,288,952	467,192,028

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

UNAUDITED STATEMENT OF CASHFLOWS FOR THE PERIOD ENDED 30TH SEPTEMBER 2019

(All amounts are expressed in Ghana Cedis)

	2019	2018
Cash flows from operating activities		
Profit before income tax	32,339,599	8,668,935
Adjustment for:		
Depreciation and amortisation	4,166,879	4,872,175
Impairment charge on loans and advances	10,328,124	911,624
Gain on disposal of property and equipment	(4,109)	(273,514)
Changes in loans and advances to customers	(126,700,080)	(7,488,074)
Changes in restricted balances	2,909,840	1,741,524
Changes in other assets	(11,346,240)	(9,173,764)
Changes in customer deposits	(9,378,188)	(10,914,537)
Changes in deposits from banks and other financial institutions	101,071,073	(81,503,978)
Changes in other liabilities	3,486,641	5,626,521
Changes in investment securities	(105,668,437)	(28,659,852)
Cash used in operations	(98,794,898)	(116,192,940)
Tax paid	(7,993,499)	(2,784,010)
National stabilisation levy paid	(1,209,461)	(444,300)
Net cash used in operating activities	(107,997,858)	(119,421,250)
Cash flows from investing activities		
Purchase of property and equipment	(4,860,743)	(2,829,783)
Purchase of intangible assets	(172,855)	(430,934)
Proceeds from disposal of property and Equipment	73,435	273,514
Net cash used in investing activities	(4,960,163)	(2,987,203)
Increase in cash and cash equivalents	(112,958,021)	(122,408,453)
Analysis of changes in cash and cash equivalents		
Cash and cash equivalents at 1st January	243,643,603	354,557,025
Increase in cash and cash equivalents	(112,958,021)	(122,408,453)
Cash and cash equivalents at 30th September	130,685,582	232,148,572

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2019

1.0 Significant Accounting policies

The accounting policies followed for the period ended 30th September, 2019 are consistent with those followed in the financial statements for the year ended 31st December, 2018.

2.0 Quantitative Disclosures

	SEPTEMBER 2019	SEPTEMBER 2018
Capital Adequacy Ratio	38.86%	46.42%
Non-Performing Loan Ratio	17.91%	19.57%
Liquid Ratio	146.62%	111.69%

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)

	SEPTEMBER 2019	SEPTEMBER 2018
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)

JOSEPH VIELEH CHIREH
(Chairman)

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