

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER

	The Group		The Bank	
	Sept 2018 GHc'000	Dec 2017 GHc'000	Sept 2018 GHc'000	Dec 2017 GHc'000
Assets				
Cash and cash equivalents	1,104,245	1,107,576	1,104,245	1,107,576
Investment securities	956,793	906,238	956,793	906,238
Loans and advances to customers	885,829	877,675	885,829	877,675
Investment other than securities	-	-	20	20
Property and equipment	129,343	121,419	129,343	121,419
Intangible assets	4,413	4,206	4,413	4,206
Deferred income tax asset	2,517	2,517	2,517	2,517
Other assets	163,859	180,178	163,596	179,915
Total assets	3,246,999	3,199,809	3,246,756	3,199,566
Liabilities				
Deposits from banks	103,378	187,294	103,378	187,294
Deposits from customers	2,086,614	2,131,482	2,086,614	2,131,529
Borrowings	281,635	341,328	281,635	341,328
Current income tax	26,120	19,891	26,120	19,721
Deferred income tax liabilities	8,161	8,161	8,161	8,161
Other liabilities	32,095	41,895	32,873	42,796
Total liabilities	2,538,003	2,730,051	2,538,781	2,730,829
Equity				
Stated capital	400,000	144,738	400,000	144,738
Statutory reserve	155,060	129,279	155,060	129,279
Credit risk reserve	240,225	139,625	240,225	139,625
Income surplus	(98,086)	44,319	(99,107)	43,298
Fair value reserve	11,797	11,797	11,797	11,797
Total equity	708,996	469,758	707,975	468,737
Total equity and liabilities	3,246,999	3,199,809	3,246,756	3,199,566

STATEMENT OF CHANGES IN EQUITY

Group September 2018	Share Capital	Credit risk reserve	Statutory Reserve	Fair value reserve	Retained Earnings	Total Equity
Balance at 1 January 2018	144,738	139,625	129,279	11,797	44,319	469,758
Changes on initial application of IFRS 9	-	-	-	-	(64,808)	(64,808)
Profit for the period	-	-	-	-	85,938	85,938
Transfers for the year	37,154	100,600	25,781	-	(163,535)	-
Proceeds from share issue	218,108	-	-	-	-	218,108
Balance at 30 September 2018	400,000	240,225	155,060	11,797	(98,086)	708,996
December, 2017						
Balance at 1 January 2017	144,738	147,624	121,881	1,200	14,119	429,562
Profit for the year	-	-	-	-	29,599	29,599
Net changes in fair value of AFS financial instruments	-	-	-	10,597	-	10,597
Transfers for the year	-	(7,999)	7,398	-	601	-
Balance at 31 December 2017	144,738	139,625	129,279	11,797	44,319	469,758
The Bank September 2018						
	Share Capital	Credit risk reserve	Statutory reserve	Fair value reserve	Retained Earnings	Total Equity
Balance at 1 January 2018	144,738	139,625	129,279	11,797	43,298	468,737
Changes on initial application of IFRS 9	-	-	-	-	(64,808)	(64,808)
Profit for the period	-	-	-	-	85,938	85,938
Transfers for the year	37,154	100,600	25,781	-	(163,535)	-
Proceeds from share issue	218,108	-	-	-	-	218,108
Balance at 30 September 2018	400,000	240,225	155,060	11,797	(99,107)	707,975
December 2017						
Balance at 1 January 2017	144,738	147,624	121,881	1,200	13,105	428,548
Profit for the year	-	-	-	-	29,592	29,592
Net changes in fair value of AFS financial instruments	-	-	-	10,597	-	10,597
Transfers for the year	-	(7,999)	7,398	-	601	-
Balance at 31 December 2017	144,738	139,625	129,279	11,797	43,298	468,737

NOTES FORMING PART OF THE UNAUDITED FINANCIAL STATEMENTS

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Accounting Policies

The accounting policies applied for the period ended 30 September 2018 are consistent with those applied in the financial statements for the year ended 31 December 2017 with the exception of International Accounting Standard (IAS) 39 which has been replaced by International Financial Reporting Standard (IFRS) 9. The bank has elected not to reinstate the 2017 figures but pass the day one impact on the Equity.

1.2 Impact of IFRS 9 on Comparative Figures

This has been disclosed in the Statement of Equity

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER

	The Group		The Bank	
	Sept 2018 GHc'000	Sept 2017 GHc'000	Sept 2018 GHc'000	Sept 2017 GHc'000
Interest income	282,480	277,689	282,480	277,689
Interest expense	(134,127)	(149,277)	(134,127)	(149,277)
Net interest income	148,353	128,412	148,353	128,412
Fees and commission	32,018	21,404	32,018	21,404
Other operating income	64,475	24,229	64,475	24,229
Total operating income	244,846	174,045	244,846	174,045
Impairment loss on financial assets	(201)	(1,875)	(201)	(1,875)
Personnel expenses	(46,431)	(42,189)	(46,431)	(42,189)
Depreciation and amortization	(13,530)	(12,541)	(13,530)	(12,541)
Other expenses	(61,915)	(64,632)	(61,915)	(64,632)
Profit before income tax	122,769	52,808	122,769	52,808
Taxation	(36,831)	(15,844)	(36,831)	(15,844)
Profit after tax	85,938	36,964	85,938	36,964
Other comprehensive income	-	-	-	-
Total comprehensive income for the year attributable to equity holders of the Bank	-	-	-	-
Earnings per share - Basic & Diluted	0.49	0.31	0.49	0.31

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER

	The Group		The Bank	
	Sept 2018 GHc'000	Dec 2017 GHc'000	Sept 2018 GHc'000	Dec 2017 GHc'000
Profit before tax	122,769	58,597	122,769	58,587
<i>Adjustments for:</i>				
Depreciation and amortization	13,530	17,217	13,530	17,217
Net impairment loss on financial assets	201	40,816	201	40,816
Gain on disposal of property & equipment	(219)	(55)	(219)	(55)
<i>Changes in:</i>				
Government securities	(50,555)	(578,238)	(50,555)	(578,238)
Loans and advances to customers	(8,355)	367,121	(8,355)	367,121
Other assets	16,320	(66,618)	16,583	(66,608)
Due to other bank	(83,916)	187,294	(83,916)	187,294
Restricted balances with central bank	(4,487)	(12,238)	(4,487)	(12,238)
Customer deposits	(44,867)	122,383	(44,867)	122,383
Other liabilities	(10,815)	25,464	(10,037)	25,464
Taxes paid	(28,808)	(14,911)	(28,808)	(14,911)
Net cash flow from operating activities	(79,202)	146,832	(78,161)	(146,830)
Cash flow from investing activities				
Acquisition of property and equipment	(16,791)	(25,639)	(16,791)	(25,639)
Acquisition of intangible assets	(1,347)	(1,586)	(1,347)	(1,586)
Proceeds from the sale of property and equipment	59	786	59	786
Net cash flow used in investing activities	(18,079)	(26,439)	(18,079)	(26,439)
Financing activities				
Interest paid on interest bearing borrowings	-	-	-	-
Proceeds from borrowings	120,000	288,496	120,000	288,496
Repayments of borrowings	(179,693)	(150,836)	(179,693)	(150,836)
Deposit for rights issue	-	-	-	-
Net cash flows from financing activities	(59,693)	137,660	(59,693)	137,660
Net increase in cash and cash equivalents	(156,974)	258,053	(155,933)	258,053
Cash and cash equivalents at 1 January	1,076,259	818,206	1,076,259	818,206
Cash and cash equivalents at 30 September*	940,443	1,076,259	941,484	1,076,259

*Cash and Cash Equivalent at the end of September 2018 factors in restricted cash reserve and treasury bills maturing within 90days

2 QUALITATIVE DISCLOSURES

- The Bank's risk management framework defines the approach to risk management.
- The scope of risks that are directly managed by the Bank is as follows: Credit risk, Operational Risk, Market and Liquidity risk, Legal and Compliance risk, Strategic risk, Reputational risk and Capital risk.
- Key elements of the Bank's risk management framework are as follows:
 - Establishment of the Bank's risk philosophy, culture and objectives;
 - Establishment of the Bank's risk management governance framework;
 - Articulation of the Bank's risk management stakeholders and development of an action plan to meet their risk management expectations; and
 - Establishment of policies and procedures to identify, measure, monitor, report and control the risks the Bank faces.

The processes adopted for risk management for the period ended 30 June 2018 are consistent with those adopted for the year ended 31 December 2017.

3 QUANTITATIVE DISCLOSURES

	Sept 2018	Dec 2017
i. Capital Adequacy Ratio(%)	19.38	13.29
ii. Non-performing loans(%)	34.48	32.31
iii. Default in statutory liquidity	Nil	Nil
iv. Default in statutory liquidity sanction	Nil	Nil

Signed
Chairman

Signed
Managing Director