

UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH, 2022

UNAUDITED CONSOLIDATED AND SEPARATE STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH, 2022

In thousands of GHS

	2022		2021	
	Bank	Group	Bank	Group
Interest income	125,315	129,422	113,769	117,139
Interest expense	(45,476)	(45,215)	(45,025)	(44,812)
Net interest income	79,839	84,207	68,744	72,327
Fee and commission income	15,477	23,238	11,782	17,854
Fee and commission expense	(306)	(306)	(615)	(615)
Net fee and commission income	15,171	22,932	11,167	17,239
Net trading income	13,447	13,447	5,832	5,832
Net income from investments at fair value thru. P&L	3,572	4,088	2,736	2,977
Other operating income	2,146	2,146	1,286	1,286
Other income	5,893	6,962	643	1,368
Operating income	120,068	133,782	90,408	101,029
Net impairment loss on financial asset	(12,230)	(12,230)	(3,871)	(3,871)
Personnel expenses	(37,302)	(43,322)	(31,307)	(36,184)
Operating lease expenses	(231)	(231)	(637)	(637)
Depreciation and amortization	(5,734)	(6,175)	(5,211)	(5,633)
Other expenses	(22,280)	(25,078)	(15,448)	(17,998)
Profit before income tax for the period	42,291	46,746	33,934	36,706
National Fiscal Stabilization Levy	(2,116)	(2,318)	(1,692)	(1,823)
Financial Sector Recovery Levy	(2,116)	(2,116)	-	-
Tax expense	(10,578)	(11,614)	(8,656)	(9,311)
Profit for the period	27,481	30,698	23,586	25,572
Other comprehensive income				
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income for the period	27,481	30,698	23,586	25,572
Profit attributable to:				
Controlling Equity holders of the Bank	27,481	30,049	23,586	25,272
Non-controlling interest	-	649	-	300
Profit for the period	27,481	30,698	23,586	25,572
Total comprehensive income attributable to:				
Controlling Equity holders of the bank	27,481	30,049	23,586	25,272
Non-controlling interest	-	649	-	300
Total comprehensive income for the period	27,481	30,698	23,586	25,572

UNAUDITED CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH, 2022

In thousands of GHS

	2022		2021	
	Bank	Group	Bank	Group
Assets				
Cash and cash equivalents	658,193	658,219	880,930	880,958
Non-pledged trading assets	10,304	10,304	3,180	3,180
Pledged assets	15,434	15,434	6,293	6,293
Investment securities	1,292,800	1,322,621	1,175,938	1,198,342
Loans and advances to customers	1,920,415	1,920,415	1,557,168	1,557,168
Investment in subsidiaries	13,543	-	12,043	-
Current income tax assets	-	-	1,296	974
Deferred tax assets	19,877	20,412	16,361	16,400
Intangible assets	8,447	8,612	7,388	7,548
Other assets	28,113	35,488	25,466	34,263
Property, plant and equipment	134,640	137,853	118,465	121,902
Total assets	4,101,766	4,129,358	3,804,528	3,827,028
Liabilities and equity				
Deposits from banks	-	-	15,006	15,006
Deposits from customers	3,030,399	3,013,184	2,916,982	2,893,613
Borrowing	124,994	124,994	100,753	100,753
Current tax liabilities	6,237	6,646	-	-
Deferred tax liabilities	9,957	10,121	-	-
Other liabilities	212,766	217,627	139,967	155,872
Total liabilities	3,384,353	3,372,572	3,172,708	3,165,244
Equity				
Stated capital	401,191	401,191	401,191	401,191
Income surplus	47,852	79,929	9,109	33,767
Revaluation reserve	24,852	24,852	24,852	24,852
Statutory reserve fund	192,326	192,326	151,476	151,476
Regulatory credit risk reserve	50,448	50,448	44,448	44,448
Housing development assistance reserve	744	744	744	744
Total equity attributable to equity holders of the Bank	717,413	749,490	631,820	656,478
Non-controlling interest	-	7,296	-	5,306
Total equity	717,413	756,786	631,820	661,784
Total liabilities and equity	4,101,766	4,129,358	3,804,528	3,827,028

UNAUDITED CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 31 MARCH, 2022

In thousands of GHS

	2022		2021	
	Bank	Group	Bank	Group
Profit before tax	42,292	46,747	33,934	36,706
Adjustments for:				
Depreciation and amortization	5,734	6,175	5,211	5,633
Profit on disposal of property and equipment	(37)	(37)	-	-
Net impairment loss on loans and advances	12,229	12,229	3,871	3,871
Impairment of goodwill	699	699	-	-
Net interest income	(79,839)	(84,207)	(68,744)	(72,327)
Fair value change- investments securities FVTPL	(3,572)	(4,088)	(2,736)	(2,977)
Realised exchange difference	22,628	22,628	1,161	1,161
Effect of foreign exchange fluctuations on cash & cash equiv.	(27,319)	(27,319)	(7,137)	(7,137)
Decrease in trading assets	7,357	7,357	-	-
Decrease/(increase) in pledged assets	58,972	58,972	(35,941)	(35,941)
Increase in loans and advances to customers	(172,420)	(172,420)	(32,069)	(32,069)
(Increase)/decrease in other receivable and assets	(12,865)	(8,939)	28,485	28,410
(Decrease) / increase in deposits from customers	(179,696)	(176,144)	162,585	153,295
Increase in payables and other liabilities	60,112	28,672	5,598	4,257
Cash generated from operations	(265,724)	(289,674)	94,218	82,882
Interest paid	(53,269)	(53,269)	(52,063)	(52,063)
Interest received	125,315	129,422	113,769	117,139
Corporate tax paid	(6,876)	(7,650)	(5,707)	(6,505)
National fiscal stabilization levy paid	(1,387)	(1,580)	(925)	(1,039)
Financial Sector recovery levy paid	(1,387)	(1,387)	-	-
Net cash generated from operating activities	(203,327)	(224,137)	149,292	140,414
Cash flows from investing activities				
Purchase of property, plant and equipment	(3,567)	(5,804)	(5,862)	(5,953)
Proceeds from sale of property, plant and equipment	249	249	-	-
Purchase of investment securities at amortised cost	(2,839,859)	(2,894,477)	(413,490)	(413,490)
Sale of investment securities at amortised cost	2,757,614	2,835,298	261,334	270,321
Proceeds from sale of investment securities / interest received - FVTPL	7,015	7,015	111	111
Purchase of investment securities - FVTPL	-	-	(10,000)	(10,000)
Net cash used in investing activities	(78,548)	(57,719)	(167,907)	(159,011)
Cash flows from financing activities				
Redemption of bonds	-	-	(12,200)	(12,200)
Proceeds from bonds issued	-	-	12,000	12,000
Repayment of borrowings	(33,305)	(33,305)	(14,033)	(14,033)
Net cash generated from financing activities	(33,305)	(33,305)	(14,233)	(14,233)
Decrease in cash and cash equivalents	(315,181)	(315,162)	(32,848)	(32,830)
Effect of foreign exch. fluctuations on cash & cash equiv.	27,319	27,319	7,137	7,137
At 1 January	946,055	946,062	906,641	906,651
Cash and cash equivalents as at 31 March	658,193	658,219	880,930	880,958

UNAUDITED CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH, 2022

The Bank-2022

In thousands of GHS	Stated Capital	Income surplus account	Statutory reserve fund	Revaluation reserve	Housing development assistance reserve	Regulatory credit risk reserve	Total Equity
Balance at 1 January 2022	401,191	24,371	192,326	24,852	744	46,448	689,932
Profit for the period	-	27,481	-	-	-	-	27,481
Transfers from income surplus to reserves							
Transfer to regulatory credit risk reserve	-	(4,000)	-	-	-	4,000	-
Total transfers	-	(4,000)	-	-	-	4,000	-
At 31 March 2022	401,191	47,852	192,326	24,852	744	50,448	717,413

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UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH, 2022

The Bank-2021

In thousands of GH¢	Stated Capital	Income surplus account	Statutory reserve fund	Revaluation reserve	Housing development assistance reserve	Regulatory credit risk reserve	Total Equity
Balance at 1 January 2021	401,191	(14,477)	151,476	24,852	744	44,448	608,234
Profit for the period	-	23,586	-	-	-	-	23,586
Transfers from income surplus to reserves							
Transfer from regulatory credit risk reserve	-	-	-	-	-	-	-
Total transfers	-	-	-	-	-	-	-
At 31 March 2021	401,191	9,109	151,476	24,852	744	44,448	631,820

UNAUDITED CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH, 2022

The Group-2022

In thousands of GH¢	Stated Capital	Income surplus account	Statutory reserve fund	Revaluation reserve	Housing development assistance reserve	Regulatory credit risk reserve	Non-controlling interest	Total Equity
Balance at 1 January 2022	401,191	53,880	192,326	24,852	744	46,448.00	6,647	726,088
Profit for the period	-	30,049	-	-	-	-	649	30,698
Transfers from income surplus to reserves								
Transfer to regulatory credit risk reserve	-	(4,000)	-	-	-	4,000	-	-
Total transfers	-	(4,000)	-	-	-	4,000	-	-
At 31 March 2022	401,191	79,929	192,326	24,852	744	50,448	7,296	756,786

The Group-2021

In thousands of GH¢	Stated Capital	Income surplus account	Statutory reserve fund	Revaluation reserve	Housing development assistance reserve	Regulatory credit risk reserve	Non-controlling interest	Total Equity
Balance at 1 January 2021	401,191	8,495	151,476	24,852	744	44,448	5,006	636,212
Profit for the period	-	25,272	-	-	-	-	300	25,572
Transfers from income surplus to reserves								
Transfer from regulatory credit risk reserve	-	-	-	-	-	-	-	-
Total transfers	-	-	-	-	-	-	-	-
At 31 March 2021	401,191	33,767	151,476	24,852	744	44,448	5,306	661,784

NOTES TO THE UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH, 2022

1. Significant accounting policies

The unaudited consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee ("IFRIC") as adopted by the Institute of Chartered Accountant Ghana (ICAG) and in a manner required by the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) and the Companies Act, 2019, (Act 992).

Basis of preparation

The summary of the Consolidated and Separate Financial Statements have been extracted from the unaudited consolidated and separate financial statements of the Bank and its subsidiaries in accordance with the Bank of Ghana Guide for Financial Publication for Banks & Bank of Ghana (BOG) Licensed Financial Institutions.

2. Quantitative Disclosures

	2022	2021
a. Capital Adequacy Ratio (CRD) (%)	24.29	25.72
b. Non-Performing Loan (NPL) Ratio (%)	15.14	18.39
c. Liquidity ratio (%)	152.16	151.89
d. Leverage ratio (%)	13.99	13.45

3. Qualitative Disclosures

a. Dominant Risks

The Bank is exposed to the following risks:

- Credit Risk
- Liquidity Risk
- Operational Risk
- Market Risk

The Board of Directors established the Bank's Risk Management Frameworks and Assets and Liabilities Committee (ALCO) to be responsible for the monitoring of the Bank's risks.

The Bank has Risk Management and Compliance Department which have policy and procedure manuals which have been instituted by the Board of Directors and Management. A comprehensive departmental manual has established a framework within which Management effectively manages and controls risks. The tasks involve in the risk management functions are to identify, define, measure, control, monitor and mitigate potential events that could impair the ability of the Group to generate stable and sustainable financial results from its operations.

b. Risk management, compliance frameworks and measurement

All risks are qualitatively and quantitatively evaluated on a recurring basis. Management understands the degree and nature of risk exposures on decisions regarding allocation of resources. Risk assessment is validated by the Risk Department which also tests the effectiveness of risk management activities and makes recommendations for remedial action. The Bank also identifies risk by evaluating the potential impact of internal and external factors, business transactions and positions. Once the risks are identified, various mitigating measures are put in place to regulate the degree of risks involved.

4. Defaults in statutory liquidity and accompanying sanctions

	2022	2021
Default in Statutory Liquidity (Times)	Nil	Nil
Default in Statutory Liquidity Sanctions (GHS'000)	Nil	Nil

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



Charles William Zwennes
Chairman



Farid Antar
Managing Director