

## UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH 2018

(All amounts are expressed in Ghana Cedis)

	2018	2017
Interest income	16,962,688	22,497,570
Interest expense	(6,582,138)	(9,472,319)
<b>Net interest income</b>	<b>10,380,550</b>	<b>13,025,251</b>
Fee and commission income	2,104,692	1,617,304
Fee and commission expense	(97,778)	(72,133)
<b>Net fee and commission income</b>	<b>2,006,914</b>	<b>1,545,171</b>
Net trading income	4,045,574	1,635,100
<b>Operating income</b>	<b>16,433,038</b>	<b>16,205,522</b>
Loans and advances impairment charge	868,763	(310,126)
Personnel expenses	(5,344,034)	(4,942,207)
Depreciation and amortisation	(1,577,245)	(849,559)
Operating expenses	(6,789,731)	(5,427,239)
<b>Profit before tax</b>	<b>3,590,791</b>	<b>4,676,391</b>
Income tax expense	(897,697)	(1,169,097)
National stabilisation levy	(179,540)	(233,820)
<b>Profit for the period after tax</b>	<b>2,513,554</b>	<b>3,273,474</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<b>2,513,554</b>	<b>3,273,474</b>

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

## UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> MARCH 2018

(All amounts are expressed in Ghana Cedis)

	2018	2017
<b>Assets</b>		
Cash and cash equivalent	132,127,133	245,569,663
Investment securities	253,095,914	160,546,411
Loans and advances	67,513,433	88,078,224
Current income tax assets	-	343,191
Other assets	9,161,723	11,358,264
Investments in associates	8,088,100	8,088,100
Property and equipment	11,449,589	12,509,075
Intangible assets	1,183,487	1,553,716
Deferred income tax asset	585,662	-
<b>Total assets</b>	<b>483,205,041</b>	<b>528,046,644</b>
<b>Liabilities</b>		
Customer deposits	275,988,761	247,621,947
Deposits from banks and other financial institutions	69,937,936	149,038,166
Other liabilities	13,308,038	15,464,328
Current income tax liability	42,887	-
Deferred income tax liability	-	22,559
<b>Total liabilities</b>	<b>359,277,622</b>	<b>412,147,000</b>
<b>Shareholders' funds</b>		
Stated capital	60,000,000	60,000,000
Income surplus	26,538,005	17,658,364
Statutory reserve	32,919,164	31,698,095
Credit risk reserve	3,181,298	5,254,233
Capital surplus	1,288,952	1,288,952
<b>Shareholders' funds</b>	<b>123,927,419</b>	<b>115,899,644</b>
<b>Total liabilities and shareholders' funds</b>	<b>483,205,041</b>	<b>528,046,644</b>

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

## UNAUDITED STATEMENT OF CASHFLOWS FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH 2018

(All amounts are expressed in Ghana Cedis)

	2018	2017
<b>Cash flows from operating activities</b>		
Profit before income tax	3,590,791	4,676,391
<b>Adjustment for:</b>		
Depreciation and amortisation	1,577,245	849,559
Impairment charge on loans and advances	(798,870)	343,791
Gain on disposal of property and equipment	-	(2,827)
Changes in loans and advances to customers	(2,652,054)	4,727,157
Changes in restricted balances	2,133,684	3,264,118
Changes in other assets	(687,652)	(2,478,335)
Changes in customer deposits	(17,179,091)	(30,346,928)
Changes in deposits from banks and other financial institutions	(45,718,228)	(9,603,362)
Changes in other liabilities	230,123	(687,133)
Changes in investment securities	10,291,357	22,973,967
<b>Cash (used in)/ generated from operations</b>	<b>(49,212,695)</b>	<b>(6,283,602)</b>
Tax paid	(1,234,632)	(599,001)
National stabilisation levy paid	(143,868)	(110,158)
<b>Net cash (used in)/ generated from operating activities</b>	<b>(50,591,195)</b>	<b>(6,992,761)</b>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(637,998)	(1,555,571)
Proceeds from disposal of property and Equipment	-	9,190
<b>Net cash from investing activities</b>	<b>(637,998)</b>	<b>(1,546,381)</b>
<b>Increase in cash and cash equivalents</b>	<b>(51,229,193)</b>	<b>(8,539,142)</b>
<b>Analysis of changes in cash and cash equivalents</b>		
Cash and cash equivalents at 1st January	354,557,025	389,395,029
Increase in cash and cash equivalents	(51,229,193)	(8,539,142)
<b>Cash and cash equivalents at 31st March</b>	<b>303,327,832</b>	<b>380,855,887</b>

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH 2018

### 1.0 Significant Accounting policies

The accounting policies followed for the period ended 31<sup>st</sup> March, 2018 are consistent with those followed in the financial statements for the year ended 31<sup>st</sup> December, 2017.

### 2.0 Quantitative Disclosures

	MARCH 2018	MARCH 2017
Capital Adequacy Ratio	53.83%	35.28%
Non-Performing Loan Ratio	18.56%	5.82%
Liquid Ratio	113.36%	102.38%

### 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 2018	MARCH 2017
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.

GBENGA ODEYEMI  
(Managing Director/ CEO)

JOSEPH YIELEH CHIREH  
(Chairman)