

CONSOLIDATED BALANCE SHEET

(All amounts are expressed in thousands of Ghana cedis)

At 31 December

	Notes	2007	2006
Assets			
Cash and balances with Bank of Ghana	1	48,273	46,357
Government securities	2	86,312	103,392
Due from other banks and financial institutions	3	177,580	82,589
Investment in other securities	4	5,642	8,906
Loans and advances to customers	5	285,772	162,245
Investments in subsidiaries	6	-	-
Other assets	7	44,025	17,663
Property and equipment	8	16,932	10,709
Total assets		<u>664,536</u>	<u>431,861</u>
Liabilities			
Customer deposits	9	437,950	335,637
Due to other banks and financial institutions	10	59,801	2,441
Tax	11	1,764	1,060
Interest payable and other liabilities	12	59,391	33,517
Long term debt	13	55,661	15,565
Deferred tax	11	1,849	1,161
Total liabilities		<u>614,416</u>	<u>389,381</u>
Shareholders' fund			
Stated capital	14	16,400	16,400
Capital surplus account	15	1,353	1,353
Income surplus account		11,620	10,937
Statutory reserve fund	16	18,747	13,790
		<u>48,120</u>	<u>42,480</u>
Total liabilities and shareholders' fund		<u>664,536</u>	<u>431,861</u>
Acceptances and guarantees	26	<u>61,264</u>	<u>54,714</u>

The consolidated financial statements on pages 23 to 47 were approved by the Board of Directors on 14th February 2008 and signed on its behalf by:

Director:  Tei Mensa Mante (Board Chairman)

Director:  - Samuel Ashitey Adjei (Managing Director)

CONSOLIDATED PROFIT AND LOSS ACCOUNT

(All amounts are expressed in thousands of Ghana cedis)

		<u>Year ended 31 December</u>	
	Notes	2007	2006
Interest income	17	54,655	45,687
Interest expense	18	(16,059)	(13,963)
Net interest income		38,596	31,724
Fee and commission income	19	23,932	17,304
Other operating income	20	<u>1,896</u>	<u>192</u>
Operating income		64,424	49,220
Operating expenses	21	(33,338)	(24,837)
Charge for credit losses	5	<u>(3,512)</u>	<u>(323)</u>
Operating profit		27,574	24,060
Other expenses		<u>(307)</u>	<u>(62)</u>
		27,267	23,998
National Reconstruction Levy	22	<u>-</u>	<u>(1,289)</u>
Profit before tax		27,267	22,709
Tax	11	<u>(7,830)</u>	<u>(6,179)</u>
Net Profit after tax transferred to income surplus account		<u>19,437</u>	<u>16,530</u>
 CONSOLIDATED INCOME SURPLUS ACCOUNT			
Balance at 1 January as previously stated		10,937	9,438
Adjustment	6	<u>(413)</u>	<u>-</u>
Balance as at 1 January restated		10,524	9,438
Net profit for the year		<u>19,437</u>	<u>16,530</u>
		29,961	25,968
Transfer to statutory reserve fund	16	(4,957)	(4,172)
Dividend proposed	24	<u>(13,384)</u>	<u>(10,859)</u>
Balance at 31 December		<u>11,620</u>	<u>10,937</u>

CONSOLIDATED CASH FLOW STATEMENT

(All amounts are expressed in thousands of Ghana cedis)

		<u>Year ended 31 December</u>	
	Notes	2007	2006
Cash flows from operating activities			
Interest receipts		55,232	44,896
Interest payments		(16,882)	(12,973)
Fee and commission receipts		23,932	17,304
Other income received		1,896	192
Cash payment to employees and suppliers		(31,291)	(24,133)
Income tax paid	11	<u>(6,438)</u>	<u>(6,214)</u>
Cash flows from operating activities before changes in operating assets and liabilities		<u>26,449</u>	<u>19,072</u>
Changes in operating assets and liabilities			
- loans and advances		(127,039)	(45,044)
- other assets		(26,939)	(12,043)
- customer deposits		102,313	84,568
- other liabilities		<u>23,759</u>	<u>7,051</u>
Net cash(used in)/ generated from operating activities		<u>(27,906)</u>	<u>34,532</u>
Cash flow from investing activities			
Purchase of investment securities		(13,046)	(3,976)
Purchase of property and equipment	8	(8,887)	(4,087)
Proceeds from sale of property and equipment	8	<u>310</u>	<u>15</u>
Net cash used in investing activities		<u>(21,623)</u>	<u>(8,048)</u>
Cash flows from financing activities			
Dividend paid	24	(10,859)	(7,577)
Long term debt	13	40,096	4,423
Proceeds from issuance of share capital	14	<u>-</u>	<u>9,103</u>
Net cash generated from financing activities		<u>29,237</u>	<u>5,949</u>
Net change in cash and cash equivalents		6,157	51,505
Cash and cash equivalents at 1 January		<u>229,897</u>	<u>178,392</u>
Cash and cash equivalents at 31 December		<u>236,054</u>	<u>229,897</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(All amounts are expressed in thousands of Ghana cedis)

2007	Stated capital	Capital surplus	Income surplus	Statutory reserve fund	Total
Balance at 1 January as previously stated	16,400	1,353	10,937	13,790	42,480
Adjustment	-	-	(413)	-	(413)
Balance as at January 1 restated	16,400	1,353	10,524	13,790	42,067
Net profit for the year	-	-	19,437	-	19,437
Transfer to statutory reserve	-	-	(4,957)	4,957	-
Dividend proposed	-	-	(13,384)	-	(13,384)
Balance at 31 December 2007	<u>16,400</u>	<u>1,353</u>	<u>11,620</u>	<u>18,747</u>	<u>48,120</u>
2006					
Balance at 1 January 2006	7,298	1,353	9,438	9,618	27,707
Net profit for the year	-	-	16,530	-	16,530
Transfer to statutory reserve	-	-	(4,172)	4,172	-
Capitalisation issuance	9,102	-	-	-	9,102
Dividend proposed	-	-	(10,859)	-	(10,859)
Balance at 31 December 2006	<u>16,400</u>	<u>1,353</u>	<u>10,937</u>	<u>13,790</u>	<u>42,480</u>