

CONSOLIDATED PROFIT AND LOSS ACCOUNT

(All amounts are expressed in Ghana cedis)

	Notes	Year ended 31 December			
		The Bank 2007	The Bank 2006	The Group 2007	The Group 2006
Interest income	1	22,951,258	12,649,936	23,754,796	12,707,988
Interest expense	2	(10,957,924)	(6,149,562)	(10,963,336)	(6,149,562)
Net interest income		11,993,334	6,500,374	12,791,460	6,558,426
Fee and commission income	3	2,594,675	1,325,425	2,640,982	1,831,100
Other operating income		35,181	305,237	63,061	306,942
Operating income		14,623,190	8,131,036	15,495,503	8,696,468
Operating expenses	4	(8,833,473)	(5,866,737)	(10,073,345)	(6,396,095)
Bad and doubtful debts expense	14	(1,528,121)	(633,839)	(1,528,121)	(633,839)
Operating profit		4,261,596	1,630,460	3,894,037	1,666,534
Other income	6	113,696	105,060	449,975	175,292
Profit before national reconstruction levy and tax		4,375,292	1,735,520	4,344,012	1,841,826
National reconstruction levy	7	-	(85,779)	-	(88,246)
Profit before tax and minority interest	4,375,292	1,649,741	4,344,012	1,753,580	
Tax	8	(1,169,175)	(428,920)	(1,214,975)	(472,425)
Profit after tax but before minority interest		3,206,117	1,220,821	3,129,037	1,281,155
Minority interest	39	-	-	122,015	-
Profit after tax and minority interest transferred to consolidated income surplus		3,206,117	1,220,821	3,251,052	1,281,155
CONSOLIDATED INCOME SURPLUS ACCOUNT					
Balance at 1 January		19,868	29,628	723,483	672,909
Profit for the year		3,206,117	1,220,821	3,251,052	1,281,155
		3,225,985	1,250,449	3,974,535	1,954,064
Transfer to statutory reserve fund	27	(1,603,059)	(610,410)	(1,603,059)	(610,410)
Transfer to housing development assistance fund	29	(160,306)	(61,041)	(160,306)	(61,041)
Proposed dividend for the year	9	(1,016,600)	(559,130)	(1,016,600)	(559,130)
Balance at 31 December		446,020	19,868	1,194,570	723,483



CONSOLIDATED BALANCE SHEET

(All amounts are expressed in Ghana cedis)

Assets	Notes	At 31 December			
		The Bank 2007	The Bank 2006	The Group 2007	The Group 2006
Cash and balances with Bank of Ghana	10	12,927,821	6,864,862	13,246,348	6,865,047
Due from other banks	11	4,389,019	5,425,312	4,297,783	5,597,900
Government securities	12	29,734,993	21,696,035	30,052,884	22,139,286
Interest receivable and other assets	13	3,722,232	1,983,428	4,346,458	2,041,857
Loans and advances to customers	14	102,465,886	65,934,161	102,465,886	65,934,161
Investment securities	15	266,059	342,725	300,692	437,073
Other short-term investments	16	2,108,213	609,057	2,976,330	833,398
Investment in subsidiaries and associated companies	17	1,159,166	534,499	124,499	124,499
Investment properties	18	-	-	82,557	157,592
Property and equipment	19	4,066,265	3,430,567	4,279,058	3,584,688
Tax	22	17,938	410,859	24,482	401,458
Total assets		160,857,592	107,231,505	162,196,977	108,116,959
Liabilities					
Customer deposits	20	83,559,312	55,476,168	83,559,312	55,476,168
Due to banks and other financial institutions		9,000,000	4,000,000	9,000,000	4,000,000
Interest payable and other liabilities	21	7,960,132	3,296,586	8,660,809	3,465,705
Deferred tax liabilities	23	58,060	210,676	54,589	207,752
Long-term bonds	24	33,143,635	26,310,809	33,143,635	26,310,809
Long-term loans	25	14,130,142	7,120,472	14,130,142	7,120,472
Total liabilities		147,851,281	96,414,711	148,548,487	96,580,906
Shareholders' funds					
Stated capital	26	7,025,239	7,025,239	7,025,239	7,025,239
Income surplus account		446,020	19,868	1,194,570	723,483
Statutory reserve fund	27	4,735,613	3,132,554	4,735,613	3,132,554
Capital surplus account	28	546,366	546,366	562,010	562,010
Housing development assistance fund	29	228,218	67,912	228,218	67,912
Share deals account	30	24,855	24,855	24,855	24,855
Total shareholders' funds before minority interest		13,006,311	10,816,794	13,770,505	11,536,053
Minority interest		-	-	(122,015)	-
Total shareholders' funds		13,006,311	10,816,794	13,648,490	11,536,053
Total liabilities and shareholders' funds		160,857,592	107,231,505	162,196,977	108,116,959

The consolidated financial statements on pages 24 to 53 were approved by the Board of Directors on 5th March, 2008 and signed on its behalf by:

Nana Agyei Dulcu
Chairman:

Akwe Guffa
Managing Director:

CONSOLIDATED CASH FLOW STATEMENT

(All amounts are expressed in Ghana cedis)

	Notes	Year ended 31 December	
		2007	2006
Operating activities			
Net cash generated from/(used in) operations	35	2,121,482	(82,684)
Interest paid		(400,679)	(589,463)
Tax paid	22	(991,162)	(778,036)
Net cash generated from/(used in) operating activities		<u>729,641</u>	<u>(1,450,183)</u>
Investing activities			
Purchase of property and equipment	19	(1,424,295)	(1,080,521)
Proceeds from sale of property and equipment	19	3,947	11,556
(Purchase)/sale of government securities		(7,513,584)	2,819,025
Sale of other investments		(642,932)	944,906
Equity investments	15	136,381	(94,348)
Investment securities repayment	15	-	45,067
Proceeds from sale of investment property	18	75,035	100,155
Purchase of investment property	18	-	(75,035)
Net cash (used in)/generated from investing activities		<u>(9,365,448)</u>	<u>2,670,805</u>
Financing activities			
Dividend paid	9	(466,345)	(457,400)
Bonds issued/(redeemed)	24	3,637,678	(4,874,828)
Loans repaid	25	(2,560,606)	(598,607)
Loan drawdown	25	9,570,276	6,907,673
Purchase of treasury shares	30	-	(379,251)
Net cash generated from financing activities		<u>10,181,003</u>	<u>597,587</u>
Increase in cash and cash equivalents		<u>1,545,196</u>	<u>1,818,209</u>
Movement in cash and cash equivalents			
At 1 January		8,898,949	7,080,740
Increase during the year		<u>1,545,196</u>	<u>1,818,209</u>
At 31 December	36	<u>10,444,145</u>	<u>8,898,949</u>



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (All amounts are expressed in Ghana Cedis)

Attributable to equity holders to the company

	Stated capital	Income surplus	Statutory reserve Fund	Capital surplus account	Housing Development assistance fund	Share deals account	Minority interest	Total equity
The Group								
Year ended 31 December 2007								
At 1 January	7,025,239	723,483	3,132,554	562,010	67,912	24,855	-	11,536,053
Profit for the year	-	3,251,052	-	-	-	-	(122,015)	3,129,037
Transfer to statutory reserve	-	(1,603,059)	1,603,059	-	-	-	-	-
Transfer to Housing Development assistance fund	-	(160,306)	-	-	160,306	-	-	-
Proposed dividend	-	(1,016,600)	-	-	-	-	-	(1,016,600)
At 31 December	<u>7,025,239</u>	<u>1,194,570</u>	<u>4,735,613</u>	<u>562,010</u>	<u>228,218</u>	<u>24,855</u>	<u>(122,015)</u>	<u>13,648,490</u>
Year ended 31 December 2006								
At 1 January	7,025,239	672,909	2,522,144	546,366	6,871	404,106	-	11,177,635
Profit for the year	-	1,281,155	-	-	-	-	-	1,281,155
Transfer to statutory reserve	-	(610,410)	610,410	-	-	-	-	-
Transfer to Housing development assistance fund	-	(61,041)	-	-	61,041	-	-	-
Share buy back	-	-	-	-	-	(379,251)	-	(379,251)
Revaluation of land and buildings	-	-	-	15,644	-	-	-	15,644
Proposed dividend	-	(559,130)	-	-	-	-	-	(559,130)
At 31 December	<u>7,025,239</u>	<u>723,483</u>	<u>3,132,554</u>	<u>562,010</u>	<u>67,912</u>	<u>24,855</u>	<u>-</u>	<u>11,536,053</u>