

INCOME STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2008

	Notes	THE GROUP		THE BANK	
		2008 GH¢	2007 GH¢	2008 GH¢	2007 GH¢
Interest & Similar Income	6	181,663,097	112,452,442	181,663,097	112,452,442
Interest & Similar Expenses	7	(49,610,404)	(22,347,443)	(49,610,404)	(22,347,443)
Net Interest Income		<u>132,052,693</u>	<u>90,104,999</u>	<u>132,052,693</u>	<u>90,104,999</u>
Fee and Commission Income	8	48,215,588	36,068,318	48,215,588	36,068,318
Fees & Commission Expenses	8a	(484,437)	(114,668)	(484,437)	(114,668)
Net fees & Commission Income		<u>47,731,151</u>	<u>35,953,650</u>	<u>47,731,151</u>	<u>35,953,650</u>
Gains less Losses on Financial Transactions	9	3,750,900	1,799,348	3,750,900	1,799,348
Other Operating Income	10	<u>3,026,832</u>	<u>19,240,460</u>	<u>1,784,968</u>	<u>18,149,059</u>
Total Operating Income		186,561,576	147,098,457	185,319,712	146,007,056
Credit Impairment Loss	11	(8,784,170)	(647,915)	(8,784,170)	(647,915)
Net Operating Income		<u>177,777,406</u>	<u>146,450,542</u>	<u>176,535,542</u>	<u>145,359,141</u>
Staff Cost	12	(67,925,902)	(58,026,185)	(67,714,010)	(57,884,160)
Depreciation		(7,514,042)	(5,931,005)	(7,514,042)	(5,931,005)
Other Operating Expenses	13	<u>(43,499,721)</u>	<u>(35,765,795)</u>	<u>(43,254,635)</u>	<u>(35,497,559)</u>
Operating Profit		58,837,741	46,727,557	58,052,855	46,046,417
Other Income	14	<u>257,891</u>	<u>233,747</u>	<u>257,891</u>	<u>233,747</u>
Profit Before Exceptional Item		59,095,632	46,961,304	58,310,746	46,280,164
Exceptional Item	12a	<u>(9,382,240)</u>	<u>0</u>	<u>(9,382,240)</u>	<u>0</u>
Profit Before Taxation		49,713,392	46,961,304	48,928,506	46,280,164
Taxation	15	<u>(12,119,876)</u>	<u>(14,082,039)</u>	<u>(11,923,655)</u>	<u>(14,012,918)</u>
Profit After Tax Attributable to Equity Sareholders of the Bank		<u>37,593,516</u>	<u>32,879,265</u>	<u>37,004,851</u>	<u>32,267,246</u>
Basic Earnings Per Share (GH¢)	32	0.142	0.124	0.140	0.122

BALANCE SHEET AS AT 31ST DECEMBER, 2008

ASSETS	Notes	THE GROUP		THE BANK	
		2008 GH¢	2007 GH¢	2008 GH¢	2007 GH¢
Cash and Balances with Bank of Ghana	16	203,584,140	116,215,000	202,811,774	115,338,071
Due from Other Banks and Financial Institutions	17	57,166,284	21,681,861	57,166,284	21,681,861
Short-Term Investments	18	117,597,348	94,819,067	116,371,223	92,996,512
Medium Term Investments	18a	110,000,000	110,000,000	110,000,000	110,000,000
Loans and Advances to Customers	19	1,087,118,928	750,663,543	1,087,118,928	750,663,543
Investment in Subsidiary	22	0	0	20	20
Available for Sale Financial Assets	23	17,804,666	5,849,814	15,453,659	4,973,757
Deferred Tax Asset	15a	2,312,309	990,534	2,312,309	990,534
Other Assets	24	13,551,035	24,627,086	13,477,660	24,481,971
Property, Plant & Equipment	25	41,085,638	29,872,480	41,085,138	29,871,980
TOTAL ASSETS		1,650,220,348	1,154,719,385	1,645,796,995	1,150,998,249
LIABILITIES					
Customers Deposits	26	1,030,106,198	839,382,573	1,030,106,198	839,382,573
Due to Other Banks and Financial Institutions	28	91,337,682	58,044,439	91,337,682	58,044,439
Interest Payable and Other Liabilities	29	192,819,988	57,329,506	192,381,784	56,896,239
Current Tax Liabilities	15	10,907,356	9,096,952	10,807,666	8,983,718
Borrowings	30	117,300,000	14,000,000	117,300,000	14,000,000
TOTAL LIABILITIES		1,442,471,224	977,853,470	1,441,933,330	977,306,969
SHAREHOLDERS' FUND					
Stated Capital	31	72,000,000	72,000,000	72,000,000	72,000,000
Capital Surplus	36	8,605,489	868,505	7,742,534	0
Retained Earnings	36	89,940,975	73,087,071	87,288,658	71,077,544
Regulated Reserve Fund	36	9,794,777	8,201,646	9,794,777	8,201,646
Statutory Reserve Fund	36	27,407,883	22,708,693	27,037,696	22,412,090
SHAREHOLDERS' FUND		207,749,124	176,865,915	203,863,665	173,691,280
TOTAL LIABILITIES AND SHAREHOLDERS' FUND		1,650,220,348	1,154,719,385	1,645,796,995	1,150,998,249

Approved by the Board on 12th February, 2009


Director


Director

**STATEMENT OF CHANGES IN EQUITY
AS AT 31ST DECEMBER, 2008**

GROUP	Stated Capital GH¢	Regulatory Credit Reserve Risk GH¢	Capital Surplus GH¢	Retained Earnings GH¢	Statutory Reserve GH¢	Total GH¢
2008						
Balance at 1st January 2008	72,000,000	8,201,646	868,505	73,087,071	22,708,693	176,865,915
Net profit for the year	0	0	0	37,593,516	0	37,593,516
Changes in fair value of shares	0	0	7,736,984	0	0	7,736,984
Other Adjustments	0	0	0	127,709	0	127,709
Transfer to statutory reserve	0	0	0	(4,699,190)	4,699,190	0
Transfer to Regulatory Credit Reserve	0	1,593,131	0	(1,593,131)	0	0
Dividend paid	0	0	0	(14,575,000)	0	(14,575,000)
	<u>72,000,000</u>	<u>9,794,777</u>	<u>8,605,489</u>	<u>89,940,975</u>	<u>27,407,883</u>	<u>207,749,124</u>
2007						
Balance at 1st January 2007	12,000,000	549,494	1579,200	58,695,200	19,526,000	92,349,894
Release on disposal	0	0	(302,717)	0	0	(302,717)
Net profit for the year	0	0	0	32,879,265	0	32,879,265
Changes in fair value of shares	0	0	(755)	0	0	(755)
Other Adjustments	0	0	(407,223)	1,422,451	0	1,015,228
Transfer to statutory reserve	0	0	0	(3,182,693)	3,182,693	0
Transfer to Regulatory Credit Reserve	0	7,652,152	0	(7,652,152)	0	0
Capitalisation issuance	60,000,000	0	0	0	0	60,000,000
Dividend paid	0	0	0	(9,075,000)	0	(9,075,000)
	<u>72,000,000</u>	<u>8,201,646</u>	<u>868,505</u>	<u>73,087,071</u>	<u>22,708,693</u>	<u>176,865,915</u>
BANK						
2008						
Balance at 1st January 2007	72,000,000	8,201,646	0	71,077,544	22,412,090	173,691,280
Net profit for the year	0	0	0	37,004,851	0	37,004,851
Changes in fair value of shares	0	0	7,742,534	0	0	7,742,534
Transfer to statutory reserve	0	0	0	(4,625,606)	4,625,606	0
Transfer to Capital Surplus	0	0	0	0	0	0
Transfer to Regulatory Credit Reserve	0	1,593,131	0	(1,593,131)	0	0
Dividend paid	0	0	0	(14,575,000)	0	(14,575,000)
	<u>72,000,000</u>	<u>9,794,777</u>	<u>7,742,534</u>	<u>87,288,658</u>	<u>27,037,696</u>	<u>203,863,665</u>
2007						
Balance at 1st January 2007	12,000,000	549,494	407,565	57,728,965	19,305,900	89,991,924
Net profit for the year	0	0	0	32,267,246	0	32,267,246
Transfer to statutory reserve	0	0	0	(3,106,190)	3,106,190	0
Transfer to Regulatory Credit Risk	0	7,652,152	0	(7,652,152)	0	0
Other Adjustments	0	0	(407,565)	914,675	0	507,110
Capitalisation issuance	60,000,000	0	0	0	0	60,000,000
Dividend paid	0	0	0	(9,075,000)	0	(9,075,000)
	<u>72,000,000</u>	<u>8,201,646</u>	<u>0</u>	<u>71,077,544</u>	<u>22,412,090</u>	<u>173,691,280</u>

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER

	THE GROUP		THE BANK	
	2008 GH¢	2007 GH¢	2008 GH¢	2007 GH¢
Cash flows from operating activities				
Net profit before tax	49,713,392	46,961,304	48,928,506	46,280,164
Adjustments for:				
Dividend received	(2,203,223)	(1,306,332)	(1,136,250)	(835,498)
Depreciation charge	7,514,042	5,931,005	7,514,042	5,931,005
Credit impairment Loss	8,784,170	647,915	8,784,170	647,915
Loss/(Profit) on sale of fixed assets	1,791,500	(29,039)	1,791,500	(29,039)
Operating profit before working capital changes	65,599,881	52,204,853	65,881,968	51,994,547
Decrease in investments	21,801,824	24,641,624	21,195,976	24,019,024
Increase in Loans and Advances to Customers	(342,958,975)	(384,147,064)	(342,958,974)	(384,147,064)
Decrease/(Increase) in Other Assets Accounts	11,076,051	(13,847,886)	11,004,311	(13,721,440)
Increase in Customers Deposits	190,723,625	204,809,873	190,723,625	204,809,873
Increase in Interest Payable and Other Liabilities	127,718,698	5,605,699	129,527,391	5,655,764
Increase in Borrowings	103,300,000	14,000,000	103,300,000	14,000,000
Increase in Balance Due to Other Banks	33,293,243	57,403,944	33,293,243	57,403,944
Cash generated from operations	210,554,347	(39,328,957)	211,967,539	(39,985,352)
Tax paid	(11,518,013)	(7,728,288)	(11,421,482)	(7,609,000)
Net cash inflow from operating activities	199,036,334	(47,057,245)	200,546,057	(47,594,352)
Cash flows from investing activities				
Purchase of Property, Plant & Equipment	(20,591,679)	(12,697,235)	(20,591,679)	(12,697,235)
Decrease/(Increase) in Available for Sale Financial Assets	(11,954,852)	421,486	(10,479,902)	47,043
Proceeds on sale of Property, Plant & Equipment	72,979	29,039	72,979	29,039
Dividend received from investments	2,203,223	1,306,332	1,136,250	835,498
Dividends paid	(14,575,000)	(9,075,000)	(14,575,000)	(9,075,000)
Net cash outflow from investing activities	(44,845,329)	(20,015,378)	(44,437,352)	(20,860,655)
Cash flows from financing activities				
Proceeds from rights issue of ordinary shares	0	60,000,000	0	60,000,000
Sale of treasury shares	0	211	0	211
Net cash inflow from financing activities	0	60,000,211	0	60,000,211
Net Increase in cash and cash equivalents	154,191,005	(7,072,412)	156,108,705	(8,454,796)
Cash and cash equivalents at beginning of the year	151,139,524	158,211,936	148,440,040	156,894,836
Cash and cash equivalents at end of the year	305,330,529	151,139,524	304,548,745	148,440,040
ANALYSIS OF CASH AND CASH EQUIVALENTS				
Cash and Balances with Bank of Ghana	203,584,140	116,215,000	202,811,774	115,338,071
Treasury Bills	44,580,105	13,242,663	44,570,687	11,420,108
Due from other Banks and Financial Institutions	57,166,284	21,681,861	57,166,284	21,681,861
	305,330,529	151,139,524	304,548,745	148,440,040