

# Consolidated Income Statement

(All amounts are in thousands of Ghana cedis)

Year ended 31 December 2010

	Note	2010	2009
Interest income	6	141,526	131,379
Interest expense	7	(32,463)	(48,922)
<b>Net interest income</b>		<b>109,063</b>	<b>82,457</b>
Fee and commission income	8	43,733	44,204
Fee and commission expense	9	(944)	(2,052)
<b>Net fees and commission</b>		<b>42,789</b>	<b>42,152</b>
Lease income	10	3,381	5,066
Net trading income	11	20,209	28,148
Dividend income	12	453	448
Other operating income	13	4,267	1,617
<b>Total income</b>		<b>180,162</b>	<b>159,888</b>
Impairment charge on loans and advances	14	(5,762)	(9,518)
Operating expenses	15	(83,742)	(77,681)
Operating Profit		90,658	72,689
Share of profit of associates	41	51	-
<b>Profit before income tax</b>		<b>90,709</b>	<b>72,689</b>
Income tax expenses	16	(26,056)	(17,195)
National Stabilisation Levy	19	(4,536)	(1,641)
<b>Profit for the year</b>		<b>60,117</b>	<b>53,853</b>
<b>Attributable to:</b>			
Equity holders of the parent entity		60,117	54,720
Non controlling interests		-	(867)
		<b>60,117</b>	<b>53,853</b>

Earnings per share for profit attributable to the equity shareholders of the parent entity during the year (expressed in Ghana pesewas per share).

Earnings per share			
Basic	20	26	26
Diluted	20	26	26

The notes on pages 28 to 67 are an integral part of these financial statements.

# Consolidated Statement of Comprehensive Income

(All amounts are in thousands of Ghana cedis)

		Year ended 31 December 2010	
	Note	2010	2009
<b>Profit for the year</b>		<b>60,117</b>	<b>53,853</b>
<b>Other comprehensive income:</b>			
Net gains on available for sale investment securities	37	664	382
Gains on revaluation of land and buildings	37	-	14,315
Income tax relating to components of other comprehensive income	17	(166)	(801)
<b>Other comprehensive income for the year, net of tax</b>		<b>498</b>	<b>13,896</b>
<b>Total comprehensive income for the year</b>		<b>60,615</b>	<b>67,749</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the parent entity		60,615	68,616
Non controlling interest		-	(867)
		<b>60,615</b>	<b>67,749</b>

The notes on pages 28 to 67 are an integral part of these financial statements.

# Consolidated Balance Sheet

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

At 31 December, 2010

	Note	2010	2009
<b>Assets</b>			
Cash and balances with Bank of Ghana	21	144,237	104,162
Government securities	22	468,974	268,534
Loans and advances to banks	23	314,235	442,806
Trading assets	24	1,851	2,540
Loans and advances to customers	25	496,043	456,159
Investment securities: available-for-sale	26	17,360	24,363
Investment in associates	41	3,959	-
Intangible assets	28	2,685	3,630
Current income tax asset	16	1,281	-
Property and equipment	29	40,450	44,015
Other assets	30	30,154	40,665
<b>Total assets</b>		<b>1,521,229</b>	<b>1,386,874</b>
<b>Liabilities</b>			
Deposits from banks	31	69,921	90,127
Customer deposits	32	1,116,332	922,077
Other liabilities	33	27,168	84,703
Current income tax liability	16	-	1,147
Deferred income tax liabilities	17	4,133	908
Borrowings	34	76,029	82,499
<b>Total liabilities</b>		<b>1,293,583</b>	<b>1,181,461</b>
<b>Equity</b>			
Stated capital	35	100,000	100,000
Income surplus account	36	72,566	59,041
Revaluation reserves	37	15,989	15,491
Statutory reserve fund	38	36,980	29,654
Regulatory credit risk reserve	39	2,111	2,716
<b>Capital and equity attributable to parent equity's equity holders</b>		<b>227,646</b>	<b>206,902</b>
<b>Non controlling interest</b>		<b>-</b>	<b>(1,489)</b>
<b>Total equity</b>		<b>227,646</b>	<b>205,413</b>
<b>Total liabilities and equity</b>		<b>1,521,229</b>	<b>1,386,874</b>

The consolidated financial statements on pages 22 to 67 were approved by the Board of Directors on 18 February 2011 and signed on its behalf by:

## By Order of the Board

signed  
Lionel Van Lare Dosoo  
Director

signed  
Samuel Ashitey Adjei  
Director

The notes on pages 28 to 67 are an integral part of these financial statements

# Consolidated Cash Flow Statement

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

	Note	2010	2009
<b>Cash flows from operating activities</b>			
Interest paid		(29,994)	(42,681)
Interest received		128,477	125,710
Net fees and commissions receipts		42,789	42,152
Other income received		4,267	1,617
Dividend received		453	448
Net trading income		17,232	23,354
Lease income		3,381	4,662
Payments to employees and suppliers		(83,743)	(69,730)
Tax paid		(22,720)	(19,360)
<b>Cash flows from operating activities before changes in operating assets and liabilities</b>		<b>60,142</b>	<b>66,172</b>
Changes in operating assets and liabilities			
Loans and advances		(45,646)	(54,628)
Other assets		10,511	17,651
Investment securities		(7,003)	(10,819)
Customer deposits		194,255	239,372
Other liabilities		(86,701)	(14,604)
Mandatory reserves		(29,291)	(24,329)
<b>Net cash generated from operating activities</b>		<b>36,127</b>	<b>152,643</b>
Cash flow from investing activities			
Purchase of property and equipment	29	(6,574)	(11,418)
Purchase of software	28	(560)	(2,870)
Proceeds from sale of equipment		98	161
Government securities	22	(200,439)	(59,180)
<b>Net cash used in investing activities</b>		<b>(207,475)</b>	<b>(73,307)</b>
Cash flow from financing activities			
Dividends paid		(41,423)	(26,574)
Proceeds from rights issue		-	79,500
Repayment of borrowed funds	34	(7,373)	(9,578)
Proceeds from borrowed funds	34	-	21,135
<b>Net cash generated from/(used in) financing activities</b>		<b>(48,796)</b>	<b>64,483</b>
Net gain on exchange rate changes on cash and cash equivalents			
Net increase in cash and cash equivalents		(160,002)	209,991
Cash and cash equivalents at beginning of year	40	520,368	310,377
<b>Cash and cash equivalents at the end of the year</b>	<b>40</b>	<b>360,366</b>	<b>520,368</b>

The notes on pages 28 to 67 are an integral part of these financial statements.

# Consolidated Statement of Changes in Equity

(All amounts are expressed in thousands of Ghana cedis unless otherwise stated)

	Attributable to equity holders of the Group						
	Stated Capital	Income Surplus Account	Revaluation Reserves	Statutory Reserve Fund	Regulatory Credit Risk Reserves	Non Controlling Interest	Total
<b>Balance at 31 December 2008</b>	16,400	41,619	1,595	22,965	2,781	(622)	84,738
Gain on revaluation of buildings,	-	-	13,599	-	-	-	13,599
Net change in available for sale investments, net of tax	-	-	297	-	-	-	297
Profit for the year	-	54,720	-	-	-	(867)	53,853
<b>Total comprehensive income</b>	-	54,720	13,896	-	-	(867)	67,749
Dividend relating to 2008	-	(26,574)	-	-	-	-	(26,574)
Transfer to statutory banking reserves	-	(6,689)	-	6,689	-	-	-
Transfer from regulatory credit risk reserve	-	65	-	-	(65)	-	-
Proceeds from shares issued	79,500	-	-	-	-	-	79,500
Transfer to stated capital	4,100	(4,100)	-	-	-	-	-
<b>Balance at 31 December 2009</b>	100,000	59,041	15,491	29,654	2,716	(1,489)	205,413
Gain on revaluation of buildings, net of tax	-	-	-	-	-	-	-
Net change in available for sale investments, net of tax	-	498	-	-	-	498	-
Profit for the year	-	60,117	-	-	-	-	60,117
<b>Total comprehensive income</b>	-	60,117	498	-	-	-	60,615
Dividend relating to 2009	-	(41,423)	-	-	-	-	(41,423)
Transfer to statutory banking reserves	-	(7,326)	-	7,326	-	-	-
Release of subsidiary regulatory credit reserve	-	42	-	-	(42)	-	-
Transfer from regulatory credit risk reserve	-	563	-	-	(563)	-	-
Reserves of previously consolidated subsidiary with minority interest	-	1,552	-	-	-	1,489	3,041
<b>Balance at 31 December 2010</b>	100,000	72,566	15,989	36,980	2,111	-	227,646

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