

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRUST BANK GAMBIA LIMITED

We have audited the accompanying financial statements of Trust Bank Gambia Limited, which comprise the balance sheet as at 31st December 2011, the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors are responsible for the preparation and the fair presentation of these financial statements in accordance with Generally Accepted Accounting Principles, the Companies Act 1955 and the Banking Act 2009. This responsibility includes maintaining internal control relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the

assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant estimates made by the directors, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the financial statements give a true and fair view of the financial position of the company as of 31st December 2011, and of its financial performance and its cash flows for the year then ended in accordance with Generally Accepted Accounting Principles and have been properly prepared in accordance with the requirements of the Companies Act 1955 and the Banking Act 2009.



PKF
Accountants and business advisers
Registered Auditors
Bijilo
The Gambia
Date: 1st March 2012

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2011

	Notes	31-Dec-11 D'000	31-Dec-10 D'000
Interest income	2	389,944	334,565
Interest expense	3	(188,396)	(152,361)
Net interest income		201,548	182,204
Fees and commission income		94,181	91,269
Foreign exchange revenue		77,920	71,917
Other revenue		61,224	23,002
		233,325	186,188
Total operating revenue less interest expense		434,873	368,392
Personnel cost	4	(88,318)	(75,126)
General and administration cost		(115,972)	(117,787)
Depreciation and amortisation		(41,625)	(45,793)
		(245,915)	(238,706)
Operating profit		188,958	129,686
Provision for credit losses	10a	(23,108)	(25,005)
Profit before tax	5	165,850	104,681
Income tax expense	6	(55,775)	(34,827)
Profit for the year		110,075	69,854
Basic earnings per share (bututs)	7b	55	35
Diluted earnings per share (bututs)	7b	55	35
Total dividend per share for the year (bututs)		40	30

The notes on pages 23 to 32 form an integral part of these financial statements.

BALANCE SHEET

For the year ended 31 December 2011

	Notes	31-Dec-11 D'000	31-Dec-10 D'000
ASSETS			
Cash and bank balances	8	827,188	430,407
Investments	9	1,687,500	1,207,858
Loans and advances	10	1,143,760	1,359,148
Other assets	12	145,805	161,244
Tangible fixed assets	13	272,905	256,853
TOTAL ASSETS		4,077,158	3,415,510
LIABILITIES			
Deposits	14	3,477,421	2,903,675
Due to other banks		35,514	25,446
Taxation	6a	7,410	6,020
Dividend payable	7a	43,657	31,348
Other liabilities	15	192,091	158,031
		3,756,093	3,124,520
CAPITAL AND RESERVES			
Issued capital	16	200,000	150,000
Statutory reserves		48,189	35,670
Revaluation reserve		70,588	70,588
Share premium		–	5,000
Profit and loss reserve		2,288	29,732
		321,065	290,990
TOTAL EQUITY AND LIABILITIES		4,077,158	3,415,510

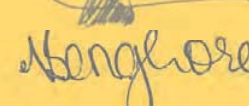
These financial statements were approved by the Board of Directors on 29th February 2012, and were signed on its behalf by:



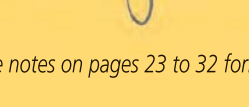
Chairman



Managing Director



Director



Secretary

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STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2011

	Called up issued share capital D000.	Share premium D000.	Statutory Reserve D000.	Profit & Loss account D000.	Revaluation Reserve D000.	Total D000.
At 1 January 2011	150,000	5,000	35,670	29,732	70,588	290,990
Profit for the year	–	–	–	110,075	–	110,075
Transfers	–	–	27,519	(27,519)	–	–
Transfer to capital	5,000	(5,000)	–	–	–	–
Dividends paid & proposed	–	–	–	(80,000)	–	(80,000)
Transfer to capital	30,000	–	–	(30,000)	–	–
Transfer to capital	15,000	–	(15,000)	–	–	–
At 31 December 2011	200,000	–	48,189	2,288	70,588	321,065

The Central Bank of the Gambia requires all licensed commercial banks that do not meet the minimum capital and statutory ratio of 1:1 to transfer 25% of their annual profits to statutory reserve. Since the augmentation of share capital to meet the new capital requirement of D200 Million, the Bank's ratio is no longer 1:1. Accordingly, an amount of D27.5 Million (2010: D17.5 Million) has been transferred this year in accordance with this guideline.

The notes on pages 23 to 32 form an integral part of these financial statements.

CASH FLOW STATEMENT

For the year ended 31 December 2011

	Notes	31-Dec-11 D'000	31-Dec-10 D'000
Reconciliation of operating profit to cash inflow from operating activities			
Operating profit before tax		165,850	104,681
Depreciation charge		41,625	45,793
Profit on disposal of fixed assets		(944)	(592)
Decrease/(Increase) in operating assets	17	230,827	(208,394)
Increase in operating liabilities	18	607,806	450,026
Increase in equity investments		–	(8,500)
<i>Cash inflow from operating activities</i>		1,045,164	383,014
Taxation			
Tax paid		(54,385)	(38,185)
Capital expenditure			
Proceeds from sale of fixed assets		944	633
Purchase of tangible fixed assets		(57,677)	(49,993)
Financing activities			
Dividend paid		(67,691)	(57,032)
INCREASE IN CASH		866,355	238,437
Cash and cash equivalents at beginning of the year		1,552,324	1,313,887
CASH AND CASH EQUIVALENTS AT 31ST DECEMBER 2011		2,418,679	1,552,324
REPRESENTED BY:			
Cash and bank balances	8	827,188	430,407
Short-term investments	9	1,627,005	1,147,363
Bank balances overdrawn		(35,514)	(25,446)
		2,418,679	1,552,324

The notes on pages 23 to 32 form an integral part of these financial statements.