

Independent Auditors' Report

To the members of UT Bank Ghana Limited

We have audited the accompanying financial statements of UT Bank Ghana Limited on pages 9 to 53 which comprise the statement of financial position as at 31 December 2013, statement of comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, together with the summary of significant accounting policies and other explanatory notes, and have obtained all information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

Directors' Responsibility For The Financial Statement

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with the Companies Code, 1963 (Act 179). These responsibilities include: designing, implementing and maintaining internal control relevant to the preparation and fair presentation 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.

Auditors' Responsibilities

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 and plan and perform the audit to obtain reasonable assurance as to whether the financial statement 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 statement, 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 statement are 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 accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence 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 Bank as at 31 December 2013, and of its financial performance and statement of cash flow for the year then ended and are drawn up in accordance with the International Financial Reporting Standards (as issued by the IASB and in the manner required by the Companies Code, 1963 (Act 179), and the Banking Act, 2004 (Act 673), as amended by the Banking Amendment Act, 2007 (Act 738).

Report On Other Legal and Regulatory Requirements

The Ghana Companies Code, 1963 (Act 179) requires that in carrying out our audit work we consider and report on the following matters.

We confirm that:

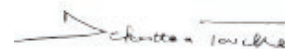
- i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii. in our opinion proper books of accounts have been kept by the Bank, so far as appears from our examination of those books; and
- iii. The balance sheet (statement of financial position) and Profit and loss (statement of comprehensive income) of the Bank are in agreement with the books of accounts.

The Banking Act 2004 (Act 673) section 78 (2) requires that we state certain matters in our report. We hereby state that:

- The accounts give a true and fair view of the state of affairs of the bank and its results for the year under review;
- We were able to obtain all the information and explanation required for the efficient performance of our duties as auditors;
- The Bank's transactions were within its powers; and

- The Bank has generally complied with the provisions in the Banking Act 2004(Act 673) and the Banking (Amendment) Act 2007 (Act 738).

*Chartered Accountants
Accra, Ghana
Licence No. ICAG/F/026*


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*Andrew Opuni-Ampong
Practising Certificate: Licence No. ICAG/P/1132*



DONO NTOASO (NNONNOWA): UNITY, CONCORD, STRENGTH

Statement of Comprehensive Income

For the year ending 31 December 2013

	Note	Dec. 2013 GH¢'000	Dec. 2012 GH¢'000
Interest income	4	187,888	134,110
Interest expense	5	(116,231)	(72,621)
Net interest income		71,657	61,489
Net fees and commissions income	6	34,865	29,753
Other operating income	7	18,051	13,421
Operating income		124,573	104,663
Operating expenses	8	(87,045)	(64,802)
Impairment charge	10	(24,110)	(13,153)
Profit before taxation		13,418	26,708
Taxation	11(i)	(2,980)	(5,777)
National Stabilization Levy	11(ii)	(681)	-
Profit for the year		9,757	20,931
Other comprehensive income		-	-
Total comprehensive income		9,757	20,931
Basic earnings per share		0.02	0.04
Diluted earnings per share		0.02	0.04

STATEMENT OF FINANCIAL POSITION

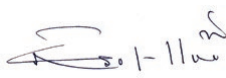


Statement of Financial Position

As at 31 December 2013

	Note	Dec. 2013 GH¢'000	Dec. 2012 GH¢'000
Assets			
Cash and balances with Bank of Ghana	14	103,835	92,147
Due from other Banks and financial institutions	15	73,639	52,579
Loans and advances (Net)	16	917,053	679,648
Other assets	19	56,533	54,720
Income tax assets	11(iii)	2,061	278
Investment securities	20	135,296	68,988
Goodwill	25	10,397	10,397
Property, plant and equipment	17	30,426	21,033
Intangible assets	18	7,096	7,115
Total assets		1,336,336	986,905
Current Liabilities			
Customer deposit and current account	22	920,261	797,782
Interest payable and other liabilities	21	11,737	30,776
Due to other banks and financial institutions	23	124,703	2,000
Deferred income	24	293	2,665
Total current liabilities		1,056,994	833,223
Non current term liabilities			
Deferred tax	13	447	607
Term debt	26	150,225	24,640
		150,672	25,247
Total liabilities		1,207,666	858,470
Shareholders' Funds			
Stated capital		85,275	85,275
Income surplus	27(iii)	11,356	16,206
Statutory reserve fund	27(iv)	30,341	25,462
Credit risk reserves	27(v)	1,698	1,492
Total shareholders' fund		128,670	128,435
Total liabilities and shareholders' fund		1,336,336	986,905
Net assets value per share		0.28	0.17

These financial statements were approved by the Board of Directors and signed on its behalf by:


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Director


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Director

Statement of Changes In Equity

For the year ended 31 December 2013

Attributable to equity holders

	Stated capital GH¢'000	Income surplus GH¢'000	Statutory reserve GH¢'000	Credit risk reserves GH¢'000	Total GH¢'000
Balance at 1 January 2012	36,000	8,539	14,996	1,694	61,229
Total comprehensive income	-	20,931	-	-	20,931
Transfer (from)/to reserve	3,000	(13,264)	10,466	(202)	-
Shares issued	46,275	-	-	-	46,275
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Balance at 31 December 2012	85,275	16,206	25,462	1,492	128,435
	=====	=====	=====	=====	=====
	Stated capital GH¢'000	Income surplus GH¢'000	Statutory reserve GH¢'000	Credit risk reserves GH¢'000	Total GH¢'000
Balance at 1 January 2013	85,275	16,206	25,462	1,492	128,435
Total comprehensive income	-	9,757	-	-	9,757
Transfer (from)/to reserve	-	(5,085)	4,879	206	(0)
Dividend paid	-	(9,522)	-	-	(9,522)
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Balance at 31 December 2013	85,275	11,356	30,341	1,698	128,670
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Statement of Cash Flow

For the year ended 31 December 2013

	Note	Dec. 2013 GH¢'000	Dec. 2012 GH¢'000
Profit before tax		13,418	26,708
Adjustments for:			
Depreciation and amortisation	17 & 18	7,711	4,525
Loss on disposal	17	5	5
		21,134	31,238
Increase in loans and advances		(237,405)	(204,416)
Increase in other assets		(2,093)	22,704
Increase in customer deposit and current account		122,479	251,974
Due to other banks and financial institutions		122,703	(42,970)
Decrease in interest payable & other payables		(19,039)	(17,640)
Increase in defined benefit obligation		-	(289)
(Decrease)/increase in deferred income		(2,372)	2,028
		5,407	42,629
Tax paid	11 (iii)	(5,334)	(4,686)
		(5,334)	(4,686)
Net cash (used in)/generated from operating activities		73	37,943
Investing activities			
Purchase of property, plant and equipment and software		(17,281)	(11,010)
Changes in lease property and equipment		-	2,060
Proceeds from sales of property, plant & equipment		201	194
Purchase of Investment securities		(66,308)	(37,508)
Additional Shares		-	46,275
Net cash used in investing activities		(83,388)	11
Financing activities			
Dividend paid		(9,522)	-
Increase in term debt		125,585	13,301
Net cash generated from financing activities		116,063	13,301
Increase in cash and cash equivalents		32,748	51,255
Cash and cash equivalents at 1 January		144,726	93,471
Increase in cash and cash equivalents		32,748	51,255
Cash and cash equivalents at 31 December		177,474	144,726
Analysis of cash and cash equivalents during the year			
Cash		103,835	92,147
Cash with other banks and financial institutions		73,639	52,579
		177,474	144,726