



UN-AUDITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

30TH SEPTEMBER, 2014

**UN-AUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2014**

	<u>THE GROUP</u>		<u>THE BANK</u>	
	SEP 2014 GHS'000	SEP 2013 GHS'000	SEP 2014 GHS'000	SEP 2013 GHS'000
Interest Income	498,427	396,495	497,794	396,495
Interest Expense	(69,965)	(70,791)	(69,965)	(70,791)
Net Interest Income	428,462	325,704	427,829	325,704
Fees and Commission Income	85,235	59,476	85,235	59,476
Fees and Commission Expense	(16,908)	(2,251)	(16,908)	(2,251)
Net Fees and Commission Income	68,327	57,225	68,327	57,225
Net Trading Income	46,234	13,909	46,234	13,909
Other Income	11,654	6,488	9,882	6,420
Net Trading and Other Income	57,888	20,397	56,116	20,329
Total Income	554,677	403,326	552,272	403,258
Impairment Charge on Loans and Advances	(15,602)	(4,777)	(15,602)	(4,777)
Net Income	539,075	398,549	536,670	398,481
Operating Expenses	(248,998)	(214,867)	(248,964)	(214,847)
Profit Before Taxation	290,077	183,682	287,706	183,634
National Stabilization Levy	(14,385)	(3,065)	(14,385)	(3,065)
Taxation	(70,834)	(48,713)	(70,534)	(48,703)
Profit After Tax	204,858	131,904	202,787	131,866
OTHER COMPREHENSIVE INCOME				
Net Change in Fair Value of Other Securities	3,087	1,342	3,055	1,598
Revaluation Gain	(463)	0	(458)	0
Total Comprehensive Income for the Year	207,482	133,246	205,384	133,464
Earnings per Share (annualised)				
Basic	1.03	0.66	1.02	0.66
Diluted	1.03	0.66	1.02	0.66

	<u>THE GROUP</u>		<u>THE BANK</u>	
	SEP	SEP	SEP	SEP
	2014	2013	2014	2013
	GHS'000	GHS'000	GHS'000	GHS'000
ASSETS				
Cash and Cash Equivalents	440,552	406,065	437,338	402,620
Government Securities	1,612,794	1,470,146	1,607,588	1,469,217
Advances to Banks	212,291	6,204	212,291	6,204
Loans & Advances to Customers	1,279,868	942,847	1,279,868	942,847
Investment Securities: Available-for-sale	9,810	6,453	7,956	4,880
Investment in Subsidiary	0	0	1	1
Investment in Associates	41,007	37,242	30,126	30,126
Investment in Other Equity Securities	247	247	113	113
Deferred Tax	19,191	13,668	19,256	13,662
Property and Equipment	119,419	77,063	119,419	77,063
Intangible Assets	2,277	7,860	2,276	7,860
Other Assets	239,406	206,500	239,406	206,480
TOTAL ASSETS	3,976,862	3,174,295	3,955,638	3,161,073
LIABILITIES				
Deposits from Customers	2,719,422	2,390,383	2,719,422	2,390,383
Other Liabilities	399,411	235,461	399,361	235,414
Borrowings	161,981	103,250	161,981	103,250
Income Tax Liabilities	14,456	15,386	14,294	15,328
Employee Benefit Obligations	63,231	49,525	63,231	49,525
TOTAL LIABILITIES	3,358,501	2,794,005	3,358,289	2,793,900
EQUITY				
Stated Capital	100,000	100,000	100,000	100,000
Retained Earnings	385,497	170,722	365,482	158,430
Fair Value Reserve	5,169	2,327	4,172	1,502
Statutory Reserve	145,748	89,870	145,748	89,870
Credit Risk Reserve	1,319	25,469	1,319	25,469
Other Reserves	(19,372)	(8,098)	(19,372)	(8,098)
TOTAL EQUITY	618,361	380,290	597,349	367,173
TOTAL LIABILITIES AND EQUITY	3,976,862	3,174,295	3,955,638	3,161,073

**UN-AUDITED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2014**

	THE GROUP		THE BANK	
	SEP 2014 GHS'000	SEP 2013 GHS'000	SEP 2014 GHS'000	SEP 2013 GHS'000
Cash Flows from Operating Activities				
Profit Before tax	290,077	183,682	287,706	183,634
Adjustments for:				
Depreciation and Amortization	15,374	14,634	15,374	14,634
Impairment Charge on Loans and Advances	15,602	4,777	15,602	4,777
Allowance for Employee Benefit Obligations	9,000	9,000	9,000	9,000
Interest Income	(498,427)	(396,495)	(497,794)	(396,495)
Interest Expense	69,965	70,791	69,965	70,791
Dividend Income	(7,610)	(5,159)	(5,887)	(5,147)
Profit/(Loss) on Sale of Property & Equipment	(42)	(60)	(42)	(60)
	<u>(106,061)</u>	<u>(118,830)</u>	<u>(106,076)</u>	<u>(118,866)</u>
Change in Loans and Advances to Customers	(334,763)	(99,752)	(334,763)	(99,753)
Change in Advances to Banks	(41,969)	31,774	(41,969)	31,774
Change in Other Assets	(166,066)	(113,389)	(166,066)	(113,349)
Change in Deposits from Customers	89,142	55,775	89,142	55,775
Change in Borrowings	53,832	(70,875)	53,832	(70,875)
Change in Other Liabilities	273,396	163,379	267,083	159,154
Employee Benefits Paid	(7,447)	(5,625)	(7,447)	(5,625)
	<u>(133,875)</u>	<u>(38,713)</u>	<u>(140,188)</u>	<u>(42,899)</u>
Interest Received	516,887	343,757	516,461	343,757
Interest Paid	(69,666)	(62,942)	(69,716)	(62,989)
Income Tax Paid	(85,814)	(52,830)	(85,546)	(52,829)
Net Cash flow from Operating Activities	<u>121,471</u>	<u>70,442</u>	<u>114,935</u>	<u>66,174</u>
Cash Flows from Investing Activities				
Government Securities	80,054	40,236	85,043	41,155
Dividend Income	7,610	5,159	5,887	5,147
Investment in Equity Securities	(56)	85	0	0
Acquisition of Property and Equipment	(51,632)	(15,995)	(51,632)	(15,995)
Proceeds from Sale of Property and Equipment	42	61	42	61
Acquisition of Intangible Assets	(84)	(6,246)	(84)	(6,246)
Net Cash used in Investing Activities	<u>35,934</u>	<u>23,300</u>	<u>39,256</u>	<u>24,122</u>
Cash Flows from Financing Activities				
Dividends Paid	(55,650)	(47,700)	(55,650)	(47,700)
Net Cash used in Financing Activities	<u>(55,650)</u>	<u>(47,700)</u>	<u>(55,650)</u>	<u>(47,700)</u>
Net Decrease in Cash & Cash Equivalents	101,755	46,042	98,541	42,596
Cash and Cash Equivalents at 1 January	<u>338,797</u>	<u>360,023</u>	<u>338,797</u>	<u>360,023</u>
Cash and Cash Equivalents at 30 June	<u>440,552</u>	<u>406,065</u>	<u>437,338</u>	<u>402,619</u>

Consolidated Statement Of Changes In Equity
For The Period Ended 30 September, 2014

Attributable To Equity Holders Of The Bank

The Group	Stated Capital GHS'000	Retained Earnings GHS'000	Fair Value Reserve GHS'000	Statutory Reserve GHS'000	Credit Risk Reserve GHS'000	Other Reserves GHS'000	Total GHS'000
Balance As At January 1, 2014	100,000	215,225	2,082	145,748	22,383	(19,372)	466,066
Net Profit For The Year	-	204,858	-	-	-	-	204,858
Revaluation Gain	-	-	-	-	-	-	-
Net Gains From Changes In Fair Value- Investment Securities	-	-	3,087	-	-	-	3,087
Total Comprehensive Income	-	204,858	3,087	-	-	-	207,945
Transfers To Statutory Reserve	-	-	-	-	-	-	-
Transfers To Stated Capital	-	-	-	-	-	-	-
Dividend Paid	-	(55,650)	-	-	-	-	(55,650)
Transfers From Regulatory Credit Risk Reserve	-	18,921	-	-	(18,921)	-	-
Financial Guarantees	-	2,143	-	-	(2,143)	-	-
Balance as at 30 September 2014,	100,000	385,497	5,169	145,748	1,319	(19,372)	618,361
The Bank							
Balance As At January 1, 2014	100,000	197,281	1,117	145,748	22,383	(19,372)	447,157
Net Profit For The Year	-	202,787	-	-	-	-	202,787
Revaluation Gain	-	-	-	-	-	-	-
Net Gains From Changes In Fair Value- Investment Securities	-	-	3,055	-	-	-	3,055
Total Comprehensive Income	-	202,787	3,055	-	-	-	205,842
Transfers To Statutory Reserve Fund	-	-	-	-	-	-	-
Transfers To Stated Capital	-	-	-	-	-	-	-
Transfers From Regulatory Credit Risk Reserve	-	18,921	-	-	(18,921)	-	-
Financial Guarantees	-	2,143	-	-	(2,143)	-	-
Dividend Paid	-	(55,650)	-	-	-	-	(55,650)
Balance as at 30 September 2014,	100,000	365,482	4,172	145,748	1,319	(19,372)	597,349

NOTES TO THE UN-AUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2014

- The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.
- The accounting policies applied in the preparation of these financial statements were consistent with those applied in the preparation of the annual consolidated statements of 31 December 2013
- Interest income are recognized in profit or loss using effective interest method. The effective interest method is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset. When calculating the effective interest rate, the Bank estimates cash flows considering all contractual terms of the financial instrument including prepayment options, but does not consider future credit losses. The calculation includes all transaction costs, fees and points paid or received that are an integral part of the effective interest rate.

	THE GROUP		THE BANK	
	SEP 2014 GHS'000	SEP 2013 GHS'000	SEP 2014 GHS'000	SEP 2013 GHS'000
4. Interest Income				
Cash & Short Term Funds	13,273	4,024	13,273	4,024
Investments Securities	279,588	228,935	278,954	228,935
Loans & Advances	205,567	163,536	205,567	163,536
	498,428	396,495	497,794	396,495
5. Operating Expenses				
Staff Expenses (Note 9a)	140,562	128,483	140,562	128,483
Technology and Communication	29,997	16,624	29,997	16,624
Advertising	473	647	473	647
Training	3,462	813	3,462	813
Audit fees	492	379	469	359
Directors fees	1,404	880	1,403	880
Depreciation of property and equipment	13,612	12,186	13,612	12,186
Amortisation of software	1,762	2,449	1,762	2,449
Donations	1,296	511	1,296	511
Administrative Expenses	31,885	35,222	31,885	35,222
Others	24,053	16,673	24,043	16,673
	248,998	214,867	248,964	214,847
5a. Staff Expenses				
Wages & Salaries	57,668	58,379	57,668	58,379
Staff Allowances	36,435	30,740	36,435	30,740
Performance Award	14,245	10,075	14,245	10,075
Social Security Fund Contributions	7,289	7,305	7,289	7,305
Provident Fund Contributions	6,980	6,947	6,980	6,947
Retirement Benefit Obligations	9,000	9,000	9,000	9,000
Restructuring Costs	370	-	370	-
Other Staff Costs	8,575	6,037	8,575	6,037
	140,562	128,483	140,562	128,483

	SEP 2014 GHS'000	SEP 2013 GHS'000
6. Contingent Liabilities (GHS'000)	208,811	90,011
7. Capital Adequacy Ratio	22.2%	19.0%
8. Non-Performing Loan (NPL) Ratio	9.4%	15.4%
9. Default in Statutory Liquidity Requirement	Nil	Nil
10. Statutory Liquidity Sanction	Nil	Nil
11. Cumulative and current loans written off - GHS 47,475,940.67 and Nil (respectively)		

**THE FINANCIAL STATEMENTS DO NOT CONTAIN ANY UNTRUE STATEMENT,
MISLEADING FACTS OR OMIT MATERIAL FACTS TO THE BEST OF OUR KNOWLEDGE.**

Sign
SIMON DORNOO
MANAGING DIRECTOR

Sign
JOHN AWUAH
FINANCE DIRECTOR