

GHL BANK LIMITED

UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2018

(All amounts are expressed in Ghana Cedis)

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER

	2018	2017
Assets		
Cash and Cash Equivalent	46,629,970	34,353,402
Placement with other banks	4,009,751	63,881,123
Investment Securities	39,832,752	9,316,824
Loan and advances to customers	549,584,810	468,156,020
Other assets	14,869,839	28,071,044
Property and equipment	45,645,546	6,531,861
Total Assets	700,572,668	610,310,273
Liabilities		
Deposit and Current Accounts	71,054,586	-
Deposits from Banks and other Financial Institutions	22,036,886	-
Provisions and Other Liabilities	52,989,759	35,978,765
Long Term Borrowings	351,417,613	364,776,723
Total Liabilities	497,498,844	400,755,488
Shareholders' Fund		
Ordinary Share capital	127,079,493	12,287,797
Deposit for shares	-	114,791,696
Income Surplus	36,546,447	40,016,214
Statutory Reserves	18,576,796	15,636,030
Statutory credit risk reserve	20,871,088	26,823,049
Total Shareholders' Fund	203,073,824	209,554,785
Total Liabilities and Shareholders' Fund	700,572,668	610,310,273

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER

	Stated Capital GHS	Retained Earnings GHS	Credit Risk Reserve GHS	Statutory Reserve GHS	Deposit for Shares GHS	Total GHS
Balance at 01 January 2018	12,287,797	30,069,463	33,770,018	18,576,796	114,791,696	209,495,770
Profit for the Period	-	10,181,820	-	-	-	10,181,820
Transfer to Stated Capital	114,791,696	-	-	-	(114,791,696)	-
Transfer from Credit Risk Reserve	-	-	(12,898,930)	-	-	(12,898,930)
IFRS 9 Transition	-	(3,704,836)	-	-	-	(3,704,836)
Transfer to Statutory Reserves	-	-	-	-	-	-
Balance at 30 September 2018	127,079,493	36,546,447	20,871,088	18,576,796	-	203,073,824

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

1 Reporting Entity

GHL Bank Limited is incorporated in Ghana

2 Registered Office

The address of the Bank's registered office is No. 1 Kofi Annan Street, Airport Residential Area, PMB CT 470, Cantonments, Accra.

3 Significant Accounting Policies

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standard Board (IASB) and adopted by the Institute of Chartered Accountants, Ghana (ICAG), and in the manner required by the Bank's Specialised Deposit-Taking Institutions Act, 2016, ACT 930. The principal accounting policies applied in the preparation of these financial statements are consistent with the accounting policies applied in the financial statements for the year ended December 31, 2017. These policies have been consistently applied to all the periods presented unless otherwise stated.

4 Functional and Presentation Currency

These financial statements are presented in Ghana Cedis, which is the Bank's functional currency.

5 Use of Judgements and Estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Bank's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

6 Quantitative Disclosures:

	Sep-18	Sep-17
a) Capital Adequacy Ratio	40.83%	47.27%
b) Non Performing Loans (NPL) Ratio	7.90%	6.38%

7 Risk Management

The Bank's activities expose the business to the following types of risks:

Credit Risk	Liquidity Risk
Market Risk	Operational Risk

The risks inherent in the Bank's activities are managed through an ongoing process of identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Bank's continuing profitability and each individual within the Bank is accountable for the risk exposures relating to his or her responsibilities. The Board of Directors is responsible for the overall risk management approach and for approving the risk management strategies and principles. In addition, the Board's Risk Committee has responsibility for the development of risk strategy and implementing principles, frameworks, policies and limits.

Risk management policies and systems, when implemented, are reviewed regularly to reflect changes in market conditions, products and services offered by the bank.

8 Defaults in Statutory Liquidity and Accompanying Sanctions

	Sep-18	Sep-17
a) Default in statutory liquidity	Nil	Nil
b) Sanctions	Nil	Nil

Signed
Dominic Adu
(Chief Executive Officer)

Signed
Albert K. Essien
(Board Chairman)

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER

	2018	2017
Interest Income	56,434,172	46,989,712
Interest Expense	(19,164,877)	(17,193,431)
Net Interest Income	37,269,295	29,796,281
Fee and Commission Revenue		
Fee and commission revenue	6,761,672	2,951,339
Fee and commission expense	(3,008,344)	(969,264)
Net Fee and Commission Revenue	3,753,327	1,982,075
Net Trading Revenue	10,270,227	5,982,916
Total Income	51,292,849	37,761,273
Credit Impairment Charges	(2,735,726)	(789,000)
Income after Impairment Charges	48,557,123	36,972,273
Operating Expenses		
Staff Cost	(18,429,317)	(8,116,448)
Depreciation and Amortisation	(4,504,469)	(657,084)
Other Operating Expenses	(12,908,542)	(10,527,529)
Total Operating Expenses	(35,842,328)	(19,301,060)
Net Income Before Taxes	12,714,795	17,671,212
Income tax expense	(2,532,975)	(4,771,227)
Profit for the Year	10,181,820	12,899,985

UNAUDITED STATEMENT OF CASHFLOW FOR THE QUARTER ENDED 30 SEPTEMBER

	2018	2017
Cashflow from operating activities		
Profit after tax	10,181,820	12,899,985
Adjustment for:		
Depreciation	4,504,469	657,084
Net Interest income	(37,269,295)	(29,796,281)
Impairment Loss	2,735,726	789,000
Income Tax Expense	2,532,975	4,771,227
	(17,314,305)	(10,678,985)
Changes in:		
Loans and advances	(103,928,479)	(76,457,693)
Receivables and other Assets	13,201,205	(16,653,191)
Customer deposits	71,054,586	2,795,551
Short term Liabilities	22,036,886	-
Other liabilities	17,121,808	7,676,102
	2,171,702	(93,318,216)
Interest received	56,434,172	46,989,712
Interest Paid	(19,164,877)	(17,193,431)
Income Tax Paid	(1,497,956)	(7,210,024)
Net cash generated from operating activities	37,943,041	(70,731,959)
Cash flow from investing activities		
Purchase of software, property and equipment	(41,662,806)	(2,565,035)
Sale of Security/Investment in securities)	29,355,444	(55,517,728)
Net Cash used in investing activities	(12,307,362)	(58,082,763)
Cash flow from financing activities		
Dividend paid	-	(2,748,000)
Deposit for Shares	-	114,791,696
Movement in Long term loans	(13,359,110)	38,357,807
Net cash used in financing activities	(13,359,110)	150,401,503
Net increase in cash and cash equivalent	12,276,568	21,586,781
Cash and cash equivalent at beginning of period	34,353,402	12,766,621
Cash and cash equivalent at end of period.	46,629,970	34,353,402