

# UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER, 2022

## UNAUDITED CONSOLIDATED AND SEPARATE STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER, 2022

In thousands of GHS

	2022		2021	
	Bank	Group	Bank	Group
Interest income	409,620	423,003	342,353	353,278
Interest expense	(154,257)	(153,086)	(133,026)	(132,206)
<b>Net interest income</b>	<b>255,363</b>	<b>269,917</b>	<b>209,327</b>	<b>221,072</b>
Fee and commission income	49,677	72,990	37,431	56,836
Fee and commission expense	(1,134)	(1,134)	(1,833)	(1,833)
<b>Net fee and commission income</b>	<b>48,543</b>	<b>71,856</b>	<b>35,598</b>	<b>55,003</b>
Net trading income	37,980	37,980	19,394	19,394
Net income from investments at fair value thru. P&L	5,780	6,296	2,170	2,471
Other operating income	10,026	10,026	4,582	4,582
Other income	11,140	13,503	4,101	6,206
<b>Operating income</b>	<b>368,832</b>	<b>409,578</b>	<b>275,172</b>	<b>308,728</b>
Net impairment loss on financial asset	(55,903)	(56,883)	(13,549)	(14,574)
Personnel expenses	(118,578)	(137,599)	(98,105)	(112,940)
Operating lease expenses	(1,665)	(1,665)	(1,863)	(1,863)
Depreciation and amortization	(17,123)	(18,552)	(15,562)	(16,783)
Other expenses	(71,671)	(79,376)	(54,400)	(62,796)
<b>Profit before income tax for the period</b>	<b>103,892</b>	<b>115,503</b>	<b>91,693</b>	<b>99,772</b>
National Fiscal Stabilization Levy	(5,196)	(5,773)	(4,663)	(5,088)
Financial Sector Recovery Levy	(5,196)	(5,196)	(2,971)	(2,971)
Tax expense	(26,843)	(30,118)	(23,163)	(25,298)
<b>Profit for the period</b>	<b>66,657</b>	<b>74,416</b>	<b>60,896</b>	<b>66,415</b>
<b>Other comprehensive income</b>				
Other comprehensive income, net of tax	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>66,657</b>	<b>74,416</b>	<b>60,896</b>	<b>66,415</b>
<b>Profit attributable to:</b>				
Controlling Equity holders of the Bank	66,657	72,511	60,896	65,322
Non-controlling interest	-	1,905	-	1,093
<b>Profit for the period</b>	<b>66,657</b>	<b>74,416</b>	<b>60,896</b>	<b>66,415</b>
<b>Total comprehensive income attributable to:</b>				
Controlling Equity holders of the bank	66,657	72,511	60,896	65,322
Non-controlling interest	-	1,905	-	1,093
<b>Total comprehensive income for the period</b>	<b>66,657</b>	<b>72,511</b>	<b>60,896</b>	<b>65,322</b>

## UNAUDITED CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER, 2022

In thousands of GHS

	2022		2021	
	Bank	Group	Bank	Group
<b>Assets</b>				
Cash and cash equivalents	870,954	870,993	776,999	777,027
Non-pledged trading assets	10,304	10,304	74,988	74,988
Pledged assets	25,745	25,745	11,146	11,146
Investment securities	1,321,910	1,352,966	1,149,939	1,175,891
Loans and advances to customers	1,999,908	1,999,908	1,628,841	1,628,841
Investment in subsidiaries	13,543	-	13,542	-
Deferred tax assets	19,877	20,561	16,361	16,625
Intangible assets	8,178	8,343	8,234	8,394
Other assets	22,518	30,135	18,173	26,935
Property, plant and equipment	130,560	135,197	110,066	113,500
<b>Total assets</b>	<b>4,423,497</b>	<b>4,454,152</b>	<b>3,808,289</b>	<b>3,833,347</b>
<b>Liabilities and equity</b>				
Deposits from banks	-	-	64,022	64,022
Deposits from customers	3,350,690	3,330,787	2,780,754	2,763,937
Borrowing	96,956	96,956	147,239	147,239
Current tax liabilities	8,898	9,205	9,143	9,286
Deferred tax liabilities	9,957	10,121	-	-
Other liabilities	200,407	207,133	138,001	146,236
<b>Total liabilities</b>	<b>3,666,908</b>	<b>3,654,202</b>	<b>3,139,159</b>	<b>3,130,720</b>
<b>Equity</b>				
Stated capital	401,191	401,191	401,191	401,191
Income surplus	(2,823)	32,542	46,419	73,817
Revaluation reserve	24,852	24,852	24,852	24,852
Statutory reserve fund	192,326	192,326	151,476	151,476
Regulatory credit risk reserve	140,299	140,299	44,448	44,448
Housing development assistance reserve	744	744	744	744
<b>Total equity attributable to equity holders of the Bank</b>	<b>756,589</b>	<b>791,954</b>	<b>669,130</b>	<b>696,528</b>
Non-controlling interest	-	7,996	-	6,099
<b>Total equity</b>	<b>756,589</b>	<b>799,950</b>	<b>669,130</b>	<b>702,627</b>
<b>Total liabilities and equity</b>	<b>4,423,497</b>	<b>4,454,152</b>	<b>3,808,289</b>	<b>3,833,347</b>

## UNAUDITED CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30 SEPTEMBER, 2022

In thousands of GHS

	2022		2021	
	Bank	Group	Bank	Group
Profit before tax	103,892	115,503	91,693	99,772
<b>Adjustments for:</b>				
Depreciation and amortization	17,123	18,552	15,562	16,783
Profit on disposal of property and equipment	(334)	(334)	-	-
Net impairment loss on loans and advances	55,903	56,883	13,549	14,574
Impairment of goodwill	971	971	-	-
Net interest income	(255,363)	(269,917)	(209,327)	(221,072)
Fair value change- investments securities FVTPL	(5,780)	(6,296)	(2,170)	(2,471)
Realized exchange difference	56,179	56,179	-	-
Effect of foreign exch. fluctuations on cash & cash equiv.	(109,503)	(109,503)	(30,525)	(30,525)
Decrease in trading assets	7,357	7,357	71,808	71,808
Decrease in pledged assets	48,661	48,661	31,088	31,088
Increase in loans and advances to customers	(251,913)	(251,913)	(117,291)	(118,316)
Increase in interest receivable & other assets	(5,245)	(3,677)	(40,882)	(41,019)
Increase in deposits from customers	140,595	141,459	75,373	72,635
Increase in interest payables and other liabilities	31,896	17,961	(14,061)	(13,744)
<b>Cash generated from operations</b>	<b>(165,561)</b>	<b>(178,113)</b>	<b>(115,184)</b>	<b>(120,487)</b>
Interest paid	(154,257)	(154,257)	(133,026)	(133,026)
Interest received	409,620	413,727	342,353	353,278
Tax refund	-	-	6,486	6,486
Corporate tax paid	(20,628)	(23,312)	(18,396)	(21,372)
National fiscal stabilization levy paid	(4,160)	(4,710)	(2,882)	(2,996)
Financial Sector recovery levy paid	(4,160)	(4,160)	(1,850)	(1,850)
<b>Net cash generated from operating activities</b>	<b>60,853</b>	<b>49,174</b>	<b>77,502</b>	<b>80,033</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(13,071)	(15,609)	(12,093)	(12,982)
Purchase of Intangible asset- software	-	-	(2,767)	(2,767)
Proceeds from sale of property and equipment	712	712	7,863	7,865
Purchase of invest. securities at amortised cost	(2,002,176)	(2,065,612)	(780,018)	(784,874)
Sale of investment securities at amortised cost	1,853,750	1,931,434	530,504	532,234
Proceeds from sale of investment securities / interest received - FVTPL	7,199	7,199	222	222
Purchase of investment securities - FVTPL	-	-	(10,000)	(10,000)
Purchases - investment in subsidiary	-	-	(1,500)	-
<b>Net cash used in investing activities</b>	<b>(153,587)</b>	<b>(141,877)</b>	<b>(267,789)</b>	<b>(270,302)</b>
<b>Cash flows from financing activities</b>				
Redemption of bonds	-	-	(17,514)	(17,514)
Proceeds from bonds issued	-	-	18,000	18,000
Repayment of borrowings	(91,870)	(91,870)	(29,029)	(29,029)
Proceeds from borrowings	-	-	58,663	58,663
<b>Net cash generated from financing activities</b>	<b>(91,870)</b>	<b>(91,870)</b>	<b>30,120</b>	<b>30,120</b>
Decrease in cash and cash equivalents	(184,604)	(184,572)	(160,168)	(160,149)
Effect of foreign exch. fluctuations on cash & cash equiv.	109,503	109,503	30,525	30,525
At 1 January	946,055	946,062	906,641	906,651
<b>Cash and cash equivalents as at 30 September</b>	<b>870,954</b>	<b>870,993</b>	<b>776,999</b>	<b>777,027</b>

## UNAUDITED CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER, 2022

The Bank-2022

In thousands of GHS	Stated Capital	Income surplus account	Statutory reserve fund	Revaluation reserve	Housing development assistance reserve	Regulatory credit risk reserve	Total Equity
<b>Balance at 1 January 2022</b>	<b>401,191</b>	<b>24,371</b>	<b>192,326</b>	<b>24,852</b>	<b>744</b>	<b>46,448</b>	<b>689,932</b>
Profit for the year	-	66,657	-	-	-	-	66,657
<b>Transfers from income surplus to reserves</b>							
Transfer to statutory reserve fund	-	-	-	-	-	-	-
Transfer to regulatory credit risk reserve	-	(93,851)	-	-	-	93,851	-
<b>Total transfers</b>	<b>-</b>	<b>(93,851)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>93,851</b>	<b>-</b>
At 30 September 2022	401,191	(2,823)	192,326	24,852	744	140,299	756,589

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# UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER, 2022

## The Bank-2021

In thousands of GH¢	Stated Capital	Income surplus account	Statutory reserve fund	Revaluation reserve	Housing development assistance reserve	Regulatory credit risk reserve	Total Equity
Balance at 1 January 2021	401,191	(14,477)	151,476	24,852	744	44,448	608,234
Profit for the year	-	60,896	-	-	-	-	60,896
<b>Transfers from income surplus to reserves</b>							
Transfer to statutory reserve fund	-	-	-	-	-	-	-
Transfer from regulatory credit risk reserve	-	-	-	-	-	-	-
<b>Total transfers</b>	-	-	-	-	-	-	-
At 30 September 2021	401,191	46,419	151,476	24,852	744	44,448	669,130

## UNAUDITED CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER, 2022

## The Group-2022

In thousands of GH¢	Stated Capital	Income surplus account	Statutory reserve fund	Revaluation reserve	Housing development assistance reserve	Regulatory credit risk reserve	Non-controlling interest	Total Equity
Balance at 1 January 2022	401,191	53,882	192,326	24,852	744	46,448	6,646	726,089
Profit for the year	-	72,511	-	-	-	-	1,905	74,416
Dividend	-	-	-	-	-	-	(556)	(556)
<b>Transfers from income surplus to reserves</b>								
Transfer to statutory reserve fund	-	-	-	-	-	-	-	-
Transfer to regulatory credit risk reserve	-	(93,851)	-	-	-	93,851	-	-
<b>Total transfers</b>	-	(93,851)	-	-	-	93,851	-	-
At 30 September 2022	401,191	32,542	192,326	24,852	744	140,299	7,996	799,950

## The Group-2021

In thousands of GH¢	Stated Capital	Income surplus account	Statutory reserve fund	Revaluation reserve	Housing development assistance reserve	Regulatory credit risk reserve	Non-controlling interest	Total Equity
Balance at 1 January 2021	401,191	8,495	151,476	24,852	744	44,448	5,006	636,212
Profit for the year	-	65,322	-	-	-	-	1,093	66,415
<b>Transfers from income surplus to reserves</b>								
Transfer to statutory reserve fund	-	-	-	-	-	-	-	-
Transfer from regulatory credit risk reserve	-	-	-	-	-	-	-	-
<b>Total transfers</b>	-	-	-	-	-	-	-	-
At 30 September 2021	401,191	73,817	151,476	24,852	744	44,448	6,099	702,627

## NOTES TO THE UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER, 2022

### 1. Significant accounting policies

The unaudited consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee ("IFRIC") as adopted by the Institute of Chartered Accountant Ghana (ICAG) and in a manner required by the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) and the Companies Act, 2019, (Act 992).

### Basis of preparation

The summary of the Consolidated and Separate Financial Statements have been extracted from the unaudited consolidated and separate financial statements of the Bank and its subsidiaries in accordance with the Bank of Ghana Guide for Financial Publication for Banks & Bank of Ghana (BOG) Licensed Financial Institutions.

### 2. Quantitative Disclosures

	2022	2021
a. Capital Adequacy Ratio (CRD) (%)	21.49	26.36
b. Non-Performing Loan (NPL) Ratio (%)	19.08	17.56
c. Liquidity ratio (%)	149.65	162.34
d. Leverage ratio (%)	11.04	13.74

### 3. Qualitative Disclosures

#### a. Dominant Risks

The Bank is exposed to the following risks:

- Credit Risk
- Liquidity Risk
- Operational Risk
- Market Risk

The Board of Directors established the Bank's Risk Management Frameworks and Assets and Liabilities Committee (ALCO) to be responsible for the monitoring of the Bank's risks.

The Bank has Risk Management and Compliance Department which have policy and procedure manuals which have been instituted by the Board of Directors and Management. A comprehensive departmental manual has established a framework within which Management effectively manages and controls risks. The tasks involve in the risk management functions are to identify, define, measure, control, monitor and mitigate potential events that could impair the ability of the Group to generate stable and sustainable financial results from its operations.

#### b. Risk management, compliance frameworks and measurement

All risks are qualitatively and quantitatively evaluated on a recurring basis. Management understands the degree and nature of risk exposures on decisions regarding allocation of resources. Risk assessment is validated by the Risk Department which also tests the effectiveness of risk management activities and makes recommendations for remedial action. The Bank also identifies risk by evaluating the potential impact of internal and external factors, business transactions and positions. Once the risks are identified, various mitigating measures are put in place to regulate the degree of risks involved.

### 4. Defaults in statutory liquidity and accompanying sanctions

	2022	2021
Default in Statutory Liquidity (Times)	1	Nil
Default in Statutory Liquidity Sanctions (GHS'000)	146	Nil

"The financial statements do not contain untrue statements, misleading facts, or omit material facts, to the best of our knowledge."



Charles William Zwennes  
Chairman



Benjamin Dzoboku  
Managing Director