

## UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2019

	2019 GH¢'000	2018 GH¢'000
Interest income	89,664	59,510
Interest expense	(19,932)	(18,332)
<b>Net interest income</b>	<b>69,732</b>	<b>41,177</b>
Fees and commission income	11,893	12,800
Fees and commissions expenses	(1,576)	(1,228)
<b>Net Fees and commission income</b>	<b>10,317</b>	<b>11,571</b>
<b>Net Trading Income</b>	<b>29,555</b>	<b>12,181</b>
Other income	2,588	1,308
<b>Net Trading and other income</b>	<b>32,143</b>	<b>13,489</b>
<b>Operating Income</b>	<b>112,192</b>	<b>66,238</b>
Net Impairment loss on financial instruments	(12,270)	(7,079)
Operating expenses	(51,120)	(43,726)
<b>Profit before Income tax</b>	<b>48,802</b>	<b>15,433</b>
Income tax expense	(14,152)	(4,167)
<b>Profit for the period</b>	<b>34,649</b>	<b>11,266</b>

## UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	2019 GH¢'000	2018 GH¢'000
<b>Assets</b>		
Cash and cash equivalents	159,890	142,141
Investments	755,371	224,625
Deposits and balances due from banking institutions	47,213	28,073
Loans and advances to customers	577,552	560,487
Other assets	49,532	55,935
Deferred tax assets	2,201	2,943
Property and equipment	54,634	58,059
Investment Property	8,200	14,900
<b>Total assets</b>	<b>1,654,593</b>	<b>1,087,164</b>
<b>Liabilities</b>		
Deposits from Customers	859,218	646,204
Borrowings	197,488	217,556
Other liabilities	25,044	23,949
Current income tax liability	8,709	-
<b>Total liabilities</b>	<b>1,090,459</b>	<b>887,709</b>
<b>Equity</b>		
Stated capital	422,289	100,961
Income surplus account	16,392	(18,249)
Regulatory credit risk reserve	52,230	55,806
Statutory reserve	73,224	60,937
<b>Total equity</b>	<b>564,134</b>	<b>199,455</b>
<b>Total liabilities and equity</b>	<b>1,654,593</b>	<b>1,087,164</b>

The financial statements were approved by the board of directors and were signed on its behalf by:

Kobby Andah

Managing Director

Stephan Ata

Chairman

## UNAUDITED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2019

	2019 GH¢'000	2018 GH¢'000
<b>Cash flow from operating activities</b>		
Profit before Income tax	48,802	7,479
<b>Adjustments for:</b>		
Depreciation and amortisation	3,235	1,485
Gains on disposal of property and equipment	(77)	-
<b>Operating cash flows before changes in working capital</b>	<b>51,960</b>	<b>8,964</b>
Change in loans & advances	(12,494)	(38,587)
Change in investment securities	(370,134)	59,722
Change in other assets	(10,703)	(7,822)
Change in deposits from Customer	68,948	(46,865)
Change in borrowings	(9,739)	51,862
Change in other liabilities	2,183	12,132
Tax paid	(3,444)	(1,657)
<b>Cash flow (used in)/ generated from operations</b>	<b>(283,422)</b>	<b>37,751</b>
<b>Cash flow from Investing activities</b>		
Purchase of property and equipment	(1,710)	(3,823)
Proceeds from disposal of property and equipment	77	-
Proceeds from sale of Investment property	6,700	-
<b>Net cash flows generated from investing activities</b>	<b>5,067</b>	<b>(3,823)</b>
<b>cash flows from financing activities</b>		
Additional capital introduced	282,768	-
<b>Net cash used in financing activities</b>	<b>282,768</b>	<b>-</b>
Net Increase in cash and cash equivalents	4,412	33,927
Cash and cash equivalents at 1 January	202,691	129,252
Cash and cash equivalents at 30 June	207,104	163,180

### 1. Risk Management Disclosures

Taking risk is core in the business of Banking. In carrying out its core business, the Bank analyses, evaluates and assumes positions of taking calculated risks. The Bank's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on its financial performance. The most significant risks faced by the Bank include:

- Credit Risk
- Liquidity Risk and
- Market Risk (i.e. risks related to mainly currency trading and interest rate risk)

### 2. Quantitative Disclosures

	2019	2018
Capital Adequacy Ratio	55.59%	18.78%
Non-Performing Loan Ratio	17.03%	19.18%
Liquid ratio	191.83%	123.19%

### 3. Risk Management Framework

The Board of Directors have overall responsibility for the establishment and oversight of the Bank's risk management framework. The Board has established a Risk and Compliance Committee for the management of risk in the Bank. The arm of the committee within management is the Risk Management Department which assists it, in the discharge of this responsibility. The Bank's risk management policies are established to identify and analyse the risks faced by the Bank; to set appropriate risk limits and controls; and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered.

Through the compliance department, the Bank ensures it complies with all prudential and regulatory guidelines in the pursuit of profitable Banking opportunities while avoiding excessive, unnecessary and uncontrollable risk exposures. Risks being an inherent feature in the business of the banking, various mitigating measures are put in place to better manage risk.

All risk management policies are formulated at the board level through the Board Committee of Risk and Compliance. The Bank, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees appreciate their roles and obligations.

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

	2019	2018
Statutory default (number)	Nil	Nil
Statutory default Sanction	Nil	Nil