

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2021

	2021 GH¢'000	2020 GH¢'000
Interest income	55,948	51,503
Interest expense	(10,221)	(14,178)
Net interest income	45,727	37,325
Fees and commission income	5,644	6,183
Fees and commission expenses	(484)	(833)
Net fees and commission income	5,160	5,350
Net trading income	4,348	14,312
Other operating income	665	920
Net trading and other operating income	5,013	15,232
Operating income	55,900	57,908
Net impairment loss on financial instruments	(4,234)	(2,641)
Operating expenses	(27,804)	(28,564)
Profit before income tax	23,862	26,703
Income tax expense	(7,796)	(7,744)
Profit for the period	16,066	18,959

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	2021 GH¢'000	2020 GH¢'000
Assets		
Cash and cash equivalents	348,655	440,898
Loans and advances to customers	746,803	729,948
Investment securities	678,901	757,334
Deferred income tax assets	4,915	-
Intangible assets	5,921	7,351
Other assets	72,567	32,053
Right-of-use asset	19,755	23,713
Property and equipment	56,487	54,948
Non-current assets held for sale	-	30,744
Total assets	1,934,004	2,076,989
Liabilities		
Deposits from customers	1,090,871	1,057,831
Deposits from banks	-	16,335
Current income tax liabilities	2,485	4,814
Borrowings	137,124	331,357
Lease liabilities	14,820	19,196
Other liabilities	27,132	32,830
Total liabilities	1,272,432	1,462,363
Equity		
Stated capital	422,289	422,289
Retained earnings	32,903	33,170
Regulatory credit risk reserve	67,900	53,595
Statutory reserve	138,480	105,572
Total equity	661,572	614,626
Total liabilities and equity	1,934,004	2,076,989

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

Kobby Andah
Managing Director

Francis Kalitsi
Chairman

UNAUDITED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2021

	2021 GH¢'000	2020 GH¢'000
Cash flow from operating activities		
Profit before income tax	23,862	26,703
Adjustments for:		
Depreciation and amortisation	3,856	2,231
Finance cost on lease liabilities	144	-
Exchange loss on lease liabilities	647	-
Operating cash flows before changes in working capital	28,509	28,934
Changes in:		
Loans & advances	5,076	(4,404)
Investments securities	105,044	(22,443)
Other assets	5,353	(1,839)
Deposits from customers	(113,191)	(25,986)
Deposits from banks and other financial institutions	-	(18,680)
Borrowings	(32,161)	31,557
Other liabilities	121	19,863
Income tax paid	(5,990)	-
Net cash flows (used in)/ from operating activities	(7,239)	7,002
Cash flows from investing activities		
Purchase of property and equipment	(278)	(1,591)
Net cash flows used in investing activities	(278)	(1,591)
Cash flows from financing activities		
Payment for finance leases	(1,360)	-
Net cash flows used in financing activities	(1,360)	-
Net decrease in cash and cash equivalents	(8,877)	5,411
Cash and cash equivalents at 1 January	357,532	435,487
Cash and cash equivalents at 31 March	348,655	440,898

1.0 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)

1.1 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. Risk being an inherent feature in the business of the banking, various mitigating measures are put in place to better manage it.

All risk management policies are formulated at the board level through the Board Risk and Compliance Committee. 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.

1.2 Quantitative and Qualitative Disclosures

Quantitative disclosures

	2021	2020
Capital Adequacy Ratio	36.52%	39.84%
Non-Performing Loan Ratio	15.48%	12.93%
Liquid Ratio	147.51%	174.64%

Compliance with statutory requirement

	2021	2020
Default in Statutory Liquidity	Nil	Nil
Default in Statutory Liquidity Sanctions (GH¢'000)	Nil	Nil
Other Regulatory Penalties (GH¢'000)	Nil	Nil