



UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE, 2021

CONSOLIDATED AND SEPARATE STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE, 2021

In thousands of GHS

	2021		2020	
	Bank	Group	Bank	Group
Interest income	226,983	234,023	215,430	222,479
Interest expense	(88,122)	(87,598)	(97,305)	(97,305)
Net interest income	138,861	146,425	118,125	125,174
Fee and commission income	25,162	37,659	22,601	32,672
Fee and commission expense	(1,378)	(1,378)	(871)	(871)
Net fee and commission income	23,784	36,281	21,730	31,801
Net trading income	10,616	10,616	10,818	10,818
Net income / (loss) from investments at fair value thru. P&L	1,463	1,764	712	834
Other operating income	3,139	3,139	1,301	1,301
Other income	3,027	4,411	5,296	6,407
Operating income	180,890	202,636	157,982	176,335
Net impairment loss on financial asset	(8,037)	(9,062)	(17,835)	(17,835)
Personnel expenses	(63,493)	(73,431)	(63,686)	(73,025)
Operating lease expenses	(1,283)	(1,283)	(365)	(1,117)
Depreciation and amortization	(10,226)	(11,059)	(8,858)	(9,660)
Other expenses	(33,511)	(38,813)	(30,175)	(35,590)
Profit before income tax for the period	64,340	68,988	37,063	39,108
National Fiscal Stabilization Levy	(3,296)	(3,533)	(1,997)	(2,168)
Financial Sector Recovery Levy	(1,604)	(1,604)	-	-
Tax expense	(16,285)	(17,472)	(10,694)	(11,562)
Profit for the period	43,155	46,379	24,372	25,378
Other comprehensive income				
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income for the period	43,155	46,379	24,372	25,378
Profit / (loss) attributable to:				
Controlling Equity holders of the Bank	43,155	45,658	24,372	25,420
Non-controlling interest	-	721	-	(42)
Profit for the period	43,155	46,379	24,372	25,378
Total comprehensive income attributable to:				
Controlling Equity holders of the bank	43,155	45,658	24,372	25,420
Non-controlling interest	-	721	-	(42)
Total comprehensive income for the period	43,155	46,379	24,372	25,378

CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE, 2021

In thousands of GHS

	2021		2020	
	Bank	Group	Bank	Group
Assets				
Cash and cash equivalents	799,877	799,904	788,225	788,251
Non-pledged trading assets	3,180	3,180	38,679	38,679
Pledged assets	15,038	15,038	75,095	75,095
Investment securities	1,174,486	1,198,011	876,799	896,859
Loans and advances to customers	1,587,449	1,587,449	1,508,367	1,508,367
Investment in subsidiaries	13,542	-	12,042	-
Current income tax assets	-	-	6,871	6,901
Deferred tax assets	16,361	16,625	12,882	12,984
Intangible assets	8,419	8,579	6,928	6,988
Other assets	21,223	27,897	17,635	26,286
Property, plant and equipment	110,649	113,769	92,347	96,989
Total assets	3,750,224	3,770,452	3,435,870	3,457,399
Liabilities and equity				
Deposits from customers	2,834,298	2,817,129	2,630,693	2,617,430
Borrowing	102,355	102,355	115,652	115,652
Current tax liabilities	7,088	6,187	-	-
Other liabilities	155,094	162,190	108,543	119,262
Total liabilities	3,098,835	3,087,861	2,854,888	2,852,344
Equity				
Stated capital	401,191	401,191	401,191	401,191
Income surplus	28,678	54,153	(14,869)	4,362
Revaluation reserve	24,852	24,852	24,852	24,852
Statutory reserve fund	151,476	151,476	125,664	125,664
Regulatory credit risk reserve	44,448	44,448	43,400	43,400
Housing development assistance reserve	744	744	744	744
Total equity attributable to equity holders of the Bank	651,389	676,864	580,982	600,213
Non-controlling interest	-	5,727	-	4,842
Total equity	651,389	682,591	580,982	605,055
Total liabilities and equity	3,750,224	3,770,452	3,435,870	3,457,399

CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30 JUNE, 2021

In thousands of GHS

	2021		2020	
	Bank	Group	Bank	Group
Profit before tax	64,340	68,988	37,063	39,108
Adjustments for:				
Depreciation and amortization	10,226	11,059	8,858	9,660
Net impairment loss on loans and advances	8,037	9,062	17,835	17,835
Interest expense on long term bonds and borrowings	11,723	11,723	14,695	14,695
Fair value change— investments securities FVTPL	(1,463)	(1,764)	(712)	(834)
Effect of foreign exchange fluctuations on cash & cash equiv.	(13,559)	(13,559)	(33,892)	(33,892)
Increase in loans and advances to customers	(70,387)	(71,412)	(114,248)	(114,251)
Decrease in interest receivable and other assets	23,984	25,935	(32,478)	(31,601)
Increase / (decrease) in deposits from customers	64,895	61,805	60,139	55,749
Increase in interest payables and other liabilities	1,217	395	(28,937)	(35,005)
Cash generated from operations	97,231	100,450	(71,677)	(78,536)
Interest paid- long term bonds and borrowings	(8,399)	(8,399)	(5,703)	(5,703)
Tax refund	6,486	6,486	-	-
Corporate tax paid	(12,689)	(15,573)	(3,855)	(4,554)
National fiscal stabilization levy paid	(1,957)	(2,071)	(879)	(926)
Financial Sector recovery levy	(925)	(925)	-	-
Net cash generated from operating activities	79,747	79,968	(82,114)	(89,719)
Cash flows from investing activities				
Purchase of property, plant and equipment	(8,203)	(8,391)	(10,055)	(10,879)
Purchase of Intangible asset- software	(1,814)	(1,814)	-	-
Proceeds from sale of property, plant and equipment	7,708	7,710	-	-
Purchase of investment securities at amortised cost	(612,937)	(612,937)	(547,561)	(548,895)
Sale of investment securities at amortised cost	443,805	442,287	212,122	224,411
Sale of investment securities / interest received - FVTPL	111	111	222	222
Purchase of investment securities - FVTPL	(10,000)	(10,000)	-	(2,508)
Purchases - investment in subsidiary	(1,500)	-	-	-
Net cash used in investing activities	(182,830)	(183,034)	(345,272)	(337,649)
Cash flows from financing activities				
Redemption of bonds	17,732	17,732	-	-
Proceeds from bonds issued	(18,000)	(18,000)	-	-
Repayment of borrowings	(16,972)	(16,972)	(63,876)	(63,876)
Proceeds from borrowings	-	-	108,846	108,846
Net cash generated from financing activities	(17,240)	(17,240)	44,970	44,970
Increase in cash and cash equivalents	(120,323)	(120,306)	(382,416)	(382,398)
Effect of foreign exch. fluctuations on cash & cash equiv.	13,559	13,559	33,892	33,892
At 1 January	906,641	906,651	1,136,749	1,136,757
Cash and cash equivalents as at 30 June	799,877	799,904	788,225	788,251

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UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE, 2021

CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD 30 JUNE, 2021

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 period	-	43,155	-	-	-	-	43,155
Transfer from income surplus to reserves	-	-	-	-	-	-	-
Transfer from regulatory credit risk reserve	-	-	-	-	-	-	-
Total transfers	-	-	-	-	-	-	-
At 30 June 2021	401,191	28,678	151,476	24,852	744	44,448	651,389

The Bank-2020

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 2020	401,191	(37,451)	125,664	24,852	744	41,610	556,610
Profit for the period	-	24,372	-	-	-	-	24,372
Transfer from income surplus to reserves	-	-	-	-	-	-	-
Transfer from regulatory credit risk reserve	-	(1,790)	-	-	-	1,790	-
Total transfers	-	22,582	-	-	-	1,790	24,372
At 30 June 2020	401,191	(14,869)	125,664	24,852	744	43,400	580,982

CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD 30 JUNE, 2021

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	44,448.00	5,006	636,212
Profit for the period	-	45,658	-	-	-	-	721	46,379
Transfer from income surplus to reserves	-	-	-	-	-	-	-	-
Transfer from regulatory credit risk reserve	-	-	-	-	-	-	-	-
Total transfers	-	-	-	-	-	-	-	-
At 30 June 2021	401,191	54,153	151,476	24,852	744	44,448	5,727	682,591

The Group-2020

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 2020	401,191	(19,268)	125,664	24,852	744	41,610	4,884	579,677
Profit for the period	-	25,420	-	-	-	-	(42)	25,378
Transfer from income surplus to reserves	-	-	-	-	-	-	-	-
Transfer from regulatory credit risk reserve	-	(1,790)	-	-	-	1,790	-	-
Total transfers	-	(1,790)	-	-	-	1,790	-	-
At 30 June 2020	401,191	4,362	125,664	24,852	744	43,400	4,842	605,055

NOTES TO THE CONSOLIDATED AND SEPARATE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE, 2021

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

	2021	2020
a. Capital Adequacy Ratio (CRD) (%)	26.33	25.71
b. Non-Performing Loan (NPL) Ratio (%)	17.40	17.49
c. Liquidity ratio (%)	151.19	121.02

3. Qualitative Disclosures

a. Dominant Risks

The Bank is exposed to the following risks:

- Credit Risk
- Operational Risk
- Liquidity 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.

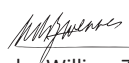
b. Risk management, compliance frameworks and measurement

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

	2021	2020
Default in Statutory Liquidity (Times)	Nil	Nil
Default in Statutory Liquidity Sanctions (GHS'000)	Nil	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


Farid Antar
Managing Director