

First National Bank Ghana Limited

unaudited financial statements for the period ended 30 September 2017

STATEMENT OF COMPREHENSIVE INCOME

(All amounts are expressed in thousands of Ghana cedis)

	30 September 2017	30 September 2016
Interest income	19,017	22,253
Interest expense	<u>(4,084)</u>	<u>(187)</u>
Net interest income	14,933	22,066
Fees and commission income	1,114	140
Fees and commission expense	<u>(358)</u>	<u>(306)</u>
Net fees and commission income/(expense)	756	(166)
Other operating income	<u>8,156</u>	<u>1,045</u>
Total operating income	23,845	22,945
Impairment charge on loans and advances	(77)	33
Personnel expenses	(25,449)	(17,530)
Operating lease expense	(6,044)	(5,777)
Depreciation and amortisation	(3,721)	(1,701)
Other operating expenses	<u>(8,710)</u>	<u>(1,497)</u>
Profit/(Loss) before income tax	(20,156)	(3,527)
Income tax expense	<u>561</u>	<u>377</u>
Profit/(Loss) after income tax	(19,595)	(3,150)
Other comprehensive income, net of income tax		
Gains on available-for-sale financial assets	<u>1,409</u>	<u>451</u>
Other comprehensive income (net of income tax)	1,409	451
Total comprehensive income for the period	(18,186)	(2,699)

STATEMENT OF CASH FLOWS

(All amounts are expressed in thousands of Ghana cedis)

	30 September 2017	30 September 2016
Cash flows from operating activities		
Profit/(loss) for the period	(19,595)	(3,150)
Adjustments for:		
Depreciation and amortisation	3,721	1,701
Impairment on loans and advances	(77)	33
Net interest income	(14,933)	(22,066)
Income tax expense	(561)	(377)
	<u>(31,445)</u>	<u>(23,859)</u>
Change in non-pledged trading assets	(17,596)	(5,348)
Change in loans and advances	(8,732)	(1,758)
Change in other assets	(3,109)	(2,372)
Change in deposits from customers	(52,583)	10,920
Change in other liabilities	3,766	(4,439)
Change in deferred tax	<u>595</u>	<u>(286)</u>
	(77,659)	(3,283)
Interest received	14,334	18,090
Interest paid	(3,914)	(169)
Net cash (used in)/generated from operating activities	(98,684)	(9,221)
Cash flows from investing activities		
Purchase of investment securities	(265,207)	(27,238)
Proceeds from sale of investment securities	255,251	25,509
Purchases of property and equipment	(5,248)	(12,837)
Purchases of intangible assets	<u>(117)</u>	<u>(1,491)</u>
Net cash used in investing activities	(15,321)	(16,057)
Cash flows from financing activities		
Proceeds from issue of ordinary shares	<u>17,373</u>	<u>7,886</u>
Net cash generated from financing activities	17,373	7,886
Net (decrease)/increase in cash and cash equivalents	(96,632)	(17,392)
Cash and cash equivalents at 1 January	174,501	34,990
Cash and cash equivalents at 30 September	77,869	17,598

STATEMENT OF FINANCIAL POSITION

(All amounts are expressed in thousands of Ghana cedis)

	30 September 2017	30 September 2016
Assets		
Cash and bank balances	77,869	17,598
Non-pledged trading assets	34,042	5,348
Investment securities	76,554	102,163
Loans and advances	11,928	3,072
Property and equipment	23,353	21,576
Intangible assets	677	1,305
Deferred tax asset	-	450
Other assets	<u>9,797</u>	<u>7,456</u>
Total assets	234,220	158,968
Liabilities		
Deposits from customers	82,722	12,334
Deferred tax liability	1,430	-
Other liabilities	<u>15,021</u>	<u>9,220</u>
Total liabilities	99,173	21,554
Equity		
Stated capital	162,017	144,644
Other reserves	5,307	451
Income surplus (deficit)	<u>(32,277)</u>	<u>(7,681)</u>
Total	135,047	137,414
Total liabilities and equity	234,220	158,968

Notes to the unaudited financial statements for the period ended 30 September 2017

1. Significant accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants, Ghana (ICAG).

First National Bank Ghana Limited

unaudited financial statements for the period ended 30 September 2017 continued

2. Quantitative disclosures

	September 2017	September 2016
a) Capital Adequacy Ratio (CAR)	108%	240%
b) Non-Performing Loans (NPL) Ratio	n/a	n/a

3. Qualitative disclosures

First National Bank Ghana Limited is exposed to:

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

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Board has established the Bank's Asset, Liability and Capital Committee (ALCCO), the Risk Committee (RISCO) and the Executive Committee (EXCO) which

are responsible for developing and monitoring risk management policies in their specified areas.

The Bank maintains liquidity limit imposed by its local regulator, Bank of Ghana and the overall liquidity has always been within the regulatory limit of Bank of Ghana. Treasury department monitors all branches to ensure that the Bank maintains optimum liquid assets. The daily liquidity position is monitored and regular liquidity stress testing is conducted under a variety of scenarios covering both normal and more severe market conditions. All liquidity policies and procedures are subject to review and approval by the Asset, Liability and Capital Management Committee (ALCCO). Daily reports on the liquidity position of the Bank are submitted to senior management and summary report, including any exceptions and remedial action taken, is submitted regularly to ALCCO on a monthly basis.

The Board of Directors has delegated responsibility for the management of credit risk to a Management Credit Committee. The Committee is responsible for the independent monitoring and oversight of the credit risk management process within First National Bank Ghana as well as the approval of risk procedures, frameworks, policies and methodologies applied in the management of the Bank's credit exposures.

Get more with your Gold Cheque Account



Switch to a simpler single monthly fee of GH¢10.

you get

- ✓ FREE Visa Card at account opening and no monthly Visa fee
- ✓ FREE subscription to all our Online Banking Channels
- ✓ FREE cash withdrawals at our ATMs + 6 FREE per month at other banks ATMs
- ✓ FREE electronic statements via email
- ✓ FREE withdrawals and deposits at our branches
- ✓ FREE inter account transfers and 3rd party transfers
- ✓ FREE subscription to inContact notifications
- ✓ FREE local and international card swipes
- ✓ FREE electronic banking transactions

PLUS Earn interest on your Gold Cheque Account

Dial *389*6# to switch and we'll come to you.



**First
National
Bank**

how can we help you?