

First National Bank Ghana Limited

Unaudited Financial Statements for the half-year ended 30 June 2017

STATEMENT OF COMPREHENSIVE INCOME

(All amounts are expressed in thousands of Ghana cedis)

	Half-year ended 30 June 2017	Half-year ended 30 June 2016
Interest income	15,229	14,383
Interest expense	(2,405)	(53)
Net interest income	12,824	14,330
Fees and commission income	747	65
Fees and commission expense	(259)	(169)
Net fees and commission income	488	(104)
Other operating income	2,984	1,535
Operating income	16,296	15,761
Impairment charge on loans and advances	(94)	33
Personnel expenses	(15,606)	(11,278)
Operating lease expense	(3,994)	(3,747)
Depreciation and amortisation	(2,475)	(1,306)
Other operating expenses	(5,603)	328
Profit/(Loss) before income tax	(11,476)	(209)
Income tax expense	1,020	435
Profit/(Loss) after income tax	(10,456)	226
Other comprehensive income, net of income tax		
Gains on available-for-sale financial assets	1,251	-
Other comprehensive income (net of income tax)	1,251	-
Total comprehensive income for the period	(9,205)	226

STATEMENT OF FINANCIAL POSITION

(All amounts are expressed in thousands of Ghana cedis)

	30 June 2017	30 June 2016
Assets		
Cash and bank balances	42,726	10,980
Non-pledged trading assets	30,293	-
Investment securities	76,036	108,860
Loans and advances	11,797	2,435
Property and equipment	21,458	21,264
Intangible assets	745	1,267
Deferred tax asset	-	447
Other assets	7,256	5,984
Total assets	190,311	151,237
Liabilities		
Deposits from customers	39,091	6,582
Deferred tax liability	921	-
Other liabilities	15,045	12,183
Total liabilities	55,057	18,765
Equity		
Stated capital	153,237	136,758
Other reserves	5,149	12
Income surplus (deficit)	(23,132)	(4,298)
Total	135,254	132,472
Total liabilities and equity	190,311	151,237

STATEMENT OF CASH FLOWS

(All amounts are expressed in thousands of Ghana cedis)

	Half-year ended 30 June 2017	Half-year ended 30 June 2016
Cash flows from operating activities		
(Loss)/profit before tax	(11,476)	(209)
Adjustments for:		
Depreciation and amortisation	2,475	2,286
Impairment on loans and advances	94	(33)
Change in non-pledged trading assets	(13,847)	-
Change in loans and advances	(8,508)	(1,070)
Change in other assets	(568)	(1,347)
Change in deposits from customers	(96,307)	5,118
Change in other liabilities	3,315	(1,689)
Net cash (used in)/generated from operating activities	(124,822)	3,056
Cash flows from investing activities		
Purchase of investments	(13,254)	(13,487)
Purchases of intangible assets	-	(1,267)
Purchases of property and equipment	(2,292)	(12,312)
Net cash used in investing activities	(15,546)	(27,066)
Cash flows from financing activities		
Proceeds from issue of ordinary shares	8,593	-
Net cash generated from financing activities	8,593	-
Net (decrease)/increase in cash and cash equivalents	(131,775)	(24,010)
Cash and cash equivalents at 1 January	174,501	34,990
Cash and cash equivalents at period end	42,726	10,980

Notes to the unaudited financial statements for the period ended 30 June 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).

2. Quantitative disclosures

	June 2017	June 2016
a) Capital Adequacy Ratio (CAR)	244%	125%
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

First National Bank Ghana Limited

Unaudited Financial Statements for the half-year ended 30 June 2017

continued

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?