

First National Bank Ghana Limited

Summary Financial Statements for the year ended 31 December 2017

SUMMARY STATEMENT OF COMPREHENSIVE INCOME

(All amounts are in thousands of Ghana cedis)

	Year ended 31 December	
	2017	2016
Interest income	29,490	36,166
Interest expense	(8,436)	(6,271)
Net interest income	21,054	29,895
Fees and commission income	1,839	289
Fees and commission expense	(518)	(416)
Net fees and commission	1,321	(127)
Net trading income	12,075	1,084
Other operating income	(1,331)	702
Total operating income	33,119	31,554
Net impairment loss on financial assets	(242)	(28)
Personnel expenses	(35,405)	(25,652)
Operating lease expense	(8,115)	(7,746)
Depreciation and amortisation	(5,188)	(3,090)
Other operating expenses	(11,583)	(3,184)
Loss before income tax	(27,414)	(8,146)
Income tax credit/(expense)	782	(12)
Loss after income tax	(26,632)	(8,158)
Other comprehensive income		
<i>Other comprehensive income to be reclassified to profit or loss</i>		
Gains on available-for-sale financial assets	2,211	5,070
Income tax effect relating to OCI	(648)	(1,172)
Other comprehensive income net of tax	1,563	3,898
Total comprehensive loss for the year	(25,069)	(4,260)

SUMMARY STATEMENT OF FINANCIAL POSITION

(All amounts are in thousands of Ghana cedis)

	As at 31 December	
	2017	2016
Assets		
Cash and cash equivalents	77,525	79,663
Non-pledged trading assets	41,824	16,446
Loans and advances	28,518	3,289
Investment securities	76,523	155,437
Intangible assets	462	1,119
Other assets	12,897	6,688
Property and equipment	22,545	21,267
Total assets	260,294	283,909
Liabilities		
Deposits from customers	103,374	135,398
Other liabilities	18,673	11,254
Deferred tax liability	1,263	1,397
Total liabilities	123,310	148,049
Equity		
Stated capital	162,017	144,644
Contribution towards capital	8,820	-
Income surplus - (deficit)	(39,594)	(12,682)
Credit risk reserve	280	-
Other reserve	5,461	3,898
Total	136,984	135,860
Total liabilities and equity	260,294	283,909

SUMMARY STATEMENT OF CASH FLOWS

(All amounts are in thousands of Ghana cedis)

	2017	2016
Cash flows from operating activities		
Loss for the period	(26,632)	(8,158)
Adjustments for:		
Depreciation and amortisation	5,188	3,090
Impairment on financial assets	242	28
Profit on disposal of property and equipment	-	(2)
Net interest income	(21,054)	(29,895)
Income tax (credit)/ expense	(782)	12
	(43,038)	(34,925)
Change in loans and advances	(25,721)	(1,952)
Change in non-pledged trading assets	(25,378)	(16,446)
Change in other assets	(6,209)	(1,604)
Change in deposits from customers	(31,742)	133,934
Change in other liabilities	7,418	(2,405)
Change in deferred tax	648	1,172
	(80,984)	112,699
Interest received	24,619	31,933
Interest paid	(8,186)	(6,236)
Net cash (used in)/generated from operating activities	(107,589)	103,471
Cash flows from investing activities		
Purchase of investment securities	(542,385)	(1,060,286)
Proceeds from sale of investment securities	547,324	1,029,958
Purchases of property and equipment	(5,691)	(13,728)
Proceeds from the sale of property and equipment	-	7
Purchases of intangible assets	(118)	(1,492)
Net cash used in investing activities	(870)	(45,541)
Cash flows from financing activities		
Proceeds from issue of ordinary shares	17,373	7,886
Proceeds from contributions towards capital	8,820	-
Net cash generated from financing activities	26,193	7,886
Net increase/(decrease) in cash and cash equivalents	(82,266)	65,816
Cash and cash equivalents at 1 January	159,791	93,975
Cash and cash equivalents at 31 December	77,525	159,791

how can we help you?

Get the **right** card acceptance solution for your business for **FREE**

No maintenance fees | No set-up fees | No rental fees | No tally roll fees | No deployment fees



* Offer valid until 30th March, 2018 | Ts & Cs apply.

024 243 5050 / 050 158 0838



First National Bank Ghana Limited

Summary Financial Statements for the year ended 31 December 2017

continued

STATEMENT OF CHANGES IN EQUITY

(All amounts are in thousands of Ghana cedis)

	Stated capital	Contributions towards capital	Credit risk reserve	Other reserve	Income surplus (deficit)	Total equity
Balance at 1 January 2016	136,758	-	-	-	(4,524)	132,234
Loss for the year	-	-	-	-	(8,158)	(8,158)
Other comprehensive income	-	-	-	3,898	-	3,898
Total comprehensive income/(loss)	-	-	-	3,898	(8,158)	(4,260)
Transactions with owners						
Issue of ordinary shares	-	-	-	-	-	-
Transfer to stated capital	7,886	-	-	-	-	7,886
Total transfers and transactions with owners	7,886	-	-	-	-	7,886
Balance at 31 December 2016	144,644	-	-	3,898	(12,682)	135,860
Balance at 1 January 2017	144,644	-	-	3,898	(12,682)	135,860
Loss for the year	-	-	-	-	(26,632)	(26,632)
Other comprehensive income	-	-	-	1,563	-	1,563
Total comprehensive income/(loss)	-	-	-	1,563	(26,632)	(25,069)
Transactions with owners						
Issue of ordinary shares	17,373	-	-	-	-	17,373
Contribution towards capital	-	8,820	-	-	-	8,820
Transfer to credit risk reserve	-	-	280	-	(280)	-
Total transactions with owners	17,373	8,820	-	-	-	26,193
Balance at 31 December 2017	162,017	8,820	280	5,461	(39,594)	136,984

The financial statements of the Bank were approved by the Board of Directors on 22 March 2018 and are signed on their behalf by:


..... Michael Larbie (Chairman)


..... Richard Hudson (Chief Executive Officer)

REPORT ON THE AUDIT OF THE SUMMARY FINANCIAL STATEMENTS

Our opinion

In our opinion, the accompanying summary financial statements of First National Bank Ghana Limited (the "Bank"), are consistent, in all material respects, with the audited financial statements of the Bank for the year ended 31 December, 2017, on the basis described in the notes.

The summary financial statements

The Bank's summary financial statements derived from the audited financial statements for the year ended 31 December, 2017 comprise:

- the summary statement of financial position as at 31 December 2017;
- the summary statement of comprehensive income for the year then ended;
- the summary statement of changes in equity for the year then ended;
- the summary statement of cash flows for the year then ended; and
- the related notes to the summary financial statements.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards, the Companies Act, 1963 (Act 179) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The audited financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 28th March, 2018. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the audited financial statements of the current period.


Directors' responsibility for the summary financial statements

The directors are responsible for the preparation of the summary financial statements on the basis described in the notes.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing 810 (Revised), 'Engagements to Report on Summary Financial Statements'.

The engagement partner on the audit resulting in this independent auditor's report is Oseini Amui (ICAG/P/1139).


PricewaterhouseCoopers (ICAG/F/2018/028)
Chartered Accountants
Accra, Ghana
28th March, 2018



First National Bank Ghana Limited

Summary Financial Statements for the year ended 31 December 2017

continued

Notes to the summary financial statements for the year ended 31 December 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). The detailed accounting policies which formed part of the annual report and have been consistently applied can be found in the annual financial statements which is available at www.firstnationalbank.com.gh.

2. Quantitative disclosures

	December 2017	December 2016
Loan classification by status		
Gross loans	28,821,000	3,350,000
Performing loans	28,821,000	3,350,000
Non-Performing loans	Nil	Nil
NPL(%)	Nil	Nil
a) Capital Adequacy Ratio (CAR)	93%	200%
Breach of statutory limits		
Minimum liquidity reserves	Nil	Nil
Penalty for breach limits	Nil	Nil

3. Qualitative disclosures

First National Bank Ghana limited is generally 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 limits 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 compliance of 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 its Credit Risk Management 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.



Bank anywhere, anytime with the First National Bank App.

Download now on



firstnationalbank.com.gh

Join our community



**First
National
Bank**

how can we help you?