

# Consolidated Bank Ghana Limited

## Unaudited Financial Statements for the Nine Months Ended 30 September 2019

(All amounts are in thousands of Ghana cedis unless otherwise stated)



### UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2019

Interest income	794,047
Interest expense	(441,092)
Net interest income	352,955
Fees and commission income	24,812
Fees and commission expenses	(1,982)
Net fee and commission income	22,830
Net trading income	44,348
Operating income	420,133
Net impairment loss on financial assets	(2,982)
Personnel expenses	(159,962)
Depreciation and amortisation	(45,580)
Other expenses	(123,007)
Profit before income tax	88,601
Income tax expense	(19,200)
National fiscal stabilisation levy	(4,430)
Profit for the period	64,971
Other comprehensive income, net of tax	-
<b>Total comprehensive income</b>	<b>64,971</b>

### UNAUDITED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2019

Profit before income tax	64,971
Adjustments for:	
Depreciation and amortisation	45,580
Impairment loss on financial assets	2,982
Changes in:	
Loans and advances to customers	(33,656)
Other assets	(49,025)
Deposits from customers	(55,784)
Decrease in mandatory cash reserve	5,578
Due to other banks	(309,319)
Other liabilities	40,998
Cash flow used in operations	(287,674)
Tax paid	(21,089)
Net cash flow used in operating activities	(308,763)
Cash flow from investing activities	
Acquisition of property and equipment	(24,756)
Purchases of investment securities maturing over 91 days	(2,809,301)
Proceeds from redemption of investment securities	1,678,915
Net cash flow used in investing activities	(1,155,142)
Net cash flow generated from financing activities	-
Net decrease in cash and cash equivalents	(1,463,905)
Balance at 1 January	1,554,242
Cash and cash equivalents at 30 September	90,337
Cash and cash equivalents:	
Cash and bank	432,184
Investment securities maturing within 91 days	203,806
Less mandatory cash reserve	(545,653)
	90,337

### UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2019

<b>ASSETS</b>	
Cash and cash equivalents	432,184
Investment securities	6,578,343
Loans and advances to customers	37,202
Property and equipment	317,891
Intangible assets	13,096
Deferred income tax assets	5,565
Other assets	50,582
Total assets	7,434,862
<b>LIABILITIES</b>	
Deposits from customers	5,456,529
Due to other banks	866,489
Other liabilities	619,713
Total liabilities	6,942,731
<b>EQUITY</b>	
Stated capital	450,000
Statutory reserve	32,485
Income surplus account	9,645
Total equity	492,131
<b>Total equity and liabilities</b>	<b>7,434,862</b>

### NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

#### 1. GENERAL INFORMATION

Consolidated Bank (Ghana) Limited (the Bank) is a limited liability company incorporated and domiciled in Ghana. The registered office is 1st Floor Manet Tower 3, Airport City, Accra. The Bank commenced universal banking operations in August 2018 and operates under the Bank and Specialised Deposit Taking Institutions Act, 2016 (Act 930)

#### 2. BASIS OF PREPARATION

The unaudited financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). The financial statements have been prepared under the historical cost convention.

#### 3. RISK MANAGEMENT

The Bank's activities expose the business to risks. These risks are managed in a targeted manner. The core functions of the Bank's risk management are to identify all key risks for the Bank, measure these risks, manage the risk positions and determine capital allocations. The risks arising from financial instruments to which the Bank is exposed are: credit risk, liquidity risk and market risk.

Bank regularly reviews its risk management policies and systems to reflect changes in markets, products and best market practice. The Bank's aim is to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Bank's financial performance. The Bank defines risk as the possibility of losses or profits foregone, which may be caused by internal or external factors

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Risk and Cyber Information Security Committee of the Board is responsible for developing and monitoring the Bank's risk management policies over specified areas.

Key risk ratios for the Bank are summarised below :

Non-performing loan ratio	As at 30 September 2019
Capital Adequacy Ratio	0.00%
Common Equity Tier 1 Ratio	30.04%
Liquidity Ratio	28.04%
Default in statutory liquidity (Times)	82%
Default in statutory liquidity Sanctions	Nil

#### 4. CONTINGENT LIABILITIES

Letters of credit	As at 30 September 2019
Letters of guarantee	6,394,843
	18,740,741

### UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER, 2019

	Stated Capital	Income Surplus Account	Statutory Reserve Account	Credit Risk Reserve	Total
Balance at 1 January 2019	450,000	(22,840)	-	-	427,160
Profit for the period		64,971			64,971
Transfer to statutory reserve		(32,485)	32,485	-	-
Other comprehensive income	-	-			-
Balance at 30 September 2019	450,000	9,645	32,485	-	492,131

Welbeck Abra-Appiah  
(Chairman)

Daniel Wilson Addo  
(Managing Director)

