

FIRST ATLANTIC BANK LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2018

(Unaudited) Statement of Comprehensive Income

(All amounts are expressed in thousands of Ghana cedis)

	March 2018	March 2017
Interest income	50,274	60,193
Interest expense	(29,088)	(26,616)
Net interest income	21,186	33,577
Net fee and commission income	10,903	8,756
Net trading income	10,480	3,092
Other Income	380	322
Operating Income	42,949	45,747
Impairment losses on loans & advances	(5,016)	(8,500)
Personnel expenses	(13,624)	(11,518)
Depreciation and amortisation	(3,759)	(2,838)
Other expenses	(14,751)	(12,626)
Profit before income tax	5,799	10,265
Income tax expense	(1,450)	(2,566)
National stabilisation levy	(290)	(513)
Profit for the year	4,059	7,186
Other comprehensive income	-	-
Total comprehensive income	4,059	7,186

(Unaudited) Statement of Financial Position

(All amounts are expressed in thousands of Ghana cedis)

	March 2018	March 2017
Assets		
Cash and cash equivalents	581,967	420,500
Trading assets	545,291	762,488
Loans and advances to customers	346,543	214,227
Investment in associates	127	340
Current tax assets	3,988	-
Intangible assets	8,912	5,570
Other assets	29,698	16,330
Property and equipment	143,499	131,043
Total assets	1,660,025	1,550,498
Liabilities		
Deposits from banks	34,540	89,296
Deposits from customers	1,316,267	1,201,075
Borrowings	-	13,208
Current tax liabilities	-	1,580
Deferred tax liabilities	18,481	16,997
Other liabilities	10,501	13,883
Total liabilities	1,379,789	1,336,039
Equity		
Stated capital	142,555	96,611
Income surplus account	34,476	7,346
Revaluation reserve	50,765	50,765
Statutory reserve fund	41,830	31,933
Credit risk reserve	7,214	27,575
Other reserves	3,396	229
Total equity	280,236	214,459
Total equity and liabilities	1,660,025	1,550,498

(Unaudited) Statement of Cash Flows

(All amounts are expressed in thousands of Ghana cedis)

	March 2018	March 2017
Cash flows from operating activities		
Profit for the period	5,799	10,265
Adjusted for:		
Depreciation and amortisation	3,759	2,838
Impairment on financial assets	5,016	8,500
Net interest income	(21,186)	(33,577)
	(6,612)	(11,974)
Changes in trading assets/liability		
Change in trading assets	159,095	(6,299)
Change in loans and advances to customers	(101,737)	7,570
Change in other assets	(9,686)	(4,823)
Change in deposits from banks	(34,264)	32,749
Change in deposits from customers	(49,158)	73,928
Other liabilities	4,338	(5,536)
	(31,412)	97,589
Interest received	37,974	62,627
Interest paid	(42,623)	(22,230)
Income tax paid	(4,320)	-
Net cash generated from operating activities	(46,993)	126,012
Cash flows from investing activities		
Purchase of property and equipment	(9,271)	(6,242)
Purchase of intangible assets	(3,265)	(92)
Change in borrowings	-	(346)
Net cash flow from investing activities	(12,536)	(6,680)
Cash flows from financing activities		
Proceeds from issue of shares	45,945	-
Net cash generated from financing activities	45,945	-
Net increase in cash and cash equivalents	(13,584)	119,332
Cash and cash equivalents at start of year	595,551	301,168
Cash and cash equivalents at end of year	581,967	420,500

1. Significant accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act, 1963 (Act 179) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

Basis of preparation

The published summary financial statement have been extracted from the audited financial statements of the Bank in accordance with the Bank of Ghana Guide for Publication for Banks and Bank of Ghana licenced financial institutions."

2. Quantitative disclosures

March 2018	March 2017
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Capital adequacy ratio	26%
Non-performing loan (NPL) ratio	12%

28%
35%

3. Qualitative disclosures

The Bank's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the Bank's business, and the operational risks are an inevitable consequence of being in business. The Bank's aim is therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on its financial performance. Risk management is carried out by the Risk Management Department under policies approved by the Board of Directors. Risk Management Department identifies, evaluates and manages financial risks in close cooperation with the operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and use of non-derivative financial instruments. The most important types of risk are credit risk, liquidity risk, market risk (currency risk, interest rate and other price risk) and other operational risk.

4. Defaults in statutory liquidity & accompanying sanctions

March 2018	March 2017
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(a) Default in statutory liquidity	Nil
(b) Sanctions	Nil

The financial statements do not contain untrue statements, misleading facts or omit material facts to the best of our knowledge.



Director
Karen Akiwumi Tanoh
(Chairman)



Director
Odun Odunfa
(MD/CEO)

