

# FIRST ATLANTIC BANK LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE, 2023

## (UNAUDITED) STATEMENT OF COMPREHENSIVE INCOME

in thousands of GHS

	JUN 2023	JUN 2022
Interest income	374,018	205,325
Interest expense	(99,164)	(53,594)
<b>Net interest income</b>	<b>274,854</b>	151,731
Fee and commission income	65,576	38,332
Net trading income	49,671	19,135
Other income	323	2,494
<b>Operating income</b>	<b>390,424</b>	211,692
Impairment losses on financial assets	(93,775)	(16,444)
Personnel expenses	(67,979)	(51,702)
Depreciation and amortisation	(16,717)	(13,289)
Other expenses	(72,564)	(52,933)
<b>Profit before income tax</b>	<b>139,389</b>	77,324
Income tax expense	(32,608)	(20,681)
National fiscal stabilisation levy	(6,969)	(3,278)
Financial sector recovery levy	(6,969)	(3,278)
<b>Profit for the year after income tax</b>	<b>92,843</b>	50,087
<b>Other comprehensive income, net of income tax</b>		
Unrealised gains on fair value changes on available-for-sale securities, net of tax	-	-
<b>Total comprehensive income for the period</b>	<b>92,843</b>	50,087

## (UNAUDITED) STATEMENT OF FINANCIAL POSITION

in thousands of GHS

	JUNE 2023	JUNE 2022
<b>Assets</b>		
Cash and cash equivalents	2,105,879	1,596,265
Investment securities	2,093,026	1,149,342
Loans and advances to customers	1,768,475	1,104,448
Investment in associates	2,834	1,176
Current tax assets	-	16,906
Intangible assets	7,005	5,429
Other assets	1,800,627	966,207
Property and equipment	580,617	205,662
<b>Total assets</b>	<b>8,358,463</b>	5,045,435
<b>Liabilities</b>		
Deposits from banks	-	96,009
Deposits from customers	7,171,690	4,095,234
Current tax liabilities	2,221	-
Deferred tax liabilities	55,272	11,219
Other liabilities	55,875	59,534
Lease liabilities	11,309	18,207
<b>Total liabilities</b>	<b>7,296,367</b>	4,280,203
<b>Equity</b>		
Stated capital	404,570	404,570
Income surplus account	100,645	101,387
Revaluation reserve	325,693	56,428
Statutory reserve fund	153,126	153,126
Credit risk reserve	78,062	49,721
<b>Total equity</b>	<b>1,062,096</b>	765,232
<b>Total equity and liabilities</b>	<b>8,358,463</b>	5,045,435

## (UNAUDITED) STATEMENT OF CASH FLOW

in thousands of GHS

	JUNE 2023	JUNE 2022
<b>Cash flows from operating activities</b>		
Cash operated from/(used in) operating activities	718,146	677,075
Tax paid	(48,791)	(32,228)
<b>Net cash flow used in operating activities</b>	<b>669,355</b>	644,847
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(21,416)	(10,328)
Purchase of intangible assets	(1,736)	(414)
Proceeds from asset disposal	724	2,360
Investment in Associate	(35)	-
<b>Net Cash flow used in investing activities</b>	<b>(22,463)</b>	(8,382)
<b>Cash flow from financing activities</b>		
Payments on lease liabilities	(3,356)	(1,888)
<b>Net Cash flow from financing activities</b>	<b>(3,356)</b>	(1,888)
Net increase/(decrease) in cash and cash equivalents	643,536	634,577
Cash and cash equivalents at beginning 1 January	1,462,343	961,688
<b>Cash and cash equivalents at end 30 June</b>	<b>2,105,879</b>	1,596,265



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# FIRST ATLANTIC BANK LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE, 2023

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## (UNAUDITED) STATEMENT OF CHANGES IN EQUITY

in thousands of GHS

	Stated capital	Statutory reserve fund	Credit risk reserve	Revaluation Reserve	Income surplus account	Total
<b>Balance at 1 January 2023</b>	<b>404,570</b>	<b>153,126</b>	<b>50,175</b>	<b>325,693</b>	<b>35,689</b>	<b>969,253</b>
Profit for the period	-	-	-	-	<b>92,843</b>	<b>92,843</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>92,843</b>	<b>92,843</b>
<b>Transfers from income surplus to reserves and transactions with owners, recorded directly in equity</b>						
Transfer from credit risk reserve	-	-	<b>27,887</b>	-	<b>(27,887)</b>	-
<b>Total other movements in equity</b>	<b>-</b>	<b>-</b>	<b>27,887</b>	<b>-</b>	<b>(27,887)</b>	<b>-</b>
<b>Balance at 30 June 2023</b>	<b>404,570</b>	<b>153,126</b>	<b>78,062</b>	<b>325,693</b>	<b>100,645</b>	<b>1,062,096</b>
<b>Balance at 1 January 2022</b>	<b>404,570</b>	<b>153,126</b>	<b>56,396</b>	<b>56,428</b>	<b>44,625</b>	<b>715,145</b>
Profit for the period	-	-	-	-	<b>50,087</b>	<b>50,087</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,087</b>	<b>50,087</b>
<b>Transfers from income surplus to reserves and transactions with owners, recorded directly in equity</b>						
Transfer from credit risk reserve	-	-	<b>(6,675)</b>	-	<b>6,675</b>	-
<b>Total other movements in equity</b>	<b>-</b>	<b>-</b>	<b>(6,675)</b>	<b>-</b>	<b>6,675</b>	<b>-</b>
<b>Balance at 30 June 2022</b>	<b>404,570</b>	<b>153,126</b>	<b>49,721</b>	<b>56,4278</b>	<b>101,387</b>	<b>765,232</b>

### 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, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). The accounting policies adopted in the preparation of these interim financial statements are consistent with those applied in the preparation of the Bank's annual financial statements for the year ended 31 December 2022.

#### Basis of preparation

The published summary financial statements are in accordance with the Bank of Ghana Guide for Publication for Banks and Bank of Ghana licensed financial institutions.

### 2. QUANTITATIVE DISCLOSURES

	JUNE 2023	JUNE 2022
Capital adequacy ratio (CRD)	14%	21%
Non-performing loan (NPL) ratio	17%	8%
Liquid ratio	89%	171%

### 3. QUALITATIVE DISCLOSURES

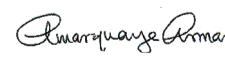
The Bank's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the Bank's business, and the operational risks are an inevitable consequence of being 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 and operational risk. Market risk includes currency risk, interest rate and other price risk.

### 4. DEFAULTS IN PRUDENTIAL REQUIREMENTS AND ACCOMPANYING SANCTIONS

	JUNE 2023	JUNE 2022
(1a) Default in statutory liquidity (times)	Nil	Nil
(1b) Sanctions (GHS '000)	Nil	Nil
(2a) Default in prudential requirements (times)	Nil	1
(2b) Sanctions (GHS '000)	Nil	18

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

  
**Mr. Amarquaye Armah**  
 (Chairman)

  
**Odun Odunfa**  
 (MD/CEO)



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