# **ACCESS BANK (GHANA) PLC** 2018 NINE MONTHS UNAUDITED FINANCIAL STATEMENTS

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

	The Group		The Bank		
	Sept 2018 GH¢'000	Dec 2017 GH¢'000	Sept 2018 GH¢'000	Dec 2017 GH¢'000	
Assets					
Cash and cash equivalents	1,104,245	1,107,576	1,104,245	1,107,576	
Investment securities	956,793	906,238	956,793	906,238	
Loans and advances to customers	885,829	877,675	885,829	877,675	
Investment other than securities	-	-	20	20	
Property and equipment	129,343	121,419	129,343	121,419	
Intangible assets	4,413	4,206	4,413	4,206	
Deferred income tax asset	2,517	2,517	2,517	2,517	
Other assets	163,859	180,178	163,596	179,915	
Total assets	3,246,999	3,199,809	3,246,756	3,199,566	
Liabilities					
Deposits from banks	103,378	187,294	103,378	187,294	
Deposits from customers	2,086,614	2,131,482	2,086,614	2,131,529	
Borrowings	281,635	341,328	281,635	341,328	
Current income tax	26,120	19,891	26,120	19,721	
Deferred income tax liabilities	8,161	8,161	8,161	8,161	
Other liabilities	32,095	41,895	32,873	42,796	
Total liabilities	2,538,003	2,730,051	2,538,781	2,730,829	
Equity					
Stated capital	400,000	144.738	400.000	144,738	
Statutory reserve	155,060	129,279	155,060	129,279	
Credit risk reserve	240,225	139,625	240,225	139,625	
Income surplus	(98,086)	44,319	(99,107)	43,298	
Fair value reserve	11,797	11,797	11,797	11,797	
Total equity	708,996	469,758	707,975	468,737	
Total equity and liabilities	3,246,999	3,199,809	3,246,756	3,199,566	

### STATEMENT OF CHANGES IN EQUITY

Group September 2018

September 2016	Share Capital	Credit risk reserve	Statutory Reserve	Fair value reserve	Retained Earnings	Total Equity
Balance at 1 January 2018	144,738	139,625	129,279	11,797	44,319	469,758
Changes on initial application of IFRS 9 Profit for the period	:	:	:	:	(64,808) 85,938	(64,808) 85,938
Transfers for the year	37,154	100,600	25,781	-	(163,535)	-
Proceeds from share issue	218,108	-	-	-	-	218,108
Balance at 30 September 2018	400,000	240,225	155,060	11,797	(98,086)	708,996
December, 2017	Share Capital	Credit risk reserve	Statutory Reserve	Fair value reserve	Retained Earnings	Total Equity
Balance at 1 January 2017	144,738	147,624	121,881	1,200	14,119	429,562
Profit for the year Net changes in fair value of	-	-	-	-	29,599	29,599
AFS financial instruments Transfers for the year	-	- (7,999)	- 7,398	10,597 -	- 601	10,597 -
Balance at 31 December 2017	144,738	139,625	129,279	11,797	44,319	469,758

## The Bank September 2018

September 2010	Share Capital	Credit risk reserve	Statutory reserve	Fair value reserve	Retained Earnings	Total Equity
Balance at 1 January 2018	144,738	139,625	129,279	11,797	43,298	468,737
Changes on initial application of IFRS 9 Profit for the period	:	-	:	-	(64,808) 85,938	(64,808) 85,938
Transfers for the year	37,154	100,600	25,781	-	(163,535)	-
Proceeds from share issue	218,108	-	-	-	-	218,108
Balance at 30 September 2018	400,000	240,225	155,060	11,797	(99,107)	707,975
December 2017	Share Capital	Credit risk reserve	Statutory Reserve	Fair value reserve	Retained Earnings	Total Equity
Balance at 1 January 2017	144,738	147,624	121,881	1,200	13,105	428,548
Profit for the year Net changes in fair value of AFS financial instruments Transfers for the year	- - -	- - (7,999)	- - 7,398	- 10,597 -	29,592 - 601	29,592 10,597 -
Balance at 31 December 2017	144,738	139,625	129,279	11,797	43,298	468,737

### NOTES FORMING PART OF THE UNAUDITED FINANCIAL STATEMENTS

## **1 SIGNIFICANT ACCOUNTING POLICIES**

#### **1.1 Accounting Policies**

The accounting policies applied for the period ended 30 September 2018 are consistent with those applied in the financial statements for the year ended 31 December 2017 with the exception of International Accounting Standard (IAS) 39 which has been replaced by International Financial Report Standard (IFRS) 9. The bank has elected not to reinstate the 2017 figures but pass the day one impact on the Equity.

# **1.2 Impact of IFRS 9 on Comparative Figures** This has been disclosed in the Statement of Equity

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

	The Group		The Bank	
	Sept 2018 GH¢'000	Sept 2017 GH¢'000	Sept 2018 GH¢'000	Sept 2017 GH¢'000
Interest income	282,480	277,689	282,480	277,689
Interest expense	(134,127)	(149,277)	(134,127)	(149,277)
Net interest income	148,353	128,412	148,353	128,412
Fees and commission Other operating income	32,018 64,475	21,404 24,229	32,018 64,475	21,404 24,229
Total operating income	244,846	174,045	244,846	174,045
Impairment loss on financial assets Personnel expenses Depreciation and amortization Other expenses Profit before income tax Taxation	(201) (46,431) (13,530) (61,915) 122,769	(1,875) (42,189) (12,541) (64,632) 52,808	(201) (46,431) (13,530) (61,915) 122,769	(1,875) (42,189) (12,541) (64,632) 52,808
Profit after tax	(36,831) 85,938	(15,844) 36,964	(36,831) 85,938	(15,844) 36,964
Other comprehensive income	-	-	-	-
Total comprehensive income for the year attributable to equity holders of the Bank	-	-	-	-
Earnings per share - Basic & Diluted	0.49	0.31	0.49	0.31

### CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED **30 SEPTEMBER**

GH: '000	SU SEP I EMBER	The Group		The Bank		
Adjustments for: Depreciation and amortization Net impairment loss on financial assets Gain on disposal of property & equipment13,530 201 (219)17,217 40,816 (219)13,530 40,816 (219)17,217 40,816 (219)13,530 40,816 (219)17,217 40,816 (219)13,530 40,816 (219)17,217 40,816 40,816 (219)13,530 40,816 (219)17,217 40,816 40,816 (219)13,530 40,816 (219)17,217 40,816 40,816 (219)13,530 40,816 (219)17,217 40,816 40,816 (219)13,530 40,816 (219)17,217 40,816 (219)13,530 40,816 (219)17,217 40,816 (219)13,530 40,816 (219)17,217 40,816 (219)13,530 (40,815)17,217 40,815 (219)13,530 (25,823) (14,857)17,217 (15,816) (16,833)13,530 (17,21)17,217 (25,823) (14,867)13,530 (12,2383 (14,867)17,217 (12,2383 (14,867)13,530 (12,2383 (14,867)17,217 (12,2383 (14,867)13,530 (12,2383 (14,867)127,327 (12,2383 (14,867)127,327 (12,2383 (14,867)127,327 (12,2383 (14,867)127,327 (12,2383 (14,867)127,327 (12,2383137,610128,328 (14,867)127,327 (12,2383 (14,867)127,327 (12,2383 (14,867)127,327 (12,2383 (14,867)127,327 (12,2383 (14,867)127,327 (12,2383 (14,867)127,327 (12,2383 (14,867)127,327 (12,2383127,400 (14,867)128,427 (12,238) (14,867)127,327 (12,2383 (14,867)127,327 (12,2383 (14,867)127,327 (12,2383 <th></th> <th></th> <th></th> <th></th> <th>Dec 2017 GH¢'000</th>					Dec 2017 GH¢'000	
Depreciation and amortization       13,530       17,217       13,530       17,217         Net impairment loss on financial assets       201       40,816       201       40,8         Gain on disposal of property & equipment       (219)       (55)       (219)       (219)         Changes in:       Government securities       (50,555)       (578,238)       (50,555)       (578,238)         Loans and advances to customers       16,520       (66,618)       (66,618)       (66,618)       (66,618)       (66,618)       (66,618)       (66,618)       (66,618)       (14,487)       (12,238)       (4,487)       (12,238)       (4,487)       (12,238)       (4,487)       (12,238)       (4,487)       (12,238)       (4,487)       (12,238)       (4,487)       (12,238)       (4,4867)       122,333       (44,867)       122,333       (44,867)       122,333       (44,867)       122,333       (44,867)       122,333       (44,867)       122,333       (44,867)       122,333       (44,867)       122,333       (44,867)       122,333       (44,867)       122,333       (44,867)       122,333       (44,867)       122,333       (44,867)       122,333       (44,867)       122,333       (44,867)       122,54       (15,91)       (25,639)       (16,791)       (25,	Profit before tax	122,769	58,597	122,769	58,587	
Net impairment loss on financial assets Gain on disposal of property & equipment         201 (219)         40,816 (55)         201 (219)         40,816 (55)         201 (219)         40,8 (55)           Changes in: Government securities Loans and advances to customers Other assets         (50,555)         (578,238)         (50,555)         (578,237)           Due to other bank Restricted balances with central bank         (66,618)         16,520         (64,487)         (12,238)         (44,487)         (12,238)           Customer deposits Other liabilities         (10,815)         25,464         (10,037)         25,464           Taxes paid         (28,808)         (14,911)         (28,808)         (14,6,827)           Net cash flow from operating activities Acquisition of intangible assets Proceeds from the sale of property and equipment         (16,791)         (25,639)         (16,791)         (25,639)           Net cash flow used in investing activities Interest paid on interest bearing borrowings Proceeds from borrowings Repayments of borrowings         (18,079)         (26,439)         (18,079)         (26,439)           Net cash flow sfrom financing activities         (179,693)         (179,693)         (150,836)         (179,693)         (150,836)           Net cash flow sfrom financing activities         (18,079)         (26,439)         (18,079)         (26,439)           Proceeds from b						
Gain on disposal of property & equipment         (219)         (55)         (219)         (1           Changes in:         Government securities         (50,555)         (578,238)         (50,555)         (578,238)         (50,555)         (578,238)         (50,555)         (578,238)         (50,555)         (578,238)         (50,555)         (578,238)         (50,555)         (578,238)         (50,555)         (578,238)         (50,555)         (578,238)         (50,555)         (578,238)         (50,555)         (578,238)         (50,555)         (578,238)         (50,555)         (578,238)         (50,555)         (578,238)         (50,555)         (578,238)         (50,555)         (578,238)         (50,555)         (578,238)         (50,555)         (578,238)         (16,781)         (12,238)         (14,487)         (12,238)         (14,4867)         (12,238)         (14,911)         (28,808)         (14,911)         (28,808)         (14,911)         (28,808)         (14,911)         (28,808)         (14,911)         (28,808)         (14,911)         (28,808)         (14,911)         (28,808)         (14,911)         (28,808)         (14,911)         (28,808)         (14,911)         (28,808)         (14,911)         (28,908)         (14,911)         (28,908)         (14,911)         (28,908)         (14					17,217	
Changes in:       Government securities       (50,555)       (578,238)       (50,555)       (578,238)         Loans and advances to customers       (8,355)       367,121       (8,355)       367,121         Other assets       16,320       (66,618)       16,583       (66,66         Due to other bank       (8,3916)       187,294       (83,916)       187,294         Restricted balances with central bank       (14,487)       (12,238)       (4,487)       (12,238)         Customer deposits       (10,815)       25,464       (10,037)       25,4         Taxes paid       (28,808)       (14,911)       (28,808)       (14,911)       (16,791)         Net cash flow from operating activities       (16,791)       (25,639)       (16,791)       (1,547)         Acquisition of property and equipment       (16,791)       (25,639)       (16,791)       (25,639)         Acquisition of intangible assets       (13,477)       (1,547)       (1,547)       (1,547)         Proceeds from the sale of property and equipment       (18,079)       (26,439)       (18,079)       (26,439)         Net cash flow used in investing activities       (18,079)       (26,439)       (18,079)       (26,439)         Interest paid on interest bearing borrowings       -					40,816	
Government securities       (50,555)       (578,238)       (50,555)       (578,238)         Loans and advances to customers       (8,355)       367,121       (8,355)       367,121         Other assets       16,320       (66,618)       16,583       (66,618)         Due to other bank       (8,3916)       187,294       (83,916)       187,294         Restricted balances with central bank       (4,487)       (12,238)       (4,4867)       122,383         Customer deposits       (10,815)       25,464       (10,037)       25,464         Other liabilities       (10,815)       25,464       (10,037)       25,464         Taxes paid       (28,808)       (14,911)       (28,808)       (14,91         Net cash flow from operating activities       (16,791)       (25,639)       (16,791)       (1,586)         Acquisition of property and equipment       (16,791)       (1,586)       (1,347)       (1,586)         Proceeds from the sale of property and equipment       (18,079)       (26,439)       (18,079)       (26,439)         Net cash flow used in investing activities       (18,079)       (26,439)       (18,079)       (26,439)         Interest paid on interest bearing borrowings       -       -       -       -	Gain on disposal of property & equipment	(219)	(55)	(219)	(55)	
Loans and advances to customers       (8,355)       367,121       (8,355)       367,121         Other assets       16,320       (66,618)       16,583       (66,6         Due to other bank       (4,487)       (12,238)       (4,487)       (12,2         Restricted balances with central bank       (4,487)       (12,238)       (4,487)       (12,2         Customer deposits       (10,815)       25,464       (10,037)       25,464         Taxes paid       (28,808)       (14,911)       (28,808)       (14,91         Net cash flow from operating activities       (16,791)       (25,639)       (16,791)       (1,546)         Acquisition of property and equipment       (13,079)       59       786       59       786         Proceeds from the sale of property and equipment       (18,079)       (26,439)       (18,079)       (26,439)         Net cash flow used in investing activities       (18,079)       (26,439)       (18,079)       (26,439)         Interest paid on interest bearing borrowings       -       -       -       -         Proceeds from borrowings       120,000       288,496       (120,000       288,496       (150,836)       (179,693)       (150,836)       (150,836)       (150,836)       (150,836)       (150,836) </td <td>Changes in:</td> <td></td> <td></td> <td></td> <td></td>	Changes in:					
Other assets       16,320       (66,618)       16,583       (66,6         Due to other bank       (83,916)       187,294       (83,916)       187,294         Restricted balances with central bank       (14,487)       (12,2383       (14,487)       (12,23         Other liabilities       (10,815)       22,383       (14,4867)       (12,23         Other liabilities       (10,815)       25,464       (10,037)       25,4         Taxes paid       (28,808)       (14,911)       (28,808)       (14,911)       (14,867)         Net cash flow from operating activities       (15,791)       (25,639)       (16,791)       (1,547)       (1,547)         Acquisition of property and equipment       (16,791)       (25,639)       (16,791)       (25,639)       (13,477)       (1,547)         Net cash flow used in investing activities       (18,079)       (26,439)       (18,079)       (26,439)         Interest paid on interest bearing borrowings       -       -       -       -       -         Proceeds from borrowings       120,000       288,496       120,000       288,496       (150,836)       (179,693)       (150,836)       (150,836)       150,836       150,836       150,836       150,836       150,836       150,836       1	Government securities	(50,555)	(578,238)	(50,555)	(578,238)	
Due to other bank       (83,916)       187,294       (83,916)       187,2         Restricted balances with central bank       (4,487)       (12,238)       (4,467)       (12,2         Customer deposits       (10,815)       25,464       (10,037)       25,464         Taxes paid       (28,808)       (14,911)       (28,808)       (14,911)       (28,808)       (14,911)         Net cash flow from operating activities       (79,202)       146,832       (78,161)       (146,817)         Cash flow from investing activities       (15,791)       (25,639)       (16,791)       (25,639)       (16,791)       (25,639)         Acquisition of property and equipment       (18,079)       (26,439)       (18,079)       (26,439)       (16,791)       (25,649)         Net cash flow used in investing activities       (18,079)       (26,439)       (18,079)       (26,439)       (18,079)       (26,439)         Interest paid on interest bearing borrowings       -       -       -       -       288,496       (150,836)       (179,693)       (150,836)       (150,836)       (150,836)       (150,836)       (150,836)       (150,836)       (150,836)       (150,836)       (150,836)       (150,836)       (150,836)       (150,836)       (150,836)       (150,836)       (15	Loans and advances to customers	(8,355)	367,121	(8,355)	367,121	
Restricted balances with central bank       (4,487)       (12,238)       (4,487)       (12,238)         Customer deposits       (10,031)       122,383       (44,867)       122,383       (44,867)       122,383         Other liabilities       (10,0315)       25,464       (10,037)       25,464         Taxes paid       (28,808)       (14,911)       (28,808)       (14,911)         Net cash flow from operating activities       (15,791)       (16,791)       (16,791)       (16,791)         Acquisition of property and equipment       Acquisition of intangible assets       (11,347)       (1,586)       (14,917)       (12,563)         Proceeds from the sale of property and equipment       (18,079)       (26,439)       (18,079)       (26,439)       (18,079)       (26,439)         Net cash flow used in investing activities       (18,079)       (26,439)       (120,000)       288,496         Interest paid on interest bearing borrowings       -       -       -       -       288,496         Proceeds from borrowings       (179,693)       (179,693)       (150,836)       (179,693)       (150,836)       (150,836)       (150,836)       (150,836)       (150,836)       (150,836)       (150,836)       (150,836)       (150,86)       137,660       288,496       120,0	Other assets	16,320	(66,618)	16,583	(66,608)	
Customer deposits       (44,867)       122,383       (44,867)       122,3         Other liabilities       (10,815)       25,464       (10,037)       25,4         Taxes paid       (28,808)       (14,911)       (28,808)       (14,9         Net cash flow from operating activities       (79,202)       146,832       (78,161)       (146,88         Cash flow from investing activities       (16,791)       (25,639)       (16,791)       (1,546)       (1,547)         Acquisition of property and equipment       Acquisition of intangible assets       (16,791)       (1,586)       (15,791)       (25,639)       (16,791)       (25,639)       (16,791)       (25,639)       (16,791)       (25,639)       (16,791)       (25,639)       (16,791)       (25,639)       (16,791)       (25,639)       (16,791)       (25,639)       (16,791)       (25,639)       (16,791)       (25,639)       (15,791)       (25,639)       (15,791)       (25,639)       (15,791)       (25,639)       (15,791)       (25,639)       (16,791)       (25,639)       (15,791)       (25,639)       (15,791)       (25,639)       (16,791)       (26,439)       (18,079)       (26,439)       (18,079)       (26,439)       (18,079)       (26,439)       (18,079)       (26,439)       (19,090)       (28,49)				. , .	187,294	
Other liabilities(10,815)25,464(10,037)25,47Taxes paid(28,808)(14,911)(28,808)(14,911)Net cash flow from operating activities(79,202)146,832(78,161)(14,811)Cash flow from investing activities(16,791)(25,639)(16,791)(1,547)Acquisition of property and equipment(16,791)(1,547)(1,547)(1,547)Proceeds from the sale of property and(18,079)(26,439)(18,079)(26,439)Net cash flow used in investing activities(18,079)(26,439)(18,079)(26,439)Interest paid on interest bearing borrowings120,000288,496120,000288,496Proceeds from borrowings(179,693)(150,836)(179,693)(150,836)(150,836)Net cash flows from financing activities(59,693)137,660(59,693)137,660				., .	(12,238)	
Taxes paid(28,808)(14,911)(28,808)(14,9Net cash flow from operating activities(79,202)146,832(78,161)(146,832)Cash flow from investing activities(16,791)(25,639)(16,791)(25,639)Acquisition of property and equipment(16,791)(25,639)(16,791)(25,639)Acquisition of intangible assets(13,477)(1,586)(1,347)(1,586)Proceeds from the sale of property and equipment(18,079)(26,439)(18,079)(26,439)Net cash flow used in investing activities(18,079)(26,439)(18,079)(28,496)Interest paid on interest bearing borrowings Proceeds from borrowings Deposit for rights issue28,496120,000288,496Net cash flows from financing activities(19,693)137,660(59,693)137,660137,661	•			. , .	122,383	
Net cash flow from operating activities(79,202)146,832(78,161)(146,832)Cash flow from investing activities(16,791)(25,639)(16,791)(15,763)(15,791)(15,781)(15,791)(15,781)(15,791)(15,781)(15,791)(15,781)	Other liabilities	(10,815)	25,464	(10,037)	25,464	
Cash flow from investing activities Acquisition of property and equipment Acquisition of intangible assets Proceeds from the sale of property and equipment(16,791) (1,347)(25,639) (1,347)(16,791) (1,586)(25,639) (1,347)(16,791) (1,587)(25,639) (1,347)(16,791) (1,587)(25,639) (1,347)(16,791) (1,587)(25,639) (1,347)(16,791) (1,587)(25,639) (1,347)(16,791) (1,587)(25,639) (1,347)(16,791) (1,587)(25,639) (1,347)(16,791) (1,587)(25,639) (1,347)(16,791) (1,587)(25,639) (1,347)(16,791) (1,587)(25,639) (1,347)(16,791) (1,587)(25,639) (1,347)(16,791) (1,587)(25,639) (1,58,61)(16,791) (1,587)(25,637)(16,791) (1,587)(25,637) (1,79,693)(16,791) (1,79,693)(120,000) (1,79,693)(28,496) (1,79,693)(120,000) (1,79,693)(28,496) (1,79,693)(120,000) (1,79,693)(28,496) (1,79,693)(120,000) (1,79,693)(28,496) (1,79,693)(120,000) (1,79,693)(13,600) (1,79,693)(13,760)(13,760)(13,760)Net cash flows from financing activities(159,693)137,660(159,693)137,660(13,760)(13,760)	Taxes paid	(28,808)	(14,911)	(28,808)	(14,911)	
Acquisition of property and equipment(16,791)(25,639)(16,791)(25,6Acquisition of intangible assets(1,347)(1,586)(1,347)(1,579)Proceeds from the sale of property and equipment5978659786Net cash flow used in investing activities(18,079)(26,439)(18,079)(26,439)Interest paid on interest bearing borrowings Proceeds from borrowings Repayments of borrowings Deposit for rights issue120,000288,496120,000288,496Net cash flows from financing activities(179,693)137,660(59,693)137,660137,660	Net cash flow from operating activities	(79,202)	146,832	(78,161)	(146,830)	
Acquisition of intangible assets(1,347)(1,586)(1,347)(1,5Proceeds from the sale of property and equipment5978659786Net cash flow used in investing activities(18,079)(26,439)(18,079)(26,439)Interest paid on interest bearing borrowings Proceeds from borrowings Repayments of borrowings Deposit for rights issue120,000288,496120,000288,496Net cash flows from financing activities(179,693)(150,836)(179,693)137,660137,693	Cash flow from investing activities					
Proceeds from the sale of property and equipment5978659781Net cash flow used in investing activities Interest paid on interest bearing borrowings Proceeds from borrowings Repayments of borrowings Deposit for rights issue(18,079)(26,439)(18,079)(26,4Net cash flow used in investing activities Interest paid on interest bearing borrowings Proceeds from borrowings Repayments of borrowings Deposit for rights issue120,000 (179,693)288,496 (150,836)120,000 (179,693)288,496 (150,836)288,496 (150,836)288,496 (150,836)288,496 (150,836)Net cash flows from financing activities(59,693)137,660(59,693)137,660	Acquisition of property and equipment	(16,791)	(25,639)	(16,791)	(25,639)	
equipmentImage: constraint of the second	Acquisition of intangible assets	(1,347)	(1,586)	(1,347)	(1,586)	
Financing activities Interest paid on interest bearing borrowings Proceeds from borrowings Repayments of borrowings Deposit for rights issue120,000 (179,693)288,496 (150,836)120,000 (179,693)288,496 (150,836)288,4	1 1 3	59	786	59	786	
Interest paid on interest bearing borrowings Proceeds from borrowings Repayments of borrowings Deposit for rights issue120,000 (179,693)288,496 (150,836)120,000 (179,693)288,496 (150,836)288,496 (179,693)288,496 (150,836)	Net cash flow used in investing activities	(18,079)	(26,439)	(18,079)	(26,439)	
Proceeds from borrowings Repayments of borrowings Deposit for rights issue         120,000 (179,693)         288,496 (150,836)         120,000 (179,693)         288,496 (150,836)         120,000 (179,693)         288,496 (150,836)         120,000 (179,693)         288,496 (150,836)         120,000 (179,693)         288,496 (150,836)         120,000 (179,693)         288,496 (150,836)         120,000         288,496         120,000         288,496         120,000         120,000         120,000         120,000	5					
Repayments of borrowings Deposit for rights issue         (179,693)         (150,836)         (179,693)         (150,8           Net cash flows from financing activities         (59,693)         137,660         (59,693)         137,660			-		-	
Deposit for rights issue     -     -     -       Net cash flows from financing activities     (59,693)     137,660     (59,693)     137,660					288,496	
· · · · · · · · · · · · · · · · · · ·		(179,693)	(150,836)	(179,693)	(150,836) -	
Net increase in cash and cash equivalents         (156,974)         258,053         (155,933)         258,053	Net cash flows from financing activities	(59,693)	137,660	(59,693)	137,660	
	Net increase in cash and cash equivalents	(156,974)	258,053	(155,933)	258,053	
Cash and cash equivalents at 1 January         1,076,259         818,206         1,076,259         818,2	Cash and cash equivalents at 1 January	1,076,259	818,206	1,076,259	818,206	
Cash and cash equivalents at 30 September*         940,443         1,076,259         941,484         1,076,259	Cash and cash equivalents at 30 September*	940,443	1,076,259	941,484	1,076,259	

\*Cash and Cash Equivalent at the end of September 2018 factors in restricted cash reserve and treasury bills maturing within 90days

### 2 QUALITATIVE DISCLOSURES

i. The Bank's risk management framework defines the approach to risk management. ii. The scope of risks that are directly managed by the Bank is as follows: Credit risk, Operational Risk, Market and Liquidity risk, Legal and Compliance risk, Strategic risk, Reputational risk and Capital risk. iii. Key elements of the Bank's risk management framework are as follows:

- Establishment of the Bank's risk philosophy, culture and objectives;
   Establishment of the Bank's risk management governance framework;
   Articulation of the Bank's risk management stakeholders and development of an action plan to meet their risk manager
  expectations; and
   Establishment of policies and procedures to identify, measure, monitor, report and control the risks the Bank faces.

The processes adopted for risk management for the period ended 30 June 2018 are consistent with those adopted for the year ended 31 December 2017.

#### **3 QUANTITATIVE DISCLOSURES**

	Sept 2018	Dec 2017
i. Capital Adequacy Ratio(%)	19.38	13.29
ii. Non-performing loans(%)	34.48	32.31
iii. Default in statutory liquidity	Nil	Nil
iv. Default in statutory liquidity sanction	Nil	Nil

# Signed Chairman

Signed Managing Director

