

# ACCESS BANK (GHANA) PLC

## UNAUDITED SUMMARY FINANCIAL STATEMENTS FOR THE QUARTER ENDED MARCH 31, 2019

### UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH

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

Assets	The Group		The Bank	
	Mar 2019	Dec 2018	Mar 2019	Dec 2018
Cash and cash equivalents	1,872,799	1,512,990	1,872,799	1,512,990
Investment securities	871,634	866,065	871,634	866,065
Loans and advances to customers	855,381	815,559	855,381	815,559
Investment other than securities	-	-	20	20
Property and equipment	132,210	126,150	132,210	126,150
Intangible assets	3,680	4,077	3,680	4,077
Current Tax	-	3,011	-	3,181
Deferred income tax asset	7,974	7,974	7,974	7,974
Other assets	161,367	205,188	161,104	204,925
<b>Total assets</b>	<b>3,905,045</b>	<b>3,541,014</b>	<b>3,904,802</b>	<b>3,540,941</b>
<b>Liabilities</b>				
Deposits from banks	227,616	111,066	227,616	111,066
Deposits from customers	2,555,000	2,452,029	2,555,000	2,452,076
Borrowings	371,122	301,616	371,122	301,616
Current income tax	1,732	-	1,732	-
Deferred income tax liabilities	5,263	5,263	5,263	5,263
Other liabilities	53,836	38,279	54,614	39,180
<b>Total liabilities</b>	<b>3,214,569</b>	<b>2,908,253</b>	<b>3,215,347</b>	<b>2,909,201</b>
<b>Equity</b>				
Stated capital	400,000	400,000	400,000	400,000
Statutory reserve	183,060	154,202	183,060	154,202
Credit risk reserve	116,549	116,549	116,549	116,549
Income surplus	(9,764)	(38,621)	(10,785)	(39,642)
Fair value reserve	631	631	631	631
<b>Total equity</b>	<b>690,476</b>	<b>632,761</b>	<b>689,455</b>	<b>631,740</b>
<b>Total equity and liabilities</b>	<b>3,905,045</b>	<b>3,541,014</b>	<b>3,904,802</b>	<b>3,540,941</b>

### UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH

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

	The Group		The Bank	
	Mar 2019	Mar 2018	Mar 2019	Mar 2018
Interest income	125,810	95,662	125,810	95,662
Interest expense	(47,632)	(46,185)	(47,632)	(46,185)
<b>Net interest income</b>	<b>78,178</b>	<b>49,477</b>	<b>78,178</b>	<b>49,477</b>
Fees and commission	23,795	10,275	23,795	10,275
Other operating income	30,436	20,122	30,436	20,122
<b>Total operating income</b>	<b>132,409</b>	<b>79,874</b>	<b>132,409</b>	<b>79,874</b>
Impairment loss on financial assets	(8,000)	(4,001)	(8,000)	(4,001)
Personnel expenses	(18,232)	(14,203)	(18,232)	(14,203)
Depreciation and amortization	(4,744)	(4,494)	(4,744)	(4,494)
Other expenses	(18,984)	(21,457)	(18,984)	(21,457)
<b>Profit before income tax</b>	<b>82,449</b>	<b>35,719</b>	<b>82,449</b>	<b>35,719</b>
Taxation	(24,735)	(10,716)	(24,735)	(10,716)
<b>Profit after tax</b>	<b>57,714</b>	<b>25,003</b>	<b>57,714</b>	<b>25,003</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year attributable to equity holders of the Bank</b>	<b>57,714</b>	<b>25,003</b>	<b>57,714</b>	<b>25,003</b>
<b>Earnings per share - Basic &amp; Diluted</b>	<b>0.33</b>	<b>0.21</b>	<b>0.33</b>	<b>0.21</b>

### STATEMENT OF CHANGES IN EQUITY

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

#### The Group

31 March 2019	Stated capital	Fair value reserve	Statutory reserve	Credit risk reserve	Income surplus	Total
At 1 January 2019	400,000	631	154,202	116,549	(38,621)	632,761
Profit for the year	-	-	-	-	57,715	57,715
Changes in fair value of held-to-collect-and-sell financial assets, net of tax	-	-	-	-	-	-
<b>Total comprehensive income</b>					<b>57,715</b>	<b>57,715</b>
Transfers for the year	-	-	28,858	-	(28,858)	-
<b>At 31 March 2019</b>	<b>400,000</b>	<b>631</b>	<b>183,060</b>	<b>116,549</b>	<b>(9,764)</b>	<b>690,476</b>
<b>31 December 2018</b>						
At 1 January 2018	144,738	11,797	129,279	139,625	44,319	469,758
Changes on initial application of IFRS 9	-	-	-	-	(90,399)	(90,399)
Increase in impairment provisioning	-	-	-	(79,365)	79,365	-
Transfer between reserves	-	-	-	-	-	-
<b>Restated balance at 1 January 2018</b>	<b>144,738</b>	<b>11,797</b>	<b>129,279</b>	<b>60,260</b>	<b>33,285</b>	<b>378,359</b>
Profit for the year	-	-	-	-	49,846	49,846
Changes in fair value of held-to-collect-and-sell financial assets, net of tax	-	(11,166)	-	-	-	(11,166)
<b>Total comprehensive income</b>		<b>(11,166)</b>			<b>49,846</b>	<b>38,680</b>
Transfer to Stated Capital	37,154	-	-	-	(37,154)	-
Cost of transfer to Stated Capital	-	-	-	-	(3,386)	(3,386)
Transfer from credit risk reserve	-	-	-	56,289	(56,289)	-
Transfer to statutory reserve	-	-	24,923	-	(24,923)	-
Rights Issue	218,108	-	-	-	-	218,108
Total transactions with owners	255,262	-	24,923	56,289	(121,752)	214,722
<b>At 31 December 2018</b>	<b>400,000</b>	<b>631</b>	<b>154,202</b>	<b>116,549</b>	<b>(38,621)</b>	<b>632,761</b>
<b>The Bank</b>						
<b>31 March 2019</b>						
At 1 January 2019	400,000	631	154,202	116,549	(39,642)	631,740
Profit for the year	-	-	-	-	57,715	57,715
Changes in fair value of held-to-collect-and-sell financial assets, net of tax	-	-	-	-	-	-
<b>Total comprehensive income</b>					<b>57,715</b>	<b>57,715</b>
Transfers for the year	-	-	28,858	-	(28,858)	-
<b>At 31 March 2019</b>	<b>400,000</b>	<b>631</b>	<b>183,060</b>	<b>116,549</b>	<b>(10,785)</b>	<b>689,455</b>
<b>31 December 2018</b>						
At 1 January 2018	144,738	11,797	129,279	139,625	43,298	468,737
Changes on initial application of IFRS 9	-	-	-	-	(90,399)	(90,399)
Increase in impairment provisioning	-	-	-	(79,365)	79,365	-
Transfer between reserves	-	-	-	-	-	-
<b>Restated balance at 1 January 2018</b>	<b>144,738</b>	<b>11,797</b>	<b>129,279</b>	<b>60,260</b>	<b>32,264</b>	<b>378,338</b>
Profit for the year	-	-	-	-	49,846	49,846
Changes in fair value of held-to-collect-and-sell financial assets, net of tax	-	11,166	-	-	-	(11,166)
<b>Total comprehensive income</b>		<b>(11,166)</b>			<b>49,846</b>	<b>38,680</b>
Transfer to Stated Capital	37,154	-	-	-	(37,154)	-
Cost of transfer to Stated Capital	-	-	-	-	(3,386)	(3,386)
Transfer from credit risk reserve	-	-	-	56,289	(56,289)	-
Transfer to statutory reserve	-	-	24,923	-	(24,923)	-
Rights Issue	218,108	-	-	-	-	218,108
Total transactions with owners	255,262	-	24,923	56,289	(121,752)	214,722
<b>At 31 December 2018</b>	<b>400,000</b>	<b>631</b>	<b>154,202</b>	<b>116,549</b>	<b>(39,642)</b>	<b>631,740</b>

### NOTES FORMING PART OF THE UNAUDITED FINANCIAL STATEMENTS

#### 1. SIGNIFICANT ACCOUNTING POLICIES

##### 1.1 Accounting Policies

The accounting policies applied for the period ended 31 March 2019 are consistent with those applied in the financial statements for the year ended 31 December 2018, with the exception of IFRS 16 as indicated below.

##### 1.2 Change in Accounting Policies

On 01 January 2019 the Bank adopted IFRS 16 (Leases) which replaced IAS 17 (Leases). As a result of this, the accounting policies with regards to recognition, measurement and presentation of Leases have been updated. As permitted by the transactional provisions of IFRS 16, the Bank has elected to not restate comparative information.

#### 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

### CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH

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

	The Group		The Bank	
	2019	2018	2019	2018
<b>Cash flows from operating activities</b>				
Profit before tax	82,449	71,788	82,449	71,788
Adjustments for:				
Depreciation of property, plant and equipment	4,046	14,962	4,046	14,962
Write off of property, plant and equipment	-	20	-	20
Amortisation of intangible assets	698	3,112	698	3,112
Interest expense on borrowings	(4,889)	19,977	(4,889)	19,977
Impairment on financial instruments	8,000	92,514	8,000	92,514
Profit on disposal of property and equipment	-	(220)	-	(220)
Change in loans and advances	(48,847)	(30,398)	(48,847)	(30,398)
Change in investment securities	(5,569)	(33,058)	(5,569)	(33,058)
Change in other assets	43,821	(25,010)	43,821	(25,010)
Change in deposits from customers	102,971	288,492	102,971	288,492
Change in deposits from banks	116,550	(76,228)	116,550	(76,228)
Change in other liabilities	17,289	(3,616)	17,167	(3,616)
Tax paid	(24,735)	(49,478)	(24,735)	(49,478)
<b>Net cash generated from operating activities</b>	<b>291,784</b>	<b>272,857</b>	<b>291,662</b>	<b>272,857</b>
<b>Cash flows from investing activities</b>				
Purchase of property and equipment	(6,060)	(20,331)	(6,060)	(20,331)
Purchase of intangible assets	(397)	(2,454)	(397)	(2,454)
Proceeds from sale of property and equipment	-	309	-	309
<b>Net cash used in investing activities</b>	<b>(6,457)</b>	<b>(22,476)</b>	<b>(6,457)</b>	<b>(22,476)</b>
<b>Cash flows from financing activities</b>				
Drawdown on borrowings	150,431	319,384	150,431	319,384
Repayment of borrowings	(75,949)	(379,073)	(75,827)	(379,073)
Cost of transfer to stated capital	-	(3,386)	-	(3,386)
Proceeds from issue of shares	-	218,108	-	218,108
<b>Net cash generated from financing activities</b>	<b>74,482</b>	<b>155,033</b>	<b>74,604</b>	<b>155,033</b>
<b>Net increase in cash and cash equivalents</b>	<b>359,809</b>	<b>405,414</b>	<b>359,809</b>	<b>405,414</b>
Cash and cash equivalents at 1 January	1,512,990	1,107,576	1,512,990	1,107,576
<b>Cash and cash equivalents at 31 March</b>	<b>1,872,799</b>	<b>1,512,990</b>	<b>1,872,799</b>	<b>1,512,990</b>

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 management 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 31 March 2019 are consistent with those adopted for the year ended 31 December 2018.

#### 3. QUANTITATIVE DISCLOSURES

	March 2019	March 2018
i. Capital Adequacy Ratio(%)	22.84	13.95
ii. Non-performing loans(%)	30.45	34.38
iii. Default in statutory liquidity	Nil	Nil
iv. Default in statutory liquidity sanction	Nil	Nil

Signed  
Frank Beecham  
Chairman

Signed  
Olumide Olatunji  
Managing Director