

# **CAL BANK LIMITED**

**UN-AUDITED CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2015**

**CAL BANK LIMITED****UN-AUDITED CONSOLIDATED INCOME STATEMENT FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2015***in thousands of Ghana Cedis*

	The Bank		The Group	
	2015	2014	2015	2014
Interest Income	329,018	246,414	333,056	248,725
Interest Expense	(157,412)	(119,005)	(157,131)	(118,868)
<b>Net Interest Income</b>	<b>171,606</b>	<b>127,409</b>	<b>175,925</b>	<b>129,857</b>
Fees and Commissions Income	52,832	40,048	52,826	40,037
Fees and Commissions Expense	(3,592)	(2,131)	(3,592)	(2,131)
<b>Net Fees and Commissions</b>	<b>49,240</b>	<b>37,917</b>	<b>49,234</b>	<b>37,906</b>
Net Trading Income	58,656	64,388	59,359	64,577
Other Income	5,125	6,360	9,015	8,459
	<b>63,781</b>	<b>70,748</b>	<b>68,374</b>	<b>73,036</b>
<b>Total Income</b>	<b>284,627</b>	<b>236,074</b>	<b>293,533</b>	<b>240,799</b>
Credit Loss Expenses	(17,440)	(15,350)	(17,440)	(15,350)
<b>Net Operating Income</b>	<b>267,187</b>	<b>220,724</b>	<b>276,093</b>	<b>225,449</b>
Staff Costs	(62,419)	(44,453)	(64,185)	(45,591)
Administration and General Expenses	(34,922)	(24,743)	(36,279)	(25,462)
Depreciation and Amortisation	(6,678)	(3,995)	(6,707)	(4,053)
<b>Total Operating Expenses</b>	<b>(104,019)</b>	<b>(73,191)</b>	<b>(107,171)</b>	<b>(75,106)</b>
<b>Operating Profit</b>	<b>163,168</b>	<b>147,533</b>	<b>168,922</b>	<b>150,343</b>
Profit From Disposal of Non-Current Assets	56	0	56	0
<b>Profit Before Income Tax</b>	<b>163,224</b>	<b>147,533</b>	<b>168,978</b>	<b>150,343</b>
Income Tax Expense	(40,806)	(36,883)	(42,122)	(37,580)
National Fiscal Stabilization Levy	(8,161)	(7,377)	(8,364)	(7,481)
<b>Profit For The Period</b>	<b>114,257</b>	<b>103,273</b>	<b>118,492</b>	<b>105,282</b>
Basic Earnings Per Share (Ghana Cedis per share)	0.2084	0.1884	0.2161	0.1920
Diluted Earnings Per Share (Ghana Cedis per share)	0.2084	0.1884	0.2161	0.1920

**CAL BANK LIMITED****UN-AUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME****FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2015***in thousands of Ghana Cedis*

	<b>The Bank</b>		<b>The Group</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
<b>Profit for the Period</b>	114,257	103,273	118,492	105,282
<b>Items that may be reclassified subsequently to profit or loss:</b>				
Available-For-Sale Financial Assets	57	(5)	57	(5)
<b>Total Comprehensive Income for the Period</b>	<b>114,314</b>	<b>103,268</b>	<b>118,549</b>	<b>105,277</b>

**CAL BANK LIMITED**
**UN-AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30TH SEPTEMBER 2015**
*in thousands of Ghana Cedis*

	The Bank		The Group	
	2015	2014	2015	2014
<b>Assets</b>				
Cash and balances with Bank of Ghana	239,061	184,456	239,061	184,456
Items in Course of Collection from Other Banks	11,096	13,220	11,096	13,220
Investment in Government Securities	956,186	584,794	956,491	585,033
Due from Banks and Other Financial Institutions	125,430	151,658	135,430	157,413
Loans and Advances to Customers	1,529,894	1,200,146	1,529,894	1,200,146
Investment in Other Securities	0	0	3,058	1,550
Investment in Subsidiaries	2,028	2,028	0	0
Other Assets	48,907	29,511	51,119	31,796
Current Tax Assets	0	0	39	0
Deferred Tax Assets	0	1,921	0	1,921
Property, Plant and Equipment	106,867	62,356	107,006	62,442
<b>Total Assets</b>	<b>3,019,469</b>	<b>2,230,090</b>	<b>3,033,194</b>	<b>2,237,977</b>
<b>Liabilities</b>				
Customer Deposits	1,357,579	926,108	1,357,569	926,098
Due to Banks and Other Financial Institutions	39,116	32,614	39,530	32,740
Borrowings	998,543	828,414	998,543	828,414
Accruals and Other Liabilities	139,706	73,682	140,636	74,132
Current Tax Liabilities	12,397	12,181	12,856	12,318
Deferred Tax Liabilities	9,902	0	9,905	0
<b>Total Liabilities</b>	<b>2,557,243</b>	<b>1,872,999</b>	<b>2,559,039</b>	<b>1,873,702</b>
<b>Shareholders' Equity</b>				
Stated Capital	100,000	100,000	100,000	100,000
Statutory Reserve Fund	138,544	114,992	138,544	114,992
Capital Surplus	20,830	21,048	20,008	20,651
Retained Earnings	164,411	98,382	177,162	105,963
Other Reserves	38,441	22,669	38,441	22,669
<b>Total Shareholders' Equity</b>	<b>462,226</b>	<b>357,091</b>	<b>474,155</b>	<b>364,275</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>3,019,469</b>	<b>2,230,090</b>	<b>3,033,194</b>	<b>2,237,977</b>

**CAL BANK LIMITED**
**UN-AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2015**
*in thousands of Ghana Cedis*

<b>The Bank</b>	<b>Stated Capital</b>	<b>Statutory Reserve</b>	<b>Capital Surplus</b>	<b>Retained Earnings</b>	<b>Fair Value Reserve</b>	<b>Regulatory Credit Risk Reserve</b>	<b>Total</b>
Opening Balance at 1st January	100,000	124,261	20,830	124,895	(4,753)	27,087	<b>392,320</b>
Transfer to/ from Reserves		14,283		(30,333)		16,050	<b>0</b>
Dividends paid to equity holders				(44,409)			<b>(44,409)</b>
Total Comprehensive Income for the Period			0	114,258	57		<b>114,315</b>
<b>Closing Balance at 30th September</b>	<b>100,000</b>	<b>138,544</b>	<b>20,830</b>	<b>164,411</b>	<b>(4,696)</b>	<b>43,137</b>	<b>462,226</b>

  

<b>The Group</b>	<b>Stated Capital</b>	<b>Statutory Reserve</b>	<b>Capital Surplus</b>	<b>Retained Earnings</b>	<b>Fair Value Reserve</b>	<b>Credit Risk Reserve</b>	<b>Total</b>
Opening Balance at 1st January	100,000	124,261	19,990	132,986	(4,753)	27,087	<b>399,571</b>
Transfer to/ from Reserves		14,283		(30,333)		16,050	<b>0</b>
Dividends paid to equity holders				(44,406)			<b>(44,406)</b>
Total Comprehensive Income for the Period			18	118,915	57		<b>118,990</b>
<b>Closing Balance at 30th September</b>	<b>100,000</b>	<b>138,544</b>	<b>20,008</b>	<b>177,162</b>	<b>(4,696)</b>	<b>43,137</b>	<b>474,155</b>

**CAL BANK LIMITED**
**UN-AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE NINE MONTHS EN**  
*in thousands of Ghana Cedis*

	<b>The Group</b>	
	<b>2015</b>	<b>2014</b>
<b>Profit Before Tax for the Period</b>	<b>168,978</b>	<b>150,343</b>
<b>Adjustments for:</b>		
Depreciation And Amortisation	6,707	4,053
Impairment on Financial Assets	17,440	15,350
Profit on Sale of Property and Equipment	(56)	0
Dividend Received	(36)	(42)
Change in Fair Value of Investment Securities Recog	0	42
Employee Benefit Expenses	509	199
Accretion of Deferred Income	1,132	(1,653)
	<b>194,674</b>	<b>168,292</b>
Change in Investment Portfolio	(548,882)	(308,372)
Change in Loans and Advances to Customers	(213,238)	(234,426)
Change in Other Assets	(9,379)	(17,147)
Change in Customer Deposits	(16,139)	111,397
Change in Amounts Due to Banks and Other Finan	(8,160)	(1,859)
Change in Accruals and Other Liabilities	92,529	46,235
Income Tax Paid	(38,287)	(32,393)
<b>Net Cash Flows from Operating Activities</b>	<b>(546,882)</b>	<b>(268,274)</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of Property and Equipment	(34,796)	(19,192)
Proceeds from Sale of Equipment	56	0
Change in Treasury Shares	19	1
<b>Net Cash Used in Investing Activities</b>	<b>(34,721)</b>	<b>(19,191)</b>
<b>Cash Flows from Financing Activities</b>		
Dividend Income	36	42
Dividends Paid	(44,406)	(28,742)
Net Changes in Borrowings	162,491	428,686
<b>Net Cash from Financing Activities</b>	<b>118,121</b>	<b>399,986</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>(463,482)</b>	<b>112,521</b>
<b>Analysis of Changes in Cash and Cash Equivalents for the Period</b>		
Cash and Cash Equivalents at 1st January	849,069	242,568
Net Change in Cash and Cash Equivalents	(463,482)	112,521
<b>Cash and Cash Equivalents at 30th September 2</b>	<b>385,587</b>	<b>355,089</b>
<b>Analysis of Cash and Cash Equivalents for the Period Ended 30th September</b>		
Cash and Balances with Bank of Ghana	239,061	184,456
Due From Other Banks	135,430	157,413
Items in Course of Collection from Other Banks	11,096	13,220
<b>Total Cash and Cash Equivalents at 30th Septem</b>	<b>385,587</b>	<b>355,089</b>
<b>Operational cash flows from interest</b>		
Interest paid	122,977	86,361
Interest received	319,307	237,186

## SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed for the period ended 30th September, 2015 are consistent with those followed in the financial statements for the year ended 31st December, 2014.

## QUANTITATIVE DISCLOSURES

	2015	2014
(i) Capital Adequacy Ratio	21.2%	23.0%
(ii) Non-Performing Loan Ratio	6.8%	8.6%

## QUALITATIVE DISCLOSURES

(i) The Bank's dominant risks are: credit risk, liquidity risk, market risk and operational risk

(ii) **Risk management framework**

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. There are in place the Risk Management and Audit sub-committees of the Board and an established Asset and Liability committee (ALCO) which are responsible for developing and monitoring risk management policies in their specified areas.

The Bank's risk management policies are established to identify and analyse the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Bank, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The process followed in risk management for the period ended 30th September, 2015 are consistent with those followed for the year ended 31st December, 2014.

(iii)	<b>2015</b>	<b>2014</b>
Default in Statutory Liquidity (Times)	Nil	Nil
Default in Statutory Liquidity Sanction (GH¢'000)	Nil	Nil

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

**FRANK B. ADU JNR.**  
Managing Director

**PHILIP OWIREDU**  
Executive Director