

CAL BANK LIMITED

UN-AUDITED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2013

CAL BANK LIMITED
UN-AUDITED CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2013
in thousands of Ghana Cedis

	The Bank		The Group	
	2013	2012	2013	2012
Interest Income	265,746	145,991	266,738	145,660
Interest Expense	(123,396)	(61,209)	(122,987)	(61,084)
Net Interest Income	142,350	84,782	143,751	84,576
Fees and Commissions Income	31,862	26,004	31,860	26,977
Fees and Commissions Expense	(2,076)	(1,138)	(2,094)	(1,153)
Net Fees and Commissions	29,786	24,866	29,766	25,824
Net Trading Income	31,153	13,869	31,153	13,869
Other Income	11,866	5,849	14,547	8,911
	43,019	19,718	45,700	22,780
Total Income	215,155	129,366	219,217	133,180
Credit Loss Expenses	(17,515)	(17,461)	(17,515)	(17,461)
Net Operating Income	197,639	111,905	201,702	115,719
Staff Costs	(41,513)	(25,230)	(42,708)	(26,090)
Administration and General Expenses	(27,185)	(19,272)	(27,888)	(19,641)
Depreciation and Amortisation	(3,705)	(3,068)	(3,763)	(3,134)
Total Operating Expenses	(72,403)	(47,570)	(74,359)	(48,865)
Profit Before Income Tax	125,236	64,335	127,343	66,854
Income Tax Expense	(31,141)	(14,883)	(31,668)	(15,203)
National Fiscal Stabilization levy	(3,131)	0	(3,212)	(0)
Profit For The Period	90,964	49,452	92,463	51,651
Basic Earnings Per Share (Ghana Cedis per share)	0.1659	0.0902	0.1686	0.0942
Diluted Earnings Per Share (Ghana Cedis per share)	0.1659	0.0902	0.1686	0.0942

CAL BANK LIMITED
UN-AUDITED CONSOLIDATED INCOME STATEMENT FOR THE THREE MONTHS ENDED 31ST DECEMBER 2013
in thousands of Ghana Cedis

	The Bank		The Group	
	2013	2012	2013	2012
Interest Income	70,136	51,569	70,884	50,973
Interest Expense	(35,061)	(21,460)	(35,027)	(20,981)
Net Interest Income	35,075	30,110	35,857	29,992
Fees and Commissions Income	8,506	10,615	8,505	10,615
Fees and Commissions Expense	(808)	(305)	(826)	(305)
Net Fees and Commissions	7,698	10,311	7,679	10,310
Net Trading Income	15,125	2,904	14,106	3,988
Other Income	4,183	3,941	4,965	4,521
	19,308	6,845	19,071	8,509
Total Income	62,081	47,265	62,607	48,811
Credit Loss Expenses	(6,416)	(7,644)	(6,416)	(7,644)
Net Operating Income	55,665	39,621	56,191	41,167
Staff Costs	(9,276)	(8,657)	(9,563)	(9,041)
Administration and General Expenses	(8,894)	(6,049)	(9,228)	(6,199)
Depreciation and Amortisation	(1,005)	(838)	(1,020)	(891)
Total Operating Expenses	(19,175)	(15,544)	(19,811)	(16,131)
Profit Before Income Tax	36,490	24,076	36,380	25,036
Income Tax Expense	(9,479)	(4,703)	(9,554)	(4,636)
National Fiscal Stabilization levy	(912)	0	(910)	0
Profit Attributable to Equity Holders	26,100	19,373	25,916	20,400

CAL BANK LIMITED**UN-AUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31ST DECEMBER 2013***in thousands of Ghana Cedis*

	The Bank		The Group	
	2013	2012	2013	2012
Profit for the Period	90,964	49,452	92,463	51,651
Other comprehensive Income				
Available-For-Sale Financial Assets	1	(4,217)	1	(4,217)
Net Change In Revaluation Surplus	4,001	68	4,001	68
Total Comprehensive Income for the Period	94,966	45,303	96,465	47,502

CAL BANK LIMITED**UN-AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2013***in thousands of Ghana Cedis*

	The Bank		The Group	
	2013	2012	2013	2012
Assets				
Cash and balances with Bank of Ghana	121,973	86,976	121,973	86,976
Items in Course of Collection from Other Banks	15,410	22,299	15,410	22,299
Investment in Government Securities	276,619	240,319	276,619	240,327
Due from Banks and Other Financial Institutions	100,439	10,511	105,186	12,427
Loans and Advances to Customers	981,161	747,385	980,416	747,385
Investment in Other Securities	0	0	1,620	950
Investment in Subsidiaries	2,028	1,128	0	0
Other Assets	11,875	10,720	13,314	12,348
Current Tax Assets	43	0	125	0
Deferred Tax Assets	1,680	4,612	1,680	4,612
Property, Plant and Equipment	45,286	35,395	45,422	35,531
Total Assets	1,556,514	1,159,345	1,561,765	1,162,855
Liabilities				
Customer Deposits	799,220	707,648	799,210	706,667
Due to Banks and Other Financial Institutions	37,185	87,888	36,061	87,888
Borrowings	382,713	130,707	382,713	130,707
Accruals and Other Liabilities	57,574	27,620	59,143	28,782
Current Tax Liabilities	0	1,438	0	1,387
Total Liabilities	1,276,693	955,301	1,277,128	955,431
Shareholders' Equity				
Stated Capital	100,000	100,000	100,000	100,000
Statutory Reserve Fund	88,650	43,168	88,650	43,168
Capital Surplus	19,441	15,440	19,042	15,131
Retained Earnings	51,589	36,778	56,804	40,467
Other Reserves	20,141	8,658	20,141	8,658
Total Shareholders' Equity	279,821	204,044	284,637	207,424
Total Liabilities and Shareholders' Equity	1,556,514	1,159,345	1,561,765	1,162,855

CAL BANK LIMITED
UN-AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST DECEMBER 2013
in thousands of Ghana Cedis

The Bank - 2013	Stated Capital	Statutory Reserve	Capital Surplus	Retained Earnings	Fair Value Reserve	Regulatory Credit Risk Reserve	Total
Opening Balance at 1st January	100,000	43,168	15,440	36,778	(3,459)	12,117	204,044
Transfer to/ from Reserves		45,482		(56,964)		11,482	0
Dividends paid to equity holders				(19,189)			(19,189)
Total Comprehensive Income for the Period			4,001	90,964	1		94,966
Closing Balance at 31st December	100,000	88,650	19,441	51,589	(3,458)	23,599	279,821

The Bank - 2012	Stated Capital	Statutory Reserve	Capital Surplus	Retained Earnings	Fair Value Reserve	Regulatory Credit Risk Reserve	Total
Opening Balance at 1st January	27,725	18,442	15,372	16,264	758	14,360	92,921
Net proceeds from rights issue of shares	72,275						72,275
Transfer to/ from Reserves		24,726		(22,483)		(2,243)	0
Dividends paid to equity holders				(6,455)			(6,455)
Total Comprehensive Income for the Period			68	49,452	(4,217)		45,303
Closing Balance at 31st December	100,000	43,168	15,440	36,778	(3,459)	12,117	204,044

The Group - 2013	Stated Capital	Statutory Reserve	Capital Surplus	Income Surplus	Fair Value Reserve	Regulatory Credit Risk Reserve	Total
Opening Balance at 1st January	100,000	43,168	15,131	40,467	(3,459)	12,117	207,424
Transfer to/ from Reserves		45,482		(56,964)		11,482	0
Dividends paid to equity holders				(19,162)			(19,162)
Change in Bank's Shares Held by Subsidiaries			(89)				(89)
Total Comprehensive Income for the Period			4,001	92,463	1		96,464
Closing Balance at 31st December	100,000	88,650	19,042	56,804	(3,458)	23,599	284,637

The Group - 2012	Stated Capital	Statutory Reserve	Capital Surplus	Income Surplus	Fair Value Reserve	Regulatory Credit Risk Reserve	Total
Opening Balance at 1st January	27,725	18,442	9,836	17,233	758	14,360	88,354
Net proceeds from rights issue of shares	72,275						72,275
Transfer to/ from Reserves		24,726		(22,483)		(2,243)	0
Dividends paid to equity holders				(5,934)			(5,934)
Change in Bank's Shares Held by Subsidiaries			5,227				5,227
Total Comprehensive Income for the Period			68	51,651	(4,217)		47,502
Closing Balance at 31st December	100,000	43,168	15,131	40,467	(3,459)	12,117	207,424

CAL BANK LIMITED
UN-AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2013
in thousands of Ghana Cedis

	The Group	
	2013	2012
Profit Before Tax for the Period	127,343	66,854
Adjustments for:		
Depreciation And Amortisation	3,763	3,134
Impairment on Financial Assets	17,515	17,461
Profit on Sale of Property and Equipment	(36)	(126)
Dividend Received	(50)	(20)
Change in Fair Value of Investment Securities Recognised in Income Statement	1	(3,383)
Employee Benefit Expenses	112	219
Accretion of Deferred Income	766	1,658
	149,414	85,797
Change in Investment Portfolio	(37,756)	(86,473)
Change in Loans and Advances to Customers	(251,150)	(355,187)
Change in Other Assets	(179)	(4,168)
Change in Customer Deposits	92,543	108,951
Change in Amounts Due to Banks and Other Financial Institutions	(51,827)	62,940
Change in Accruals and Other Liabilities	30,093	23,091
Income Tax Paid	(33,462)	(16,409)
Net Cash Flows from Operating Activities	(102,323)	(181,458)
Cash Flows From Investing Activities		
Purchase of Property and Equipment	(13,659)	(9,221)
Proceeds from Sale of Equipment	40	126
Change in Treasury Shares	3,913	5,227
Net Cash Used in Investing Activities	(9,705)	(3,868)
Cash Flows from Financing Activities		
Dividend Income	50	20
Dividends Paid	(19,162)	(5,934)
Net Changes in Borrowings	252,006	38,055
Proceeds from Shares Issued	0	72,275
Net Cash from Financing Activities	232,895	104,416
Net Change in Cash and Cash Equivalents	120,866	(80,910)
Analysis of Changes in Cash and Cash Equivalents for the Period		
Cash and Cash Equivalents at 1st January	121,702	202,612
Net Change in Cash and Cash Equivalents	120,867	(80,910)
Cash and Cash Equivalents at 31st December 2013	242,569	121,702
Analysis of Cash and Cash Equivalents for the Period Ended 31st December		
Cash and Balances with Bank of Ghana	121,973	86,976
Due From Other Banks	105,186	12,427
Items in Course of Collection from Other Banks	15,410	22,299
Total Cash and Cash Equivalents at 31st December 2013	242,569	121,702

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed for the period ended 31st December, 2013 are consistent with those followed in the financial statements for the year ended 31st December, 2012.

QUANTITATIVE DISCLOSURES

		2013	2012
(i)	Capital Adequacy Ratio	19.2%	19.9%
(ii)	Non-Performing Loan Ratio	7.9%	5.0%

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 31st December, 2013 are consistent with those followed for the year 31st December, 2012.

(iii)		2013	2012
	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 knowledge."

FRANK B. ADU JNR.
Managing Director

PHILIP OWIREDU
Executive Director