

**UN-AUDITED CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2011**
*in thousands of Ghana Cedis*

	The Bank		The Group	
	2011	2010	2011	2010
Interest Income	75,139	69,635	75,625	69,750
Interest Expense	(34,477)	(32,800)	(34,477)	(32,675)
<b>Net Interest Income</b>	<b>40,662</b>	<b>36,835</b>	<b>41,148</b>	<b>37,075</b>
Fees and Commissions Income	15,193	9,984	15,193	9,981
Fees and Commissions Expense	(534)	(684)	(534)	(693)
<b>Net Fees and Commissions</b>	<b>14,659</b>	<b>9,300</b>	<b>14,659</b>	<b>9,288</b>
Net Trading Income	10,445	4,414	10,460	4,833
Other Income	3,952	1,327	4,977	2,640
	<b>14,397</b>	<b>5,741</b>	<b>15,437</b>	<b>7,473</b>
<b>Total Income</b>	<b>69,718</b>	<b>51,876</b>	<b>71,244</b>	<b>53,836</b>
Impairment Charges and Credit Provisions	(11,775)	(12,849)	(11,775)	(12,849)
<b>Net Operating Income</b>	<b>57,943</b>	<b>39,027</b>	<b>59,469</b>	<b>40,987</b>
Staff Costs	(17,535)	(12,269)	(18,205)	(12,782)
Administration and General Expenses	(13,557)	(13,100)	(14,183)	(13,385)
Depreciation and Amortisation	(2,473)	(1,998)	(2,638)	(2,161)
<b>Total Operating Expenses</b>	<b>(33,565)</b>	<b>(27,367)</b>	<b>(35,026)</b>	<b>(28,328)</b>
<b>Operating Profit</b>	<b>24,378</b>	<b>11,660</b>	<b>24,443</b>	<b>12,659</b>
Share of Post-tax Profit of Associated Company	-	-	-	(61)
<b>Profit Before Income Tax</b>	<b>24,378</b>	<b>11,660</b>	<b>24,443</b>	<b>12,598</b>
Income Tax	(5,107)	(2,307)	(5,222)	(2,576)
National Fiscal Stabilization levy	(1,219)	(543)	(1,237)	(556)
<b>Profit For The Period</b>	<b>18,052</b>	<b>8,810</b>	<b>17,984</b>	<b>9,466</b>
Basic Earnings Per Share (Ghana Cedis per share)	0.0727	0.0358	0.0724	0.0385
Diluted Earnings Per Share (Ghana Cedis per share)	0.0727	0.0358	0.0724	0.0385

**UN-AUDITED CONSOLIDATED INCOME STATEMENT FOR THE THREE MONTHS ENDED 31ST DECEMBER 2011**
*in thousands of Ghana Cedis*

	The Bank		The Group	
	2011	2010	2011	2010
Interest Income	21,755	16,460	21,715	16,679
Interest Expense	(8,887)	(7,067)	(8,887)	(7,095)
<b>Net Interest Income</b>	<b>12,868</b>	<b>9,393</b>	<b>12,828</b>	<b>9,584</b>
Fees and Commissions Income	3,632	2,778	3,632	2,775
Fees and Commissions Expense	(86)	(139)	(86)	(139)
<b>Net Fees and Commissions</b>	<b>3,546</b>	<b>2,639</b>	<b>3,546</b>	<b>2,636</b>
Net Trading Income	5,889	985	5,819	1,072
Other Income	2,000	556	2,325	673
	<b>7,889</b>	<b>1,541</b>	<b>8,144</b>	<b>1,745</b>
<b>Total Income</b>	<b>24,303</b>	<b>13,573</b>	<b>24,518</b>	<b>13,965</b>
Impairment Charges and Credit Provisions	(3,405)	(5,789)	(3,405)	(5,789)
<b>Net Operating Income</b>	<b>20,898</b>	<b>7,784</b>	<b>21,113</b>	<b>8,176</b>
Staff Costs	(5,086)	(2,172)	(5,322)	(2,356)
Administration and General Expenses	(4,476)	(3,878)	(4,399)	(4,024)
Depreciation and Amortisation	(413)	(672)	(454)	(713)
<b>Total Operating Expenses</b>	<b>(9,975)</b>	<b>(6,722)</b>	<b>(10,175)</b>	<b>(7,093)</b>
<b>Operating Profit</b>	<b>10,923</b>	<b>1,062</b>	<b>10,938</b>	<b>1,083</b>
Share of Post-tax Profit of Associated Company	-	-	(197)	(70)
<b>Profit Before Income Tax</b>	<b>10,923</b>	<b>1,062</b>	<b>10,741</b>	<b>1,013</b>
Income Tax	(1,805)	(559)	(1,787)	(571)
National Fiscal Stabilization levy	(546)	(53)	(557)	(58)
<b>Profit Attributable to Equity Holders</b>	<b>8,572</b>	<b>450</b>	<b>8,397</b>	<b>384</b>

**UN-AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2011**
*in thousands of Ghana Cedis*

	The Bank		The Group	
	2011	2010	2011	2010
<b>Assets</b>				
Cash and balances with Bank of Ghana	67,659	37,786	67,059	37,786
Items in Course of Collection from Other Banks	12,430	7,645	12,430	7,645
Investment in Government Securities	154,348	117,544	154,485	117,668
Due from Banks and Other Financial Institutions	99,171	43,309	128,770	51,225
Loans and Advances to Customers	412,713	256,634	411,730	256,634
Investment in Other Securities	6	86	1,388	1,677
Investment in Associated Company	407	407	-	1,160
Investment in Subsidiaries	1,118	718	-	-
Other Assets	7,178	7,938	7,680	8,333
Current Tax Assets	-	-	66	-
Deferred Tax Assets	2,188	-	2,188	-
Property and Equipment	29,424	27,684	29,445	27,864
<b>Total Assets</b>	<b>786,643</b>	<b>499,751</b>	<b>815,241</b>	<b>509,992</b>
<b>Liabilities</b>				
Customer Deposits	564,398	275,543	593,831	282,556
Due to Banks and Other Financial Institutions	20,449	13,937	23,965	14,069
Borrowings	92,652	109,010	92,652	109,010
Accruals and Other Liabilities	16,069	22,803	16,329	23,515
Current Tax Liabilities	482	1,559	486	1,684
Deferred Tax Liabilities	-	380	-	380
<b>Total Liabilities</b>	<b>694,050</b>	<b>423,232</b>	<b>727,263</b>	<b>431,214</b>
<b>Shareholders' Equity</b>				
Stated Capital	27,725	27,120	27,725	27,120
Statutory Reserve Fund	18,371	13,858	18,371	13,858
Capital Surplus	15,361	15,362	9,762	15,224
Retained Earnings	16,086	5,435	17,070	7,832
Other Reserves	15,050	14,744	15,050	14,744
<b>Total Shareholders' Equity</b>	<b>92,593</b>	<b>76,519</b>	<b>87,978</b>	<b>78,778</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>786,643</b>	<b>499,751</b>	<b>815,241</b>	<b>509,992</b>

**UN-AUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE YEAR ENDED 31ST DECEMBER 2011**
*in thousands of Ghana Cedis*

	The Bank		The Group	
	2011	2010	2011	2010
<b>Profit for the Period</b>	<b>18,052</b>	<b>8,810</b>	<b>17,984</b>	<b>9,466</b>
Other comprehensive Income				
Net change in fair value	648	455	648	455
Revaluation Gain on Properties	-	10,986	-	10,986
<b>Total Comprehensive Income for the Period</b>	<b>18,700</b>	<b>20,251</b>	<b>18,632</b>	<b>20,907</b>

**UN-AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED 31ST DECEMBER 2011**
*in thousands of Ghana Cedis*

	The Group	
	2011	2010
<b>Profit Before Tax for the Period</b>	<b>24,443</b>	<b>12,598</b>
<b>Adjustments for:</b>		
Depreciation And Amortisation	2,638	2,161
Impairment on Financial Assets	11,775	13,040
Profit on Sale of Property and Equipment	(8)	(23)
Dividend Received	(441)	-
Associated Company Loss/(Profit)	-	61
Employee Benefit Expenses	266	(38)
Accretion of Deferred Income	2,112	841
	<b>40,785</b>	<b>28,640</b>
Change in Investment Portfolio	(37,327)	(42,684)
Change in Loans and Advances to Customers	(168,220)	(54,822)
Change in Other Assets	1,111	(3,047)
Change in Customer Deposits	305,605	14,480
Change in Amounts Due to Banks and Other Financial Institutions	9,896	4,543
Change in Accruals and Other Liabilities	(1,132)	1,698
Income Tax Paid	(10,291)	(5,397)
<b>Net Cash Flows from Operating Activities</b>	<b>140,427</b>	<b>(56,589)</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of Property and Equipment	(4,218)	(2,422)
Proceeds from Sale of Equipment	8	23
Change in Treasury Shares	(5,462)	180
<b>Net Cash Used in Investing Activities</b>	<b>(9,672)</b>	<b>(2,219)</b>
<b>Cash Flows from Financing Activities</b>		
Dividend Income	441	-
Dividends Paid	(3,035)	(2,853)
Net Changes in Borrowings	(17,163)	16,319
Proceeds from Shares Issued	605	2,120
<b>Net Cash from Financing Activities</b>	<b>(19,152)</b>	<b>15,586</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>111,603</b>	<b>(43,222)</b>
<b>Analysis of Changes in Cash and Cash Equivalents for the Period</b>		
Cash and Cash Equivalents at 1st January	96,656	139,878
Net Change in Cash and Cash Equivalents	111,603	(43,222)
<b>Cash and Cash Equivalents at 31st December 2011</b>	<b>208,259</b>	<b>96,656</b>
<b>Analysis of Cash and Cash Equivalents for the Period Ended 30th September</b>		
Cash and Balances with Bank of Ghana	67,059	37,786
Due From Other Banks	128,770	51,225
Items in Course of Collection from Other Banks	12,430	7,645
<b>Total Cash and Cash Equivalents at 31st December 2011</b>	<b>208,259</b>	<b>96,656</b>

**SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies followed for the period ended 31st December, 2011 are consistent with those followed in the financial statements for the year ended 31st December, 2010.

**QUANTITATIVE DISCLOSURES**

	2011	2010
(i) Capital Adequacy Ratio	11.6%	16.1%
(ii) Non-Performing Loan Ratio	9.6%	11.4%

**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, 2011 are consistent with those followed for the year 31st December, 2010.

	2011	2010
(iii) Default in Statutory Liquidity	Nil	Nil
Default in Statutory Liquidity Sanction	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