

## Un-Audited Consolidated Financial Statement for the Period ended 30th June 2008

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

### UN-AUDITED CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 30TH JUNE 2008

	The Bank		The Group	
	2008	2007	2008	2007
Interest Income	14,646	11,050	14,695	11,067
Interest Expense	(8,117)	(5,637)	(8,109)	(5,625)
<b>Net Interest Income</b>	<b>6,529</b>	<b>5,413</b>	<b>6,586</b>	<b>5,442</b>
Commissions and Fees	3,086	1,989	3,085	2,135
Other Operating Income	4,283	2,897	4,832	3,059
<b>Operating Income</b>	<b>13,898</b>	<b>10,299</b>	<b>14,503</b>	<b>10,636</b>
Operating Expense	(8,597)	(5,851)	(8,762)	(5,987)
Charge For Bad and Doubtful Debts	(1,034)	(549)	(1,034)	(549)
<b>Operating Profit</b>	<b>4,267</b>	<b>3,899</b>	<b>4,707</b>	<b>4,100</b>
Other Income	1	-	95	62
<b>Profit before Taxation</b>	<b>4,268</b>	<b>3,899</b>	<b>4,802</b>	<b>4,162</b>
Taxation	(1,067)	(974)	(1,094)	(1,025)
<b>Profit After Tax Transferred to Income Surplus Account</b>	<b>3,201</b>	<b>2,925</b>	<b>3,708</b>	<b>3,137</b>

### UN-AUDITED CONSOLIDATED INCOME SURPLUS ACCOUNT FOR THE PERIOD ENDED 30TH JUNE 2008

Balance at 1st January	7,708	4,926	8,793	5,636
Net Profit Transferred from Profit & Loss Account	3,201	2,925	3,708	3,137
Transfer to Statutory Reserve Fund	(800)	(731)	(800)	(731)
<b>Balance at 30th June</b>	<b>10,109</b>	<b>7,120</b>	<b>11,701</b>	<b>8,042</b>
Earnings per Share (Ghana cedis per share)	0.0195	0.0180	0.0225	0.0193

### UN-AUDITED CONSOLIDATED BALANCE SHEET AS AT 30TH JUNE 2008

<b>ASSETS</b>				
Cash and Balances with Bank of Ghana	22,009	10,152	22,009	10,152
Government Securities	42,381	32,673	42,472	32,975
Due From Other Banks and Financial Institutions	60,950	28,154	61,174	28,354
Investment in Other Securities	2,182	2,162	3,637	3,111
Loans and Advances	129,652	106,116	129,652	106,116
Investment in Subsidiaries	710	710	-	-
Other Assets	4,405	2,631	4,498	2,732
Taxation	206	264	220	244
Property and Equipment	13,362	11,700	13,387	11,706
<b>TOTAL ASSETS</b>	<b>275,857</b>	<b>194,562</b>	<b>277,049</b>	<b>195,390</b>
<b>LIABILITIES</b>				
Customers Deposits	157,819	110,750	157,819	110,773
Due to Banks and other Financial Institutions	5,356	4,163	4,982	4,013
Interest Payable and Other Liabilities	11,510	9,958	11,717	10,153
Borrowings	67,933	41,734	67,933	41,734
Deferred Taxation	835	862	835	862
<b>TOTAL LIABILITIES</b>	<b>243,453</b>	<b>167,467</b>	<b>243,286</b>	<b>167,535</b>
<b>SHAREHOLDERS' FUNDS</b>				
Stated Capital	8,269	7,524	8,269	7,524
Statutory Reserve Fund	8,243	6,668	8,243	6,668
Capital Surplus	5,783	5,783	5,550	5,621
Income Surplus	10,109	7,120	11,701	8,042
Total Shareholders Funds	<b>32,404</b>	<b>27,095</b>	<b>33,763</b>	<b>27,855</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' FUND</b>	<b>275,857</b>	<b>194,562</b>	<b>277,049</b>	<b>195,390</b>

### UN-AUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 30TH JUNE 2008

	2008	2007
Net Cash Flow from Operating Activities	17,860	10,781
<b>Returns on Investments and Servicing of Finance:</b>		
Dividend Received	12	-
Dividend Paid	(1,752)	(1,133)
<b>Net Cash Flow from Returns on Investments and Servicing of Finance</b>	<b>(1,740)</b>	<b>(1,133)</b>
<b>Taxation</b>		
Tax Paid	(1,279)	(1,219)
	14,841	8,429
<b>Investing Activities</b>		
Purchase of Property and Equipment	(2,300)	(2,372)
Proceeds from Sale of Property and Equipment	1	-
Investments in Other Securities	(449)	(577)
Bank's Shares Held by Subsidiary	214	-
<b>Net Cash Flow from Investing Activities</b>	<b>(2,534)</b>	<b>(2,949)</b>
<b>Net Cash flow before Financing</b>	<b>12,307</b>	<b>5,480</b>
<b>Financing Activities</b>		
Increase in Borrowings	2,606	1,950
Proceeds from Shares Issued	260	381
<b>Net Cash Flow from Financing</b>	<b>2,866</b>	<b>2,331</b>
Change in Cash and Cash Equivalents	<b>15,173</b>	<b>7,811</b>
<b>Analysis of Changes in Cash and Cash Equivalents</b>		
Balance at 1st January	68,010	30,695
Net Cash flow	15,173	7,811
<b>Balance at 30th June</b>	<b>83,183</b>	<b>38,506</b>
<b>Analysis of Cash and Cash Equivalents</b>		
Cash and Balances with Bank of Ghana	22,009	10,152
Due from Banks and Other Financial Institutions	61,174	28,354
	<b>83,183</b>	<b>38,506</b>

### NOTES TO THE UN-AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH JUNE 2008

The accounting policies followed for the period ended 30th June 2008 are consistent with those followed in the annual financial statements for the year ended 31st December 2007.

#### RECONCILIATION OF OPERATING PROFIT TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2008	2007
<b>Operating Profit before taxation</b>	<b>4,802</b>	<b>4,162</b>
<b>Items not involving cash flow:</b>		
Depreciation	753	783
Profit on Sale of Property and Equipment	(1)	-
Charge for Bad and Doubtful Debts	1,034	550
Associated Company profit	(94)	(62)
Provision for Investment Loss	(53)	-
	6,441	5,433
<b>Adjustment for Item Shown Separately</b>		
Dividend Received	(12)	-
	6,429	5,433
<b>Cash Flows from Trading Activities</b>		
Increase in Government Securities	(8,685)	(3,940)
Increase in Advances	(16,878)	(20,985)
Increase in Other Asset Accounts	(1,262)	(875)
Increase in Deposit & Current Accounts	40,133	25,740
Increase in Due to Other Banks	1,045	1,131
(Decrease)/Increase in Creditors and Accruals	(2,922)	4,277
<b>Net Cash flow from Operating Activities</b>	<b>17,860</b>	<b>10,781</b>

Earnings per share is based on 164,561,801 (2007: 162,245,605) ordinary shares in issue as at the balance sheet date.

Contingent Liabilities in respect of letters of credit and guarantees and indemnities not provided for in the financial statements amounted to GH¢59.53 million (2007: GH¢29.50 million).

No dividend has been recommended by the directors as at the balance sheet date

"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

**KWASI TUMI**  
Executive Director