

# **CAL BANK LIMITED**

**UN-AUDITED CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS ENDED 30TH JUNE 2015**

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

	The Bank		The Group	
	2015	2014	2015	2014
Interest Income	215,245	152,952	217,879	154,393
Interest Expense	(107,038)	(75,006)	(106,856)	(74,971)
<b>Net Interest Income</b>	<b>108,207</b>	<b>77,946</b>	<b>111,023</b>	<b>79,422</b>
Fees and Commissions Income	36,719	27,952	36,714	27,951
Fees and Commissions Expense	(2,677)	(1,479)	(2,677)	(1,479)
<b>Net Fees and Commissions</b>	<b>34,042</b>	<b>26,473</b>	<b>34,037</b>	<b>26,472</b>
Net Trading Income	39,420	26,521	39,548	26,878
Other Income	4,072	5,708	6,591	6,906
	<b>43,492</b>	<b>32,229</b>	<b>46,139</b>	<b>33,784</b>
<b>Total Income</b>	<b>185,741</b>	<b>136,648</b>	<b>191,199</b>	<b>139,678</b>
Credit Loss Expenses	(11,136)	(6,789)	(11,136)	(6,789)
<b>Net Operating Income</b>	<b>174,605</b>	<b>129,859</b>	<b>180,063</b>	<b>132,889</b>
Staff Costs	(40,667)	(26,951)	(41,887)	(27,667)
Administration and General Expenses	(20,852)	(14,711)	(21,688)	(15,126)
Depreciation and Amortisation	(4,300)	(2,345)	(4,319)	(2,384)
<b>Total Operating Expenses</b>	<b>(65,819)</b>	<b>(44,007)</b>	<b>(67,894)</b>	<b>(45,177)</b>
<b>Operating Profit</b>	<b>108,786</b>	<b>85,852</b>	<b>112,169</b>	<b>87,712</b>
Profit From Disposal of Non-Current Assets	56	0	56	0
<b>Profit Before Income Tax</b>	<b>108,842</b>	<b>85,852</b>	<b>112,225</b>	<b>87,712</b>
Income Tax Expense	(27,210)	(21,463)	(28,087)	(21,873)
National Fiscal Stabilization levy	(5,442)	(4,293)	(5,529)	(4,356)
<b>Profit For The Period</b>	<b>76,190</b>	<b>60,096</b>	<b>78,609</b>	<b>61,483</b>
Basic Earnings Per Share (Ghana Cedis per share)	0.1390	0.1096	0.1434	0.1121
Diluted Earnings Per Share (Ghana Cedis per share)	0.1390	0.1096	0.1434	0.1121

**CAL BANK LIMITED****UN-AUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME****FOR THE SIX MONTHS ENDED 30TH JUNE 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>	76,190	60,096	78,609	61,483
<b>Items that may be reclassified subsequently to profit or loss:</b>				
Available-For-Sale Financial Assets	31	5	31	5
<b>Total Comprehensive Income for the Period</b>	<b>76,221</b>	<b>60,101</b>	<b>78,640</b>	<b>61,488</b>

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

	The Bank		The Group	
	2015	2014	2015	2014
<b>Assets</b>				
Cash and balances with Bank of Ghana	591,933	146,455	591,933	146,455
Items in Course of Collection from Other Banks	17,128	15,742	17,128	15,742
Investment in Government Securities	546,555	474,249	546,842	474,476
Due from Banks and Other Financial Institutions	212,102	225,542	222,097	230,525
Loans and Advances to Customers	1,581,682	1,148,211	1,581,682	1,148,211
Investment in Other Securities	0	0	1,496	1,756
Investment in Subsidiaries	2,028	2,028	0	0
Other Assets	40,964	24,425	42,537	26,941
Current Tax Assets	0	0	39	36
Deferred Tax Assets	0	1,921	0	1,921
Property, Plant and Equipment	92,451	54,753	92,600	54,859
<b>Total Assets</b>	<b>3,084,843</b>	<b>2,093,326</b>	<b>3,096,354</b>	<b>2,100,922</b>
<b>Liabilities</b>				
Customer Deposits	1,560,218	879,509	1,560,208	879,499
Due to Banks and Other Financial Institutions	45,994	38,226	46,336	38,873
Borrowings	936,981	803,806	936,981	803,806
Accruals and Other Liabilities	97,356	51,853	98,192	52,206
Current Tax Liabilities	10,259	6,707	10,488	6,754
Deferred Tax Liabilities	9,902	0	9,905	0
<b>Total Liabilities</b>	<b>2,660,710</b>	<b>1,780,101</b>	<b>2,662,110</b>	<b>1,781,138</b>
<b>Shareholders' Equity</b>				
Stated Capital	100,000	100,000	100,000	100,000
Statutory Reserve Fund	133,785	104,198	133,785	104,198
Capital Surplus	20,830	21,048	20,008	20,651
Retained Earnings	133,978	62,731	144,911	69,688
Other Reserves	35,540	25,248	35,540	25,248
<b>Total Shareholders' Equity</b>	<b>424,133</b>	<b>313,225</b>	<b>434,244</b>	<b>319,784</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>3,084,843</b>	<b>2,093,326</b>	<b>3,096,354</b>	<b>2,100,922</b>

**CAL BANK LIMITED****UN-AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30TH JUNE 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		9,524		(22,698)		13,174	<b>0</b>
Dividends paid to equity holders				(44,409)			<b>(44,409)</b>
Total Comprehensive Income for the Period			0	76,191	31		<b>76,222</b>
<b>Closing Balance at 30th June</b>	<b>100,000</b>	<b>133,785</b>	<b>20,830</b>	<b>133,978</b>	<b>(4,722)</b>	<b>40,261</b>	<b>424,133</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		9,524		(22,698)		13,174	<b>0</b>
Dividends paid to equity holders				(44,406)			<b>(44,406)</b>
Total Comprehensive Income for the Period			18	79,030	31		<b>79,079</b>
<b>Closing Balance at 30th June</b>	<b>100,000</b>	<b>133,785</b>	<b>20,008</b>	<b>144,911</b>	<b>(4,722)</b>	<b>40,261</b>	<b>434,244</b>

**CAL BANK LIMITED**
**UN-AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30TH JUNE 2015**
*in thousands of Ghana Cedis*

	<b>The Group</b>	
	<b>2015</b>	<b>2014</b>
<b>Profit Before Tax for the Period</b>	<b>112,225</b>	<b>87,712</b>
<b>Adjustments for:</b>		
Depreciation And Amortisation	4,319	2,384
Impairment on Financial Assets	11,136	6,789
Profit on Sale of Property and Equipment	(56)	0
Dividend Received	(17)	(21)
Change in Fair Value of Investment Securities Recognised in Income Statement	0	61
Employee Benefit Expenses	358	135
Accretion of Deferred Income	1,025	(1,829)
	<b>128,990</b>	<b>95,230</b>
Change in Investment Portfolio	(137,644)	(197,919)
Change in Loans and Advances to Customers	(257,988)	(174,079)
Change in Other Assets	(1,365)	(12,849)
Change in Customer Deposits	181,244	62,126
Change in Amounts Due to Banks and Other Financial Institutions	(1,355)	4,274
Change in Accruals and Other Liabilities	59,156	27,137
Income Tax Paid	(24,111)	(19,161)
<b>Net Cash Flows from Operating Activities</b>	<b>(53,073)</b>	<b>(215,241)</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of Property and Equipment	(18,002)	(9,940)
Proceeds from Sale of Equipment	56	0
Change in Treasury Shares	19	1
<b>Net Cash Used in Investing Activities</b>	<b>(17,927)</b>	<b>(9,939)</b>
<b>Cash Flows from Financing Activities</b>		
Dividend Income	17	21
Dividends Paid	(44,406)	(28,742)
Net Changes in Borrowings	97,478	404,055
<b>Net Cash from Financing Activities</b>	<b>53,089</b>	<b>375,334</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>(17,911)</b>	<b>150,154</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	(17,911)	150,154
<b>Cash and Cash Equivalents at 30th June 2015</b>	<b>831,158</b>	<b>392,722</b>
<b>Analysis of Cash and Cash Equivalents for the Period Ended 30th June</b>		
Cash and Balances with Bank of Ghana	591,933	146,455
Due From Other Banks	222,097	230,525
Items in Course of Collection from Other Banks	17,128	15,742
<b>Total Cash and Cash Equivalents at 30th June 2015</b>	<b>831,158</b>	<b>392,722</b>
<b>Operational cash flows from interest</b>		
Interest paid	63,995	39,770
Interest received	189,575	145,666

## SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed for the period ended 30th June, 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	20.1%	16.2%
(ii)	Non-Performing Loan Ratio	6.9%	7.2%

## 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 June, 2015 are consistent with those followed for the year ended 31st December, 2014.

(iii)		2015	2014
	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