

# **CAL BANK LIMITED**

**UN-AUDITED CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS ENDED 30TH JUNE 2016**

**CAL BANK LIMITED**
**UN-AUDITED CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED 30TH JUNE 2016**
*in thousands of Ghana Cedis*

	The Bank		The Group	
	2016	2015	2016	2015
Interest Income	279,179	215,245	281,589	217,879
Interest Expense	(137,428)	(107,038)	(137,254)	(106,856)
<b>Net Interest Income</b>	<b>141,751</b>	<b>108,207</b>	<b>144,335</b>	<b>111,023</b>
Fees and Commissions Income	33,109	36,719	33,105	36,714
Fees and Commissions Expense	(1,759)	(2,677)	(1,759)	(2,677)
<b>Net Fees and Commissions</b>	<b>31,350</b>	<b>34,042</b>	<b>31,346</b>	<b>34,037</b>
Net Trading Income	18,084	39,420	18,184	39,548
Other Income	2,700	4,072	5,943	6,591
	<b>20,784</b>	<b>43,492</b>	<b>24,127</b>	<b>46,139</b>
<b>Total Income</b>	<b>193,885</b>	<b>185,741</b>	<b>199,808</b>	<b>191,199</b>
Credit Loss Expenses	(18,929)	(11,136)	(18,929)	(11,136)
<b>Net Operating Income</b>	<b>174,956</b>	<b>174,605</b>	<b>180,879</b>	<b>180,063</b>
Staff Costs	(48,686)	(40,667)	(49,790)	(41,887)
Administration and General Expenses	(29,248)	(20,852)	(30,103)	(21,688)
Depreciation and Amortisation	(2,998)	(4,300)	(3,012)	(4,319)
<b>Total Operating Expenses</b>	<b>(80,932)</b>	<b>(65,819)</b>	<b>(82,905)</b>	<b>(67,894)</b>
<b>Operating Profit</b>	<b>94,024</b>	<b>108,786</b>	<b>97,974</b>	<b>112,169</b>
Profit From Disposal of Non-Current Assets	0	56	0	56
<b>Profit Before Income Tax</b>	<b>94,024</b>	<b>108,842</b>	<b>97,974</b>	<b>112,225</b>
Income Tax Expense	(25,857)	(27,210)	(26,841)	(28,087)
National Fiscal Stabilization levy	(4,701)	(5,442)	(4,865)	(5,529)
<b>Profit For The Period</b>	<b>63,466</b>	<b>76,190</b>	<b>66,268</b>	<b>78,609</b>
Basic Earnings Per Share (Ghana Cedis per share)	0.1158	0.1390	0.1209	0.1434
Diluted Earnings Per Share (Ghana Cedis per share)	0.1158	0.1390	0.1209	0.1434

**CAL BANK LIMITED****UN-AUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME****FOR THE SIX MONTHS ENDED 30TH JUNE 2016***in thousands of Ghana Cedis*

	<b>The Bank</b>		<b>The Group</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
<b>Profit for the Period</b>	63,466	76,190	66,268	78,609
<b>Items that may be reclassified subsequently to profit or loss:</b>				
Available-For-Sale Financial Assets	(8)	31	(8)	31
<b>Total Comprehensive Income for the Period</b>	<b>63,458</b>	<b>76,221</b>	<b>66,260</b>	<b>78,640</b>

**CAL BANK LIMITED**
**UN-AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2016**
*in thousands of Ghana Cedis*

	The Bank		The Group	
	2016	2015	2016	2015
<b>Assets</b>				
Cash and balances with Bank of Ghana	340,254	591,933	340,254	591,933
Items in Course of Collection from Other Banks	18,699	17,128	18,699	17,128
Investment in Government Securities	213,185	546,555	213,555	546,842
Due from Banks and Other Financial Institutions	371,065	212,102	383,255	222,097
Loans and Advances to Customers	2,048,990	1,581,682	2,048,990	1,581,682
Investment in Other Securities	0	0	4,565	1,496
Investment in Subsidiaries	2,028	2,028	0	0
Other Assets	61,703	40,964	63,911	42,537
Current Tax Assets	21,159	0	21,380	39
Deferred Tax Assets	10,192	0	10,217	0
Property, Plant and Equipment	177,470	92,451	177,571	92,600
<b>Total Assets</b>	<b>3,264,745</b>	<b>3,084,843</b>	<b>3,282,397</b>	<b>3,096,354</b>
<b>Liabilities</b>				
Customer Deposits	1,508,347	1,560,218	1,508,337	1,560,208
Due to Banks and Other Financial Institutions	69,746	45,994	69,513	46,336
Borrowings	1,042,452	936,981	1,042,452	936,981
Accruals and Other Liabilities	128,059	97,356	129,299	98,192
Current Tax Liabilities	0	10,259	84	10,488
Deferred Tax Liabilities	0	9,902	3	9,905
<b>Total Liabilities</b>	<b>2,748,604</b>	<b>2,660,710</b>	<b>2,749,688</b>	<b>2,662,110</b>
<b>Shareholders' Equity</b>				
Stated Capital	100,000	100,000	100,000	100,000
Statutory Reserve Fund	152,200	133,785	152,200	133,785
Capital Surplus	19,430	20,830	18,733	20,008
Retained Earnings	208,733	133,978	225,998	144,911
Other Reserves	35,778	35,540	35,778	35,540
<b>Total Shareholders' Equity</b>	<b>516,141</b>	<b>424,133</b>	<b>532,709</b>	<b>434,244</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>3,264,745</b>	<b>3,084,843</b>	<b>3,282,397</b>	<b>3,096,354</b>

**CAL BANK LIMITED****UN-AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30TH JUNE 2016***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	144,266	19,430	206,502	(5,443)	41,101	<b>505,856</b>
Transfer to/ from Reserves		7,934		(8,062)		128	<b>0</b>
Dividends paid to equity holders				(53,181)			<b>(53,181)</b>
Total Comprehensive Income for the Period				63,474	(8)		<b>63,466</b>
<b>Closing Balance at 30th June</b>	<b>100,000</b>	<b>152,200</b>	<b>19,430</b>	<b>208,733</b>	<b>(5,451)</b>	<b>41,229</b>	<b>516,141</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	144,266	18,733	220,852	(5,443)	41,101	<b>519,509</b>
Transfer to/ from Reserves		7,934		(8,062)		128	<b>0</b>
Dividends paid to equity holders				(53,068)			<b>(53,068)</b>
Total Comprehensive Income for the Period				66,276	(8)		<b>66,268</b>
<b>Closing Balance at 30th June</b>	<b>100,000</b>	<b>152,200</b>	<b>18,733</b>	<b>225,998</b>	<b>(5,451)</b>	<b>41,229</b>	<b>532,709</b>

**CAL BANK LIMITED**
**UN-AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30TH JUNE 2016**
*in thousands of Ghana Cedis*

	<b>The Group</b>	
	<b>2016</b>	<b>2015</b>
<b>Profit Before Tax for the Period</b>	<b>97,974</b>	<b>112,225</b>
<b>Adjustments for:</b>		
Depreciation And Amortisation	3,012	4,319
Impairment on Financial Assets	18,929	11,136
Profit on Sale of Property and Equipment	0	(56)
Dividend Received	(113)	(17)
Employee Benefit Expenses	283	358
Accretion of Deferred Income	(476)	1,025
	<b>119,609</b>	<b>128,990</b>
Change in Investment Portfolio	78,512	(137,644)
Change in Loans and Advances to Customers	(266,454)	(257,988)
Change in Other Assets	(2,163)	(1,365)
Change in Customer Deposits	(69,528)	181,244
Change in Amounts Due to Banks and Other Financial Institutions	11,204	(1,355)
Change in Accruals and Other Liabilities	51,834	59,156
Income Tax Paid	(57,837)	(24,111)
<b>Net Cash Flows from Operating Activities</b>	<b>(134,823)</b>	<b>(53,073)</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of Property and Equipment	(46,834)	(18,002)
Proceeds from Sale of Equipment	0	56
Change in Treasury Shares	0	19
<b>Net Cash Used in Investing Activities</b>	<b>(46,834)</b>	<b>(17,927)</b>
<b>Cash Flows from Financing Activities</b>		
Dividend Income	113	17
Dividends Paid	(53,068)	(44,406)
Net Changes in Borrowings	(82,750)	97,478
<b>Net Cash from Financing Activities</b>	<b>(135,705)</b>	<b>53,089</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>(317,362)</b>	<b>(17,911)</b>
<b>Analysis of Changes in Cash and Cash Equivalents for the Period</b>		
Cash and Cash Equivalents at 1st January	1,059,570	849,069
Net Change in Cash and Cash Equivalents	(317,362)	(17,911)
<b>Cash and Cash Equivalents at 30th June 2016</b>	<b>742,208</b>	<b>831,158</b>
<b>Analysis of Cash and Cash Equivalents for the Period Ended 30th June</b>		
Cash and Balances with Bank of Ghana	340,254	591,933
Due From Other Banks	383,255	222,097
Items in Course of Collection from Other Banks	18,699	17,128
<b>Total Cash and Cash Equivalents at 30th June 2016</b>	<b>742,208</b>	<b>831,158</b>
<b>Operational cash flows from interest</b>		
Interest paid	92,161	63,995
Interest received	269,398	189,575

## SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed for the period ended 30th June, 2016 are consistent with those followed in the financial statements for the year ended 31st December, 2015.

## QUANTITATIVE DISCLOSURES

		2016	2015
(i)	Capital Adequacy Ratio	20.7%	20.1%
(ii)	Non-Performing Loan Ratio	6.1%	6.9%

## 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, 2016 are consistent with those followed for the year ended 31st December, 2015.

(iii)		2016	2015
	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