

CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE PERIOD ENDED JUNE 30, 2018



FIDELITY BANK GHANA LIMITED

(All amounts are in thousands of Ghana cedis unless otherwise stated)

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

	GROUP		BANK	
	2018	2017	2018	2017
Interest income	390,843	287,068	389,093	285,365
Interest expense	(132,978)	(118,766)	(136,349)	(120,174)
Net interest income	257,865	168,302	252,744	165,191
Fee and commission income	78,750	47,324	77,161	43,336
Fee and commission expense	(7,705)	(5,131)	(7,693)	(5,119)
Net fee and commission income	71,045	42,193	69,468	38,217
Other operating income	15,727	13,149	15,727	13,148
Operating income	344,637	223,644	337,939	216,556
Net impairment loss on financial assets	(29,557)	(22,551)	(29,557)	(22,551)
Personnel expenses	(75,258)	(57,020)	(73,821)	(55,854)
Depreciation and amortisation	(9,514)	(4,573)	(9,153)	(4,253)
Other expenses	(101,759)	(85,896)	(100,339)	(84,631)
Profit before income tax	128,549	53,604	125,069	49,267
Income tax expense	(35,399)	(13,189)	(35,204)	(12,416)
National fiscal stabilisation levy	(6,293)	(2,618)	(6,253)	(2,463)
Profit for the period	86,857	37,797	83,612	34,388
Other comprehensive income				
Fair value gains on investment securities (net)	12,271	51,135	12,271	51,135
Currency translation differences on foreign subsidiary	365	(87)	-	-
Total other comprehensive income	12,636	51,048	12,271	51,135
Total comprehensive income for the period	99,493	88,845	95,883	85,523
Attributable to owners of Fidelity Bank Ghana Limited	99,493	88,845	95,883	85,523

UNAUDITED STATEMENT OF FINANCIAL POSITION

	GROUP		BANK	
	2018	2017	2018	2017
Assets				
Cash and cash equivalents	965,180	820,771	976,869	839,638
Investment securities	3,768,952	2,333,155	3,761,970	2,327,845
Loans and advances to customers	1,359,365	1,348,498	1,318,499	1,309,231
Investments (other than securities)	-	27	12,471	8,290
Other assets	146,262	183,152	157,843	192,683
Property plant and equipment	112,927	130,562	112,782	130,432
Intangible assets	24,072	11,296	23,010	10,093
Non current assets held for sale	1,011	1,011	1,011	1,011
Total assets	6,377,769	4,828,472	6,364,455	4,819,223
Liabilities				
Deposits from customers	4,217,169	3,204,337	4,211,136	3,198,715
Deposits from banks and other financial institutions	611,176	196,287	611,176	199,450
Borrowings	659,338	667,776	659,338	667,776
Other liabilities	260,904	182,721	265,980	182,503
Deferred tax liability	7,185	7,808	7,205	7,807
Current tax liability	8,466	284	8,502	-
Total liabilities	5,764,238	4,259,213	5,763,337	4,256,251
Equity				
Stated capital	264,486	264,486	264,486	264,486
Statutory reserve	207,094	172,179	207,094	172,179
Other reserves	47,785	79,713	37,821	70,777
Credit risk reserve	3,965	22,252	3,965	22,252
Income surplus	90,201	30,629	87,752	33,278
Total equity attributable to equity holders	613,531	569,259	601,118	562,972
Total Liabilities and equity	6,377,769	4,828,472	6,364,455	4,819,223

UNAUDITED STATEMENT OF CASH FLOWS

	GROUP		BANK	
	2018	2017	2018	2017
Cash flows from operating activities				
Profit before income tax	128,549	53,604	125,069	49,267
Adjustments:				
Depreciation	7,219	4,189	7,188	4,147
Amortisation	2,295	384	1,965	106
Impairment on financial assets	29,782	37,039	29,782	37,039
Profit on disposal of property and equipment	(111)	-	(111)	-
Exchange difference on borrowings	(2,092)	11,643	(2,092)	11,643
Operating cash flow before investment in working capital	165,642	106,859	161,801	102,202
Changes in loans and advances to customers	(322,612)	(62,648)	(321,488)	(79,834)
Changes in other assets	(28,976)	(74,263)	(27,377)	(53,714)
Changes in deposits from customers	364,447	67,781	367,825	98,101
Changes in deposits from banks and other financial institutions	499,408	75,910	498,017	79,073
Changes in other liabilities	90,741	69,353	92,310	70,088
Income tax paid	(28,059)	(6,980)	(27,664)	(6,817)
Increase in operating assets and liabilities	574,949	69,153	581,623	106,897
Net cash flow generated from operating activities	740,591	176,012	743,424	209,099
Cash flow from investing activities				
Purchase of property and equipment	(6,300)	(13,657)	(6,221)	(13,396)
Purchase of intangible assets	(10,230)	(1,089)	(10,044)	(1,089)
Proceeds on asset disposal	111	-	111	-
Purchase of investment securities	(1,218,691)	(610,768)	(1,218,129)	(609,388)
Net cash flow used in investing activities	(1,235,110)	(625,514)	(1,234,283)	(623,873)
Financing activities				
Dividends paid	(28,975)	(15,897)	(28,975)	(15,897)
Repayment of borrowings	(51,817)	(39,907)	(51,817)	(39,907)
Drawdown on borrowings	-	349,192	-	349,192
Net cash flow from/(used in) financing activities	(80,792)	293,388	(80,792)	293,388
Net increase/(decrease) in cash and cash equivalents	(575,311)	(156,114)	(571,651)	(121,386)
Analysis of changes in cash and cash equivalents				
Cash and cash equivalents at January 1	1,540,126	976,972	1,548,520	961,024
Gain on currency translation of foreign subsidiary	365	(87)	-	-
Net increase/(decrease) in cash and cash equivalents	(575,311)	(156,114)	(571,651)	(121,386)
Cash and cash equivalents at June 30	965,180	820,771	976,869	839,638

Disclosures

1. Significant accounting policies

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The accounting policies applied for the period ended 30 June, 2018 are consistent with those applied in the preparation of the financial statements for the year ended 31 December, 2017 with the exception of International Accounting Standard (IAS) 39 which has been replaced by International Financial Reporting Standard (IFRS) 9, effective 1 January, 2018.

2. Quantitative disclosures

	2018	2017
(a) Capital Adequacy Ratio (CAR)	29.10%	30.08%
(b) Non- Performing Loan (NPL) Ratio	12.04%	15.08%

3. Qualitative disclosures

- (a) The Bank is exposed to the following risks; credit risk, operational risk, liquidity risk and market risk.
- (b) The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. Under this framework, the Board has established a number of separate independent bodies responsible for managing and monitoring risks. These include, Board sub-committees, Credit Committee of Management (CC), Asset and Liability Management Committee (ALCO), Management Risk and Control Committee (MRCC) and the Risk Management Department, which are responsible for developing and monitoring the Bank's risk management policies in their specified areas. All Board committees report regularly to the Board of Directors on their activities.

4. Defaults in statutory liquidity and accompanying sanctions

	2018	2017
Default in statutory liquidity	Nil	Nil
Sanctions	Nil	Nil

The financial statements do not contain any untrue statements, misleading facts or omit material facts to the best of our knowledge.

Edward Effah
Board Chairman

Jim Baiden
Managing Director