



PRESS RELEASE

PR. No 057/2011

**SG-SSB LIMITED (SG-SSB) -
FINANCIAL STATEMENTS FOR THE
YEAR ENDED DECEMBER 31, 2010**

SG-SSB has released its audited Financial Statements for the year ended December 31, 2010, as per the attached.

Issued in Accra, this 1st
day of March, 2011.

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att'd.

Distribution:

1. All LDMs
2. General Public
3. Company Secretary, SG-SSB
4. NTHC Registrars, (Registrars for SG-SSB shares)
5. GSE Securities Depository
6. SEC
7. GSE Council Members
8. GSE Notice Board

For enquiries, contact:

General Manager/Head of Listings, GSE on 669908, 669914, 669935

***JEB**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER 2010

	2010	2009
	GH¢	GH¢
Revenue	<u>106,973,156</u>	<u>96,402,812</u>
Interest & Similar revenue	75,731,717	62,284,913
Interest & similar expense	<u>(10,190,844)</u>	<u>(10,820,137)</u>
Net Interest income	65,540,873	51,464,776
Fees & Commission revenue	22,849,617	19,935,619
Forex Trading Revenue	5,723,807	10,806,537
Investment Revenue	110,400	73,640
Other Operating Income	<u>2,557,615</u>	<u>3,302,103</u>
Total Operating Income	96,782,312	85,582,675
Credit Loss expenses	<u>(6,512,000)</u>	<u>(4,436,000)</u>
Net Operating Income	<u>90,270,312</u>	<u>81,146,675</u>
Personnel expenses	<u>(33,064,230)</u>	<u>(28,243,941)</u>
Depreciation	<u>(2,953,432)</u>	<u>(2,786,100)</u>
Amortisation	<u>(2,668,395)</u>	<u>(240,818)</u>
Other Operating Expenses	<u>(24,755,789)</u>	<u>(22,966,246)</u>
Total Operating Expenses	<u>(63,441,846)</u>	<u>(54,237,105)</u>
Profit before tax	26,828,466	26,909,570
Income tax expenses	<u>(6,116,721)</u>	<u>(6,943,762)</u>
National stabilization levy	<u>(1,341,423)</u>	<u>(672,739)</u>
Profit after tax for the year	19,370,322	19,293,069
Other Comprehensive income	<u>1,679,514</u>	<u>—</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>21,049,836</u>	<u>19,293,069</u>
Earnings Per Share:		
Basics (GH¢)	GH¢ 0.0580	GH¢0.0692
Profit for the year attributable to;		
<i>Majority or controlling Equity Holders of the Bank</i>	10,119,056	10,078,699
<i>Other Equity Holders of the Bank</i>	9,251,266	9,214,370

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2010

	2010	2009
	GH¢	GH¢
Assets		
Cash in hand and cash balances with Bank of Ghana	70,237,458	70,393,711
Due from banks and other financial institutions	160,181,244	106,337,437
Financial investments (Government Securities)	104,483,701	44,378,984
Other assets	13,076,401	22,519,442
Loans and advances	298,750,342	296,218,660
Investment in other securities/ available for sale	289,723	289,723
Current tax assets	2,841,858	2,353,204
National stabilization levy	76,065	52,261
Long term Operating lease prepaid	4,226,550	4,374,850
Property, Plant & Equipment	25,417,515	29,317,919
Intangible assets	<u>6,331,806</u>	<u>458,195</u>
Total Assets	<u>685,912,663</u>	<u>576,694,386</u>
Liabilities		
Customer deposits	495,397,719	388,646,975
Due to banks, & other financial institutions	22,014,693	32,319,372
Interest payable & other liabilities	50,955,401	46,059,582
Deferred tax liabilities	<u>1,300,508</u>	<u>1,146,503</u>
Total liabilities	<u>569,668,321</u>	<u>468,172,432</u>
Equity		
Stated capital	62,393,558	62,393,558
Shares deals account	2,943,755	2,943,755
Capital Surplus	9,232,693	9,232,693
General Regulatory Credit Reserve	1,370,429	-
Income Surplus Account	17,305,300	17,661,162
Statutory reserve fund	21,290,786	16,290,786
Other Reserves	1,707,821	-
Total Equity	<u>116,244,342</u>	<u>108,521,954</u>
Total Liabilities and Equity	<u>685,912,663</u>	<u>576,694,386</u>

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2010

	2010	2009
	<u>GH¢</u>	<u>GH¢</u>
OPERATING ACTIVITIES		
Profit before Tax	26,828,466	26,909,570
Adjustments for:		
Depreciation	2,953,432	2,786,100
Amortisation	2,668,395	240,818
Exchange (gain)/ loss	6,465	800,901
Dividend from investments	(110,400)	(73,640)
Profit on Sale of Property, Plant and Equipment	<u>(63,005)</u>	<u>(212,648)</u>
Operating Profit before Working Capital Changes	<u>32,283,353</u>	<u>30,451,101</u>
Decrease/ (Increase) in Other Assets	9,443,042	(17,094,587)
Increase in Other Liabilities	5,081,862	18,653,918
Increase in Customer deposit	106,750,744	89,788,412
Increase in Loans and Advances to customers	(2,531,682)	(11,549,030)
Increase in Government Securities	(57,865,364)	(2,328,102)
Decrease in Amount due to banks and other financial institutions	<u>(10,304,679)</u>	<u>(8,224,346)</u>
Changes in Working Capital	<u>50,573,923</u>	<u>69,246,265</u>
Cash from Operations	<u>82,857,276</u>	<u>99,697,366</u>
Income tax paid	(7,020,645)	(7,493,750)
National Stabilization levy paid	<u>(1,365,228)</u>	<u>(725,000)</u>
Net cash flows from operating activities	<u>74,471,403</u>	<u>91,478,616</u>
INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(7,033,625)	(10,205,803)
Purchase of Intangible Assets	(580,339)	(400,460)
Long term operating lease prepaid	-	(4,374,850)
Proceeds from sale of Property, Plant and Equipment	81,935	320,206
Increase in Investments and Government Securities	-	(1,209)
Dividend Received	<u>110,400</u>	<u>73,640</u>
Net cash flows used in Investing Activities	<u>(7,421,629)</u>	<u>(14,588,476)</u>
FINANCING ACTIVITIES		
Proceeds from Rights issue	-	19,557,558
Dividend Paid	<u>(13,355,755)</u>	-
Net cash flows (used in) /from Financing Activities	<u>(13,355,755)</u>	<u>19,557,558</u>
Increase in cash & cash equivalents	53,694,019	96,447,698
Net Foreign exchange difference	(6,465)	(800,901)
Cash & cash equivalents as at 1 January	<u>176,731,148</u>	<u>81,084,351</u>
Cash & cash equivalents as at 31st December	<u>230,418,702</u>	<u>176,731,148</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2010

DECEMBER 2010

	Stated capital GH¢	Income surplus GH¢	Capital surplus GH¢	Share Deals Account GH¢	Statutory Reserve Fund GH¢	General Regulatory Credit Reserve GH¢	Other Reserves GH¢	Total Equity GH¢
Balance at 1 January 2010	62,393,558	17,661,162	9,232,693	2,943,755	16,290,786	-	-	108,521,954
Movements during the year:	-	-	-	-	-	-	-	-
Profit for the year	-	19,370,322	-	-	-	-	-	19,370,322
Other comprehensive income	-	-	-	-	-	-	1,679,514	1,679,514
share based option payments	-	-	-	-	-	-	28,307	28,307
Dividend paid	-	(13,355,755)	-	-	-	-	-	(13,355,755)
Transfer to statutory reserves	-	(5,000,000)	-	-	5,000,000	-	-	-
Transfer to General Regulatory Credit Reserve	-	(1,370,429)	-	-	-	1,370,429	-	-
Balance as at 31st December 2010:	62,393,558	17,305,300	9,232,693	2,943,755	21,290,786	1,370,429	1,707,821	116,244,342

DECEMBER 2009

	Stated capital GH¢	Income surplus GH¢	Capital surplus GH¢	Share Deals Account GH¢	Statutory Reserve Fund GH¢	General Regulatory Credit Reserve GH¢	Other Reserves GH¢	Total Equity holders of the bank GH¢
Balance at 1 January 2009	7,000,000	36,615,727	9,232,693	2,943,755	13,879,152	-	-	69,671,327
Movements during the year:								
Transfer to Stated capital	35,836,000	(35,836,000)	-	-	-	-	-	-
Profit for the year	-	19,293,069	-	-	-	-	-	19,293,069
Rights issue	19,557,558	-	-	-	-	-	-	19,557,558
Transfer to statutory reserve	-	(2,411,634)	-	-	2,411,634	-	-	-
Transfer to General Regulatory Credit Reserve	-	-	-	-	-	-	-	-
Balance as at 31st December 2009	62,393,558	17,661,162	9,232,693	2,943,755	16,290,786	-	-	108,521,954

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SG SSB LIMITED**Report on the financial statements**

We have audited the accompanying consolidated financial statements of SG SSB Limited, which comprise the statement of consolidated financial position as at 31 December 2010 and the statement of consolidated comprehensive income, statement of consolidated changes in equity and statement of consolidated cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and the directors' report, as set out on pages 14 to 71.

Directors' responsibility for the financial statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Code, 1963 (ACT 179) and for such internal control as the directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of SG SSB Limited as at 31 December, 2010 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and Ghana Companies Code, 1963 (Act 179) and the Banking Act 2004 (Act 673) as amended by the Banking Act, 2007 (Act 738).

Report on other legal and regulatory requirements

The Ghana Companies Code, 1963 (Act 179) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii. In our opinion proper books of account have been kept by the company, so far as appears from our examination of those books; and
- iii. The statement of consolidated financial position, statement of consolidated comprehensive income and statement of consolidated changes in equity of the company are in agreement with the books of account.

The Banking Act, 2004 (Act 673) section 78(2) requires that we state certain matters in report. We confirm that:

- i. The accounts give a true and fair view of the state of affairs of the Bank and its results for the year
- ii. We were able to obtain all relevant information and explanations required for the efficient performance of our functions.
- iii. The Bank's transactions were within the powers of the Bank and

- iv. The Bank has complied with the provisions of the Banking Act, 2004 (Act 673) as amended by the Banking Act, 2007 (Act 738).

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Ernst & Young
Chartered Accountants
Accra
Date: 17 February, 2011