



**PRESS RELEASE**

**PR. No 282/2013**

**SOCIETE GENERALE GHANA (SOGEGH) -  
UN-AUDITED FINANCIAL STATEMENTS FOR THE  
THIRD QUARTER ENDING SEPTEMBER 2013**

SOGEGH has released its un-audited Financial Statements for the third quarter ending September 30, 2013 as per the attached.

Issued in Accra, this 28<sup>th</sup>  
day of October, 2013.

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att'd.

**Distribution:**

1. All LDMs
2. General Public
3. Company Secretary, SOGEGH
4. NTHC Registrars, (Registrars for SOGEGH 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**

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# SOCIETE GENERALE GHANA 2013 THIRD QUARTER UNAUDITED FINANCIAL STATEMENTS

## STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS PERIOD ENDED 30TH SEPTEMBER 2013

	2013 GH¢	2012 GH¢
<b>Revenue</b>	<b>130,721,388</b>	110,447,862
Interest & Similar Revenue	86,634,468	65,452,128
Interest & Similar Expense	(14,473,159)	(11,664,025)
<b>Net Interest Income</b>	<b>72,161,309</b>	53,788,103
Fees & Commission Revenue	30,375,908	24,004,179
Fees & Commission Expense	(3,912,442)	(3,934,042)
<b>Net Commission Income</b>	<b>26,463,466</b>	20,070,137
Forex Trading Revenue	11,406,851	13,680,514
Investment Revenue	-	150
Other Operating Income	2,304,161	7,310,891
<b>Total Other Operating Income</b>	<b>13,711,012</b>	20,991,555
<b>Total Operating Income</b>	<b>112,335,787</b>	94,849,795
Credit Loss Expenses	(8,315,545)	(3,059,428)
<b>Net Operating Income</b>	<b>104,020,242</b>	91,790,367
Personnel Expenses	(39,928,519)	(33,342,898)
Depreciation	(3,732,499)	(3,957,009)
Amortization	(603,756)	(1,793,256)
Other Operating Expenses	(24,833,885)	(21,613,132)
<b>Total Operating Expenses</b>	<b>(69,098,659)</b>	(60,706,295)
<b>Profit before Tax</b>	<b>34,921,583</b>	31,084,072
Income Tax Expenses	(9,219,855)	(8,759,044)
National Stabilization Levy	(368,351)	-
<b>Profit after Tax</b>	<b>25,333,377</b>	22,325,028
Other Comprehensive Income	559,227	(164,273)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>25,892,604</b>	22,160,755
<b>Earnings Per Share:</b>		
Equity Shareholders of the Bank		
Basics (GH¢)	GH¢0.1012	GH¢0.0892
<b>Profit for the Quarter attributable to:</b>		
Owners of the Bank	13,234,156	11,662,595
Non-Controlling Interest	12,099,221	10,662,433
	25,333,377	22,325,028
<b>Total Comprehensive Income for the Quarter attributable to:</b>		
Owners of the Bank	13,526,296	11,576,778
Non-Controlling Interest	12,366,308	10,583,977
	25,892,604	22,160,755

## STATEMENT OF CASHFLOWS FOR THE NINE MONTHS PERIOD ENDED 30TH SEPTEMBER 2013

	2013 GH¢	2012 GH¢
<b>OPERATING ACTIVITIES</b>		
Operating Profit before Taxation	34,921,584	31,084,072
<b>Adjustments for:</b>		
Depreciation	3,732,499	3,957,009
Amortization	603,756	1,793,256
Long term Operating Lease Amortization	111,225	111,225
Provision for Share Option Payment	133,440	298,644
Unrealized Gains/ Losses	(844,074)	(1,319,791)
Dividend from investments	0	(150)
Profit on Sales of Property, Plant and equipment	(51,356)	(666,829)
Other Non Cash Movement	136,521	2,332,240
<b>Operating Profit before Working Capital Changes</b>	<b>38,743,595</b>	37,589,676
(Increase) in Other Assets	(8,976,716)	(2,179,107)
Increase in Other Liabilities	14,599,043	16,954,270
(Decrease) / Increase in Customer Deposit	(48,965,201)	103,067,392
(Increase) in Loans and Advances to customers	(170,014,063)	(143,138,812)
Decrease in Government Securities	52,968,198	87,605,928
(Decrease) / Increase Amount due to Banks and Other Financial Institutions	(10,536,026)	11,156,638
<b>Changes in Working Capital</b>	<b>(170,924,765)</b>	73,466,309
<b>Cash from Operations</b>	<b>(132,181,170)</b>	111,055,985
Income Tax Paid	(8,407,301)	(6,074,416)
National Stabilization Levy Paid	(622,687)	0
<b>Net Cash Flow from Operating Activities</b>	<b>(141,211,158)</b>	104,981,569
<b>INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	(16,828,544)	(8,011,980)
Purchase of Intangible Assets	(796,142)	(103,903)
Proceeds from Sale of Property, Plant and Equipment	585,015	1,098,271
Dividend Received	-	150
<b>Net Cash Used in Investing Activities</b>	<b>(17,039,671)</b>	(7,017,462)
<b>FINANCING ACTIVITIES</b>		
Dividend Paid	(13,355,756)	(13,355,756)
<b>Net Cash Used in Financing Activities</b>	<b>(13,355,756)</b>	(13,355,756)
<b>(Decrease)/Increase in Cash &amp; Cash Equivalents</b>	<b>(171,606,585)</b>	84,608,351
<b>Net Foreign Exchange Difference</b>	<b>913,415</b>	1,348,601
Cash & Cash Equivalents as at 1st January, 2013	361,914,554	235,965,962
<b>Cash &amp; cash equivalents as at 30th September 2013</b>	<b>191,221,384</b>	321,922,914

## STATEMENT OF FINANCIAL POSITION AS AT 30TH SEPTEMBER 2013

	2013 GH¢	2012 GH¢
<b>Assets</b>		
Cash on Hand and Cash Balances with Bank of Ghana	98,200,948	149,057,236
Due from banks and Other Financial Institutions	93,020,436	172,865,678
Financial Investments	68,150,553	86,419,474
Other Assets	16,511,230	10,235,223
Loans and Advances	690,114,324	487,684,369
Investment in Associate	3,240,393	2,887,137
Investment in Other Securities	408,223	408,223
Current Tax: Assets	1,326,428	275,279
National Stabilization Levy	449,987	195,653
Long Term Operating Lease Prepaid	3,855,800	3,967,025
Property, Plant & Equipment	80,703,898	66,804,564
Intangible Assets	509,214	1,456,273
Deferred tax: Assets	165,688	-
<b>Total Assets</b>	<b>1,056,657,122</b>	982,256,134
<b>Liabilities</b>		
Customer Deposits	810,120,004	728,841,345
Due to banks, & other Financial Institutions	9,889,382	26,957,505
Interest Payable & Other Liabilities	54,200,673	65,058,348
Deferred Tax	-	211,342
<b>Total Liabilities</b>	<b>874,210,059</b>	821,068,540
<b>Equity</b>		
Stated capital	62,393,558	62,393,558
Share Deals Account	2,943,755	2,943,755
Capital Surplus	31,739,052	32,860,230
General Regulatory Credit Reserve	10,363,861	7,274,787
Income Surplus Account	23,259,332	23,445,600
Statutory Reserve Fund	47,757,288	29,081,414
Other Reserves	3,990,217	3,188,250
<b>Total Equity</b>	<b>182,447,063</b>	161,187,594
<b>Total Liabilities and Equity</b>	<b>1,056,657,122</b>	982,256,134

## STATEMENT OF CHANGES IN EQUITY AS AT 30TH SEPTEMBER 2013

	SEPTEMBER 2013							
	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 of the Bank GH¢
Balance as at 1st January 2013	62,393,558	18,967,445	32,229,381	2,943,755	41,423,944	8,820,873	3,015,349	169,814,305
Prior Year Adjustment	-	(319,731)	-	-	-	-	319,731	-
<b>Movements during the Period</b>	-	25,333,377	-	-	-	-	559,227	25,892,604
Revaluation Gain on Assets Disposed	-	490,329	(490,329)	-	-	-	-	-
<b>Other Movements in Equity</b>	-	-	-	-	-	-	-	-
Share Based Option Payments	-	-	-	-	-	-	95,910	95,910
Dividend paid	-	(13,355,756)	-	-	-	-	-	(13,355,756)
Transfer to Statutory Reserve	-	(6,333,344)	-	-	6,333,344	-	-	-
Transfer to General Regulatory Credit Reserve	-	(1,542,988)	-	-	-	1,542,988	-	-
<b>Balance as at 30th September 2013</b>	<b>62,393,558</b>	<b>23,259,332</b>	<b>31,739,052</b>	<b>2,943,755</b>	<b>47,757,288</b>	<b>10,363,861</b>	<b>3,990,217</b>	<b>182,447,063</b>
	SEPTEMBER 2012							
	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 of the Bank GH¢
Balance as at 1st January 2012	62,393,558	17,668,788	33,398,825	2,943,755	26,290,786	4,679,574	3,298,494	150,673,780
Prior Year Adjustment	-	-	-	-	-	-	-	-
<b>Movements during the Period</b>	-	22,325,028	-	-	-	-	-	22,325,028
Revaluation Gain on Assets Disposed	-	-	(538,595)	-	-	-	-	(538,595)
<b>Other Movements in Equity</b>	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	(336,796)	(336,796)
Share Based Option Payments	-	-	-	-	-	-	226,552	226,552
Dividend paid	-	(13,355,756)	-	-	-	-	-	(13,355,756)
Transfer to Statutory Reserve	-	(2,790,628)	-	-	2,790,628	-	-	-
Transfer to General Regulatory Credit Reserve	-	(2,595,213)	-	-	-	2,595,213	-	-
Other Equity Movements during the Period	-	2,193,381	-	-	-	-	-	2,193,381
<b>Balance as at 30th September 2012</b>	<b>62,393,558</b>	<b>23,445,600</b>	<b>32,860,230</b>	<b>2,943,755</b>	<b>29,081,414</b>	<b>7,274,787</b>	<b>3,188,250</b>	<b>161,187,594</b>

### NOTES TO THE FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2013

#### COMPLIANCE WITH IFRS

The financial statements of the Bank for the third quarter ended 30th September 2013 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

#### ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year.

#### BASIS OF PREPARATION

The financial statements of the Bank have been prepared on a historical cost basis, except for available for sale investments, other financial assets and financial liabilities held for trading which is at fair value.

#### QUANTITATIVE DISCLOSURES

	2013	2012
a. Capital Adequacy Ratio	16.72%	20.88%
b. Non-Performing Loan Ratio	6.54%	6.66%

#### QUALITATIVE DISCLOSURES

##### RISK MANAGEMENT

1. The Bank is exposed to the following risks: credit, liquidity, interest rate, market and other operational risks.

2. The risks inherent in the Bank's activities are managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Bank's continuing profitability and each individual within the Bank is accountable for the risk exposures relating to his or her responsibilities.

3. The Board of Directors is responsible for the overall risk management approach and for approving the risk management strategies and principles. In addition, there are Risk Committees that have the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits.

#### REGULATORY BREACHES

	2013	2012
a. Default in Statutory Liquidity (Times)	Nil	Nil
b. Default in Statutory Liquidity Sanction (GH¢)	Nil	Nil

#### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Companies Code, 1963 (Act 179) requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of the profit or loss for that year.

In preparing the financial statements, the Directors are required to:

- Select suitable accounting policies and to apply them consistently
- Make judgments and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures, disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is

inappropriate to presume that the company will continue in business.

The Directors are responsible for ensuring that the Bank keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Code 1963 (Act 179). They are also responsible for safeguarding the assets of the company and hence for taking steps for the prevention and detection of fraud and other irregularities.

**THE FINANCIAL STATEMENTS DO NOT CONTAIN UNTRUE STATEMENTS, MISLEADING FACTS OR OMIT MATERIAL FACTS TO THE BEST OF OUR KNOWLEDGE.**

GILBERT HIE  
MANAGING DIRECTOR

JOSE REBOLLAR  
CHIEF OPERATING OFFICER

BUILDING TEAM SPIRIT TOGETHER