



PRESS RELEASE

PR. No 176/2018

**REPUBLIC BANK (GHANA) LIMITED (RBGH) -
UNAUDITED FINANCIAL STATEMENTS FOR
THE FIRST QUARTER ENDING MARCH 2018**

HFC has released its un-audited Financial Statements for the first quarter ending 31st March, 2018 as per the attached.

Issued at Accra, this 30th
day of April, 2018

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att'd.

Distribution:

1. All LDMs
2. General Public
3. Company Secretary, RBGL
4. MBG Registrars, (Registrars for RBGL shares)
5. Custodians
6. Securities and Exchange Commission
7. Central Securities Depository
8. GSE Council Members
9. GSE Notice Board

For enquiries, contact:

Listing Department, GSE on 0302 669908, 669914, 669935

*JEB



Republic Bank (Ghana) Limited

REPUBLIC BANK (GHANA) LIMITED AND ITS SUBSIDIARIES UNAUDITED FINANCIAL STATEMENTS 31 MARCH 2018

CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018

In thousands of GH¢

	2018		2017	
	Bank	Group	Bank	Group
Assets				
Cash and cash equivalents	517,235	518,370	621,717	626,140
Non-Fledged assets	351,924	351,924	105,583	105,583
Pledged assets	28,000	28,000	28,000	28,000
Other investments	40,760	41,828	43,606	27,438
Loans and advances to customers	822,471	822,471	872,846	872,362
Investment securities	5,303	14,393	8,681	26,159
Current income tax assets	-	-	25,983	26,255
Deferred tax assets	19,941	19,852	15,199	15,282
Intangible assets	5,789	5,953	6,512	3,931
Other assets	53,705	65,341	54,635	93,173
Property, plant and equipment	63,717	66,219	63,609	75,101
Total assets	1,908,880	1,934,351	1,852,371	1,899,624
Liabilities and equity				
Deposits from banks	20,000	20,000	-	-
Deposits from customers	1,525,665	1,525,665	1,554,313	1,554,314
Borrowing	14,681	14,681	43,012	43,012
Current tax liabilities	2,040	1,931	-	-
Other liabilities	123,238	130,737	103,128	142,371
Total liabilities	1,685,624	1,693,014	1,700,453	1,739,697
Equity				
Stated capital	146,191	146,191	96,191	96,191
Income surplus	(44,303)	(29,892)	(36,913)	(31,702)
Revaluation reserve	32,018	32,018	32,293	32,309
Statutory reserve fund	75,665	75,665	57,203	57,203
Regulatory credit risk reserve	12,901	12,901	2,400	2,400
Housing development assistance reserve	744	744	744	744
Total equity attributable to equity holders of the Bank	223,216	237,627	151,918	157,145
Non-controlling interest	-	3,710	-	2,782
Total equity	223,216	241,337	151,918	159,927
Total liabilities and equity	1,908,880	1,934,351	1,852,371	1,899,624

CONSOLIDATED AND SEPARATE STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2018

In thousands of GH¢

	2018		2017	
	Bank	Group	Bank	Group
Interest income	68,579	71,409	77,261	79,918
Interest expense	(31,037)	(31,037)	(42,669)	(42,669)
Net interest income	37,542	40,372	34,592	37,249
Fee and commission income	9,376	15,155	5,919	10,247
Fee and commission expense	(2,481)	(2,491)	(2,791)	(2,791)
Net fee and commission income	6,895	12,664	3,128	7,456
Net trading income	5,403	6,769	2,341	2,341
Other operating income	1,736	1,736	1,239	1,240
Other income	1,202	1,231	2,329	6,150
Operating income	55,015	65,514	46,141	54,948
Net impairment loss on financial asset	(1,328)	(1,328)	-	-
Personnel expenses	(21,789)	(25,440)	(39,197)	(22,635)
Operating lease expenses	(1,979)	(2,731)	(1,693)	(1,983)
Depreciation and amortization	(3,094)	(3,348)	(3,147)	(3,408)
Other expenses	(11,179)	(12,869)	(10,778)	(13,550)
Profit before income tax for the period	15,646	19,798	11,336	13,372
National Stabilization Levy	(782)	(958)	(567)	(658)
Tax expense	(1,520)	(1,989)	-	(184)
Profit for the period	11,344	14,851	10,769	12,330
Other comprehensive income, net of income tax	-	-	-	-
Total comprehensive income for the period	11,344	14,851	10,769	12,330
Profit / (loss) attributable to:				
Controlling Equity holders of the bank	11,344	14,705	10,769	12,049
Non-controlling interest	-	146	-	281
Profit for the period	11,344	14,851	10,769	12,330
Total comprehensive income attributable to:				
Controlling Equity holders of the bank	11,344	14,705	10,769	12,049
Non-controlling interest	-	146	-	281
Total comprehensive income	11,344	14,851	10,769	12,330

CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2018

In thousands of GH¢

	2018		2017	
	Bank	Group	Bank	Group
Cash flows from Operating activities				
Cash generated from operations	(196,451)	(192,060)	30,780	30,292
Interest paid-long term bonds and borrowing	(2,164)	(2,164)	(3,112)	(3,112)
Corporate tax paid	(3,878)	(4,421)	(838)	(1,231)
National stabilization levy paid	(681)	(727)	(601)	(633)
Net cash generated from operating activities	(203,174)	(199,372)	26,229	25,316
Cash flows from investing activities				
Purchase of property, plant and equipment	(1,180)	(1,410)	(9,779)	(10,210)
Purchase of intangible asset- software	(946)	(946)	-	-
Proceeds from sale of property, plant and equipment	60	60	136	167
Purchase of government securities	(140,203)	(140,203)	(56,788)	(56,788)
Sale of government securities	4,350	4,350	19,812	19,812
Sale of other investment	-	-	-	2,507
Purchase of other short-term investment	-	(3,578)	(3,189)	(3,309)
(Purchase)/sale of investment securities	1,000	3,000	3,120	3,376
Net cash used in investing activities	(139,919)	(138,727)	(46,683)	(45,445)
Cash flows from financing activities				
Proceeds from bonds issued	6,000	6,000	-	-
Net cash generated from financing activities	6,000	6,000	-	-
Decrease in cash and cash equivalents	(237,093)	(232,099)	(20,459)	(20,129)
Net foreign exchange difference	6,365	6,365	3,325	3,325
At 1 January	842,923	844,104	538,851	642,914
Cash and cash equivalents as at 31st March	517,235	518,370	621,717	626,140

Notes to the consolidated and separate unaudited financial statements for the period ended 31 March 2018

1. Significant accounting policies

The unaudited consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") and in a manner required by the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) and the Companies Act 1963 (Act 179).

Basis of preparation

The published summary consolidated and separate financial statements have been extracted from the unaudited consolidated and separate financial statements of the Bank and its subsidiaries in accordance with the Bank of Ghana Guide for Publication for Banks & Bank of Ghana (BOG) licensed financial institutions.

2. Quantitative Disclosures

	2018	2017
a. Capital Adequacy Ratio (%)	21.80	12.25
b. Non-Performing Loan (NPL) Ratio (%)	23.85	22.00

3. Qualitative Disclosures

a. Dominant Risks

The Bank is exposed to the following risks:

- Credit Risk
- Liquidity Risk
- Operational Risk
- Market Risk

The Board of Directors established the Bank's Risk Management Frameworks and Assets and Liabilities Committee (ALCO) to be responsible for the monitoring of the Bank's risks.

The Bank also has Risk Management and Compliance Department which is guided by set of policy and procedure manuals which have been instituted by the Board of Directors and Management. A comprehensive departmental manual has established a framework within which Management effectively manages and controls risks. Tasks involved in the risk management functions are to identify, define, measure, control, monitor and mitigate potential events that could impair the ability of the Group to generate stable and sustainable financial results from its operations.

b. Risk management, compliance frameworks and measurement

All risks are qualitatively and quantitatively evaluated on a recurring basis. Management understands the degree and nature of risk exposures on decisions regarding allocation of resources. Risk assessment is validated by the risk department which also tests the effectiveness of risk management activities and makes recommendations for remedial action. The Bank also identifies risk by evaluating the potential impact of internal and external factors, business transactions and positions. Once the risks are identified various mitigating measures are put in place to regulate the degree of risks involved.

4. Defaults in statutory liquidity and accompanying sanctions

	2018	2017
Default in Statutory Liquidity (Times)	Nil	Nil
Default in Statutory Liquidity Sanctions (GH¢'000)	Nil	Nil

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

Charles William Zwennes
Chairman

Anthony Jordan
Managing Director



republicghana.com

email@republicghana.com



Republic Bank
We're the One for you!