



PRESS RELEASE

PR. No 357/2020

**BOND SAVINGS AND LOANS LIMITED (BOND)
UNAUDITED FINANCIAL STATEMENTS FOR
THE HALF YEAR ENDING 30 JUNE, 2020**

BOND has released its unaudited Financial Statements for the half year ending June 30, 2020 as per the attached.

Issued in Accra, this 19th
day of August, 2020

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att'd.

Distribution:

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Head of Listing, GSE on 0302 669908, 669914, 669935

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Unaudited Financial Statements For the Quarter Ended June 30, 2020
(All Amounts are expressed in Ghana Cedis)

Unaudited Statement of Profit & Loss and other Comprehensive Income
for the Quarter Ended June 30, 2020

	2020	2019
INTEREST INCOME		
Loans and advances	46,719,395	41,508,039
Investments	3,732,747	6,589,729
TOTAL INTEREST INCOME	50,452,142	48,097,767
INTEREST EXPENSES		
Demand Deposits	717,605	624,273
Fixed Deposits	37,129,199	31,420,538
TOTAL INTEREST EXPENSE	37,846,804	32,044,811
NET INTEREST INCOME	12,605,338	16,052,956
OTHER OPERATING INCOME		
Arrangement/Facility Fees	41,913	981,939
Other charges & fees	182,786	407,951
Sundry Income	58,341	96,571
	283,041	1,486,461
NET OPERATING INCOME	12,888,379	17,539,418
OPERATING COSTS		
Staff Costs	3,539,661	4,158,382
Training & Dev.	26,906	111,910
Marketing	2,014,954	2,259,297
Occupancy costs	2,142,703	1,820,654
Administration	2,293,298	2,563,656
Bad Debt Provision	1,495,893	2,732,527
Depreciation	1,102,378	1,230,349
TOTAL OPERATING COST	12,615,794	14,876,775
NET PROFIT/(LOSS) BEFORE TAX	272,584	2,662,643

Unaudited Statement of Financial Position as at June 30, 2020

ASSETS		
Cash and Short-term Funds	1,417,319	3,572,306
Deposits with Banks & Fin. Institutions	31,446,944	41,064,321
Trading Investments	49,567,047	57,398,978
Loans & Advances	277,744,893	273,086,299
Other Assets	8,944,358	10,256,749
Investment in subsidiary	4,743,400	4,743,400
Fixed Assets	13,765,087	9,273,318
TOTAL ASSETS	387,629,047	399,395,371
CURRENT LIABILITIES		
Fixed Deposits	162,201,590	200,987,173
Demand Deposits	18,986,403	27,122,186
Creditors & Accruals	48,803,040	29,984,364
Taxation	2,681,491	5,445,356
TOTAL CURRENT LIABILITIES	232,672,525	263,539,078
MEDIUM TERM NOTE		
Borrowings	72,500,000	63,521,299
TOTAL MEDIUM TERM LIABILITIES	72,500,000	63,521,299
TOTAL LIABILITIES	305,172,525	327,060,377
Stated Capital	29,435,267	29,435,267
Income Surplus	(11,811,167)	(15,307,695)
Credit Risks Reserve	37,835,487	37,835,487
Revaluation Reserve	6,625,000	
Statutory Reserves	20,371,935	20,371,935
SHAREHOLDER FUNDS	82,456,522	72,334,994
TOTAL LIAB./SHAREHOLDER FUNDS	387,629,047	399,395,371

Unaudited Statement of Cash Flows for the Quarter Ended June 30, 2020

	2020	2019
Cash flow from operating activities		
Operating profit before taxation	272,584	2,662,643
Adjustments for:		
Depreciation	1,102,378	1,230,349
Impairment charge	1,495,893	2,732,527
Operating profit before working capital changes	2,870,855	6,625,518
Changes in operating and other assets and liabilities		
Changes in other assets	1,312,392	(407,393)
Changes in other liabilities	18,818,676	22,100,729
Changes in customer deposit	(37,942,664)	(26,570,939)
Changes in loans and advances to customers	11,000,307	(44,174,960)
	(6,811,289)	(49,052,563)
Net cash generated from operating activities	(3,940,434)	(42,427,045)
Cash flow from investing activities:		
Changes in financial investments	7,831,931	14,915,719
Net cash used in investing activities	(7,831,931)	14,915,719
Increase in cash and cash equivalents	(11,772,365)	(27,511,325)
Cash & cash equivalents as 1 May	44,636,628	72,147,954
Cash and cash equivalents at 30 June	32,864,263	44,636,628

Statement of compliance

The financial statements 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 have been prepared on a historical cost basis. The financial statements are

Summary of significant accounting policies

The significant accounting policies applied by Bond Savings and Loans Plc in the preparation of the financial statements are set out below

Functional and presentation currency

The financial statements are presented in Ghana Cedis (Ghc), which is the functional and presentational currency of the company.

Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated in cedis at the exchange rate ruling at the company's year end. Transactions denominated in foreign currencies are translated at the rates ruling at the dates of the transactions. All translation differences are dealt with in arriving at the operating result.

Property, plant and equipment

The company recognizes an item of property, plant and equipment as an asset when it is probable that future economic benefits will flow to it and the cost of the item can be measured reliably.

Property, plant and equipment is stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the income statement as incurred.

Depreciation is calculated on a straight-line basis over the useful life of the asset. The current annual depreciation rates for each class of property, plant and equipment are as follows:

Leasehold buildings and improvements	2%
Motor vehicles	25%
Office equipment	25%
Furniture and equipment	25%

QUANTITATIVE DISCLOSURES

	2020	2019
(i) Capital Adequacy Ratio	14.68%	11.01%
(ii) Non-Performing Loan Ratio	37.74%	12.99%