



PRESS RELEASE

PR. No 438/2018

**BOND SAVINGS AND LOANS LIMITED (BOND)
UNAUDITED FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDING SEPTEMBER 2018**

BOND has released its unaudited Financial Statements for the third quarter ending September 30, 2018 as per the attached.

Issued in Accra, this 23rd
day of October, 2018

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att'd.

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Unaudited Financial Statements For the Quarter Ended September 30, 2018
(All Amounts are expressed in Ghana Cedis)

Unaudited Statement of Profit & Loss and other Comprehensive Income for the Quarter Ended September 30, 2018

	2018	2017
INTEREST INCOME		
Loans and advances	76,262,935	57,153,745
Investments	18,323,032	24,990,905
TOTAL INTEREST INCOME	94,585,967	82,144,650
INTEREST EXPENSES		
Demand Deposits	582,265	285,671
Fixed Deposits	63,017,328	55,220,532
TOTAL INTEREST EXPENSE	63,599,593	55,506,203
NET INTEREST INCOME	30,986,373	26,638,447
OTHER OPERATING INCOME		
Arrangement/Facility Fees	1,791,758	1,233,633
Other charges & fees	550,082	804,838
Sundry Income	707,899	136,862
	3,049,738	2,175,332
NET OPERATING INCOME	34,036,111	28,813,780
OPERATING COSTS		
Staff Costs	4,969,258	4,282,143
Training & Dev.	319,105	385,017
Marketing	4,365,597	3,272,122
Occupancy costs	2,580,133	1,967,579
Administration	4,384,880	4,263,386
Bad Debt Provision	9,833,003	4,270,449
Depreciation	1,293,241	1,371,888
TOTAL OPERATING COST	27,745,218	19,812,584
NET PROFIT/(LOSS) BEFORE TAX	6,290,894	9,001,196

Unaudited Statement of Financial Position as at 30 September 2018

ASSETS		
Cash and Short-term Funds	3,002,377	5,056,839
Deposits with Banks & Fin. Institutions	55,250,227	53,288,002
Trading Investments	72,433,935	97,616,324
Loans & Advances	213,069,460	195,240,487
Other Assets	7,531,146	4,314,636
Investment in subsidiary	4,705,016	8,536,466
Fixed Assets	10,647,732	9,319,305
TOTAL ASSETS	366,639,894	373,372,059
CURRENT LIABILITIES		
Fixed Deposits	235,402,959	292,336,775
Demand Deposits	22,045,660	18,496,493
Creditors & Accruals	7,137,434	3,160,572
Taxation	3,817,480	3,196,720
TOTAL CURRENT LIABILITIES	268,403,533	317,190,559
MEDIUM TERM NOTE		
3 year medium term note	30,000,000	-
TOTAL MEDIUM TERM LIABILITIES	30,000,000	-
TOTAL LIABILITIES	298,403,533	317,190,559
SHAREHOLDER FUNDS	68,236,361	56,181,500
TOTAL LIAB./SHAREHOLDER FUNDS	366,639,894	373,372,059
Stated Capital	29,435,267	29,435,267
Income Surplus	8,692,013	9,044,765
Credit Risks Reserve	11,902,367	5,011,180
Statutory Reserves	18,206,714	12,690,288

Unaudited Statement of Cash Flows for the Quarter Ended 30 September 2018

	2018	2017
Cash flow from operating activities		
Operating profit before taxation	6,290,894	9,001,196
Adjustments for:		
Depreciation	1,293,241	1,371,888
Impairment charge	9,833,003	4,270,449
Operating profit before working capital changes	17,417,137	14,643,533
Changes in operating and other assets and liabilities		
Changes in other assets	2,562,838	(117,282)
Changes in other liabilities	5,074,838	(17,673,666)
Changes in customer deposit	3,272,301	89,744,920
Changes in loans and advances to customers	(42,819,428)	(75,615,783)
	(31,909,450)	(3,661,811)
Net cash generated from operating activities	(14,492,313)	10,981,722
Cash flow from investing activities:		
Changes in financial investments	24,085,439	14,680,091
Net cash used in investing activities	24,085,439	14,680,091
Increase in cash and cash equivalents	9,593,126	25,661,814
Cash & cash equivalents as 1 January	48,659,480	32,683,022
Cash and cash equivalents at 30 September 2018	58,252,606	58,344,842

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

	2018	2017
(i) Capital Adequacy Ratio	15.53%	15.25%
(ii) Non-Performing Loan Ratio	16.45%	12.55%