



PRESS RELEASE

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AGRICULTURAL DEVELOPMENT BANK (ADB)
UN-AUDITED FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDING SEPTEMBER 2017

ADB has released its un-audited Financial Statements for the third quarter ended September 30, 2017 as per the attached.

Issued in Accra, this 1st
day of November, 2017

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att'd.

Distribution:

1. All LDMs
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AGRICULTURAL DEVELOPMENT BANK LIMITED
UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2017

(UNAUDITED) STATEMENT OF FINANCIAL POSITION

	SEPTEMBER 2017 GH¢ '000	SEPTEMBER 2016 GH¢ '000
Assets		
Cash and cash equivalents	888,524	559,905
Government securities	931,783	686,757
Loans and advances to customers (net)	1,205,034	1,112,412
Investment (other than securities)	94,299	88,478
Investment in associate companies	357	538
Deferred tax asset	35,802	14,911
Corporate tax assets	9,796	16,596
Intangible assets	37,232	23,421
Other assets	50,558	52,138
Property and equipment	106,445	105,840
Total assets	3,359,830	2,660,996
Liabilities		
Borrowed funds	389,421	386,665
Customer deposits	2,411,679	1,903,156
Other liabilities	55,992	39,298
Total liabilities	2,857,093	2,329,119
Equity		
Share capital	275,100	75,000
Income surplus	(135,172)	(41,306)
Revaluation reserve	57,530	57,530
Statutory reserve	84,891	84,891
Credit risk reserve	166,394	110,121
Available for sale reserve	53,994	45,641
Shareholders' funds	502,738	331,877
Total liabilities and Shareholders' funds	3,359,830	2,660,996

(UNAUDITED) STATEMENT OF COMPREHENSIVE INCOME

	SEPTEMBER 2017 GH¢ '000	SEPTEMBER 2016 GH¢ '000
Interest income	389,604	250,802
Interest expense	(157,586)	(107,673)
Net interest income	232,018	143,129
Fee and commission income	53,135	46,459
Fee and commission expense	(5,843)	(4,031)
Net fee and commission income	47,292	42,428
Net trading income	18,739	13,253
Other operating income	3,770	5,828
Net non-interest revenue	69,801	61,510
Operating income	301,820	204,638
Impairment loss on financial assets	(17,161)	(18,503)
Personnel expenses	(115,731)	(99,042)
Depreciation and amortization	(12,754)	(12,087)
Other operating expenses	(89,832)	(76,548)
Profit before income tax	66,342	(1,542)
Income tax expense	(17,763)	2,506
Profit for the period	48,579	964
Other Comprehensive, net of income		
Net gain/loss on hedges of net investments in foreign operations	(624)	(1,980)
Other comprehensive income (net of income tax)	(624)	(1,980)
Total comprehensive income for the period (net of tax)	47,955	(1,016)

(UNAUDITED) STATEMENT OF CASH FLOW

	SEPTEMBER 2017 GH¢'000	SEPTEMBER 2016 GH¢'000
Cash flows from operating activities		
Profit for the period	48,579	964
Adjustments for:		
Depreciation and amortization	12,754	12,087
Impairment of financial assets	17,161	18,503
Dividend received	(2,921)	(2,997)
Net interest income	(232,018)	(143,129)
Income tax expense	8,949	873
	(147,496)	(113,698)
Changes in loans and advances to customers	(213,530)	(49,125)
Changes in other assets	(7,564)	(6,848)
Changes in deferred taxes	8,814	(3,379)
Changes in deposits from customers	264,229	389,647
Changes in other liabilities and provisions	3,752	39,298
	(91,795)	255,895
Interest income and dividend received	386,911	258,105
Interest expense paid	(155,330)	(105,698)
Income tax paid	(2,092)	-
Net cash used in operating activities	137,694	408,302
Cash flows from investing activities		
Purchase of investment securities	(52,528)	1,894
Proceeds from sale investment securities	181	-
Purchase of property, plant and equipment	(10,875)	(27,629)
Proceeds from the sale of property, plant and equipment	3	47
Purchase of intangible assets	(10,687)	(165)
Net cash used in investing activities	(73,906)	(25,854)
Cash flows from financing activities		
Receipts/(payments) in borrowed funds	8,397	142,010
Net cash generated from/(used in) financing activities	8,397	142,010
Net increase in cash and cash equivalents	72,184	524,459
Effect of exchange rate fluctuation on cash held	2,223	176
Cash and cash equivalents at 1 January	1,532,555	632,866
Cash and cash equivalents at 30 September	1,604,740	1,114,235

Notes to the unaudited financial statements for the

1. Significant accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by International Accounting Standards Board and adopted by Institute of Chartered Accountants Ghana (ICAG) and are consistent with those applied in the preparation of the financial statements for the period ended September 30, 2017.

2. Quantitative Disclosures

	SEPTEMBER 2017 %	SEPTEMBER 2016 %
Capital Adequacy Ratio	18.04	15.24
Non Performing Loans to Gross Loans	38.79	35.23

3. Qualitative Disclosures

(i) Risk Management

The Bank's activities expose the business to risks. The Bank has exposure to the following types of risks: credit risk, liquidity risk, market risk and operational risk. It is therefore a fundamental responsibility of management to ensure that all the risks associated with each class of business, each product and each type of transaction are identified as well as manage the risks associated with the conduct of the bank's affairs. These inherent risks are managed through a process of on-going identification, measurement and monitoring, subject to risk limits and controls. This process is critical to the Bank's continued profitability.

The process followed in the risk management for the period ended September 30, 2017 are consistent with those followed for the year ended December 31, 2016.

(ii)

	SEPTEMBER 2017	SEPTEMBER 2016
Default in statutory Liquidity (Times)	Nil	Nil
Default in statutory Liquidity Sanction (GH¢'000)	Nil	Nil

