



**PRESS RELEASE**

**PR. No 258/2015**

**HFC BANK (GHANA) LIMITED (HFC) -  
UNAUDITED FINANCIAL STATEMENTS FOR  
THE HALF YEAR ENDING JUNE 2015**

HFC has released its un-audited Financial Statements for the half year ending June 30, 2015 as per the attached.

Issued at Accra, this 29<sup>th</sup>  
day of July, 2015

**- E N D -**

att'd.

Distribution:

1. All LDMs
2. General Public
3. Company Secretary, HFC
4. MBG Registrars, (Registrars for HFC shares)
5. SEC
6. Central Securities Depository
7. GSE Council Members
8. GSE Notice Board

**For enquiries, contact:**

**General Manager/Head of Listings, GSE on 0302 669908, 669914,  
669935**

**\*JEB**

## STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30TH JUNE, 2015

	THE BANK		THE GROUP	
	AT 30TH JUNE	AT 30TH JUNE	AT 30TH JUNE	AT 30TH JUNE
	2015	2014	2015	2014
	GH¢	GH¢	GH¢	GH¢
<b>INCOME</b>				
Interest income	127,517,199	76,636,271	128,274,092	78,963,649
Interest expense	(47,138,976)	(26,423,561)	(47,138,976)	(26,413,859)
Net interest income	80,388,223	50,212,710	81,135,116	52,549,790
Fees and commission income	13,916,763	11,974,455	24,222,944	16,793,319
Fee and commission expense	(246,796)	(273,161)	(266,703)	(294,834)
Net fees and commission income	13,669,967	11,701,294	23,956,241	16,498,485
Other operating income	7,836	533,563	3,168,200	4,056,225
Trading Income	20,082,588	9,560,692	20,082,588	9,560,692
Operating income	114,143,614	72,010,259	128,442,146	82,665,192
Operating expenses	(50,822,771)	(33,147,713)	(71,587,806)	(47,302,460)
Impairment charge for credit losses	(35,702,312)	(8,300,701)	(35,702,312)	(8,250,701)
Operating profit	17,623,531	25,691,845	21,152,027	27,162,031
Other income	1,181,271	319,895	1,607,290	329,895
Profit for the period	18,804,802	25,991,740	22,759,317	27,491,926
Minimum Contribution Levy	(1,763,182)	(1,159,345)	(1,973,131)	(1,459,345)
Income tax expense	(3,750,960)	(4,537,000)	(4,552,076)	(5,017,613)
Non controlling interest			(529,954)	(201,663)
Profit after tax and non controlling interest	13,260,450	20,155,191	15,704,116	20,873,105
Attributable to:				
Equity holders of the parent	13,260,450	20,155,191	16,230,110	21,074,762
Non controlling interest			(529,994)	(201,653)
Other comprehensive				
Gain on Revaluation		27,602,010		27,602,010
Total comprehensive income for the period	13,260,450	47,757,201	15,704,116	48,475,115
Basic earnings per share	8.92	13.58	10.56	14.20
Diluted earnings per share	8.69	13.34	10.30	13.95
(Ghana pesewas)				



**HFC BANK GHANA LTD**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30TH JUNE, 2015**

**STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE, 2015**



	THE BANK		THE GROUP	
	AT 30TH JUNE	AT 30TH JUNE	AT 30TH JUNE	AT 30TH JUNE
	2015	2014	2015	2014
	GHC	GHC	GHC	GHC
<b>Assets</b>				
Cash & balances with Bank of Ghana	112,492,511	138,767,391	114,279,298	140,383,570
Due from other banks	145,955,515	72,340,350	145,955,515	72,340,350
Government securities	95,870,823	130,139,393	101,856,423	137,515,204
Pledge assets (Repos)	8,000,000	8,000,000	8,000,000	8,000,000
Loans and advances to customers	870,045,119	669,896,487	841,543,359	669,541,462
Loans and advances to financial institutions	39,541,232	2,355,519	39,541,232	2,355,519
Investment securities	-	1,600,940	3,770,591	2,532,698
Other investment	20,116,519	22,424,798	21,408,985	22,674,798
Investment in subsidiaries	5,537,583	5,417,334	-	-
Investment in venture capital fund	20,108,485	9,807,376	20,108,485	9,807,376
Other assets	19,583,910	28,159,331	68,219,029	52,941,524
Derivative Asset	-	-	-	-
Property and equipment	58,970,346	47,782,427	61,035,267	49,953,604
Goodwill	2,311,285	3,332,151	3,931,266	3,332,151
Intangible non-current assets	6,055,849	2,795,538	5,042,049	2,390,339
<b>Total assets</b>	<b>1,406,209,178</b>	<b>1,142,723,535</b>	<b>1,434,691,479</b>	<b>1,173,768,395</b>
<b>Liabilities and equity</b>				
Deposit from customers	739,220,275	497,191,129	739,220,275	487,191,329
Due to other financial institutions	36,874,716	40,007,582	36,874,716	40,007,582
Deposits from other banks	-	26,260,605	-	26,260,605
Other liabilities	44,073,946	134,406,333	57,148,732	155,889,977
Current income tax	-	-	-	-
Deferred income tax liability	1,029,604	765,743	1,073,312	773,321
Bonds	85,277,730	95,795,521	85,277,710	95,785,521
Short term borrowings	215,612,700	75,132,432	215,612,700	75,132,432
Borrowings	50,939,426	80,813,498	50,939,425	80,813,498
<b>Total liabilities</b>	<b>1,174,028,379</b>	<b>941,362,843</b>	<b>1,187,146,870</b>	<b>962,834,067</b>
<b>Equity</b>				
Stated Capital	95,116,824	95,423,503	95,116,824	95,423,503
Income surplus account	17,782,170	8,701,538	31,363,001	17,038,234
Statutory reserve fund	60,018,175	50,922,193	60,018,175	50,922,193
Capital surplus account	32,818,640	32,220,505	32,835,284	32,220,505
Housing development assistance reserve	743,680	743,680	743,680	743,680
Regulatory credit risk reserve	24,506,516	13,155,478	24,506,516	13,155,478
Other reserve	193,794	193,794	193,794	193,794
<b>Total equity before non controlling interest</b>	<b>232,180,799</b>	<b>201,360,692</b>	<b>245,777,674</b>	<b>209,697,387</b>
Non controlling interest	-	-	1,766,935	1,236,941
<b>Total equity</b>	<b>232,180,799</b>	<b>201,360,692</b>	<b>247,544,609</b>	<b>210,934,328</b>
<b>Total liabilities and equity</b>	<b>1,406,209,178</b>	<b>1,142,723,535</b>	<b>1,434,691,479</b>	<b>1,173,768,395</b>

<b>statement of Cash flows</b>				
<b>Cash flows from operating activities</b>				
Cash generated from operations	5,735,756	(6,401,342)	9,858,213	(5,124,597)
Interest paid on borrowings and long term bonds	(5,991,480)	(2,827,016)	(5,991,480)	(2,827,016)
Mandatory deposits with Bank of Ghana	(13,603,501)	(22,766,343)	(13,603,501)	(22,766,343)
Tax paid	(5,935,851)	(5,096,154)	(6,633,256)	(5,141,102)
National Stabilisation Levy paid	(586,738)	(1,171,700)	(751,145)	(1,185,971)
<b>Net cash from operating activities</b>	<b>(20,380,814)</b>	<b>(38,263,555)</b>	<b>(17,121,169)</b>	<b>(37,045,029)</b>
<b>Cash flows from investing activities</b>				
Purchase of property and equipment	(8,177,253)	(3,758,937)	(8,634,788)	(4,534,988)
Proceeds from sale of property and equipment	31,687	-	112,687	-
Purchase of government securities	(76,819,270)	83,849,076	(70,204,396)	81,555,013
Sale/(Purchase) of other investment	8,102,927	(882,623)	1,265,813	(882,623)
Purchase of investment securities	-	(168,210)	(1,238,093)	(17,067)
Investment in associate and subsidiary	1,941,090	(1,450)	1,941,091	(101,450)
<b>Net cash derived/used in investing activities</b>	<b>(74,922,818)</b>	<b>79,037,856</b>	<b>(76,757,645)</b>	<b>76,048,886</b>
<b>Cash flows from financing activities</b>				
Dividend paid	(17,841,655)	-	(17,841,655)	-
Redemption of bonds	(3,388,203)	(14,175,540)	(3,388,703)	(14,175,540)
Loans repaid	(8,482,425)	(3,235,556)	(8,482,425)	(3,235,556)
Proceeds from Loans	4,432,621	34,014,941	4,432,621	34,014,941
<b>Net cash derived from financing activities</b>	<b>(25,279,162)</b>	<b>16,002,845</b>	<b>(25,279,162)</b>	<b>16,002,845</b>
<b>increase in cash and cash equivalents</b>	<b>(120,585,794)</b>	<b>57,377,146</b>	<b>(119,153,977)</b>	<b>55,585,700</b>
<b>Movement in Cash and Cash Equivalents</b>				
At 1st January	353,793,422	136,553,588	360,133,991	146,937,025
Increase/(Decrease) in cash and cash equivalents	(120,585,794)	57,377,146	(119,153,977)	55,585,700
Net foreign exchange difference	16,754,367	20,465,414	16,754,367	20,465,414
<b>JUNE 30th</b>	<b>249,961,995</b>	<b>214,396,149</b>	<b>257,734,381</b>	<b>222,991,139</b>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH JUNE, 2015**

1. The accounting policies underlying the accounts for the period ended 30th June, 2015 are consistent with the policies for the 31st December 2014 financial statement which is IFRS compliant.

	AT 30TH JUNE 2015 GH¢	AT 30TH JUNE 2014 GH¢	AT 30TH JUNE 2015 GH¢	AT 30TH JUNE 2014 GH¢
Cash generated from operations				
Profit before income tax	18,804,802	25,991,740	22,759,317	27,491,925
(Profit)/Loss on disposal of property and equipment	(38,000)	-	(69,913)	-
Depreciation	4,252,706	1,851,611	4,602,505	2,149,538
Impairment for credit losses	35,702,312	8,200,701	35,702,312	8,200,701
Interest expense on long term bonds and loans	10,823,862	6,379,026	10,823,862	6,379,026
Exchange loss on long term bonds	1,401,463	3,398,683	1,401,463	3,398,683
Inflation adjustment on long term bonds	-	4,782,376	-	4,782,376
Exchange gain on cash and cash equivalents	(16,754,367)	(20,468,414)	(16,754,367)	(20,468,414)
Cash generated from operations before changes in operating assets and liabilities	54,192,778	30,135,722	58,465,179	31,933,837
Increase in loans and advances to customers	(127,825,850)	(118,253,155)	(122,061,587)	(117,899,131)
(Increase)/Decrease in loans and advances to banks and fin inst	(24,281,060)	1,255,414	(24,282,060)	1,255,414
Decrease/(Increase) in other assets	(13,653,632)	640,814	(26,349,853)	(4,792,611)
Increase in deposits from customers	125,421,436	559,340	125,421,436	559,340
Decrease in deposits from banks and fin inst.	12,695,102	(1,929,484)	12,695,102	(1,929,484)
Increase in other liabilities	(20,769,178)	81,179,008	(14,027,005)	85,736,438
Cash generated from operations	5,736,756	(5,402,342)	9,858,213	(5,174,597)
Analysis of cash and cash equivalents as shown in cash flow statement				
Cash and balances with Bank of Ghana	38,789,511	78,666,892	40,579,298	80,283,071
Due from other banks	145,955,515	72,340,350	145,955,515	72,340,350
Treasury bills maturing within 90 days at date of acquisition	65,217,949	89,652,512	71,303,568	95,628,323
Due to other banks	-	(26,260,605)	-	(26,260,605)
	249,962,995	214,399,149	257,738,382	222,991,139
"The financial statements do not contain untrue statements, misleading facts, or omit material facts, to the best of our knowledge"				
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">  <p>Osei Asafu Adjel Executive Director Corporate Banking</p> </div> <div style="width: 45%; text-align: center;">  <p>Robert Lenard Le Hunt Managing Director</p> </div> </div>				