

AGRICULTURAL DEVELOPMENT BANK PLC

UNAUDITED SUMMARY FINANCIAL STATEMENTS

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2024			UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED MARCH 31, 2024		
	2024 GH¢ '000	2023 GH¢ '000		2024 GH¢ '000	2023 GH¢ '000
Assets					
Cash and bank balances	3,372,061	1,965,887	Interest income	334,574	302,778
Due from other banks	-	358,873	Interest expense	(206,289)	(177,231)
Net Investment securities	2,788,353	1,577,888	Net interest income	128,285	125,547
Loans and advances to customers	3,083,797	3,766,449	Fees and commission income	55,326	33,905
Investment (other than securities)	208,403	134,794	Fees and commission expense	(6,842)	(4,895)
Corporate tax assets	-	942	Net fees and commission income	48,484	29,010
Intangible assets	17,793	18,460	Net trading income	14,005	60,205
Other assets	163,814	114,983	Other operating income	3,384	13
Property and equipment	205,512	216,954	Operating Income	194,158	214,776
Right of use asset	91,226	108,086			
Deferred Tax Asset	56,074	38,546	Impairment loss on Loans and Advances	31,105	(12,900)
	-----	-----	Impairment loss-Investment Securities	(92)	-
Total Assets	9,987,033	8,301,862	Personnel expenses	(94,662)	(96,187)
	-----	-----	Other expenses	(71,432)	(58,238)
Liabilities			Depreciation and Amortization	(17,503)	(8,464)
Borrowed funds	635,734	531,524	(Loss)/Profit before tax	41,574	38,987
Deposits from customers	9,051,873	6,755,328	Income tax expense	(14,551)	(11,959)
Corporate tax liability	3,348	-	(Loss)/Profit after tax	27,023	27,028
Other liabilities	220,887	144,854	Other comprehensive income, net of tax of Items that will not be reclassified to profit or loss	-	-
Lease liability	151,231	184,938	Fair value through other Comprehensive Income	-	-
	-----	-----	Revaluation Surplus (Net of tax)	-	-
Total liabilities	10,063,073	7,616,643	Other comprehensive income for the year	-	-
	-----	-----	Total comprehensive income for the year	27,023	27,028
Equity			(Loss)/Profit attributable to: Equity holders of the bank	27,023	27,028
Share capital	698,700	698,700	Total comprehensive income attributable to: Equity holders of the Bank	27,023	27,028
Accumulated losses	(1,686,106)	(663,387)	Earnings per share		
Statutory reserve	195,527	195,529	Basic (in Ghana pesewas)	7.79	7.79
Revaluation reserve	124,319	122,684	Diluted (in Ghana pesewas)	7.79	7.79
Credit risk reserve	440,404	247,275			
Fair value reserve	151,116	84,417			
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Shareholders' funds	(76,040)	685,219			
	-----	-----			
Total liabilities and shareholders' funds	9,987,033	8,301,862			
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UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2024					
In thousands of GH¢	Stated Capital	Credit Risk Reserve	Statutory Reserve	Revaluation Reserve	Fair Value Reserve
Balance at January 1, 2024	698,700	466,722	182,015	124,319	151,116
Profit for the year	-	-	-	-	(1,725,168)
Transaction costs related to Right Issue	-	-	-	-	(27,023)
					27,023
Transfer from accumulated losses to reserves	-	-	13,512	-	(13,512)
Transfer to/(from) credit risk reserve	-	(26,319)	-	-	26,319
Balance at March 31, 2024	698,700	440,403	195,527	124,319	151,116
					(1,686,106)
					(76,040)
In thousands of GH¢	Stated Capital	Credit Risk Reserve	Statutory Reserve	Revaluation Reserve	Fair Value Reserve
Balance at January 1, 2023	698,700	245,352	182,015	122,684	84,417
Profit for the year	-	-	-	-	(674,978)
Transfer from income surplus to reserves and transactions with owners recorded directly in equity	-	-	13,514	-	-
Transfer from income surplus to statutory reserves	-	-	-	-	(13,514)
Transfer to/(from) credit risk reserve	-	1,923	-	-	(1,923)
Balance at March 31, 2023	698,700	247,275	195,529	122,684	84,417
					(663,387)
					685,219

AGRICULTURAL DEVELOPMENT BANK PLC

UNAUDITED SUMMARY FINANCIAL STATEMENTS

(Continuation)

UNAUDITED STATEMENT OF CASHFLOWS FOR THE PERIOD ENDED MARCH 31, 2024

	2024 GH¢'000	2023 GH¢'000
Cash flows from operating activities		
Profit before tax	41,574	38,987
Adjustments for:		
Depreciation and amortization	17,503	8,464
Impairment charge on Loans	(31,105)	12,900
Gain on disposal of property and equipment	-	77
Net interest income	(128,285)	(125,547)
Loss before working capital changes	(69,073)	(65,120)
Changes in :		
Loans & advances	(143,431)	(582,110)
Other assets	(46,483)	(51,064)
Deposits from customers	508,171	887,078
Restricted cash	(10,018)	(8,158)
Other liabilities	(27,915)	(6,760)
	211,251	173,865
Interest Income received	311,444	377,917
Interest expense paid	(204,406)	(175,138)
Income Tax Paid	(2,154)	(2,049)
Net cash flows (used in)/ from Operating activities	316,135	374,595
Cash flows from investing activities		
Purchase of property and equipment	(1,349)	(5,414)
Purchase of medium and long term government securities	(470,412)	(33,408)
Proceeds from the sale of property and equipment	219	21
Purchase of intangible assets	(622)	-
Advance payment of lease rentals	(4,341)	-
Net cash flow generated from/(used in) investing activities	(476,505)	(38,801)
Cash flows from financing activities		
Receipts in borrowed funds	91,916	-
Payments in borrowed funds	-	(61,002)
Increase of Principal portion of Lease liability	(29,254)	35,310
Payments of right of use assets	-	(4,550)
Net cash flows (used in)/ from financing activities	62,662	(30,242)
Increase in cash and cash equivalents	(97,707)	305,552
Cash and cash equivalents at January 1	3,800,039	1,983,532
Effect of exchange rate fluctuation on cash held	63,673	14,886
Cash and cash equivalents at March 31	3,766,005	2,303,971

1. General Information

Agricultural Development Bank Limited PLC. (ADB) is a bank incorporated in Ghana. The registered office of the bank is located at Accra Financial Centre, 3rd Ambassadorial Development Area, Accra. The Agricultural Development Bank operates with a universal banking license that allows it to undertake all banking and related services. The Bank is listed on the Ghana Stock Exchange.

2. Recapitalisation

The Bank is in the final stages of a Right Issue to recapitalise the bank to meet the regulatory capital requirements. The major shareholder, the Government of Ghana, has already committed GHS1.3billion bonds in an escrow account with an additional GHS560million expected by end of June 2024. The Bank has embarked on an aggressive recovery of the non-performing loans. With the new capital injection and the improved recoveries, the bank expects to meet the Capital Adequacy Ratio (CAR) and the unimpaired regulatory capital position by year end 2024.

3. Summary of Significant Accounting Policies

The published summary financial statements have been extracted and presented from the Bank's Audited Financial Statements in accordance with the Bank of Ghana Guide for financial publication for banks & Bank of Ghana (BOG) licensed financial Institutions. The financial statements of the Bank were prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board including the IAS 29 Directive Issued by the Institute of Chartered Accountants Ghana.

4. Functional and presentation currency

These financial statements are presented in "Ghana Cedis", which is the Bank's functional currency and has been rounded to the nearest thousand.

5. Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Bank's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

6. Contingent Liabilities

	2024 GH¢'000	2023 GH¢'000
Guarantees and Indemnities	28,110	31,200
Letters of Credit	51,484	73,847
	79,594	105,047

7. Quantitative Disclosures

	2024 %	2023 %
Capital Adequacy Ratio	-19.85	6.19
Non Performing Loans to Gross Loans	67.12	28.56
Liquid Ratio	109.04	82.81
Common Equity Tier 1	-22.85	3.19
Leverage Ratio	-10.82	1.96

8. Default in statutory requirements and accompanying sanctions:

For the period under review, the bank did not record any statutory liquidity breaches and therefore did not incur any sanctions.

	GH¢'000	GH¢'000
(i) Sanctions (GH¢'000)	Nil	Nil
(ii) Default in statutory liquidity	Nil	Nil

Other regulatory breaches (including onsite examination)

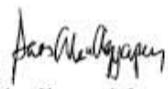
	GH¢'000	GH¢'000
(i) Sanctions (GH¢'000)	Nil	Nil
(ii) Number of breaches	Nil	Nil

9. Corporate Social Responsibility

A total amount of GHS1.5million (March, 2023: GHS1million) was spent in respect of Corporate Social responsibility for the period ended 31 March 2024; these included sponsorship for Best farmer award, donation to schools and others of national interest.

10. 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 and managed as well as 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.


Daasebre Akuamoah Agyapong II
Chairman


Alhassan Yakubu-Tali
Managing Director



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- Internationally Accepted on all ATMs

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- Revenue Collection Solutions
- Internet Banking (Quic-net etc.)
- Bulk Payment
- Contactless POS

