

AGRICULTURAL DEVELOPMENT BANK PLC

UNAUDITED SUMMARY FINANCIAL STATEMENTS

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2024

	2024 GH¢ '000	2023 GH¢ '000
Assets		
Cash and bank balances	3,372,061	1,965,887
Due from other banks	-	358,873
Net Investment securities	2,788,353	1,577,888
Loans and advances to customers	3,083,797	3,766,449
Investment (other than securities)	208,403	134,794
Corporate tax assets	-	942
Intangible assets	17,793	18,460
Other assets	163,814	114,983
Property and equipment	205,512	216,954
Right of use asset	91,226	108,086
Deferred Tax Asset	56,074	38,546
Total Assets	9,987,033	8,301,862
Liabilities		
Borrowed funds	635,734	531,524
Deposits from customers	9,051,873	6,755,328
Corporate tax liability	3,348	-
Other liabilities	220,887	144,854
Lease liability	151,231	184,938
Total liabilities	10,063,073	7,616,643
Equity		
Share capital	698,700	698,700
Accumulated losses	(1,686,106)	(663,387)
Statutory reserve	195,527	195,529
Revaluation reserve	124,319	122,684
Credit risk reserve	440,404	247,275
Fair value reserve	151,116	84,417
Shareholders' funds	(76,040)	685,219
Total liabilities and shareholders' funds	9,987,033	8,301,862

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED MARCH 31, 2024

	2024 GH¢ '000	2023 GH¢ '000
Interest income	334,574	302,778
Interest expense	(206,289)	(177,231)
Net interest income	128,285	125,547
Fees and commission income	55,326	33,905
Fees and commission expense	(6,842)	(4,895)
Net fees and commission income	48,484	29,010
Net trading income	14,005	60,205
Other operating income	3,384	13
Operating Income	194,158	214,776
Impairment loss on Loans and Advances	31,105	(12,900)
Impairment loss-Investment Securities	(92)	-
Personnel expenses	(94,662)	(96,187)
Other expenses	(71,432)	(58,238)
Depreciation and Amortization	(17,503)	(8,464)
(Loss)/Profit before tax	41,574	38,987
Income tax expense	(14,551)	(11,959)
(Loss)/Profit after tax	27,023	27,028
Other comprehensive income, net of tax of Items that will not be reclassified to profit or loss	-	-
Fair value through other Comprehensive Income	-	-
Revaluation Surplus (Net of tax)	-	-
Other comprehensive income for the year	-	-
Total comprehensive income for the year	27,023	27,028
(Loss)/Profit attributable to: Equity holders of the bank	27,023	27,028
Total comprehensive income attributable to: Equity holders of the Bank	27,023	27,028
Earnings per share		
Basic (in Ghana pesewas)	7.79	7.79
Diluted (in Ghana pesewas)	7.79	7.79

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	Accumulated Losses	Total
Balance at January 1, 2024	698,700	466,722	182,015	124,319	151,116	(1,725,168)	(102,295)
Profit for the year	-	-	-	-	-	27,023	27,023
Transaction costs related to Right Issue	-	-	-	-	-	(768)	(768)
Transfer from accumulated losses to reserves	-	-	13,512	-	-	(13,512)	-
Transfer to/(from) credit risk reserve	-	(26,319)	-	-	-	26,319	(0)
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	Accumulated Losses	Total
Balance at January 1, 2023	698,700	245,352	182,015	122,684	84,417	(674,978)	658,191
Profit for the year	-	-	-	-	-	27,028	27,028
Transfer from income surplus to reserves and transactions with owners recorded directly in equity	-	-	-	-	-	-	-
Transfer from income surplus to statutory reserves	-	-	13,514	-	-	(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 GHe'000	2023 GHe'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 GHe'000	2023 GHe'000
Guanrantees 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.

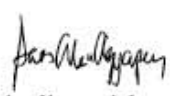
	GHe'000	GHe'000
(i) Sanctions (GHS'000)	Nil	Nil
(ii) Default in statutory liquidity	Nil	Nil
Other regulatory breaches (including onsite examination)		
(i) Sanctions (GHS'000)	Nil	Nil
(ii) Number of breaches	Nil	Nil

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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- Transfer to and from ADB bank account
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Cards Services

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- Visa Contactless Card
- Ghlink Proprietary Card
- Ezwich Card

Features:

- Online purchases including (airline ticket, hotel bookings etc)
- Payments for goods and services at any POS terminals and merchant outlets worldwide
- Internationally Accepted on all ATMs

Other Services

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



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