



PRESS RELEASE

PR. No 343/2022

AGRICULTURAL DEVELOPMENT BANK LIMITED (ADB) –
UNAUDITED SUMMARY FINANCIAL STATEMENTS
AS AT SEPTEMBER 30, 2022

ADB has released its Unaudited Summary Financial Statements for the period ending September 30, 2022, as per the attached.

Issued in Accra, this 27th
day of October 2022

• E N D –

att'd.

Distribution:

1. All LDMs
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Head Listing, GSE on 0302 669908, 669914, 669935

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AGRICULTURAL DEVELOPMENT BANK PLC

UNAUDITED SUMMARY FINANCIAL STATEMENTS

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2022

	2022 Ghc '000	2021 Ghc '000
Assets		
Cash and bank balances	1,554,758	656,765
Due from other banks	373,990	336,865
Investment securities	1,553,218	2,516,684
Loans and advances to customers	3,207,233	2,176,380
Investment (other than securities)	99,986	91,865
Corporate tax assets	5,285	741
Intangible assets	20,704	29,482
Other assets	88,425	61,951
Property and equipment	124,149	111,874
Right of use asset	92,101	156,803
Deferred tax assets	55,813	39,654
Total Assets	7,175,654	6,178,884
Liabilities		
Borrowed funds	651,936	322,744
Deposits from customers	5,235,233	4,630,894
Other liabilities	131,940	128,880
Lease liability	173,477	157,675
Total liabilities	6,195,586	5,238,193
Equity		
Share capital	698,700	698,700
Accumulated losses	(245,181)	(217,009)
Revaluation reserve	57,531	57,531
Statutory reserve	202,921	186,248
Credit risk reserve	207,742	162,895
Fair value through OCI	58,355	52,326
Shareholders' funds	980,068	940,691
Total liabilities and shareholders' funds	7,175,654	6,178,884

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED SEPTEMBER 30, 2022

	2022 Ghc '000	2021 Ghc '000
Interest income	619,954	547,791
Interest expense	(328,832)	(186,494)
Net interest income	293,122	361,297
Fees and commission income	80,328	78,274
Fees and commission expense	(11,414)	(7,965)
Net fees and commission income	68,914	70,309
Net trading income	90,013	35,527
Other operating income	6,238	4,072
Operating income	456,287	471,205
Impairment loss on financial assets	(140)	(21,505)
Personnel expenses	(228,450)	(186,336)
Other expenses	(129,024)	(109,130)
Depreciation and Amortization	(40,118)	(46,413)
Profit before tax	60,555	107,819
Income tax expense	(18,742)	(17,751)
Profit after tax	41,813	90,068
Other comprehensive income, net of tax of items that will not be reclassified to profit or loss	-	-
Fair value through other Comprehensive Income	-	-
Other comprehensive income for the year	-	-
Total comprehensive income for the year	41,813	90,068
Profit attributable to:		
Equity holders of the bank	41,813	90,068
Total comprehensive income attributable to:		
Equity holders of the Bank	41,813	90,068
Earnings per share		
Basic (in Ghana pesewas)	12.05	34.41
Diluted (in Ghana pesewas)	12.05	34.41

UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED SEPTEMBER 30, 2022

In thousands of GHe	Stated Capital	Deposit for Shares	Credit Risk Reserve	Statutory Reserve	Revaluation Reserve	Other Reserves	Accumulated Losses	Total
Balance at January 1, 2022	698,700	-	178,298	182,015	57,531	58,355	(236,644)	938,255
Profit/Loss for the year	-	-	-	-	-	-	41,813	41,813
Transfer from income surplus to reserves and transactions with owners recorded directly in equity	-	-	-	-	-	-	-	-
Other Comprehensive income - net of tax	-	-	-	-	-	-	-	-
Transfer from income surplus to statutory reserves	-	-	-	20,906	-	-	(20,906)	(0)
Transfer to/(from) credit risk reserve	-	-	29,444	-	-	-	(29,444)	-
Balance at 30 September, 2022	698,700	-	207,742	202,921	57,531	58,355	(245,181)	980,068

In thousands of GHe	Stated Capital	Deposit for Shares	Credit Risk Reserve	Statutory Reserve	Revaluation Reserve	Other Reserves	Income Surplus	Total
Balance at January 1, 2021	698,700	-	153,088	141,214	57,531	52,326	(252,236)	850,623
Profit/Loss for the year	-	-	-	-	-	-	90,068	90,068
Transfer from income surplus to reserves and transactions with owners recorded directly in equity	-	-	-	-	-	-	-	-
Transfer from income surplus to statutory reserves	-	-	-	45,034	-	-	(45,034)	(0)
Transfer to/(from) credit risk reserve	-	-	9,807	-	-	-	(9,807)	-
Balance at 30 September, 2021	698,700	-	162,895	186,248	57,531	52,326	(217,009)	940,691

AGRICULTURAL DEVELOPMENT BANK PLC UNAUDITED SUMMARY FINANCIAL STATEMENTS *(Continuation)*

UNAUDITED STATEMENT OF CASHFLOWS FOR THE PERIOD ENDED SEPTEMBER 30, 2022

	2022 GHe'000	2021 GHe'000
Cash flows from operating activities		
Profit before tax	60,555	107,819
Adjustments for:		
Depreciation and amortization	40,118	46,413
Impairment charge on Financial Assets	(140)	21,505
(Gain)/loss on disposal of property and equipment	(19)	-
Net interest income	(293,122)	(361,297)
(Loss) before working capital changes	(192,608)	(185,559)
Changes in:		
Loans & advances	(672,121)	(284,393)
Other assets	(36,172)	(206)
Deposits from customers	303,178	349,857
Restricted cash	(14,141)	7,253
Other liabilities	34,408	37,742
	(777,458)	(55,305)
Net cash generated from operating activities	(507,488)	258,473
Cash flows from investing activities		
Purchase of property and equipment	(21,721)	(27,277)
Purchase of medium and long term government securities	822,244	(380,533)
Proceeds from the sale of property and equipment	19	-
Purchase of intangible assets	(1,051)	(787)
Net cash used in investing activities	599,491	(388,606)
Cash flows from financing activities		
Payments in borrowed funds	-	9,570
Receipts in borrowed funds	348,001	-
Payments of Principal portion of Lease liability	(21,131)	(35,037)
Payments of right of use assets	(3,516)	(2,245)
Net cash generated from financing activities	323,354	(27,712)
Increase in cash and cash equivalents	415,357	(157,846)
Cash and cash equivalents at 1 January	1,111,878	1,392,492
Effect of exchange rate fluctuation on cash held	1,748	(477)
Cash and cash equivalents at 30 September	1,528,783	1,234,168

8. Quantitative Disclosures

	2022 %	2021 %
Capital Adequacy Ratio	10.46	12.99
Non Performing Loans to Gross Loans	25.08	30.35
Loan Loss Provision	12.75	16.52
Liquid Ratio	82.52	97.54

7. 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)

	GHe'000	GHe'000
(i) Sanctions (GHS'000)	NIL	0
(ii) Number of breaches	NIL	0

8. Corporate Social Responsibility

A total amount of GHS2,881 (Sept. 2021: GHS2,903) was spent in respect of Corporate Social responsibility for the period ended 30 Sept 2022; these included sponsorship for Best Farmer Award, donation to schools and others of national interest

9. 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.

Dasebre Akuamoah Agyapong II
Chairman

Dr. John Koti Mensah
Managing Director

1. General Information

Agricultural Development Bank 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. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these condensed financial statements are consistent with the accounting policies applied in the audited financial statements of the bank. The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. Additional information required by the Companies Act, 2019 (Act 992) and the Bank and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) have been included where appropriate. The financial statements have been prepared on a historical cost basis except for the following material items; buildings which are carried at revalued amounts and fair value of Equity Investments through Other Comprehensive Income.

3. 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.

4. 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.

5. Contingent Liabilities

	2022 GHe'000	2021 GHe'000
Guarantees and indemnities	42,190	33,847
Letters of Credit	250,330	100,906
	292,520	134,753

**Pay your
Customs Duty Charges,
SSNIT Tier 1 Levy, The Ghana.gov,
1% Ghana Tourism Authority Levy
and Tema Terminal 3 Port Service Fee
at any of our branches.**

adb
AGRICULTURAL DEVELOPMENT BANK

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Loans and advances to customers	3,207,233	2,176,380
Investment (other than securities)	99,986	91,885
Corporate tax assets	5,265	741
Intangible assets	20,704	29,482
Other assets	88,425	61,951
Property and equipment	124,143	111,874
Right of use asset	92,101	156,803
Deferred tax assets	58,813	39,554
Total Assets	7,175,654	6,178,884
Liabilities		
Borrowed funds	651,936	322,744
Deposits from customers	5,238,233	4,630,894
Other liabilities	131,940	126,880
Lease liability	173,477	157,875
Total liabilities	6,195,586	5,238,193
Equity		
Share capital	698,700	698,700
Accumulated losses	(245,181)	(217,009)
Revaluation reserve	57,531	57,531
Statutory reserve	202,921	186,248
Credit risk reserve	207,742	162,895
Fair value through OCI	58,355	52,326
Shareholders' funds	980,068	940,891
Total liabilities and shareholders' funds	7,175,654	6,178,884

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED SEPTEMBER 30, 2022

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Interest income	619,954	547,791
Interest expense	(326,832)	(186,494)
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Fees and commission expense	(11,414)	(7,865)
Net fees and commission income	68,914	70,309
Net trading income	90,013	35,527
Other operating income	6,235	4,072
Operating income	458,287	471,205
Impairment loss on financial assets	(140)	(21,505)
Personnel expenses	(228,450)	(186,336)
Other expenses	(129,024)	(109,130)
Depreciation and Amortization	(40,118)	(48,413)
Profit before tax	80,555	107,819
Income tax expense	(18,742)	(17,751)
Profit after tax	41,813	90,068
Other comprehensive income, net of tax of items that will not be reclassified to profit or loss Fair value through other Comprehensive Income		
Other comprehensive income for the year		
Total comprehensive income for the year	41,813	90,068
Profit attributable to: Equity holders of the bank	41,813	90,068
Total comprehensive income attributable to: Equity holders of the Bank	41,813	90,068
Earnings per share Basic (in Ghana pesewas) Diluted (in Ghana pesewas)	12.05 12.05	34.41 34.41

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Balance at January 1, 2022	698,700	-	178,298	182,015	57,531	58,355	(236,644)	938,255
Profit/Loss for the year							41,813	41,813
Transfer from income surplus to reserves and transactions with owners recorded directly in equity Other Comprehensive income net of tax								
Transfer from income surplus to statutory reserves				20,908			(20,908)	(0)
Transfer to/(from) credit risk reserve			29,444				(29,444)	-
Balance at 30 September, 2022	698,700	-	207,742	202,921	57,531	58,355	(245,181)	980,068

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Balance at January 1, 2021	698,700	-	153,088	141,214	57,531	52,326	(252,236)	850,623
Profit/Loss for the year							90,068	90,068
Transfer from income surplus to reserves and transactions with owners recorded directly in equity Transfer from income surplus to statutory reserves				45,034			(45,034)	(0)
Transfer to/(from) credit risk reserve			9,807				(9,807)	-
Balance at 30 September, 2021	698,700	-	162,895	186,248	57,531	52,326	(217,009)	940,691

AGRICULTURAL DEVELOPMENT BANK PLC

UNAUDITED SUMMARY FINANCIAL STATEMENTS

(Continuation)

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Other assets	(38,172)	(208)
Deposits from customers	303,176	349,857
Restricted cash	(14,141)	7,253
Other liabilities	34,408	37,742
	(777,458)	(55,305)
Interest Income received	505,544	505,076
Interest expense paid	(236,275)	(179,303)
Taxes paid (NFSL)	(59,299)	(4,648)
Income Tax Paid	-	(7,347)
Net cash generated from operating activities	(507,483)	258,473
Cash flows from investing activities		
Purchase of property and equipment	(21,721)	(27,277)
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Daasebre Akuamoah Agyapong II
 Chairman

Dr. John Kofi Mensah
 Managing Director

**Pay your
 Customs Duty Charges,
 SSNIT Tier 1 Levy, The Ghana.Gov,
 1% Ghana Tourism Authority Levy
 and Tema Terminal 3 Port Service Fee
 at any of our branches.**

adb
 Agricultural Development Bank