

## (UNAUDITED) CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH JUNE, 2022

### STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30TH JUNE, 2022


|  | 2022             |                  | 2021             |                  |
|--|------------------|------------------|------------------|------------------|
|  | BANK<br>GH¢'000  | GROUP<br>GH¢'000 | BANK<br>GH¢'000  | GROUP<br>GH¢'000 |
| Interest Income                                  | 314,266          | 313,815          | 288,862          | 288,364          |
| Interest Expense                                 | (126,525)        | (126,525)        | (110,107)        | (110,093)        |
| <b>Net Interest Income</b>                       | <b>187,741</b>   | <b>187,290</b>   | <b>178,755</b>   | <b>178,271</b>   |
| Fee and Commission Income                        | 46,755           | 46,754           | 36,655           | 36,655           |
| Fee and Commission Expense                       | (6,453)          | (6,453)          | (5,067)          | (5,067)          |
| <b>Net Fee and Commission Income</b>             | <b>40,302</b>    | <b>40,301</b>    | <b>31,588</b>    | <b>31,588</b>    |
| Net Trading Income                               | 24,958           | 24,958           | 11,362           | 11,362           |
| Other income                                     | 10,485           | 12,574           | 3,082            | 6,216            |
|  | <b>35,443</b>    | <b>37,532</b>    | <b>14,444</b>    | <b>17,578</b>    |
| <b>Operating Income</b>                          | <b>263,486</b>   | <b>265,123</b>   | <b>224,787</b>   | <b>227,437</b>   |
| Net Impairment on Financial Assets               | (33,048)         | (33,048)         | (40,606)         | (40,606)         |
| Personnel Expenses                               | (77,473)         | (77,786)         | (72,784)         | (73,225)         |
| Depreciation and Amortisation                    | (12,532)         | (12,555)         | (12,298)         | (12,329)         |
| Other Expenses                                   | (46,460)         | (47,172)         | (36,305)         | (37,445)         |
|  | <b>(169,513)</b> | <b>(170,561)</b> | <b>(161,993)</b> | <b>(163,605)</b> |
| <b>Profit Before Income Tax</b>                  | <b>93,973</b>    | <b>94,562</b>    | <b>62,794</b>    | <b>63,832</b>    |
| Income Tax Expense                               | (32,891)         | (33,173)         | (25,118)         | (25,383)         |
| <b>Profit for the Period</b>                     | <b>61,082</b>    | <b>61,389</b>    | <b>37,676</b>    | <b>38,449</b>    |
| Other comprehensive income (net of income tax)   | -                | -                | -                | -                |
| <b>Total comprehensive income for the period</b> | <b>61,082</b>    | <b>61,389</b>    | <b>37,676</b>    | <b>38,449</b>    |

### STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE, 2022

|   | 2022             |                  | 2021             |                  |
|---|------------------|------------------|------------------|------------------|
|   | BANK<br>GH¢'000  | GROUP<br>GH¢'000 | BANK<br>GH¢'000  | GROUP<br>GH¢'000 |
| <b>Assets</b>                             |                  |                  |                  |                  |
| Cash and Cash Equivalents                 | 996,183          | 996,183          | 812,583          | 812,583          |
| Investment securities                     | 1,960,277        | 1,968,705        | 1,482,137        | 1,490,043        |
| Loans and Advances to Customers           | 1,647,664        | 1,643,634        | 1,595,074        | 1,589,045        |
| Property, Equipment & Right-of-Use Assets | 225,135          | 225,264          | 240,787          | 240,938          |
| Intangible Assets                         | 10,797           | 10,805           | 12,903           | 12,925           |
| Investment in Subsidiaries                | 766              | 275              | 1,766            | 253              |
| Current Tax Assets                        | -                | -                | 1,592            | 1,609            |
| Deferred Tax Assets                       | 8,639            | 8,626            | -                | -                |
| Other Assets                              | 76,902           | 76,861           | 45,825           | 48,293           |
| <b>Total Assets</b>                       | <b>4,926,363</b> | <b>4,930,353</b> | <b>4,192,667</b> | <b>4,195,689</b> |
| <b>Liabilities</b>                        |                  |                  |                  |                  |
| Deposits from Banks                       | 2,421            | 2,421            | 2,704            | 2,704            |
| Deposits from Customers                   | 3,178,810        | 3,176,008        | 2,746,039        | 2,742,513        |
| Deferred Tax Liabilities                  | -                | -                | 13,922           | 13,935           |
| Current Tax Liabilities                   | 587              | 470              | -                | -                |
| Other Liabilities                         | 122,772          | 126,821          | 91,465           | 95,133           |
| Borrowings                                | 819,659          | 819,659          | 644,422          | 644,422          |
| <b>Total Liabilities</b>                  | <b>4,124,249</b> | <b>4,125,379</b> | <b>3,498,552</b> | <b>3,498,707</b> |
| <b>Equity</b>                             |                  |                  |                  |                  |
| Stated Capital                            | 402,431          | 402,431          | 402,431          | 402,431          |
| Income Surplus                            | 109,748          | 112,608          | 54,737           | 57,604           |
| Statutory Reserve                         | 115,447          | 115,447          | 72,298           | 72,298           |
| Revaluation Reserve                       | 120,914          | 120,914          | 120,914          | 120,914          |
| Credit Risk Reserve                       | 53,574           | 53,574           | 43,735           | 43,735           |
| <b>Total Equity</b>                       | <b>802,114</b>   | <b>804,974</b>   | <b>694,115</b>   | <b>696,982</b>   |
| <b>Total Liabilities and Equity</b>       | <b>4,926,363</b> | <b>4,930,353</b> | <b>4,192,667</b> | <b>4,195,689</b> |

### STATEMENT OF CASHFLOW FOR THE PERIOD ENDED 30TH JUNE, 2022

|   | 2022            |                  | 2021             |                  |
|---|-----------------|------------------|------------------|------------------|
|   | BANK<br>GH¢'000 | GROUP<br>GH¢'000 | BANK<br>GH¢'000  | GROUP<br>GH¢'000 |
| <b>Cash Flows from Operating Activities</b>                 |                 |                  |                  |                  |
| Profit before tax   | 93,973          | 94,562           | 62,794           | 63,832           |
| <b>Adjustments for:</b>                                     |                 |                  |                  |                  |
| Net Interest Income   | (187,741)       | (187,290)        | (178,756)        | (178,272)        |
| Depreciation and Amortisation                               | 12,532          | 12,555           | 12,298           | 12,329           |
| Profit on Sale of Fixed Assets                              | (365)           | (365)            | (95)             | (95)             |
| Impairment on Financial Assets                              | 33,048          | 33,048           | 40,606           | 40,606           |
|   | <b>(48,553)</b> | <b>(47,490)</b>  | <b>(63,153)</b>  | <b>(61,600)</b>  |
| Change in Loans and Advances to Customers                   | (171,087)       | (171,587)        | 82,430           | 81,630           |
| Change in Other Assets                                      | (29,960)        | (30,978)         | (2,829)          | (1,792)          |
| Change in Deposits from Banks and Customers                 | 317,163         | 317,983          | 278,048          | 276,614          |
| Change in Other Liabilities                                 | 11,585          | 8,208            | (1,831)          | (499)            |
|   | <b>127,701</b>  | <b>123,626</b>   | <b>355,818</b>   | <b>355,953</b>   |
| Interest received   | 314,266         | 313,815          | 288,862          | 288,364          |
| Interest paid   | (126,525)       | (126,525)        | (110,107)        | (110,093)        |
| Income Tax paid   | (35,172)        | (35,270)         | (24,714)         | (24,924)         |
|   | <b>152,569</b>  | <b>152,020</b>   | <b>154,041</b>   | <b>153,347</b>   |
| <b>Net cash used in operating activities</b>                | <b>231,717</b>  | <b>228,156</b>   | <b>446,706</b>   | <b>447,700</b>   |
| <b>Cash flows from investing activities</b>                 |                 |                  |                  |                  |
| Change in Investments                                       | (47,228)        | (43,667)         | (270,071)        | (271,050)        |
| Purchase of property, plant and equipment                   | (5,965)         | (5,965)          | (3,697)          | (3,712)          |
| Proceeds from the sale of property, plant and equipment     | 9,094           | 9,094            | 236              | 236              |
| Purchase of intangible assets                               | (1,672)         | (1,672)          | (997)            | (997)            |
| <b>Net cash used in investing activities</b>                | <b>(45,771)</b> | <b>(42,210)</b>  | <b>(274,529)</b> | <b>(275,523)</b> |
| <b>Cash flows from financing activities</b>                 |                 |                  |                  |                  |
| Change in Borrowings  | 151,493         | 151,493          | (91,127)         | (91,127)         |
|   | <b>151,493</b>  | <b>151,493</b>   | <b>(91,127)</b>  | <b>(91,127)</b>  |
| <b>Net (decrease)/increase in cash and cash equivalents</b> | <b>337,439</b>  | <b>337,439</b>   | <b>81,050</b>    | <b>81,050</b>    |
| Cash and cash equivalents at 1st January                    | 658,744         | 658,744          | 731,533          | 731,533          |
| <b>Cash and cash equivalents at 30th June</b>               | <b>996,183</b>  | <b>996,183</b>   | <b>812,583</b>   | <b>812,583</b>   |



**DIAL \*772\*22#**

MTN Airtel Vodafone

**Make Statutory Payments with ease.**

GRA GSA GHANA.GOV

Tel: 030 275 0420 | Toll-free: 0800 000 772  
customercare@prudentialbank.com.gh  
www.prudentialbank.com.gh

## (UNAUDITED) CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH JUNE, 2022

### STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30TH JUNE, 2022 - BANK

|   | Stated Capital | Income Surplus | Statutory Reserve | Revaluation Reserve | Credit Risk Reserve | Total Equity   |
|---|----------------|----------------|-------------------|---------------------|---------------------|----------------|
|   | GH¢'000        | GH¢'000        | GH¢'000           | GH¢'000             | GH¢'000             | GH¢'000        |
| Balance at 1st January, 2022                        | 402,431        | 49,799         | 115,447           | 120,914             | 52,441              | 741,032        |
| Total Comprehensive Income, net of tax              | -              | 61,082         | -                 | -                   | -                   | 61,082         |
|   | <u>402,431</u> | <u>110,881</u> | <u>115,447</u>    | <u>120,914</u>      | <u>52,441</u>       | <u>802,114</u> |
| Transaction with Owners recorded directly in equity |                |                |                   |                     |                     |                |
| Transfer to Credit Risk Reserve                     | -              | (1,133)        | -                 | -                   | 1,133               | -              |
| Balance at 30th June, 2022                          | <u>402,431</u> | <u>109,748</u> | <u>115,447</u>    | <u>120,914</u>      | <u>53,574</u>       | <u>802,114</u> |

#### Comparative Figures - 2021

|   |                |               |               |                |               |                |
|---|----------------|---------------|---------------|----------------|---------------|----------------|
| Balance at 1st January, 2021                        | 402,431        | 21,985        | 72,298        | 120,914        | 38,811        | 656,439        |
| Total Comprehensive Income, net of Tax              | -              | 37,676        | -             | -              | -             | 37,676         |
|   | <u>402,431</u> | <u>59,661</u> | <u>72,298</u> | <u>120,914</u> | <u>38,811</u> | <u>694,115</u> |
| Transaction with Owners recorded directly in equity |                |               |               |                |               |                |
| Transfer to Credit Risk Reserve                     | -              | (4,924)       | -             | -              | 4,924         | -              |
| Balance at 30th June, 2021                          | <u>402,431</u> | <u>54,737</u> | <u>72,298</u> | <u>120,914</u> | <u>43,735</u> | <u>694,115</u> |

### STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30TH JUNE, 2022 - GROUP

|   | Stated Capital | Income Surplus | Statutory Reserve | Revaluation Reserve | Credit Risk Reserve | Total Equity   |
|---|----------------|----------------|-------------------|---------------------|---------------------|----------------|
|   | GH¢'000        | GH¢'000        | GH¢'000           | GH¢'000             | GH¢'000             | GH¢'000        |
| Balance at 1st January, 2022                        | 402,431        | 52,352         | 115,447           | 120,914             | 52,441              | 743,585        |
| Total Comprehensive Income, net of tax              | -              | 61,389         | -                 | -                   | -                   | 61,389         |
|   | <u>402,431</u> | <u>113,741</u> | <u>115,447</u>    | <u>120,914</u>      | <u>52,441</u>       | <u>804,974</u> |
| Transaction with Owners recorded directly in equity |                |                |                   |                     |                     |                |
| Transfer to Credit Risk Reserve                     | -              | (1,133)        | -                 | -                   | 1,133               | -              |
| Balance at 30th June, 2022                          | <u>402,431</u> | <u>112,608</u> | <u>115,447</u>    | <u>120,914</u>      | <u>53,574</u>       | <u>804,974</u> |

#### Comparative Figures - 2021

|   |                |               |               |                |               |                |
|---|----------------|---------------|---------------|----------------|---------------|----------------|
| Balance at 1st January, 2021                        | 402,431        | 24,079        | 72,298        | 120,914        | 38,811        | 658,533        |
| Total Comprehensive Income, net of Tax              | -              | 38,449        | -             | -              | -             | 38,449         |
|   | <u>402,431</u> | <u>62,528</u> | <u>72,298</u> | <u>120,914</u> | <u>38,811</u> | <u>696,982</u> |
| Transaction with Owners recorded directly in equity |                |               |               |                |               |                |
| Transfer to Credit Risk Reserve                     | -              | (4,924)       | -             | -              | 4,924         | -              |
| Balance at 30th June, 2021                          | <u>402,431</u> | <u>57,604</u> | <u>72,298</u> | <u>120,914</u> | <u>43,735</u> | <u>696,982</u> |

### NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH JUNE, 2022

#### 1. Significant Accounting Policies

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as published by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants, Ghana (ICAG), and are consistent with those used in the preparation of the 2021 Annual Consolidated Financial Statements.

#### 2. Quantitative Disclosures

|                                       | June - 2022 |        | June - 2021 |        |
|---------------------------------------|-------------|--------|-------------|--------|
|                                       | BANK        | GROUP  | BANK        | GROUP  |
| (a) Capital Adequacy Ratio (CRD) %    | 20.34       | 20.47  | 19.72       | 19.89  |
| (b) Common Equity Tier 1 %            | 18.34       | 18.47  | 17.72       | 17.89  |
| (c) Non-Performing Loan (NPL) Ratio % | 22.38       | 22.38  | 17.82       | 17.82  |
| (d) Liquid Ratio %                    | 156.07      | 156.75 | 162.47      | 163.11 |

#### 3. Qualitative Disclosures

##### Dominant Risks and Methods of Measurement


The Group is exposed to credit, market, liquidity, operational, compliance and reputational risks due to the nature of its business as a financial intermediary.


##### Risk Management objectives, policies and processes

The Group's comprehensive risk governance system, which involves the Board of Directors, Management Committees, and Risk Management Department, is also described in detail in the risk management framework. The Board establishes the Group's risk strategy, policy, appetite, and limits. The Risk Management Department works with Management to develop the overarching strategies and policies for risk management and control. Coordinating risk management across the Group, the Risk Management Department is principally in charge of making sure that the Group's risk profile is consistent with its financial resources and the risk appetite set by the Board.

#### 4. Defaults in Statutory Liquidity and accompanying sanctions (if any)

|   | June-2022 |       | June-2021 |       |
|---|-----------|-------|-----------|-------|
|   | BANK      | GROUP | BANK      | GROUP |
| a) Default in statutory liquidity (Times) | NIL       | NIL   | NIL       | NIL   |
| b) Sanctions (GH¢)                        | NIL       | NIL   | NIL       | NIL   |

  
Muriel Susan Edusei (Mrs.)  
Chairperson

  
John Kpakpo Addo  
Managing Director

# Introducing

## Mastercard from Prudential Bank

Choose from either the Classic Card for your personal use, or the Business Card for your business.

Visit any branch to get yours instantly.



Tel: 030 275 0420 | Toll-free: 0800 000 772  
customer@prudentialbank.com.gh  
www.prudentialbank.com.gh

