UBA
United Bank for Africa

The Bank that starts with "U"

Enterprise. Excellence. Execution

United Bank for Africa (Ghana) Limited (UBA Ghana) pioneered the entry of a new generation of foreign banks into the country in January 2005.

The presence of UBA Ghana in the banking industry in Ghana over the last twelve years has galvanized banking onto a higher performance level where competition and innovation in responding to the needs of the customer have become the driving force of the industry.

United Bank for Africa (Ghana) Limited is a subsidiary of United Bank for Africa (UBA) Plc, which is West Africa's largest financial services group with assets in excess of US$14 billion.

Inside this report

Enterprise. Excellence. Execution

Business Overview

Our role in the markets

UBA Ghana facilitates the flow of capital and investment through the financial system and supports government and corporate borrowing. We play an important role in contributing to the stability of the financial markets.

Financial Highlights

	2017	2016	2015
Gross earnings	**670**	692	324
Profit before tax	**315**	211	90
Profit after tax	**220**	144	63
Customer deposits	**2,074**	2,974	1,767
Loans	**1,099**	1,846	765
Shareholder's funds	**549**	329	265
Total assets	**2,963**	3,743	2,414

United Bank for Africa Plc

January 2005, a pioneering year for United Bank for Africa (Ghana) Limited, as they Chartered a new path of entry into Ghana, birthing a new generation of foreign banks and changing the landscape of relationship banking.

The vision and strategy of Pan-Africanism was simultaneously birthed by United Bank for Africa (UBA) Plc which until that moment was simply a leading financial service bank operating in all regions of Nigeria. When the subsidiary in Ghana was created, UBA then grew into group status in Sub-Saharan African region, now with presence in 20 African countries: Ghana, Benin Republic, Cote d'Ivoire, Burkina Faso, Guinea, Chad, Cameroon, Kenya, Gabon, Tanzania, Zambia, Uganda, Liberia, Sierra-Leone, Mozambique, Senegal, Congo DR, Congo Brazzaville, and Mali, as well as United Kingdom, United States of America and France. 2005 was truly historic for UBA as it was in this same year it completed one of the biggest mergers in the history of Nigeria's capital markets with the business combination of Standard Trust Bank (STB) Plc and the then United Bank for Africa.

The origin of UBA dates back to 1949 when it was first referred to as the British and French Bank Limited (BFB). It took over the assets and liabilities of BFB and was incorporated as a limited liability company on 23 February, 1961 under the Compliance Ordinance (Cap 37) 1922. UBA was the first Nigerian bank to make an Initial Public Offering (IPO), following its listing on the Nigerian Stock Exchange (NSE) in1970. It was also the first bank to issue Global Depository Receipts (GDRs).

WHO WE ARE

"We work for one of the strongest and most successful financial services institutions in Africa. Our bank, the United Bank for Africa and our brand have grown significantly and require no introduction across our Continent. We should be proud of what we have achieved and I look forward to welcoming further countries into our family this year, as we deliver on our promise to be Africa's Global Bank." Kennedy Uzoka UBA GMD, Jan 2017.

UBA is a full financial service institution offering a plethora of unique banking products and services. As Africa's global bank, UBA Ghana has developed a branch footprint and delivery network that has ensured that the bank's services are always within the reach of valued customers. In line with the bank's positioning statement and strategic intent, UBA Ghana has a footprint of 26 fully networked branches, 2 agencies and close to 60 visa enabled ATM's spread across Accra, Tema, Tarkwa, Tamale, Takoradi, Kumasi, and Aflao.

WHAT WE DO

United Bank for Africa (Ghana) Limited, is a subsidiary of the United Bank for Africa Plc which is one of Africa's leading financial institutions with assets in excess of US$20 billion and offering services to more than 7.5 million customers across 850 branches and over 2000 ATMs in 20 African countries.

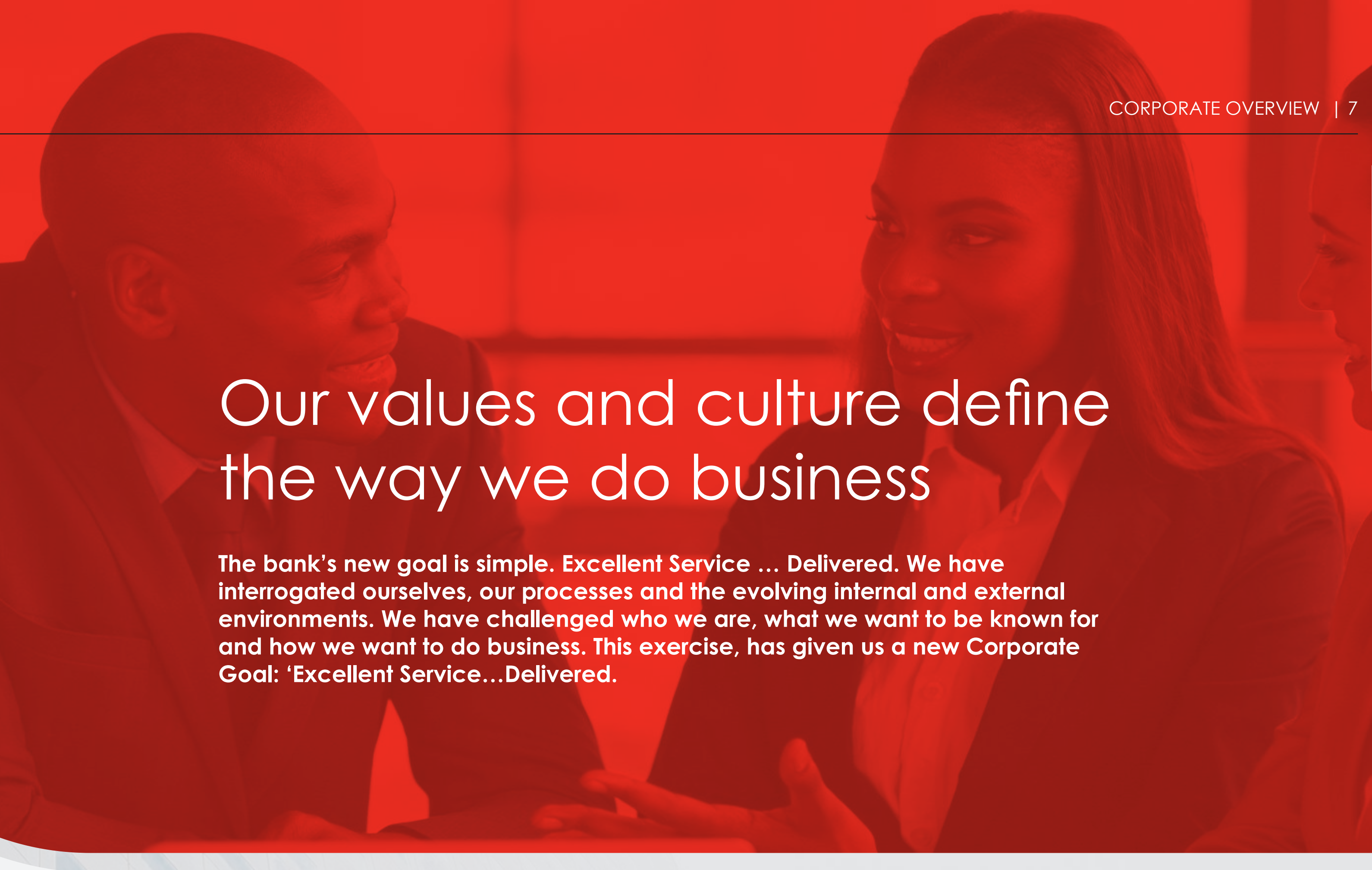
The bank's new goal is simple. Excellent Service ... Delivered. We have interrogated ourselves, our processes and the evolving internal and external environments. We have challenged who we are, what we want to be known for and how we want to do business. This exercise, has given us a new Corporate Goal: 'Excellent Service... Delivered'

To deliver this, we have fundamentally refined our Core Values, to ensure our commitment to deliver:
Enterprise. Excellence. Execution (EEE).

These values will drive all our actions towards our internal and external customers.

Since August 1, 2016, we have directed efforts in the three critical areas:

- Deployment of customer focused IT systems;



Our values and culture define the way we do business

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- Re-engineering our processes to speak to what the customers really need; and
- Creating a workforce of engaged and productive People.

Our People:

People are central to our new Corporate Strategy.

Our Processes:

Our Processes speak to how we serve our customers. We are challenging the status quo, to completely align our processes ground-up from the customer's perspective.

Our Technology:

We have continued to increase investment in Information Systems (IS) and Digital Banking Channels reliability to attain overall positive customer experience.

With presence in New York, London and Paris, UBA is connecting people and businesses across Africa through retail and corporate banking and our innovative Africa Trade Platform.

UBA Plc has been rated by "the Financial Times Magazine" as one of the five African banks in the top global 500 banks and the second fastest growing brand in the world and by the Boston Consulting Group as one of the top "40 African Challengers" on account of globalization, workforce and asset diversity, cash flow and leverage ratio.

UBA VISION

To be the undisputed leading and dominant financial services institution in Africa.

UBA MISSION

"We shall be a role model for African businesses by creating superior value for all stakeholders; abiding by the utmost professional and ethical standards and building an enduring institution"

CORE VALUES

Our corporate identity rests on our core values. These values are:

United Bank for Africa (Ghana) Limited

Our objective has been to become Africa's leading and most respected Pan African bank.

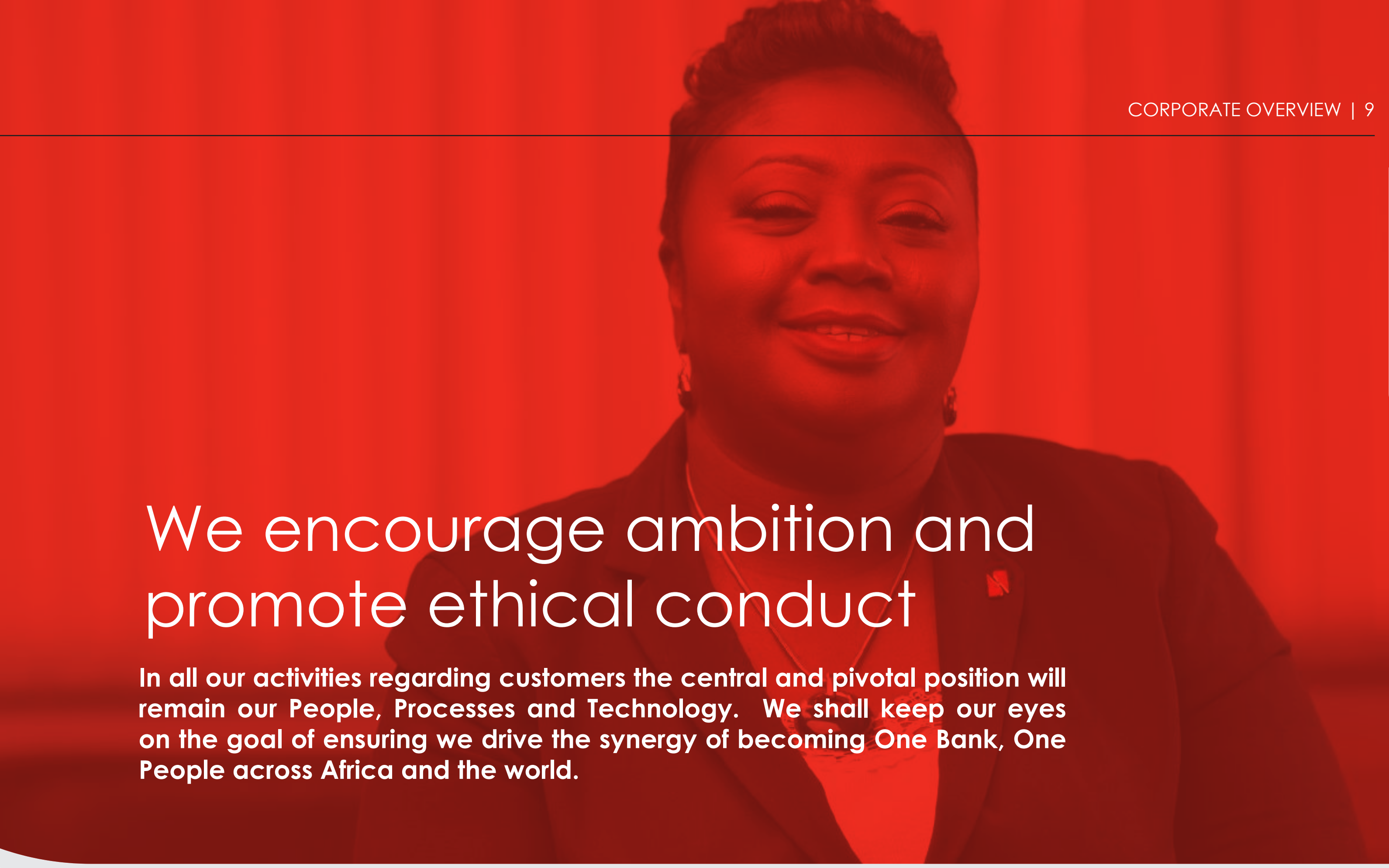
Our purpose is to be where the growth is, connecting customers to opportunities. We have engaged businesses to discover their potential and to prosper, by helping people fulfill dreams and realize their ambitions.

We have developed the primary strategy of our Parent company into our own secondary and tertiary strategies that reflect our purpose and distinctive advantage:

- To be a fully automated network of business offices connecting Ghana to Africa and the world. We are well positioned to capture intercontinental trade and to be the conduit for capital inflows. Our reach and range of services place us in a strong position to serve clients as they grow from small enterprises into diverse businesses all over Ghana and Africa.
- To combine sound financial management with a delicate mix of some embryonic and some maturing wholesale and retail banking on a local scale with a global view: we aim to make the most of opportunities arising from the developing economy we deal in along with the demographic changes in our dynamic industry sectors. We will study the pace carefully and deal in full-scale private and public sector markets and businesses where we can achieve profitable margins at varying levels.

As the flow of goods, agriculture, oil and gas services as well as trade continues to expand, driven by the new FinTech revolution of mobile money, digital and virtual banking and technology, we in turn expect to be within and amongst the top tier in Ghana, becoming strong enough to be termed a Systemically Important Bank by 2018.

The growth of our industry is bringing the people of Ghana into the global middle class, and United Bank for Africa (Ghana) is one of the few truly Pan African banks with the financial backing as well as trade and capital flows that can connect our customers to the faster-growing and developed markets. We have a diversified banking model that supports a strong capital and funding base, reduces our risk profile and volatility, and generates stable shareholder returns. These are distinctive competitive advantages that the Bank will bring to its customers, going forward.



We encourage ambition and promote ethical conduct

In all our activities regarding customers the central and pivotal position will remain our People, Processes and Technology. We shall keep our eyes on the goal of ensuring we drive the synergy of becoming One Bank, One People across Africa and the world.

2018 - The Outlook

Riding on the improved Macro economic fundamentals in 2017, it is our expectation that 2018 will see sustained growth for the Bank. We are the one Bank that unites the entire African continent, for the benefit of Africans around the globe.

Our focus will be:

- Continuous delivery of excellent service to our customers, applying the levers of People, Processes and Technology.
- Improving risk management to control macro-economic volatilities
- Harnessing Treasury opportunities by leveraging our expertise and footprint
- Increasing our deposit drive, especially low-cost deposits
- Aggressive digital banking deployment, supported with reliable IT platform
- Attention to brand enhancement, look and feel and our true perception

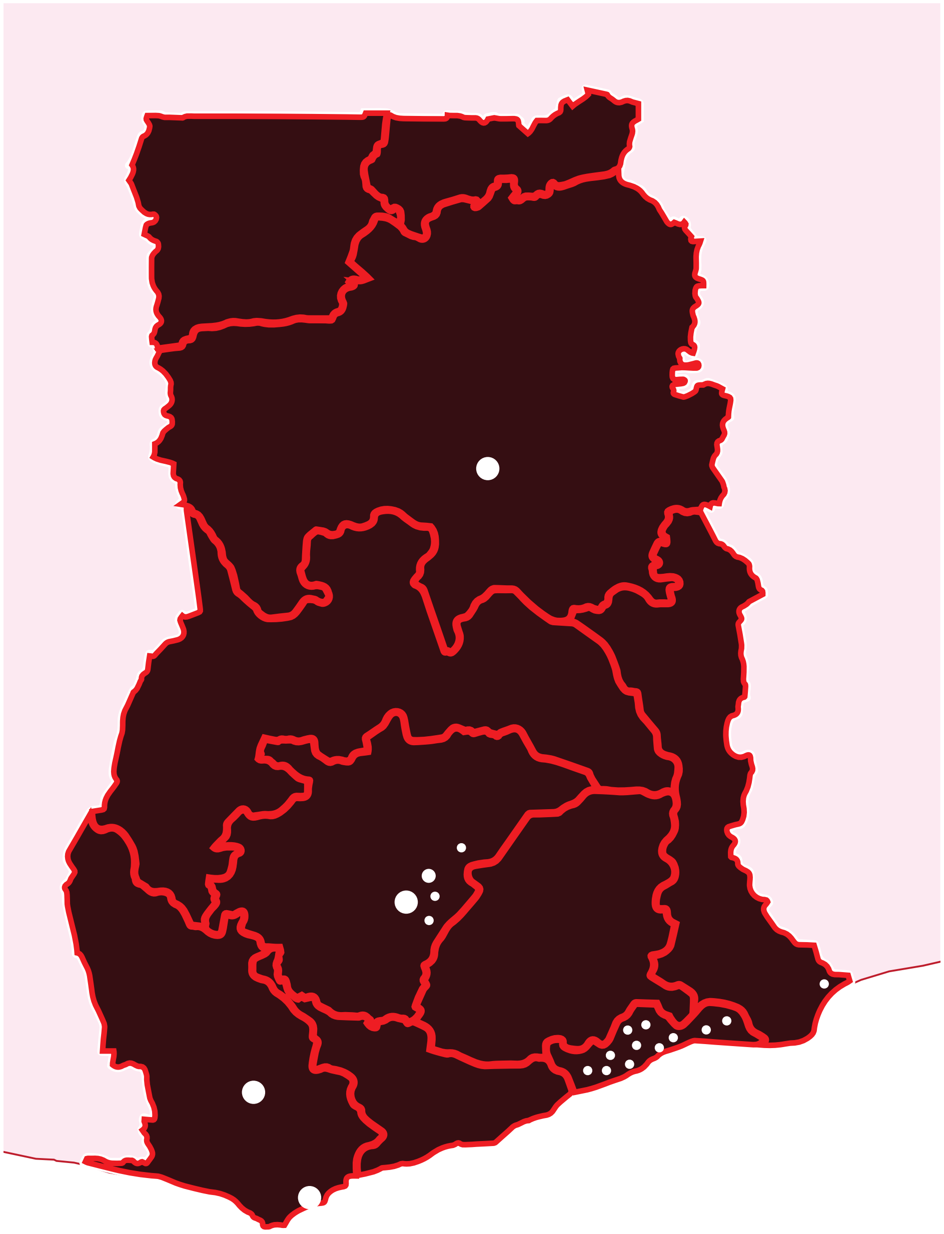
In all our activities regarding customers the central and pivotal position will remain our People, Processes and Technology. We shall keep our eyes on the goal of ensuring we drive the synergy of becoming One Bank, One People across Africa and the world.

While in Ghana the current environment continues to make its way towards stability we in turn plan to sustain the size of the bank at its current level for the foreseeable future as this has effect on the overall profitability of the Group.

Delivering these priorities will create value for our customers and shareholders and contribute to the long-term sustainability of United Bank for Africa (Ghana). In the process, we shall maintain a robust, tiger growth, balance sheet and keep our eye on environmentally sustainable business in which our customers can have confidence, our employees can take pride and our communities can trust in us.

Ghana Footprint

We are expanding our footprints to new capital cities and major commercial centres. Today, we are a true national bank, helping to create new possibilities for business across Ghana.



Greater Accra Region

Head Office
Accra Central
Kantamanto
Achimota
Ring Road
Labone
Abossey Okai
North Industrial Area
Dzorwulu Central
Airport
Abeka Lapaz
Madina
Spintex
Teshie
Tema Community 1
Tema Community 4
East Legon - American House
East Legon - Lagos Avenue

Ashanti Region

Adum
Kejetia
Tanoso
Alabar
Suame
KNUST

Western Region

Takoradi
Tarkwa

Volta Region

Aflao

Northern Region

Tamale

Business Review

A summary of the changing landscape we operate in, and how that has shaped our strategy and financial position.

Enterprise. Excellence. Execution

Chairman's Report

Kenneth Chikezie Orji
Chairman

Distinguished Shareholders,

It is my pleasure to present the annual report of our Bank, United Bank for Africa (Ghana) Limited, for the 2017 financial year.

2017 was an eventful year, marked by significant global and local macroeconomic and fiscal developments, which had the potential to severely impact our business. As the early concerns about the impact of 'Brexit' on Europe and the uncertainties over the fiscal changes in the United States subsided, most commodity prices slowly recovered spurring global economic recovery. However, the impact of local macroeconomic and regulatory interventions as well as increased competition from traditional peers and emerging Fintech companies resulted in a challenging operating environment.

It is my pleasure to report that our resilient and resolute customer-focused business approach has, once again, enabled us to defy these challenges and sustain our profitability momentum. Our financial results provide further evidence of the resilience of our business model, strong Board oversight and the dedication of the Management and staff.

My colleagues and I, who represent you as Directors on the Board, remain committed to supporting Management towards achieving our collective aspiration of being a Systematically Important Bank in Ghana, with dominant market share in the key sectors of the economy.

I will like to highlight some of the key global and local events that characterised the year after which I will review our performance and outlook.

Global economic recovery continues

Across the globe, 2017 was a year of recovery and improved confidence, supported by increased investments, manufacturing activity and trade, alongside general accommodative monetary policies.As uncertainties over fiscal change in the United States subsided, global demand picked up. Also, earlier concerns on the impact of 'Brexit' on the United Kingdom and broader Europe abated, thus reinforcing global growth recovery.

Modest growth was recorded in Sub-Saharan Africa driven by improvements in macroeconomic imbalances and supported by a rebound in commodity prices, favourable global financing conditions, and rising household demand due to slowing inflation in the largest economies of Nigeria, South Africa and Angola. Growth in specific countries was facilitated by business-friendly reforms (Senegal and Rwanda), continuous infrastructure investment (Ethiopia), higher oil-gas production (Ghana), stability in the Niger Delta leading to increased oil production (Nigeria), improved weather conditions in Southern Africa boosting agriculture output (Mozambique and Zambia).

The sustained recovery of commodity prices spurred growth in most Sub-Saharan African countries, given the significance of commodity exports on the continent. Except for cocoa and coffee prices, which remained weak due to glut, most commodity prices rallied through 2017; the price of copper, crude oil, gold and cotton rallied 31%, 18%, 14% and 13% respectively. On the back of higher commodity exports at improved prices, most African countries had stronger foreign currency earnings and broader fiscal revenues. Thus, local currencies were relatively stable and inflation eased, giving room to monetary policy accommodation in many African countries. Public sector finances improved, as reflected in lower budget deficits and stronger infrastructure financing.

Overall, ease of doing business improved slightly in Sub-Saharan Africa in 2017. The World Bank Doing Business recognized the improving business environment in Sub-Saharan Africa, with three of the top-ten countries that improved globally being SSA countries (Malawi, Nigeria and Zambia). Interestingly, consensus outlook on Africa's economic growth is positive, with six of the fastest growing economies in the world, being in Africa. Notably, the Ghanaian economy is projected to be the fastest growing economy in the world in 2018 with forecast GDP growth rate of around 8%.

Domestic Operating Environment: Positive Outlook

Economic fundamentals in Ghana were boosted by the smooth transition of power following the 2016 general election. The new government embarked on growth spear-headed by the private sector. Restoration and maintenance of sustainable fiscal and macro-economic policies and the improving business-enabling environment paved the way for new investments into the country. The economy recovered in 2017 with the estimated GDP growth of 6.3% being the highest in recent times. This was anchored by recovery in non-oil sectors, lower inflation, and increased oil production especially from the TEN and Sankofa oil fields.

Exchange rates remained relatively stable with around 4% cumulative depreciation of the cedi against the dollar in 2017. Inflation rate and monetary policy rate also trended downwards with headline inflation declining year-on-year from 15.4% in 2016 to 11.6% in 2017 thereby creating room for monetary policy easing. The Bank of Ghana reduced the policy rate by 550 basis points to end the year at 20%.

The Banking sector witnessed two major developments during the year. First was the revocation of the licenses of two insolvent banks, UT Bank and Capital Bank in August 2017. In a Purchase and Assumption (P&A) transaction, Ghana Commercial Bank was given approval by the Bank of Ghana to take over selected assets and all deposits of the two banks. Following the P&A transaction, the number of licensed universal banks reduced to thirty-four (34). The second major development was the increase in the minimum capital requirement for banks from Ghs120 million to Ghs400 million, with banks given a deadline of 31 December 2018 to meet this new minimum capital level.

Chairman's Report continued

These two major developments form part of a holistic reform plan to further develop, strengthen and modernize the financial sector. As a fall out from these developments and other regulatory interventions, competition in the industry intensified as banks struggled to gain market share or at least defend their existing industry positions.

Technology: Disruptive Influences and Implications

Technology continues to be a key driver within our industry and a disruptive force. This change can have a transformational and positive impact, but only when the opportunities it brings are harnessed and exploited optimally. Across the world, every industry, from retail commerce to urban utilities such as taxi services to financial services, are being disrupted by technology. A new economy based on mobile devices is emerging, and Africa with the largest Internet user base in the world, is well-positioned for it.

We are seeing the increasing emergence of new technology-based businesses, driven by entrepreneurs who are capitalising on the opportunities of this new digital, mobile world. Financial Technology (FinTech) companies are changing the game, achieve lower operating costs and broad customer reach, becoming major disruptors within the banking industry today. In addition, what has been called the fourth industrial revolution seems imminent, with emerging technology breakthroughs in fields including artificial intelligence, Internet of Things, robotics, autonomous vehicles, 3-D printing, biotechnology, quantum computing, energy storage, and materials science.

We expect these developments to have a significant influence on customer expectations, product enhancement, collaborative innovation, and organisational forms. Undoubtedly, the global and local banking industries will be profoundly impacted. At UBA Ghana, we will continue to work in a manner which ensures that our business adapts and is positioned to benefit from this brave new world.

United Bank for Africa (Ghana) Financial Performance

The year 2017 was a challenging year. However, despite this backdrop, our Bank delivered a sterling performance in the financial year ended 31 December 2017. We recorded Ghs523 million in operating income (representing 22% year-on-year growth). This was achieved in spite of decline in total customer deposits largely due to the impact of regulatory changes and declining yields on treasury assets. These adverse conditions were partly offset by improved balance sheet efficiency, as our strategy of diversifying our deposit portfolio and our renewed focus on low cost deposits paid dividends. In addition, non-interest income increased by 37% year-on-year, further reducing the impact of the declining yields on treasury assets.

Our Bank managed its cost through the year, thus enhancing bottom-line earnings to deliver a profit before tax of Ghs315 million, which translates to 49% growth over our performance in 2016. Profit after tax grew from Ghs144 million to Ghs220 million representing a 53% growth over the same period. Return on average equity was an impressive 56% and shareholders' fund grew to Ghs549 million.

We have decided to retain all the profit for the year in view of the new minimum capital requirements and the increasing regulatory requirements under the upcoming Basel II guidelines. The higher capital base will also enable the Bank to take advantage of emerging growth opportunities and ultimately deliver compelling returns to shareholders in the years ahead.

Corporate Governance

During the year, UBA Ghana continued to adopt good corporate governance standards, consistent with mandatory legal and regulatory provisions. The Board through its Executive Committee also ensured good internal control processes as well as compliance with regulatory requirements and pronouncements. The Board and Management remain committed to upholding the highest corporate governance standards of transparency, accountability and utmost good faith.

In line with the Bank's corporate governance policy as regards the appointment and tenure of Board members, Mr. Alexander Mould resigned his appointment on the Board after serving the statutory tenure for non-executive directors. Alex, as he is fondly called, will be greatly missed for his selfless service, rich experience, valuable contributions to the Board and commitment to the Bank.

Corporate Social Responsibility

In line with our objective of giving back to the community, our Bank during the year continued the "Read Africa" initiative, by donating 2000 copies of literature books to Senior High Schools across the country. "Read Africa" is an initiative geared towards rekindling the dwindling reading culture amongst African youths. The Bank, with the endorsement of the Ghana Education Service, also organized the fourth edition of its national essay competition for children in second cycle institutions. Winners of the competition were awarded scholarships and educational packages. In terms of sports promotion, during the year, we sponsored the President's Cup organised by the Ghana League Clubs Association between Kumasi Asante Kotoko and Accra Hearts of Oak.

Outlook

The global outlook is for continued robust expansion in 2018 and 2019, with global growth revised up to 3.9 percent for both years. According to the IMF World Economic Outlook, the global growth forecasts reflect expectations that favourable financing conditions and strong sentiments will help maintain the recent acceleration in demand, especially in investments with a noticeable impact on growth in economies with large exports. Growth in emerging economies is also expected to pick up in 2018 driven mainly by the recovery in commodity prices, sustained growth in China and India, end of recession in large emerging economies such as Russia and Brazil, and a pickup in global trade.

The outlook for the Ghanaian economy remains very positive with the Ghanaian economy being tipped to be among the fastest growing in the world in 2018, with a forecast growth rate of 8%, on the back of increased oil and gas production and the positive effects of the government's macroeconomic and fiscal policies.Despite the positive outlook, challenges remain, including further containing inflation and strengthening and deepening the financial sector to lower interest rates. Ghana's economic performance over the medium term will, to a large extent, depend on the success of the economic stabilization program and sustenance of the Government's fiscal consolidation efforts. Ghana is also likely to face higher financing costs in both the domestic and external markets in the context of a strong U.S dollar and rising global bond yields.

In response to this economic outlook, we have taken steps to ensure the diversification of our revenue base while leveraging inherent opportunities for continuous revenue growth. We also continue to strengthen our risk management capabilities to ensure effective mitigation of existing and emerging risk factors in our operations. As we navigate the fast changing market place, we will continue to digitalise our core business, as we explore new means of reaching our customers. We are leveraging our investment in technology to deliver innovative products to both retail and corporate customers in diverse areas, including payments, remittance, collections and cash management.

We are confident in the ability and execution capabilities of Management and staff to deliver on our set goals. The Board, on its part, will sustain its effective oversight and strategic guidance to Management.

Appreciation

On behalf of the Board, I like to express sincere gratitude to all our stakeholders, especially esteemed customers, shareholders, Management and staff, who have been the force behind our success.

We shall continue to count on your support.

Thank you.

Managing Director's Report

Abiola Bawuah
MD/CEO

To all our Esteemed Stakeholders

I am pleased to present to you on behalf of the Board of Directors, highlights of our performance for the year ended 31 December 2017. 2017 was a remarkable year for the Bank and reaffirmed the resilience of our business model which was able to withstand the various macroeconomic headwinds and regulatory policy interventions during the course of the year.

Before delving into our financials, I will like to highlight our corporate priorities at the start of 2017 as well as the key events which shaped the industry and our Bank in the year.

2017 Strategic Objectives

At the beginning of the year, we defined a set of strategic imperatives to drive our vision of becoming a Systematically Important Bank (SIB) in Ghana. These strategic imperatives include:

- Putting the customer first always and consistently excelling in customer service.
- Optimising our digital banking capability through aggressive deployment of our digital banking solutions thereby consolidating our position as the industry's undisputed leader in digital banking.
- Driving a robust collections platform across the retail, corporate and public sector market space to complement our renewed focus on low cost deposits.
- Achieving aggressive revenue growth with minimal increase in costs by leveraging our existing operational platforms and executing high impact cost saving measures.
- Managing talent effectively to maximise employees' potential and make UBA a preferred employer of choice.

These strategic imperatives were designed with the aspiration of placing UBA within the top tier of banks in Ghana across all our target performance indicators. Stemming from the progress made on these key areas of priority in the past year, it is my belief that the Bank has laid a very strong foundation for achieving even better performance in 2018 and beyond.

The Operating Environment

The global economy continued to witness an upswing in economic activity with global output estimated to have grown by 3.7 percent in 2017 (compared to a growth of 3.1 percent in 2016). This upswing is attributed to an increase in business activities in the advanced economies especially in the euro area, Japan, China, emerging Europe and Russia;

and an upturn in commodity prices, especially crude oil prices, which in the second half of the year, benefitted from the extension of the OPEC agreement to limit oil production, and the geopolitical tensions in the Middle East. Modest recovery was also experienced in Sub-Saharan Africa, driven by increased oil production in Nigeria, easing of drought conditions in Eastern and Southern Africa, recovery in commodity prices and continued improvement in global conditions.

The developments in the external environment had positive implications for the domestic Ghanaian economy. GDP growth momentum was maintained throughout the year with provisional GDP estimates from the Ghana Statistical Service (GSS) indicating that the economy recorded growth of 9.3 percent in the third quarter, up from 9.0 percent and 6.6 percent in the second and first quarters of the year. Non-oil GDP which was slow in the first half of the year, picked up in the third quarter recording a 5.9 percent growth, compared to 4.0 and 3.9 percent respectively in the second and first quarters of 2017. Exchange rate remained relatively stable throughout the year as significant reserves build-up from improved balance of payments position provided additional capital buffers to the domestic currency market. Cumulatively, the Ghana cedi depreciated against the US dollar by 4.9 percent year-on-year, compared with 9.7 percent in 2016, which represented the strongest performance of the cedi against the US dollar in six years. The strong performance of the cedi was a reflection of the improvements in the macroeconomic fundamentals and foreign exchange inflows during the year.

Consumer price inflation broadly trended downwards in the course of the year, with inflation rate declining from 15.4 percent in December 2016 to 11.8 percent in December 2017, despite marginal upticks during the year. The decline in headline inflation was driven by non-food inflation which declined significantly from 18.2 percent in December 2016 to 13.6 percent in December 2017, supported by the relative stability of the exchange rate. In line with the gradual narrowing of the inflation gap, Monetary Policy Rate was reduced from 25.5 percent in December 2016 to 20.0 percent in December 2017. Consequently, interest rates on treasury securities largely declined in 2017, especially at the short end of the market. Interbank rates declined to 19.3 percent in December 2017 compared to 25.4 percent in December 2016. Benchmark treasury bill rates also declined significantly with the 91-day treasury bill rate dropping to 13.3 percent from 16.8 percent in December 2016 while the 182-day rate also declined to 13.8 percent against 18.5% in the previous year. Rates on the 1-year treasury notes also dropped to 15.0 percent from 21.5 percent in the same period.

Banking Industry Developments

The banking industry remained liquid, sound and profitable in 2017. According to data published by the Bank of Ghana, total banking sector assets increased by 14.8% year-on-year, from GHc81.22 billion in December 2016 to GHc93.22 billion at the end of December 2017, driven mainly by a 12.8% growth in industry deposits, from GHc 51.66 billion in December 2016 to GHc 58.28 billion in December 2017. Compared to 2016 however, total asset growth slowed down as growth in banks' gross loans and advances moderated from 17.6 percent in 2016 to 6.4 percent in 2017, on account of tightened credit stance due to high industry NPLs. Industry NPL ratio increased from 17.3 percent in December 2016 to 22.7 percent in December 2017. Other financial soundness indicators including liquidity and capital adequacy ratios however remained strong despite moderation in growth compared to 2016.

In the first half of the year, the Government of Ghana commenced implementation of the Treasury Single Account (TSA) which required banks to transfer the accounts of all government institutions to the Central Bank for ease of management and monitoring. This government policy initiative consequently reduced the deposit balances of some banks.

The Bank of Ghana revoked the licenses of two banks, UT Bank and Capital Bank during the year, citing severe capital impairment and insolvency. The regulator approved a Purchase and Assumption transaction which allowed Ghana Commercial Bank (GCB) take over selected assets and all deposits of the two dissolved banks, while the remaining assets and liabilities are to be realized and settled separately through a receivership process. The revocation of the licenses of UT and Capital Banks led to a reduction in the number of licensed banks in the industry to thirty-four (34). The Bank of Ghana further announced an increase in the minimum capital requirements for Banks, from GHc 120 million to GHc 400 million, as part of a holistic reform plan to further develop and modernize the financial sector to support the government's transformation agenda. The new minimum capital requirement comes into effect from 31 December 2018.

The increase in minimum capital of banks as well as the refinancing of the Energy Sector Debts through the issuance of bonds are major policies that are expected to ensure stability and soundness of the banking industry in the medium term.

Managing Director's Report continued

UBA Ghana's Performance for 2017

Financial Highlights

In the face of increasing competition, we leveraged our strong franchise to gain a better share of our existing customers' wallet while onboarding new customers. Our renewed focus on mobilising low cost stable deposits yielded moderate success as we leveraged our digital channels to grow our retail deposits. Though total deposits declined due to the implementation of Treasury Single Account (TSA), we grew low cost retail deposits by 30% to Ghc801 million, thereby partially mitigating the impact of the TSA implementation.

I am pleased to report a 22% year-on-year growth in operating income to GHc 522.5 million. It is satisfying that all our income lines recorded strong growth. Net interest income increased by 19% to GHc 451.04 million reflecting the efficiency of our balance sheet and the success of deliberate efforts to drive down our cost of funds. Equally importantly, the strong growth in transaction banking volumes buoyed the growth of our non-interest income lines which grew 37% year-on-year and represented 13% of our operating income. During the year, we made significant investments in our digital banking platforms and it is quite encouraging to see that these innovative channels are helping to reduce our cost-to-serve while also representing a strong income line for the Bank.

Overall, the Bank grew profit before tax by 50% to GHc 314.95 million reflecting our improved productivity and efficiency gains. We closed the year with profit after tax of GHc 219.97 million, which translates to an impressive 56.2% return on average equity and 6.6% return on average assets. These indicators further emphasize the efficiency of our operations and the resilience of our profitability. Our shareholders' funds also increased by 67% to GHc 548.77 million as a fall-out from our decision to retain our earnings to further grow our business and ultimately deliver compelling returns to shareholders in the years ahead.

Awards

In recognition of the UBA's leadership role in the financial services industry, the Bank received the following awards during the year:

- Best Bank, Product Innovation and Services at the Ghana Banking Awards.
- Best Bank in Risk Management at the Chief Finance Officers Awards.

Branch Network

During the year, we added one branch (Tarkwa) to our branch network thereby increasing our physical footprint in Ghana to 28 branches. While we will continue to strategically expand our physical distribution coverage through branches, we will also leverage our electronic self-service channels as a convenient value proposition and cost efficient alternative to our network of brick and mortar branches.

Strategic Imperatives for 2018

The key strategic imperatives defined in 2017 remain the major thrust for our actualisation of our aspiration to be a Systematically Important Bank (SIB) in Ghana. In addition to these strategic imperatives however, our key priorities for 2018 include:

- Focusing business development efforts on selected key sectors of the economy while also targeting their value chain.
- Profitably leading in the digital banking space by supporting digitisation and automation of processes in selected sectors, with collections and payments products.
- Becoming the leading bank in trade in Ghana.
- And above all, putting the customer first always and consistently creating value for our stakeholders.

It is my firm belief that unwavering execution of these key imperatives will position the Bank to fulfil the expectations of all our stakeholders in 2018.

Conclusion

We approach 2018 with strong optimism especially as the outlook remains positive in our market. Our goal remains to consolidate on the gains made over the last few years and strengthen our position as one of the dominant financial institutions in Ghana. Our business will continue to be done in the most ethical and transparent manner, building on the trust of our stakeholders over the years.

On behalf of the Board, I would like to appreciate our customers for their continued loyalty and belief in us to serve and meet their banking needs and our stakeholders for the unwavering support to the Bank's Board and executive management team. Finally, I would also like to thank our employees for their continued commitment and dedication to the Bank.

Thank you.

Ghana Economic Report

Ghana's economic growth in 2017 improved significantly relative to the economic growth recorded in the preceding year and outperformed its target by 1.6 percentage points. Ghana's GDP is estimated to grow by 7.9% in 2017 compared to 3.7% growth recorded a year earlier; thus 4.2 percentage points improvement (Ghana's Budget Statement, 2018). With estimated population of about 29.2 million, Ghana's per capita income is projected to end 2017 at US$ 1,708 (GHS7,541) relative to US$ 1,481 (GHS6,220) recorded a year earlier.

According to Ghana's 2018 Budget Statement, Ghana's overall fiscal deficit improved markedly to an estimated 6.5% of GDP on cash basis against a target of 7.5% in 2017 and better than 8.7% fiscal deficit recorded in 2016. The estimated 2.2 percentage points reduction overall fiscal deficit on cash basis is anchored fiscal discipline, improved oil and domestic tax revenues as well as conscious steps taken by Government of Ghana to contain expenditure overruns.

Consequently, Ghana's trade balance improved significantly and recorded 2.3% of GDP surplus in 2017 compared to 4.2% of GDP deficit recorded a year earlier predicated on 23.5% increase in Ghana's export proceeds during the period. Subsequently, Ghana's Net International Reserves in 2017 improved to 2.5 months import cover compared to 2.0 months import cover achieved in 2016. Owing to these, Ghana's debt-to-GDP decreased from 73.3% recorded a year earlier to an estimated 70% at the end of 2017 financial year; an indication of slowdown in debt accumulation in 2017.

Interest rates

Interest rates generally responded positively to the improved economic conditions, subdued inflationary pressures and relative stability in the value of Ghana Cedi in 2017. The Central Bank of Ghana subsequently responded to the positive economic indices and reduced monetary policy rate by 550 basis points to 20.0% in 2017 from 25.5% recorded at the end of 2016. Invariably, average interbank lending rates declined by 592 basis points and stood at 19.34% at the end of 2017 from 25.26% recorded at the same period a year earlier on the back of 5.3 percentage points decline in board money supply (M2+). Consistently, average lending rate decreased by 2.4 percentage points to end 2017 at 29.3% relative to 31.7% recorded at the end of 2016. The 91 and 182 day Treasury bill rates declined by 348 and 472 basis points to record 13.33% and 13.78% respectively while, the 1- year fixed note rate also declined by 650 basis points to end the year at 15.0% in 2017.

Exchange rates

Though Ghana's Cedi fell against the major trading currencies in 2017, it performed better against the US dollar than it managed a year earlier. The Cedi depreciated against the US dollar by 4.9% in 2017 compared to 9.6% depreciation it managed in 2016 on the interbank market. It however depreciated by 16.2% in the same period to the Euro compared to 6.4% depreciation it recorded in 2016 and also depreciated by 12.9% against the Pound Sterling in 2017 compared to 8.3% appreciation it managed in 2016. The relative improvement in the Cedi's performance against the US dollar in 2016 is attributed to significant improvement in Ghana's Overall Balance of Payment from a surplus position of 0.6% of GDP in 2016 to a surplus position 2.3% of GDP at the end of 2017 on the back of improved trade balance position that moved from USD1,773.3 million deficit a year earlier to USD1,067.6 million surplus at the end of 2017, resulting in 18.44% and 24.13% improvement in gross and net international reserves over the positions recorded at the end of 2016 respectively.

Inflation

Headline inflation decreased by 3.3 percentage points and stood at 11.8% at the end of 2017 relative to the 15.4% recorded a year earlier. The 3.3 percentage points decline in 2017 headline inflation reflected the policy tightness, relative stability in the value of the Ghana Cedi, improved energy supply and food production output as well as the whooping 16.5 percentage points decline in reserve money supply and marked improvement in Ghana's GDP estimates for 2017.

The Banking Sector Performance

Total Assets of the Ghanaian Banking System improved from GHS 82.6 billion at the end of 2016 to GHS 93.2 billion in 2017 which represents 12.83% year-on-year growth compared to 30.4% recorded during the same period a year earlier. Industry's total advances subsequently improved to GHS 37.7 billion at the end of 2017 up from GHS 35.6 billion recorded a year earlier; an increase of 5.9% in 2017 compared to 18.3% recorded in 2016 accounted for by 5.3 percentage points decline in total liquidity (M2+). The 5.9% annual growth in total advances was mainly funded from GHS 5.6 billion increase in the industry's total deposits which stood at GHS 58.3 billion at the end of 2017 compared to GHS 52.7 billion recorded at the end 2016.

The Banking Industry's Capital Adequacy Ratio stood at 18.0% at the end 2017 marginally up from 17.9% recorded at the end of 2016. Though the Industry's CaR marginally improved, it remains financially sound to create additional assets since the 18.0% capital adequacy ratio recorded far exceed the regulatory 10% capital requirement.

Invariably, the quality of the industry's advances further worsened during 2017. Industry's total non-performing loans ratio rose to 22.7% at the end of 2017 up from 17.3% recorded at the end of 2016 while NPLs excluding the loss category also deteriorated to 10.6% at close of 2016 from 8.4% recorded a year earlier. The decline in industry's assets quality is largely associated with the industry's exposure to Bulk Oil Distribution Companies and Energy Sector debts.

UBA Ghana's Performance

UBA Ghana remains a major force in the Ghanaian Banking System though its balance sheet size declined in 2017. UBA Ghana's balance sheet size declined by 20.83% in 2017 and ended the year at GHS 2.96 billion. The 20.83% decline in UBA Ghana's total balance size corresponded with 30.26% decline in total customer deposits that closed 2017 with GHS 2.07 billion.

Though UBA Ghana's balance sheet size and customer deposits declined markedly in the year under review, it closed 2017 with an improved operating income of GHS 522.50 million up from GHS 430.60 million recorded a year earlier. It is imperative to note that UBA Ghana's Risk and Medium-term strategies softened the downside effect of BDCs debt portfolio on profit before taxes and ended 2017 financial year with an impressive 49.47% improvement in profit before tax and closed the year at GHS 314.95 million relative to its balance sheet size.

Consequently, UBA Ghana managed to improve its shareholders wealth by a whopping 66.56% to close the year with GHS 548.77 million. UBA Ghana's resolve to operate 100% dividend retention in 2017 further enhances the bank's capacity to meet the required GHS 400 million regulatory capital announced by Bank of Ghana within the stipulated period at ease on its own balance sheet. The Bank also closed the year with capital adequacy ratio of 30% higher than the industry's average of 17.9%.

Ghana's Economic Outlook (2018)

The Ghanaian economy has been projected by World Bank to be the fastest growing economy worldwide with an impressive 8.3% real GDP growth rate in 2018 up from 7.9% growth (IMF & Ghana's Budget Statement, 2017) estimated for 2017 on the back of the projected 9.4% growth in the industrial sector (championed by 28.9% projected growth in revenue from the upstream petroleum subsector). Meanwhile, Ghana fiscal challenges, the external environment and significant tax cuts pose major risk to realization of Ghana's forecasted GDP growth in 2018.

According to World Bank, Ghana's debt is estimated to reduce by 3.9 percentage points and hover around 66.1% of GDP in 2018 relative to the estimated 70% debt-to-GDP ratio in 2017 and 73% debt-to-GDP ratio recorded in 2016 predicated on prudent management of the Ghanaian economy during the period. The significant reduction in annual debt accumulation to 13.58% during the first three quarter of 2017 from 36% debt accumulation rate over the four years to 2017 affirms the fact that Ghana's debt servicing burden shall reduce further envisaged by 41.9% debt servicing ratio projected for 2017 down from 45% recorded in 2016. Though declining, debt servicing shall remain a major challenge to Government of Ghana's fiscal operations in 2018 and could drain the fiscal space if not prudently managed.

The rising economic activity around the world, strong demand for transportation fuel and growing petrochemical industry are the drivers behind OPEC's expectation that global oil consumption forecasted at 98.6 million bpd in 2018 would be exceeded but expects crude oil prices to average at $62/b in 2018 and 2019. OPEC expects nations outside to pump a total 59.26 million bpd this year, 320,000 bpd higher than its earlier forecast for the period to meet the anticipated demand. Out of the additional 320,000 bpd to be pumped to meet demand, OPEC expects 2018 US supply half of the total forecasted demand globally.

In the medium term, Ghana's economic growth is projected to average 6.2% between 2018 and 2021 anchored on improved oil production, tightly controlled expenditure, improved revenue mobilization and efficiency measures, industrialization drive as well as planned investments in modernizing Agriculture. Likewise, current declining trend in interest and inflation rates are expected to remain unchanged with medium term inflation target of 8±2%, overall fiscal deficit target to remain within the fiscal rule of 3-5%, primary balance of 2.0% and gross international reserves of at least four (4) months import cover in the medium term while the Ghana Cedi is projected to remain relatively stable against major trading currencies.

Digital Banking Report

United Bank for Africa (Ghana) Limited, with a track record of creating innovative products and services for her customers, has become a trusted leader as a providers of digital financial solutions and services in Ghana.

With a group-wide culture for innovation and a deep commitment to superior technology, UBA is progressively dominating the Ghanaian digital banking market. The bank's prowess in continuous innovation and product improvement was further attested to by the award of Product and Services Innovation at the 16th Edition of the 2017 Ghana Banking.

We are continually increasing the width and depth of our product offering with the pivotal view of improving our customer experience, empowering with convenient options and speed without compromising security. In line UBA Ghana is the first financial institution in Ghana to obtain the Payment Card Industry Data Security Standard (PCI-DSS) certification.

UBA is driving digital financial services across all platforms namely mobile, web, social media platforms, Point of Sale Terminals, Automated Teller Machines among others as we deliver banking on customers' terms.

UBA's Business Direct is a web-based platform designed to give our Corporate Institutions safeguarded access to their accounts and other accounts at other banks. It is an integrated single sign-on product suite, through which corporate institutions are provided with cash management and transaction banking services including payments, collections, liquidity management, corporate mobility, balance reporting, cash flow forecasting, e-treasury among others.

UBA continued to work with relevant stakeholders to deliver the value on B-Tracking platform which provides the Controller and Accountant General's Department (CAGD) an unparalleled access to financial information on all government accounts within the Ghanaian banking system.

The Bank is also leading the vanguard empowering businesses, both private and public entities, with the ability to facilitate cashless collections leverage on our secure Point of Sale devices (POS) and web acquiring platforms. Our platforms accept local and international cards as well as mobile money payments online.

Our solutions offer protection with 3D security (MasterCard secured code & Verified by VISA) which protects our merchants and cardholders. We offer convenient hosted online payment solution called Instant Bills Pay which allows small and large scale merchants receive online payment without hassle.

As a value added service, we offer an easy-to-use, cost effective Salary Administration/Payroll processing and Human Resource management solution. From this platform, employees are able to access staff portal to manage their staff profile, generate pay slips, manage leave application, staff training programs, etc.

We deliver the power of choice to our retail and corporate customers with a wide variety of card products including VISA, MasterCard and Ezwich as pre-paid, debit and quasi-credit card programs.

UBA prepaid cards is an essential companion of every traveller with acceptance on over 1.5 million ATMs, web and POS both locally and internationally. It is a card you can obtain without the need for a bank account and the added convenience to load on the go. Our trendy SmartMoney card offers unparalleled value as well as a mobile app for millennials and the young at heart.

UBA U-Advance Credit Card avails 40 percent of salary in advance to customers with their salary account with UBA on a revolving basis. The convenient of being able to access pay advance on the go on a 24 7 basis on the UBA U-Advance Credit Card is second to none.

Our Internet Banking platform allows the account holder a 24/7/365 web access to their bank account to initiate instant, realtime interbank and intrabank transfers, bill payment, statement download, cheque book request and many more. Transaction Alert gives our customers a report of all transactions on their account on social media, email and SMS. Our all new UBA Mobile Banking App provides a self-enrolment process and convenient access to variety of great financial service on the go via mobile phone and tablets.

Further on the Mobile Money front, UBA continues to work with the Mobile Money platforms in the country namely MTN Mobile Money, Airtel/Tigo Cash and Vodafone Cash to drive financial inclusion and delivery of simple but value adding solutions. We have collaborated with the mobile money networks to facilitate disbursement, collections and other innovative services for our corporate and retail customers.

Future Outlook

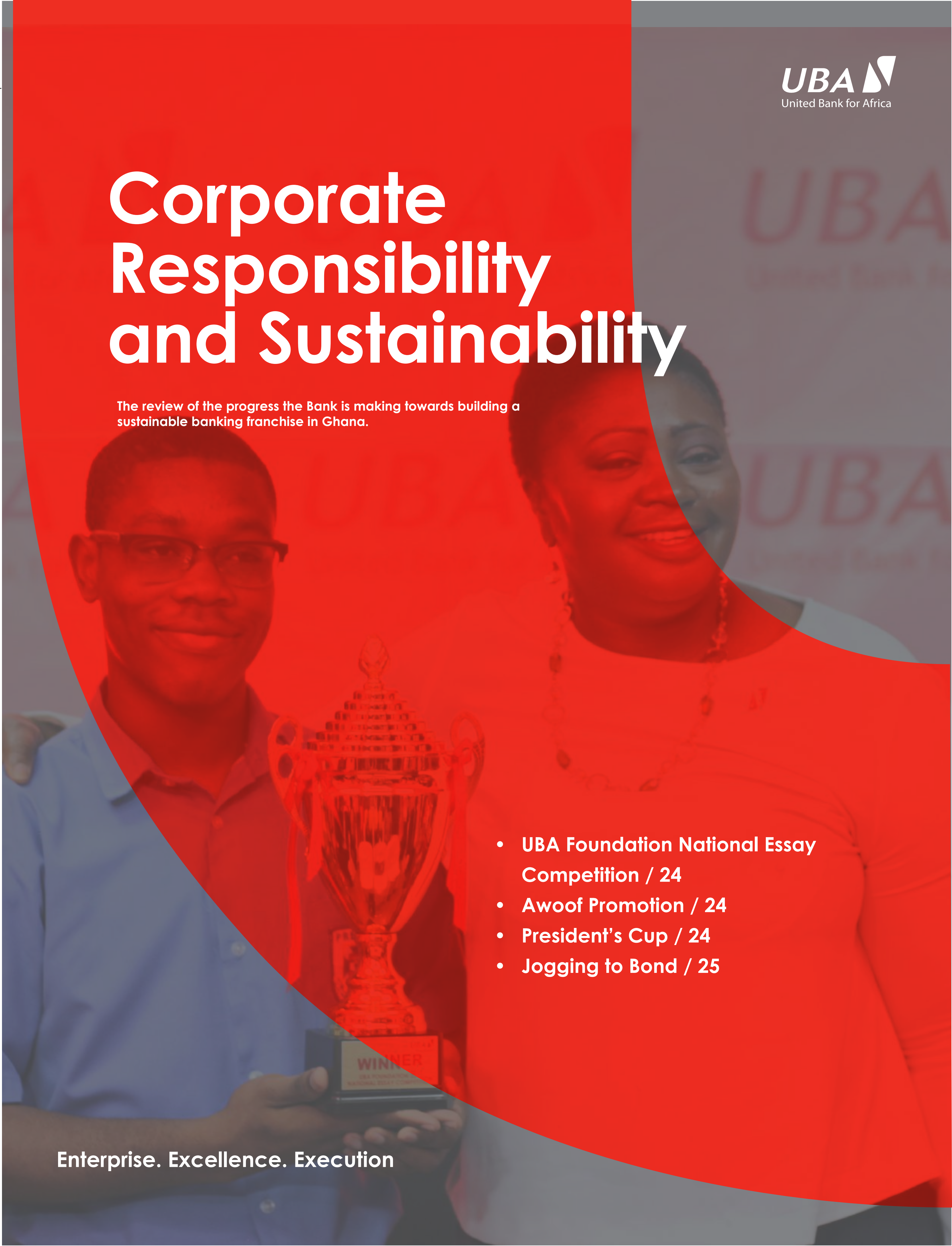
Customers remain the cornerstone of our digital banking strategy to dominate the African digital banking space; compelling us to constantly seek for new and innovative ways to deliver exceptional banking service that add value to our customers every day. Delivering delightful experience for every customer on a customised personal basis across every touch point with UBA – mobile or web; virtual or physical; agency point or UBA business offices.

With the passion of remaining the leading digital banking service providers in the country, we realize the necessity of not limiting our end to end digital banking products to only individual and corporate customers but also building on strategic alliances and partnership.

We are working with strategic financial aggregators, agent network managers and financial technology companies (FinTech) to further enhance value to our customer and make our financial services available to the last man in the remotest village in Ghana.

UBA Ghana believes that digitally delivering exceptional customer experience via its product innovation, research and development would continue to be pivotal and remains the most important asset in the quest to stay ahead of the market.

In sustaining this digital revolution which has taken absolute charge of banking, we will continue to work hard by being aggressive in capturing the market by providing customer friendly services.



UBA
United Bank for Africa

Corporate Responsibility and Sustainability

The review of the progress the Bank is making towards building a sustainable banking franchise in Ghana.

Enterprise. Excellence. Execution

United Bank for Africa (Ghana) Limited– an inspiration to the development of Ghana

The customer at the centre of it all

The year 2017 was rewarding for all of UBA stakeholders. We delighted our customers and football fans with the President Cup between Asante Kotoko and Hearts of Oak, picked our 12th winner of our Essay Competition, and presented the three bedroom house at the East Legon Hills to the winner of our Awoof promotion - Mr. Anthony Mensah. Our focus was coiled around our customers: it was an opportunity to say another thank you

UBA Foundation National Essay Competition

The Grand Final of the United Bank for Africa Foundation National Essay Competition was held on Tuesday, 16th January, 2018 at the Bank's Corporate Headquarters at Heritage Towers, Ridge, Accra, Ghana, with 16 year old Jason Emmanuel K. Asante Ghansah from Presbyterian Boys Senior High School emerging as winner. The 4th Ghana edition brought together 12 finalists from seven different schools across Ghana and was met with intense competition and bragging rights at the head office of UBA Ghana from among the 12 finalists who fiercely vied for the ultimate.

Students from Ola Senior High School, Wesley Girls' High School; Keta Senior High Tech School, WBM Zion Senior High School; KNUST Senior High School, Presbyterian Boys' Senior High School, Legon and Aburi Girls' Senior High School were in the finals with Aburi Girls' entering with three students, two from Wesley Girls and two from Ola Senior High School, with the rest presenting one student each.

Mr. Jason Emmanuel K. Asante Ghansah from Presbyterian Boys Senior High School received an amount of $5,000.00 and a trophy as wining prize, whiles Wesley Girls' Senior High School's, Appiah Maame Anokyewah Antwi Ekua and Yasmeen Quartey emerged first and second runners-up receiving $3500 and $2000 respectively. The cash prize serves as an educational grant for the winners to study in any African university of their choice.

The fourth edition of the competition makes it 12, the number of students the UBA Foundation will be taking care of at the tertiary level. UBA is fully committed to this and it remains our priority to continue with this part of our contribution to society. Thank you to our major stakeholders, the Ministry of Education and the Ghana Education Service for their continuous support.

Each of the 12 finalists was given a UBA branded Laptop to go home with as a token for the bold step they took and to encourage them and others to participate anytime there is such an opportunity.

Awoof Promotion

On 30th May, 2017 Mr. Anthony Mensah, the ultimate winner of the nine-month UBA Awoof promotion, a customer of Madina Business office, was handed over the keys to a 3 bedroom house at the East Legon Hills.

The loyalty promotion was part of sustenance strategies by UBA to commemorate the bank's 10 years of service celebrations in Ghana. Close to 100 varying customers across Ghana won various prizes in the two preceding draws. Items such as air conditioners, television sets, online shopping vouchers and GHC60,000 cash prizes were given away by UBA to these revered customers.

At a colourful ceremony held in Accra at the actual premises of the detached house, in the plush vicinity of East Legon Hills, Mr. Anthony Mensah, accompanied by his wife, three children, brother and work colleagues was full of surprise and appreciation to the management of UBA for staying true to their words and delivering the house in good time.

By giving away a three bedroom house, UBA reiterated our commitment to the growth of our customers. We are the first, true and only top tier bank that would have given out a 3-bedroom apartment in the vicinity of the most admired East Legon Hills. Thank you to the management of Mobus Property Holdings Ltd. for their keen partnership.

President's Cup

One of the major occurrences in the country that UBA partook in was the Republic Day President's Cup. After the Awoof promotion which rewarded Mr. Anthony Mensah with the three bedroom plush house at the East Legon Hills, customers asked what again to expect. At the United Bank for Africa, we are motivated by constantly staying in touch with our customers and looking out for several ways to reward them for their loyalty and the answer was our partnership with the Ghana League Clubs Association (GHALCA) for the President's Cup game between the two most glamorous clubs in Ghana- Asante Kotoko and Hearts of Oak.

This event is organized on July 1 every year to honour the sitting President of the Republic of Ghana and also to commemorate the attainment of full Republican status of Ghana. It was a great opportunity for UBA Ghana to have a foot print on the passion of the nation by connecting millions of football fans on the match day in Ghana and across the globe.

Jogging to Bond

The jogging to bond has become a tradition for the staff of UBA. At every quarter, the staff gather all around the country to jog and bond. Professionals are hired to take staff through a healthy exercise, play soccer and other board games to bond. The camaraderie that comes with the games is incredible.

Four of these were held in 2017 with the Group Managing Director of UBA Plc, Mr. Kennedy Uzoka gracing the opening jogging to bond with other Anglophone CEOs and top executives. The final jogging to bond which was the family edition was held at the Lizzy Sports Complex together with Pulse Fitness on Saturday, 2nd December, 2017 with the theme "One Team, One Goal". Prior to the games, staff from all the 19 business offices of the Bank in Accra embarked on a jogging exercise through some principal streets of the East Legon community in Accra.

Staff of the bank competed in sporting disciplines, including tennis and football; particularly penalty shoot-outs where the MD of UBA Ghana, Mrs Abiola Bawuah scored her first ever penalty kick. Other side attractions were dance aerobics, spinning and gym works.

The fun games were simultaneously organised in all regions of the country where UBA operates and it continues this year.


UBA Africa Day


Abiola Bawuah receiving "Most Outstanding Female in Banking" award


President Nana Addo Dankwah Akuffo Addo, with Mr. Tony Elumelu,Chairman, UBA Plc


UBA Staff


President Cup-Asante Kotoko warming up


WInner of UBA Foundation Essay Competition, Jason Asante Ghansah with UBA MD Mrs Abiola Bawuah and Dr. Mrs Angela Tena Mensah


President Cup-Hearts of Oak warming up

Anthony Mensah, Winner of Awoof promotion


UBA Africard
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UBA
4000 1234 5678 9010
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KOFI ASIEDU
VISA
Gold
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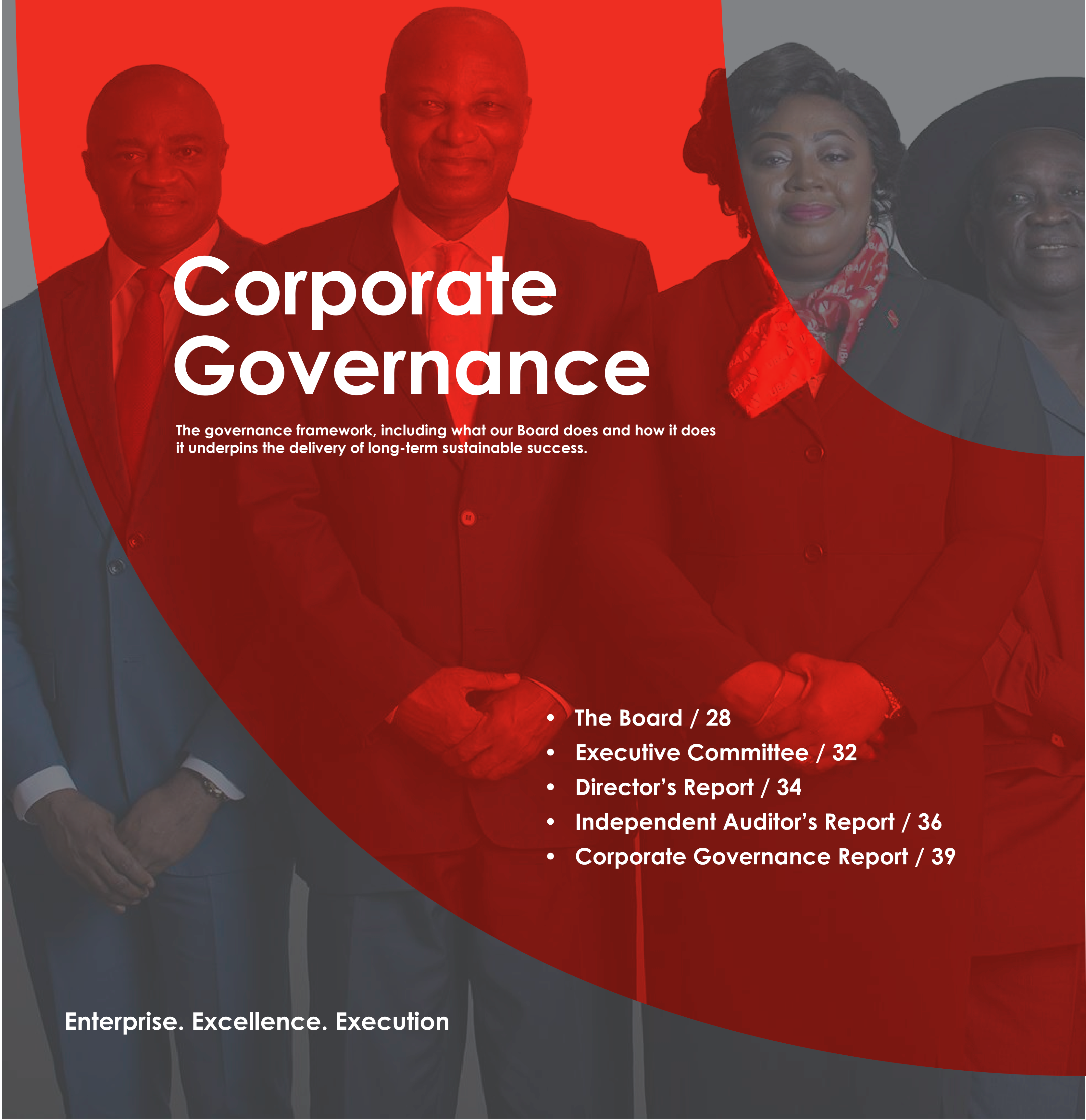


Corporate Governance

The governance framework, including what our Board does and how it does it underpins the delivery of long-term sustainable success.

Enterprise. Excellence. Execution

Board of Directors

Directors' Profiles

Kenneth Chikezie Orji
Chairman

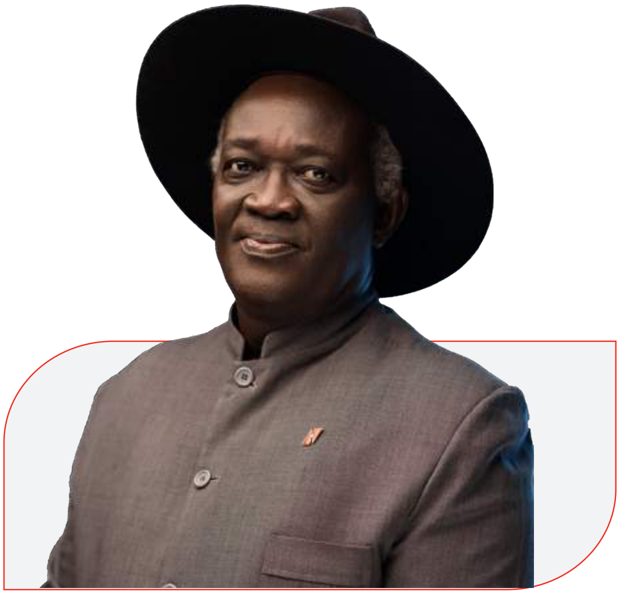
Mr. Orji was educated at University of Ibadan, Nigeria where he was a J. F. Kennedy Scholar, having emerged national first place winner of the John F. Kennedy Memorial Essay Contest, organized by the US Government. He graduated with BSc Hons. and was awarded the Sir James Robertson Prize and Medal for Outstanding Performance in Economics. He also obtained MSc Accounting and Finance from London School of Economics and attended Harvard Business School (Program for Management Development). Mr. Orji has over 33 years' experience, primarily in banking and finance, human capital development, consulting and advisory services. He began his banking career at International Merchant Bank Limited, Nigeria (affiliate of First National Bank of Chicago). He then moved to Diamond Bank Limited where he was General Manager and Head of Divisions responsible for Corporate Banking, Commercial and Consumer Banking, Treasury, Investment Banking, Energy Unit, Project Finance, Public Sector, Private Banking, Strategic Planning, Financial Control, Risk Management and Systems/Technology. He contributed to major innovations in the Nigerian banking industry and was involved in national policy development as a pioneer member of the Nigerian Economic Summit Group and the Technical Committee of Nigeria's Vision 2010 project. Mr. Orji is currently Chairman/CEO of Centennial Capital Limited and Director of several companies

Abiola Bawuah
MD/CEO

Mrs. Marufatu Abiola Bawuah has enormous experience in retail banking and marketing. She holds a BSc in Actuarial Science from the University of Lagos, Nigeria, an LLB with honors from the University of London, a diploma in Marketing from GIMPA and an EMBA (Finance) from the University of Ghana and also has numerous leadership qualifications from Harvard Business School, Columbia, University of New York, INSEAD and Institut Villa Pierrefeu in Switzerland. At the 2016 Chartered Institute of Marketing Ghana Awards, she was adjudged the "CIMG Marketing Woman of the Year" and subsequently went on to win the "Finance Personality of the Year Award" at the Ghana Accountancy and Finance Awards barely two months after. Mrs Bawuah is part of the Woman Rising inspiring list of the Top 50 Women Corporate Leaders in Ghana. Again, she was adjudged by the Chief Finance Officers (CFO) in 2016 as "Woman of Excellence in Finance". In 2017, she was crowned as "Female Expatriate CEO of the Year by the Millennium Excellence Foundation for her hard work, achievements and contribution to Ghana. Mrs. Abiola Bawuah is the MD/CEO of UBA Ghana.

Soni Anwal
Deputy Managing Director

Mr. Anwal comes with over 20 years of banking experience and has spent the latter years of this experience in target marketing. Prior to his appointment as Deputy Managing Director, Mr. Anwal was the Regional Bank Head for United Bank for Africa Plc in Lagos, Nigeria. Between 2009 and 2011, he was the Managing Director for UBA (Sierra Leone), where he provided leadership for the day to day running of the bank. He has worked in various capacities in Nigeria's financial services industry where he acquired strong strategic management, leadership, marketing and people skills. Mr. Anwal is a senior executive with international experience in retail banking, business strategy, credit risk and analysis, relationship management and general banking. He is highly skilled at building and leading strong teams to meet set objectives. Mr. Soni Anwal obtained an MSC degree in Economics from the Enugu State University of Science and Technology Business School in Nigeria.



Professor Kwamena Ahwoi
Non-Executive Director

Professor Ahwoi is a Hertford College, Oxford University Scholar and a University of Ghana Scholar. He holds a Bachelor of Civil Law (BCL) and a Bachelor of Law (LL.B.) respectively from the two universities. He was a lecturer in Law at the Faculty of Law of the University of Ghana, Legon, before joining the Government of the Provisional National Defence Council in 1982. Mr. Ahwoi was PNDC Secretary (Minister) of Local Government from 1988 to 1993. In 1997/98, Professor Ahwoi had the unique distinction of holding both the Local Government and Foreign Affairs ministerial portfolios simultaneously. He has considerable international experience in the area of local government and decentralization. As a legal academic, Professor Ahwoi's passion was Jurisprudence. His seminal article on "Kelson, the Grund Norm and the 1979 Constitution" published in the University of Ghana Law Journal is still compulsory reading in the course on the "Pure Theory of Law" at the University of Ghana Law Faculty. At GIMPA, where he is currently a Professor of Governance, he has written and published extensively on local government and Decentralization.

Samuel Ofori-Adjei
Non-Executive Director

Mr. Ofori-Adjei is an educationist and the current Headmaster of Accra Academy Senior High School. In addition to serving on the Board of UBA Ghana, Mr. Ofori-Adjei also serves as the Board Chairman for the Teachers Fund and is a Member of the Ghana National Committee of the West African Examinations Council. He is president of the Conference of Heads of Assisted Secondary Schools (CHASS) Mr. Ofori-Adjei holds a Bachelor of Arts degree and a Master's degree in Public Administration.

Oliver Alawuba
Non-Executive Director

Mr. Alawuba has over twenty years' experience in the banking industry and academia. His extensive banking experience cuts across such areas as investment, retail and commercial banking, corporate finance as well as project management. Oliver was an Executive Director at Finbank, Nigeria Plc prior to his appointment as Managing Director for UBA Cote d'Ivoire Plc in 2010, and subsequently as the Managing Director for UBA Ghana in 2011. Oliver has a Master's degree in Banking and Finance from the Olabisi Onabanjo University, Nigeria and an MSc in Food Technology from the University of Ibadan, Nigeria. He is an alumnus of the AMP and SEP programmes of the prestigious Insead Business School and London Business School respectively.

Ebele Ogbue
Non-Executive Director (Appointed June 7, 2017)

Ebele holds a B.Sc (Honours) degree in Accounting from the University of Lagos and an MBA (IT & Management) from CASS Business School London.His professional career started at Price Waterhouse in 1991 before his foray into banking, where he has spent the last two decades working at international banks such as, Citibank and Standard Chartered Bank, before joining UBA in 2004. His banking experience spans various areas of banking from Asset Based Finance to core Corporate Banking and Trade Finance. Prior to his current role, he was MD/CEO, UBA Capital Europe Limited and the pioneer MD/CEO, UBA Liberia.

Kwamena Bartels *
Non-Executive Director
Received Bank of Ghana's approval on 3rd January 2018

Hon. Kwamena Bartels is an astute politician, and a lawyer by profession. His experience spans both the private and public sectors as well as on the international scene. He served in different ministerial portfolios in the NPP Government of 2000-2004 and 2004 to 2008. Apart from his ministerial duties, he served as Member of Parliament for the Ablekuma-North Constituency from 1997 to 2008. Mr. Bartels graduated from the University of Ghana with an LLB (Honours) degree and was called to the Bar in 1974. He also has a Post-Graduate Certificate in Personnel Administration from the Ghana Institute of Management and Public Administration and Post-Graduate Certificate in University Administration from University of Ife in Nigeria. He was Principal Assistant Registrar and Principal Lecturer at the Anambra State Polytechnic, Oko in Nigeria.

Alexander K. Mould
Former Non-Executive Director
Retired August 12, 2017

Executive Committee

Adedayo Adesipo
Chief Operating Officer

Adedayo Marcus Adesipo is the Chief Operating Officer for UBA Ghana Ltd. He started his Banking career in Nigeria with the defunct Crystal Bank of Africa Ltd; and was a pioneering staff of Standard Trust Bank Plc before its merger with United Bank for Africa Plc. He is an astute Banker with 25 years' experience spanning all areas of branch banking operation. He has also served and overseen the Banks Operations Directorate at Zonal, Regional and Group levels. He has a Bachelor of Science degree in Fisheries Management with a Post graduate Diploma in Management.

Nkechi Akunyili
WAMZ Treasurer

Nkechi Akunyili is a Treasury and Business Development professional. She has a Bsc. in Economics from UNN, Nigeria and Msc in Finance and investment from university of Exeter UK. Nkechi has over 20 years banking experience spanning across treasury and capital risk management, Business development, portfolio management, project finance, investment analysis and corporate finance. Since the commencement of her Treasury career in 1998, Nkechi has made tremendous impact in Nigeria and Ghana markets, having pioneered market developments in both markets and other English speaking West African countries as the Regional Treasurer for WAMZ.

Olayiwola Sofolahan
Chief Risk Officer

Layi holds a BSc Accounting Degree from Obafemi Awolowo University Ile-Ife Nigeria, an MSc Development Finance from University of Ghana Legon and is also a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN). He has over 19 years Banking experience covering the entire spectrum of Risk Management. He was with UBA Group Risk Management in Lagos Nigeria before his secondment to UBA Ghana.

Johnson Olakunmi
Head, Digital Banking

Johnson is directly involved in the deployment and marketing of various customized digital banking and other product offerings to corporate and retail customers. He has over sixteen years banking experience, majorly in managerial capacity, with in-depth knowledge and understanding of the dynamics of banking business and operations in Ghana and Nigeria. He Holds a BSC-First Class Honours, in Banking and Finance from the University of Ado-Ekiti with a Master's degree in Business Administration (MBA) from the University of Ghana, Legon. Johnson is a Certified Information System Auditor (CISA) and a certified strategist with Meirc Professional Certification (MPC). He has attended various training in Europe, Middle East and Africa including an Executive Education Program at the London Business School.

Jocelyn E. Ackon
Head, Human Capital Management

Jocelyn has a first and second degree in Human Resource Management as well as a Post Graduate Diploma in Organisation Development. Jocelyn has been in Human Resource Management practice for over 14 years, with the greater part in management. Her experience in Human Resource Management covers diverse sectors such as Transportation, Pharmaceutical and Banking.

Evans Amenyo Sallah
Head, Internal Control

Evans is a result oriented young man with over ten years banking experience. He has expertise in information security, risk management, internal control and audit. He joined United Bank for Africa (Ghana) Limited in 2007 as an Information Systems Auditor and holds a BSc. (Hons) degree in Computer Science from the Kwame Nkrumah University of Science and Technology. Evans is a member of the Information Systems Audit and Control Association (ISACA) and holds international certifications in Information Systems Auditing (CISA) and Information Security Management (CISM).

Chiedu Okonta
Country Chief Inspector

Chiedu, a Fellow of the Institute of Chartered Accountants of Nigeria and holder of Executive MBA from the prestigious Lagos Business School, with Second Class Upper BSc. Honours in Accounting. He has vast post qualification experience that spans over 23 years, most of which were in UBA in various leadership positions covering several aspects of banking. Chiedu has used his Strategic Management experience to add immense value to the Bank since resumption at UBA Ghana as the Country Chief Inspector.

Kwame Aduansere
Head, IT

Kwame is an Information Technology professional with over 12 years banking experience. He joined UBA from Zenith Bank Ghana Ltd where he served in various senior IT roles. He has extensive experience and deployed major IT infrastructure solutions, core banking solutions and electronic banking systems. He holds a BSc. in Computer Science from Kwame Nkrumah University of Science and Technology (KNUST), a member of the International Information Systems Security Certification Consortium (ISC2) and Information Systems Audit and Control Association (ISACA) with various international professional certifications including Certified Information Security Manager (CISM), Certified in Risk and Information Systems Control (CRISC) and Certified Information Systems Security Professional (CISSP).

Philip Odoom
Head, Compliance/AMLRO

Philip is a Chartered Accountant and a member of Association of Chartered Certified Accountants. He is an associate member of Association of Certified Fraud Examiners. He holds first degree in Bachelor of Commerce (B.COM) from the University of Cape Coast. He has over 10 years banking experience covering Audit, Internal Controls and Compliance and Anti-Money Laundering/Counter Financing of Terrorism function. He has knowledge and understanding of applicable banking operations and Anti-Money Laundering/ Counter Financing of Terrorism laws, regulations and international best standards.

Mr. Peter Dery
Head, Wholesale Banking

Mr Peter Dery has enormous wealth of experience in Corporate Banking as well as Credit Management. His experience in the sector through various roles span over a decade. He holds a BSc degree in Banking & Finance from University of Ghana, an MBA (Project Management) from Ghana Institute of Management and Public Administration (GIMPA). He has worked as Director, Sales & Relationship Management at Standard Chartered Bank Ghana Limited; where he played key role in driving liabilities and assets growth and was credited with significant achievements. Prior to that, he served as Head of High Value Small Businesses in the SME Segment of the Bank. Before joining Standard Chartered Bank, he worked at CAL Bank as a Relationship Manager and credit Analyst and has participated in various leadership and Training programmes. In 2017, he was appointed as Head, Wholesale Banking, at United Bank for Africa (Ghana) Limited.

Ugochukwu Abanum
Chief Finance Officer

Ugochukwu is a Chartered Accountant and an Associate of the Institute of Chartered Accountants of Nigeria (ICAN). He holds a Bsc. in Estate Management from Obafemi Awolowo University, Ile- Ife, Nigeria and an MBA from Warwick Business School, Coventry, England. An ICAN merit award winner, Ugochukwu is a seasoned financial expert with over ten years experience spanning audit and assurance, financial control and reporting, performance management, regulatory reporting and stakeholder management. Prior to his current role, he was Head of Financial Reporting at UBA Plc. Before joining UBA Group in 2014, he worked with the audit division of KPMG Nigeria.

Valerie Ackwerh
Ag. Head, Legal

Valerie started her legal profession from Sam Okudzeto & Associates, then joined Access Bank (Ghana) Limited as a Legal Officer. She also acted as Secretary to the Board of Directors. Prior to her appointment with UBA Ghana, she was Head, Legal & Company Secretary of Pan-African Savings and Loans, an affiliate of Ecobank Ghana Limited.

Having worked in different Administrative roles in both Ghana and the United Kingdom. She holds a postgraduate diploma in Legal Practice from the University of Law (Birmingham, United Kingdom) and a Qualifying Certificate of Law from the Ghana School of Law. She graduated from the University of Wales (Swansea) with a Joint Honours degree in Law and Psychology.

Directors' Report

In accordance with the requirements of Section 132 of the Companies Act 1963 (Act 179), we the Board of United Bank for Africa (Ghana) Limited (the 'Bank') submit herewith the Annual Report on the state of affairs of the Bank for the year ended 31 December 2017.

Statement of directors' responsibilities

The Companies Act 1963 (Act 179) requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Bank as at the end of the financial year and of the operating results of the Bank for that year.

It also requires the directors to ensure that the Bank keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Bank. They are also responsible for safeguarding the assets of the Bank.

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Companies Act 1963 (Act 179) and the Banks and Specialised Deposit-Taking Institutions Act 2016 (Act 930). This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and the requirements of the Companies Act 1963 (Act 179) and the Banks and Specialised Deposit-Taking Institutions Act 2016 (Act 930). The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Bank and of its operating results. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the Bank will not remain a going concern for at least the next twelve months from the date of this statement.

Head Office

The Bank is a subsidiary of United Bank for Africa Plc of Nigeria.

Principal activity

The principal activity of the Bank during the year continues to be banking and finance.

Directors

The names of the directors who served during the year are provided on Page 88 of this report.

No director had a material interest, at any time during the year, in any contract of significance, other than a service contract with the Bank.

Overview
Business Review
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Directors Report (Continued)

(All amounts are expressed in Ghana cedis unless otherwise stated)

Financial report and dividend

The financial results are set out below:

	2017	2016
Operating income	**522,501,860**	429,270,312
Profit before tax	**314,953,921**	210,716,743
From which is deducted:		
Income tax expense and national fiscal stabilization levy	**(94,985,941)**	(66,624,584)
Leaving a net profit after tax of	**219,967,980**	144,092,159
Which is to be added to the amount brought forward from the previous year of	**34,678,268**	40,802,146
Making a total of	**254,646,248**	184,894,305
Out of which is deducted:		
Transfer to statutory reserve fund of	**52,648,517**	(52,648,517)
Transfer to credit risk reserve fund of	**(27,495,997)**	(18,011,520)
Dividend declared	**-**	(79,556,000)
Leaving a net balance on the income surplus account of	**279,798,768**	34,678,268

Auditor

The Auditors, Messrs PricewaterhouseCoopers have served the Bank for six years and in line with the provisions of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) will not seek re-appointment. A resolution will be proposed at the Annual General Meeting for the appointment of new Auditors and to authorise the Directors to determine their remuneration.

On behalf of the Board

Director
Kenneth Orji
Chairman
20 March 2018

Director
Abiola Bawuah
MD/CEO
20 March 2018

Independent Auditor’s Report to the members of United Bank For Africa (Ghana) Limited

Report on the Audit of the Financial Statements

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of United Bank for Africa (Ghana) Limited as at 31 December 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 1963 (Act 179) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

What we have audited

We have audited the financial statements of United Bank for Africa (Ghana) Limited (the “Bank”) for the year ended 31 December 2017.

The financial statements on pages 42 to 84 comprise:

- the statement of financial position as at 31 December 2017;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters

Key audit matter	How our audit addressed the key audit matter
Impairment provisions on loans and advances to customers of GH¢176,043,688 Impairment allowances represent management’s best estimate of the losses incurred within the loan portfolio at the reporting date. The directors make judgements over both the timing of recognition of impairment and the estimation of any such impairment. Specific impairment is determined on an individual basis for significant loans and requires judgement to determine when an impairment event has occurred and then to estimate the expected future cash flows related to that loan. Collective impairment allowances are calculated on portfolio of non-significant loans of similar nature together with the performing significant exposures (exposures with no indication of impairment) using models that rely on assumptions such as the historical loss rate which is a function of the probability of default and the loss given default. The key assumptions used in the impairment models are: - those relating to the valuation of the collateral securities used and their realisation periods (time to collect proceeds from the collateral securities), - the emergence period (average period for impairment triggers or hidden loss events to be identified in a loan portfolio), - the loss given default (percentage exposure at risk that is not expected to be recovered in an event of default), and - the probability of default (estimate of the likelihood that a borrower will be unable to meet their debt obligations over a particular time horizon). The accounting policies, critical estimates and judgements and impairment charge are set out in notes 2.7, 6, and 22 to the financial statements.	We updated our understanding of and evaluated key controls within the loan origination, approval, monitoring and recovery processes. We tested management process for the identification of impaired loans including the design and operating effectiveness of the controls over impairment data and calculations. For individually calculated impairment, we tested the loans and advances for which impairment triggers have been identified to assess whether the loss event (that is the point at which impairment is recognised) had been identified appropriately. We examined a sample of loans and advances which had not been identified by management as potentially impaired and formed our own judgement. For specific impairment charges on individual loans, we tested the compilation of impaired loans, key assumptions applied such as the realisation period and those relating to the valuation of collateral securities and comparing estimates to external evidence where available. For collective impairment, we tested the appropriateness of the model used to determine the charge by reference to the Bank and market experience, the identification of loans to be included in the model and the key assumptions applied such as the emergence period, the loss given default and the probability of default.

Other information

The directors are responsible for the other information. The other information comprises the Report of the Directors, Shareholder Information and the Value Added Statement but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report and the Overview Report, Strategy and Business Review Report, Chairman's Statement, Managing Director's Report, Responsibility and Sustainability Report and the Corporate Governance Report which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Overview Report, Strategy and Business Review Report, Chairman's Statement, Managing Director's Report, Responsibility and Sustainability Report and the Corporate Governance Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 1963 (Act 179) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Bank or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's

Independent Auditor's Report to the members of United Bank For Africa (Ghana) Limited (Continued)

report. However, future events or conditions may cause the Bank to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and have communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

The Companies Act, 1963 (Act 179) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

ii) in our opinion proper books of account have been kept by the Bank, so far as appears from our examination of those books; and

iii) the balance sheet (statement of financial position) and profit and loss account (part of the statement of comprehensive income) are in agreement with the books of account.

In accordance with section 85(2) of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) we hereby confirm that:

i) in our opinion, the accounts give a true and fair view of the state of affairs of the Bank and the results of operations for the period under review;

ii) we were able to obtain all the information and explanations required for the efficient performance of our duties as auditor;

iii) in our opinion, the Bank's transactions were within its powers

iv) in our opinion, the Bank has, in all material respects, complied with the provisions of this Act; and

v) in our opinion, the Bank has in all material respects complied with the provisions of the Anti-Money Laundering Act, 2008 (Act 749) (as amended), the Anti Terrorism Act, 2008, (Act 762) and the Regulations made under these enactments.

The engagement partner on the audit resulting in this independent auditor's report is Michael Asiedu-Antwi (ICAG/P/1138).

PricewaterhouseCoopers

PricewaterhouseCoopers (ICAG/F/2018/028)
Chartered Accountants
Accra, Ghana
23 March 2018

Corporate Governance Report

United Bank for Africa (Ghana) Limited is strongly committed to corporate governance practices and ensures that these are upheld in all facets of the Bank's operations. The importance of governance is premised on the importance UBA Ghana accords to its relationships with its regulators, stakeholders and the public as a whole.

The Bank has structures and processes set out in its regulations and policies, including the Board's Governance Charter which guarantee transparency and accountability.

The Board of Directors

The mandate of the Board of Directors is to act on behalf of the shareholders in the overall interest of UBA Ghana and its stakeholders and is accountable to the shareholders.

The Board provides overall guidance and policy direction and provides oversight in the Bank's strategic direction, policy formulation and is the ultimate decision making body of the Bank.

The UBA Ghana Board has seven (7) members made up of four (4) Non-Executive Directors, two (2) Executive Directors and an Independent Non-Executive Director who is also the Chairman.

They are:

- Mr. Kenneth C. Orji - Independent Non-Executive Director (Chairman)
- Mrs. Abiola Bawuah - Managing Director/CEO
- Mr. Soni Anwal - Deputy Managing Director
- Mr. Samuel Ofori-Adjei - Non-Executive Director
- Prof. Kwamena Ahwoi - Non-Executive Director
- Mr. Oliver Alawuba - Non-Executive Director
- Mr. Ebele Ogbue - Non-Executive Director

The Directors are people of very high integrity, with extensive knowledge in management, governance and expertise in the financial industry which equips them to make informed decisions relating to the Bank's performance.

In the performance of its mandate, the Board has delegated some of its specific authorities to three (3) Board Committees to discharge its responsibilities. It has also delegated some of its decision-making authority to Executive Management specified in the Executive Management Charter.

The Board evaluates itself on an annual basis.

Board Governance and Finance Committee

The Chairman of the Board Governance and Finance Committee is Mr. Oliver Alawuba a Non-Executive Director. The other members are Mr. Samuel Ofori-Adjei, Mrs. Abiola Bawuah and Mr. Soni Anwal.

The Committee met four (4) times in the year-ended 2017.

The purpose of the Board Governance and Finance Committee includes the following:

- Discharge the Board's responsibilities with regard to strategic direction and budgeting
- Provide oversight on financial matters and the performance of the Bank
- Review and approve UBA Ghana policies of a financial and general nature
- Make financial and investment decisions within its approved limits on behalf of the Board
- Establish procedures for the nomination of Directors
- Advise and recommend to the Board the composition of the Board
- Review and evaluate the skills of members of the Board
- Advise the Board on corporate governance standards and policies
- Review and approve all human resources and governance policies for UBA Ghana
- Recommend the organization structure of UBA Ghana to the Board for approval.

Board Credit and Risk Management Committee

Prof. Kwamena Ahwoi a Non-Executive Director, is Chairman of the Board Credit and Risk Management Committee. The other members of the Committee are Mr. Oliver Alawuba and Mr. Ebele Ogbue who are all Non-Executive Director and the Managing Director/ CEO, Mrs. Abiola Bawuah.

The Committee met four (4) times in the year ended December, 2017.

The purpose of the Committee includes but not limited to the following:

- Discharging the Board's risk management responsibilities as defined in UBA Ghana's Risk policies and in compliance with regulation, law and statute.
- Discharging the Board's responsibilities for information technology (IT) governance and ensuring it aligns with UBA Ghana's objectives, enables the business strategy, delivers value and improves performance.
- Reviewing and assessing the integrity and adequacy of the overall risk management function of UBA Ghana.
- Reviewing the adequacy of UBA Ghana's capital (economic, regulatory and escalator) and its allocation to UBA Ghana's business.
- Reviewing risk limits and periodic risk and compliance reports and making recommendations to the Board.

Board Audit Committee

The Board Audit Committee is made up of four (4) Non-Executive Directors and is chaired by a Non-Executive Director, Mr. Samuel Ofori-Adjei. The other members are, Prof. Kwamena Ahwoi, Mr. Oliver Alawuba and Mr. Ebele Ogbue.

The Committee met four (4) times in the year ended December, 2017.

The purpose of the Board Audit Committee includes the following:

- Monitoring and assessing the overall integrity of the financial statements and disclosures of the financial condition and results of operations of UBA Ghana.
- Monitoring management's responsibilities to ensure that an effective system of financial and internal controls are in place.
- Assisting the Board in discharging its responsibilities on Information Technology (IT) as it relates to financial reporting and the status of the company as a going concern.
- Monitoring and evaluating on a regular basis the qualifications, independence and performance of the External Auditors and the Internal Audit and Control Department.
- Monitoring processes designed to ensure compliance by UBA Ghana with respect to all legal and regulatory requirements, including disclosure controls and procedures and the impact (or potential impact) of developments related thereto.

Internal Control

UBA Ghana recognizes the importance of the Internal Control function in the Bank's overall operations and has put in place control systems to ensure that the Bank's operations are carried in a safe and effective manner.

Anti-Money Laundering

The Board and Management of UBA Ghana are committed to upholding all the laws and regulations regarding Anti-Money Laundering. Staff are continuously trained on the provisions of the Bank's anti-money laundering policies as well as the Anti-Money Laundering Act, 2008 (Act 749) and the Anti-Laundering (Amendment) Act, 2014 (Act 874) to ensure strict compliance to these laws and regulations.

Financials

The statutory financial statements of the Bank and associated audit report.

Enterprise. Excellence. Execution

Statement Of Comprehensive Income

(All amounts are expressed in Ghana cedis unless otherwise stated)

	Note	2017	2016
Interest income	7	**598,816,871**	640,176,495
Interest expense	8	**(147,776,137)**	(262,492,166)
Net interest income		**451,040,734**	377,684,329
Fee and commission income	9	**45,978,504**	31,779,956
Fee and commission expense	9	**(1,262,517)**	(1,022,073)
Net fee and commission income		**44,715,987**	30,757,883
Net trading income	10	**26,726,294**	20,329,077
Other operating income	11	**20,055**	499,023
Net trading and other income		**26,746,349**	20,828,100
Operating income		**522,503,070**	429,270,312
Net impairment loss on financial assets	12	**(34,478,405)**	(86,648,507)
Personnel expenses	13	**(44,869,080)**	(42,474,461)
Depreciation and amortisation	14	**(3,558,339)**	(2,900,106)
Other expenses	15	**(124,643,325)**	(86,530,495)
Profit before tax		**314,953,921**	210,716,743
Income tax expense	17	**(94,985,941)**	(66,624,584)
Profit after tax		**219,967,980**	144,092,159
Other comprehensive income			
Fair value loss on available-for-sale financial assets		**(676,234)**	-
Total comprehensive income for the year		**219,291,746**	144,092,159
Basic and diluted earnings per share	16	**0.06**	0.04

The notes on pages 46 to 84 are an integral part of these financial statements

Statement Of Financial Position

(All amounts are expressed in Ghana cedis unless otherwise stated)

	Note	2017	2016
Assets			
Cash and cash equivalents	19	**538,466,380**	707,575,260
Non pledged trading assets	20	**-**	616,400
Investment securities	21	**1,257,684,598**	1,128,439,566
Loans and advances to customers	22	**1,098,846,411**	1,845,645,572
Other assets	23	**36,025,822**	42,555,462
Property and equipment	24	**28,850,322**	13,994,907
Intangible assets	25	**1,135,576**	1,181,108
Income tax asset	17	**-**	570,660
Deferred tax asset	18	**2,261,926**	2,186,757
Total assets		**2,963,271,035**	3,742,765,692
Liabilities			
Customer deposits	26	**2,073,671,821**	2,973,611,756
Deposits from banks	27	**255,599,382**	286,059,609
Other liabilities	28	**76,596,769**	152,933,004
Current tax liability		**8,085,891**	-
Deferred tax liability	18	**543,201**	679,098
Total liabilities		**2,414,497,064**	3,413,283,467
Shareholders' funds			
Stated capital	29	**74,659,061**	74,659,061
Income surplus		**279,798,768**	34,678,268
Credit risk reserve	5	**-**	52,648,517
Fair value reserve	33	**(676,234)**	-
Statutory reserve	30	**194,992,376**	167,496,379
Shareholders' funds		**548,773,971**	329,482,225
Total liabilities and shareholders' funds		**2,963,271,035**	3,742,765,692

The financial statements on pages 42 to 84 were approved by the Board of Directors on 20 March 2018 and were signed on its behalf by:

Mr. Kenneth Orji
(Chairman)

Abiola Bawuah
(MD/CEO)

Statement Of Changes In Equity

(All amounts are expressed in Ghana cedis unless otherwise stated)

For the year ended 31 December 2017

	Note	Stated capital	Income surplus	Statutory reserves	Regulatory credit risk reserve	Fair value reserve	Total
At 1 January 2017		**74,659,061**	**34,678,268**	**167,496,379**	**52,648,517**	**-**	**329,482,225**
Profit for the year		**-**	**219,967,980**	**-**	**-**		**219,967,980**
Other comprehensive income		**-**	**-**	**-**	**-**	**(676,234)**	**(676,234)**
Total comprehensive income		**-**	**219,967,980**	**-**	**-**	**(676,234)**	**219,291,746**
Transfer to statutory reserve	**30**	**-**	**(27,495,997)**	**27,495,997**	**-**	**-**	**-**
Transfer to credit risk reserve	**5**	**-**	**52,648,517**	**-**	**(52,648,517)**	**-**	**-**
At 31 December 2017		**74,659,061**	**279,798,768**	**194,992,376**	**-**	**(676,234)**	**548,773,971**

For the year ended 31 December 2016

	Note	Stated capital	Income surplus	Statutory reserves	Regulatory credit risk reserve	Fair value reserve	Total
At 1 January 2016		74,659,061	40,802,146	149,484,859	-	-	264,946,066
Profit for the year		-	144,092,159	-	-	-	144,092,159
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income		-	144,092,159	-	-	-	144,092,159
Transaction with equity holders							
Dividend declared	**31**	-	(79,556,000)	-	-	-	(79,556,000)
Total transaction with equity holders		-	(79,556,000)	-	-	-	(79,556,000)
Transfer to statutory reserve	**30**	-	(18,011,520)	18,011,520	-	-	-
Transfer to credit risk reserve	**5**	-	(52,648,517)	-	52,648,517	-	-
At 31 December 2016		74,659,061	34,678,268	167,496,379	52,648,517	-	329,482,225

The notes on pages 46 to 84 are an integral part of these financial statements

Statement Of Cash Flows

(All amounts are expressed in Ghana cedis unless otherwise stated)

	Notes	2017	2016
Cash flows from operating activities			
Profit for the year		**314,953,921**	210,716,743
Adjustments for:			
Depreciation and amortisation	14	**3,558,339**	2,900,106
Impairment charge on loans to customers	12	**33,791,239**	86,648,507
Impairment charge on accounts receivable	23	**739,151**	-
Gain on disposal of property and equipment	24	**(1,210)**	(125,470)
Write-off of property and equipment	24	**150,128**	-
		353,191,568	300,139,886
Change in operating assets and liabilities			
Change in mandatory reserve deposits		**89,993,994**	(217,567,179)
Change in loans and advances to customers		**746,799,161**	(1,081,035,734)
Change in investment securities		**(156,640,442)**	979,902,835
Change in other assets		**6,529,640**	2,426,920
Change in deposits from banks		**(30,460,227)**	(13,499,597)
Change in deposits from customers		**(899,939,935)**	1,206,327,569
Change in other liabilities		**3,219,765**	70,717,363
Income tax paid		**(86,315,045)**	(52,986,091)
Net cash from operating activities		**26,378,479**	1,194,425,972
Cash flows from investing activities			
Purchase of property and equipment	24	**(17,959,411)**	(6,186,197)
Proceeds from sale of property and equipment	24	**1,210**	125,470
Purchase of intangible assets	25	**(558,939)**	(625,070)
Net cash used in investing activities		**(18,517,140)**	(6,685,797)
Cash flows from financing activities			
Dividend paid	31	**(79,556,000)**	(39,038,006)
Net cash used in financing activities		**(79,556,000)**	(39,038,006)
Net (decrease)/increase in cash and cash equivalents		**(71,694,661)**	1,148,702,169
Cash and cash equivalents at 1 January		**1,381,162,529**	232,460,360
Cash and cash equivalents at 31 December	19	**1,309,467,868**	**1,381,162,529**

The notes on pages 46 to 84 are an integral part of these financial statements

NOTES

1. REPORTING ENTITY

United Bank for Africa (Ghana) Limited ("the Bank") is a limited liability company and is incorporated and domiciled in Ghana. The registered office is Heritage Towers, Ambassadorial Enclave, Accra. The Bank operates under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). The Bank is a subsidiary of United Bank for Africa Plc of Nigeria and provides retail, corporate banking and investment banking services.

The financial statements for the year ended 31 December 2017 was approved for issue by the Board of Directors on 20 March 2018. Neither the entity's owners nor others have the power to amend the financial statements after issue.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The Bank's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements have been prepared under the historical cost convention, except for Available-for-sale financial assets which are measured at fair value. Additional information required under the Companies Act, 1963 (Act 179) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) have been included, where appropriate.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise judgement in the process of applying the Bank's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 6.

2.2 Changes in accounting policies and disclosures

(a) New standards, amendments and interpretations adopted by the Bank

The Bank considered for application, certain standards and amendments which are effective for annual periods beginning on or after 1 January 2017. However, these standards and amendments as detailed below, do not significantly impact the financial statements of the Bank. The nature and the impact of each new standards and amendments are described below:

Amendments to IAS 12, Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify the accounting treatment for deferred tax assets of debt instruments measured at fair value for accounting but measured at cost for tax purposes and confirmed that a temporary difference exists whenever the carrying amount of an asset is less than its tax base at the end of the reporting period. The adoption of this amendment did not have a material impact on the Bank's financial statements.

Amendments to IAS 7, Statement of Cash Flows: Disclosure Initiative

The IASB issued amendments to IAS 7 Statement of Cash Flows with the intention to improve disclosures of financing activities and help users to better understand the reporting entities' liquidity positions. Under the new requirements, entities are required to disclose changes in their financial liabilities as a result of financing activities such as changes from cash flows and non-cash items (e.g. gains and losses due to foreign currency movements). The adoption of this amendment did not have a material impact on the Bank's financial statements.

(b) Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective as at 31 December 2017 are disclosed below. The Bank intends to adopt these standards, if applicable, when they become effective.

IFRS 9 Financial Instruments

IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, as well as new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018.

In 2017, the Bank set up a multidisciplinary implementation team with members from its Risk Management, Finance and Operations teams to prepare for IFRS 9 implementation. The initial gap analysis and financial impact assessment was completed in September 2017. The Bank has also carried out an impact assessment using its audited numbers as at 31 December 2017. Based on the assessment carried out, the impact of the application of IFRS 9 is as follows:

Classification and Measurement

From a classification and measurement perspective, IFRS 9 requires all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics. The IAS 39 measurement categories will be replaced by: fair value through profit or loss (FVPL), fair value through other comprehensive income (FVOCI), and amortised cost. IFRS 9 will also allow entities to continue to irrevocably designate instruments that qualify for amortised cost or fair value through OCI instruments as FVPL, if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Equity instruments that are not held for trading may be irrevocably designated as FVOCI, with no subsequent reclassification of gains or losses to the income statement.

The accounting for financial liabilities will largely be the same as the requirements of IAS 39, except for the treatment of

NOTES (CONTINUED)

2. Summary of significant accounting policies continued

2.2 Changes in accounting policies and disclosures (continued)

(b) Standards issued but not yet effective (continued)

Classification and Measurement (continued)

gains or losses arising from an entity's own credit risk relating to liabilities designated at FVPL. Such movements will be presented in OCI with no subsequent reclassification to the income statement, unless an accounting mismatch in profit or loss would arise.

Having completed its initial assessment for classification and measurement under IFRS 9, the Bank has concluded that except for the change in name of the classes of financial assets and liabilities, there were no changes in the measurement basis of these financial assets and liabilities as indicated below.

Financial assets and liabilities	IAS 39 classification	IFRS 9 classification	Measurement under IAS 39 & IFRS 9
Cash and cash equivalents	Loans and receivables	Hold to collect	Amortised cost
Available for sale financial assets	Available-for-sale	Available-for-sale	Fair value
Held to maturity investments	Held to maturity	Hold to collect	Amortised cost
Loans and advances	Loans and receivables	Hold to collect	Amortised cost
Other assets	Loans and receivables	Hold to collect	Amortised cost
Deposits from banks	Financial liabilities - other	Financial liabilities - other	Amortised cost
Deposits from customers	Financial liabilities - other	Financial liabilities - other	Amortised cost
Borrowings	Financial liabilities - other	Financial liabilities - other	Amortised cost
Other liabilities	Financial liabilities - other	Financial liabilities - other	Amortised cost

Impairment of Financial Assets

IFRS 9 will also fundamentally change the loan loss impairment methodology. The standard will replace IAS 39's incurred loss approach with a forward-looking expected loss (ECL) approach. The Bank will be required to record an allowance for expected losses for all loans and other debt financial assets not held at FVPL, together with loan commitments and financial guarantee contracts. The allowance is based on the expected credit losses associated with the probability of default in the next twelve months unless there has been a significant increase in credit risk since origination, in which case, the allowance is based on the probability of default over the life of the asset.

In preparation for implementation of IFRS 9, the Bank has established a policy to perform an assessment at the end of each reporting period to determine whether credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

To calculate ECL, the Bank will estimate the risk of a default occurring on the financial instrument during its expected life. ECLs are estimated based on the present value of all cash shortfalls over the remaining expected life of the financial asset, i.e., the difference between: the contractual cash flows that are due to the Bank under the contract, and the cash flows that the Bank expects to receive, discounted at the effective interest rate of the loan.

In comparison to IAS 39, the Bank expects the impairment charge under IFRS 9 to be more volatile than under IAS 39 and to result in an increase in the total level of current impairment allowances. The Bank will categorise its loans into Stage 1, Stage 2 and Stage 3, based on the applied impairment methodology, as described below:

Stage 1 – Performing loans

When loans are first recognised, the Bank will recognise an allowance based on 12-month expected credit losses. This will also be applicable to financial assets that are not considered to have suffered a significant increase in their credit risk since the end of the previous reporting period.

Stage 2 – Underperforming loans

When a loan shows a significant increase in credit risk, the Bank will record an allowance for the lifetime expected credit loss. The Bank will consider whether there has been a significant increase in credit risk of an asset by comparing the lifetime probability of default upon initial recognition of the asset against the risk of a default occurring on the asset as at the end of each reporting period. In each case, this assessment will be based on forward-looking assessment that takes into account a number of economic scenarios, in order to recognise the probability of higher losses associated with more negative economic outlooks. In addition, a significant increase in credit risk will be assumed if the borrower falls more than 30 days past due in making its contractual payments.

NOTES (CONTINUED)

2. Summary of significant accounting policies (continued)

2.2 Changes in accounting policies and disclosures (continued)

Impairment of Financial Assets (continued)

When estimating lifetime ECLs for undrawn loan commitments, the Bank will estimate the expected portion of the loan commitment that will be drawn down over the expected life of the loan commitment and calculate the present value of cash shortfalls between the contractual cash flows that are due to the entity if the holder of the loan commitment draws down that expected portion of the loan and the cash flows that the entity expects to receive if that expected portion of the loan is drawn down. For financial guarantee contracts, the Bank will estimate the lifetime ECLs based on the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the guarantor expects to receive from the holder, the debtor or any other party. If a loan is fully guaranteed, the ECL estimate for the financial guarantee contract would be the same as the estimated cash shortfall estimate for the loan subject to the guarantee.

Stage 3 – Impaired loans

The Bank will recognise the lifetime expected credit losses for these loans. Financial assets will be included in Stage 3 when there is objective evidence that the loan is credit impaired. The criteria of such objective evidence are the same as under the current IAS 39 methodology. Accordingly, the Bank expects the population to be generally the same under both standards. The impairment calculation will be the same as for Stage 2 loans with the probability of default set to 100%. When forbearance results in the derecognition of the original loan, the new loan will be classified as originated credit-impaired. Other than originated credit-impaired loans, loans will be transferred from out of Stage 3 if they no longer meet the criteria of credit-impaired after a probation period of not more than two years.

Other financial assets

The Bank will record impairment for FVOCI debt securities, depending on whether they are classified as Stage 1, 2, or 3, as explained above. However, the expected credit losses will not reduce the carrying amount of these financial assets in the statement of financial position, which will remain at fair value. Instead, an amount equal to the allowance that would arise if the asset were measured at amortised cost will be recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss.

For 'low risk' FVOCI debt securities, the Bank will apply a policy which assumes that the credit risk on the instrument has not increased significantly since initial recognition and will calculate ECL as explained in Stage 1 above. Such instruments will generally include traded, investment grade securities where the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Bank will not consider instruments to have low credit risk simply because of the value of collateral. Financial instruments are also not considered to have low credit risk simply because they have a lower risk of default than the Bank's other financial instruments.

Forward-looking information

The Bank will incorporate forward-looking information in both the assessment of significant increase in credit risk and the measurement of ECLs. Forward-looking information such as macroeconomic factors (e.g., unemployment, GDP growth and interest rates) and economic forecasts will be considered. To evaluate a range of possible outcomes, the Bank intends to formulate three scenarios: a base case, a worse case and a better case. The base case scenario represents the more likely outcome resulting from the Bank's normal financial planning and budgeting process, while the better and worse case scenarios represent more optimistic or pessimistic outcomes. For each scenario, the Bank will derive an ECL and apply a probability weighted approach to determine the impairment allowance.

The additional impairment the Bank would have recognised as at 31 December 2017 if IFRS 9 were used is as follows:

Financial impact assessment

Financial Assets	IFRS 9	IAS 39	Difference
	GH¢	GH¢	GH¢
Loans and advances	197,146,549	176,043,688	21,102,861
Letters of credit, guarantees and undrawn commitments	8,997,902	-	8,997,902
Investment securities	282,395	-	282,395
Other assets	739,151	739,151	-
	207,165,997	176,782,839	30,383,158

NOTES (CONTINUED)

2. Summary of significant accounting policies (continued)

2.2 Changes in accounting policies and disclosures (continued)

(b) Standards issued but not yet effective (continued)

IFRS 15, 'Revenue from contracts with customers'

In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers, effective for periods beginning on 1 January 2018 with early adoption permitted. IFRS 15 defines principles for recognising revenue and will be applicable to all contracts with customers. However, interest and fee income integral to financial instruments and leases will continue to fall outside the scope of IFRS 15 and will be regulated by the other applicable standards (e.g., IFRS 9, and IFRS 16 Leases).

Revenue under IFRS 15 will need to be recognised as goods and services are transferred, to the extent that the transferor anticipates entitlement to goods and services. The standard also specifies a comprehensive set of disclosure requirements regarding the nature, extent and timing as well as any uncertainty of revenue and the corresponding cash flows with customers. Management assessed the impact of IFRS 15 and given the revenue streams and type of operations of the Bank, concluded that IFRS 15 will not have any material impact on its results and financial position.

IFRS 16, 'Leases'

The IASB issued the new standard for accounting for leases - IFRS 16 Leases in January 2016. The new standard does not significantly change the accounting for leases for lessors. However, it requires lessees to recognise most leases on their balance sheets as lease liabilities, with the corresponding right-of-use assets. Lessees must apply a single model for all recognised leases, but will have the option not to recognise 'short-term' leases and leases of 'low-value' assets. Generally, the profit or loss recognition pattern for recognised leases will be similar to today's finance lease accounting, with interest and depreciation expense recognised separately in the statement of profit or loss.

IFRS 16 is effective for annual periods beginning on or after 1 January 2019. Early application is permitted provided the new revenue standard, IFRS 15, is applied on the same date. Lessees must adopt IFRS 16 using either a full retrospective or a modified retrospective approach. The Bank does not anticipate early adopting IFRS 16 and is currently evaluating its impact.

2.3 Foreign Currency Translation

(a) Functional and presentation currency

Items included in the Bank's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

The financial statements are presented in Ghana Cedi, which is the Bank's functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. The Ghana Interbank Exchange rates are used to translate foreign currency items into the functional currency.

Monetary items denominated in foreign currency are translated using the closing rate as at the reporting date. Non-monetary items measured at historical cost denominated in a foreign currency are translated with the exchange rate as at the date of initial recognition; non-monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

2.4 Sale and repurchase agreements

Securities sold subject to repurchase agreements ('repos') are reclassified in the financial statements as pledged assets when the transferee has the right by contract or custom to sell or repledge the collateral; the counterparty liability is included in due to other banks or customer deposits, as appropriate. Securities purchased under agreements to resell ('reverse repos') are recorded as loans and advances to customers or due from other banks, as appropriate. The difference between sale and repurchase price is treated as interest and accrued over the life of the agreements using the effective interest method. Securities lent to counterparties are also retained in the financial statements.

2.5 Financial Instruments

All financial assets and liabilities have to be recognised in the statement of financial position and measured in accordance with their assigned category.

2.5.1 Financial assets

The Bank classifies its financial assets in the following categories: loans and receivables, held-to-maturity investments and available for sale investments.

a)Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than:

(a) those that the Bank intends to sell immediately or in the short term, which are classified as held for trading, and those that the Bank upon initial recognition designates as at fair value through profit or loss;

(b) those that the Bank upon initial recognition designates as available for sale; or

(c) those for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration.

NOTES (CONTINUED)

2. Summary of significant accounting policies (continued)

2.5 Financial Instruments (continued)

2.5.1 Financial assets (continued)

a) Loans and receivables (continued)

Loans and receivables are initially recognised at fair value – which is the cash consideration to originate or purchase the loan including any transaction costs – and measured subsequently at amortised cost using the effective interest method. Loans and receivables are reported in the statement of financial position as loans and advances to customers, due from other banks and government securities. Interest on loans is included in profit or loss and is reported as 'Interest income'. In the case of an impairment, the impairment loss is reported as a deduction from the carrying value of the loan and recognised in profit or loss as 'loan impairment charges'.

b) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Bank's management has the positive intention and ability to hold to maturity, other than:

(a) those that the Bank upon initial recognition designates as at fair value through profit or loss;

(b) those that the Bank designates as available for sale; and

(c) those that meet the definition of loans and receivables.

Held-to-maturity investments are initially recognised at fair value including direct and incremental transaction costs and measured subsequently at amortised cost, using the effective interest method.

Interest on held-to-maturity investments is included in profit or loss and reported as 'Interest income'. In the case of an impairment, the impairment loss is reported as a deduction from the carrying value of the investment and recognised in profit or loss as 'Net gains/(losses) on government securities'.

c) Available-for-sale financial assets

Financial assets classified by the Bank as available-for-sale financial assets are generally those that are not designated as another category of financial assets, or investments held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices. Available-for-sale financial assets are subsequently carried at fair value. Unrealised gains and losses arising from changes in the fair value of available-for-sale financial assets are recognised directly in fair value reserve in other comprehensive income until the financial asset is derecognised or impaired. When available-for-sale financial assets are disposed of, the fair value adjustments accumulated in other comprehensive income are recognised in the income statement.

Interest income, calculated using the effective interest method, foreign currency gains and losses on monetary assets classified as available-for-sale is recognised in the income statement. Dividends received on available-for-sale instruments are recognised in the income statement when the Bank's right to receive payment has been established.

d) Recognition

The Bank uses settlement date accounting for regular way contracts when recording financial asset transactions. Financial assets that are transferred to a third party but do not qualify for derecognition are presented in the statement of financial position as 'Assets pledged as collateral', if the transferee has the right to sell or re-pledge them.

2.5.2 Financial liabilities

The Bank's holding in financial liabilities represents mainly deposits from banks and customers and other liabilities. Such financial liabilities are initially recognised at fair value and subsequently measured at amortised cost.

For financial instruments traded in active markets, the determination of fair values of financial assets and financial liabilities is based on quoted market prices or dealer price quotations. This includes listed equity securities on the Ghana Stock Exchange.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. If the above criteria are not met, the market is regarded as being inactive. Indicators that a market is inactive are when there is a wide bid-offer spread or significant increase in the bid-offer spread or there are few recent transactions.

For all other financial instruments, fair value is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using inputs existing at the reporting dates.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Bank holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risks, liquidity risk and counterparty credit risk. Based on the established fair value model governance policies, and related controls and procedures applied, the Directors believe that these valuation adjustments are necessary and appropriate to fairly state the values of financial instruments carried at fair value in the statement of financial position. Price data and parameters used in the measurement procedures applied are generally reviewed carefully and adjusted, if necessary – particularly in view of current market developments.

The fair values of contingent liabilities and irrevocable loan commitments correspond to their carrying amounts.

NOTES (CONTINUED)

2. Summary of significant accounting policies (continued)

2.5 Financial Instruments (continued)

2.5.3 Derecognition of financial instruments

Financial assets are derecognised when the contractual rights to receive the cash flows from these assets have ceased to exist or the assets have been transferred and substantially all the risks and rewards of ownership of the assets are also transferred. Financial liabilities are derecognised when they have been redeemed or otherwise extinguished.

2.6 Classes of financial instruments

The Bank classifies its financial instruments into classes that reflect the nature of information and take into account the characteristics of those financial instruments. The classification made can be seen in the table as follows:

<table>
<tr><th colspan="2">Category (as defined by IAS 39)</th><th colspan="2">Class (as determined by the Bank)</th><th>Subclasses</th></tr>
<tr><td rowspan="8">Financial assets</td><td rowspan="6">Loans and receivables</td><td rowspan="6">Loans and advances to customers</td><td>Deposits with other Banks</td><td>Due from other Banks</td></tr>
<tr><td rowspan="2">Loans to individuals</td><td>Term loans</td></tr>
<tr><td>Overdraft</td></tr>
<tr><td rowspan="3">Loans to corporate entities</td><td>Large corporate customers</td></tr>
<tr><td>Commercial</td></tr>
<tr><td>Public Sector</td></tr>
<tr><td>Available-for-sale financial investments</td><td colspan="2" rowspan="2">Government securities</td><td>Government bonds</td></tr>
<tr><td>Held-to-maturity investments</td><td>Government treasury bills</td></tr>
<tr><td rowspan="4">Financial liabilities</td><td rowspan="4">Financial liabilities at amortised cost</td><td colspan="2">Deposits from other Banks</td><td>Due to other banks</td></tr>
<tr><td colspan="2" rowspan="3">Deposits from customers</td><td>Individuals</td></tr>
<tr><td>Corporate entities</td></tr>
<tr><td>Public sector</td></tr>
<tr><td rowspan="2">Off-balance sheet financial instruments</td><td colspan="3">Loan commitments</td><td rowspan="2"></td></tr>
<tr><td colspan="3">Guarantees, acceptances and other financial facilities</td></tr>
</table>

The carrying amounts of the respective financial instruments are disclosed in the related notes.

2.7 Impairment of financial assets

a. Assets carried at amortised cost

The Bank assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the Bank uses to determine that there is objective evidence of an impairment loss include:

(a) Significant financial difficulty of the issuer or obligor;

(b) a breach of contract, such as a default or delinquency in interest or principal payments;

(c) the lender, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;

(d) it becomes probable that the borrower will enter Bankruptcy or other financial reorganisation;

(e) the disappearance of an active market for that financial asset because of financial difficulties; or

f) observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:

(i) adverse changes in the payment status of borrowers in the portfolio; and

(ii) national or local economic conditions that correlate with defaults on the assets in the portfolio.

NOTES (CONTINUED)

2. Summary of significant accounting policies (continued)

2.7 Impairment of financial assets (continued)

a. Assets carried at amortised cost (continued)

The estimated period between a loss occurring and its identification is determined by management for each identified portfolio. In general, the periods used vary between 3 and 12 months; in exceptional cases, longer periods are warranted.

The Bank first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If the Bank determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Bank may measure impairment on the basis of an instrument's fair value using an observable market price.

The calculation of the present value of the estimated future cash flows of a collateralised financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics (that is, on the basis of asset type, industry, geographical location, collateral type, past-due status and other relevant factors). Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated.

Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets in the group and historical loss experience for assets with credit risk characteristics similar to those in the group. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not currently exist.

Estimates of changes in future cash flows for groups of assets should reflect and be directionally consistent with changes in related observable data from period to period (for example, changes in unemployment rates, property prices, payment status, or other factors indicative of changes in the probability of losses in the Bank and their magnitude). The methodology and assumptions used for estimating future cash flows are reviewed regularly by the Bank to reduce any differences between loss estimates and actual loss experience.

When a loan is uncollectible, it is written off against the related allowance for loan impairment. Such loans are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Impairment charges relating to loans and advances to Banks and customers are classified in loan impairment charges whilst impairment charges relating to investment securities (held to maturity and loans and receivables categories) are classified in 'Net gains/(losses) on investment securities'.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in profit or loss.

b. Renegotiated loans

Loans that are either subject to collective impairment assessment or individually significant and whose terms have been renegotiated and repayments are being received regularly are no longer considered to be past due but are treated as new loans. In subsequent years, the renegotiated terms apply in determining whether the asset is considered to be past due.

2.8 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.9 Leases

Leases are divided into finance leases and operating leases.

a. The Bank is the lessee

(i) Operating lease

Leases in which a significant portion of the risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases. Payments, including pre-payments, made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

(ii) Finance lease

Leases of assets where the Bank has substantially all the risks and rewards of ownership are classified as finance leases.

NOTES (CONTINUED)

2. Summary of significant accounting policies (continued)

2.9 Leases (continued)

Finance lease (continued)

Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.
Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in deposits from Banks or deposits from customers depending on the counter party. The interest element of the finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The leases entered into by the Bank are primarily operating leases. The total payments made under operating leases are charged to other operating expenses in profit or loss on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

b. The Bank as the lessor

When assets are held subject to a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method (before tax), which reflects a constant periodic rate of return. Rental incomes from operating leases are recognised in profit or loss on a straight-line basis over the term of the relevant lease.

c. Fees paid in connection with arranging leases

The Bank makes payments to agents for services in connection with negotiating lease contracts with the Bank's lessees. For operating leases, the letting fees are capitalised within the carrying amount of the related property, and depreciated over the life of the lease.

2.10. Property, plant and equipment

All property, plant and equipment used by the Bank are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent expenditures are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Bank and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation of other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Building	2.5%
Leasehold improvements	Over the period of lease
Computers	20%
Motor vehicles	25%
Equipment, furniture and fittings	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in other operating expenses in profit or loss.

Capital work-in-progress (CWIP)

These are costs in respect of property, plant and equipment and other construction work-in-progress that will eventually be capitalised.

Amounts paid or accrued either in a lump sum or on an installment basis related to the construction, alteration, or renovation of premises, installations, and equipment (including special equipment such as computers) that are not yet functional or in use are accumulated in capital work-in-progress sub-accounts that are reported in the appropriate fixed asset accounts. Payments made for capital work-in-progress projects that will eventually be expensed are expensed as incurred.

Depreciation will commence when the assets are available for use.

2.11 Intangible assets

Intangible assets comprise computer software licences and other intangible assets. Intangible assets are recognised at cost. Intangible assets with a definite useful life are amortised using the straight-line method over their estimated useful economic life, generally not exceeding four (4) years. Intangible assets with an indefinite useful life are not amortised. Generally, the identified intangible assets of the Bank have a definite useful life. At the end of each reporting period, intangible assets are reviewed for indications of impairment or changes in estimated future economic benefits. If such indications exist, the intangible assets are analysed to assess whether their carrying amount is fully recoverable. An impairment loss is recognised if the carrying amount exceeds the recoverable amount.

Intangible assets with indefinite useful life are annually tested for impairment and whenever there is an indication that the asset may be impaired.

2.12. Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.
Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount

NOTES (CONTINUED)

2. Summary of significant accounting policies (continued)

2.12 Impairment of non-financial assets (continued)

may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). The impairment test also can be performed on a single asset when the fair value less cost to sell or the value in use can be determined reliably. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.13 National Fiscal Stabilisation Levy

The National Stabilisation Levy is assessed under the National Fiscal Stabilisation Levy Act (Act 862) of 2013 at 5% on accounting profit before tax and became effective on 12 July 2013. The levy is not tax deductible and it is accounted for on accrual basis.

2.14. Income tax

Current income tax

The tax expense for the period comprises current and deferred income tax. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.
Deferred income tax is provided on temporary differences except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Bank and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.15 Employee benefits

Pension obligations

The Bank makes contributions to a statutory pension scheme and a defined contribution to a provident fund for eligible employees. Contributions by the Bank to the mandatory pension scheme are determined by law and are accounted for on accrual basis. The provident fund contributions are currently managed by the Finance Department in collaboration with Human Capital Management Department.

Other entitlements

The estimated monetary liability for employees' accrued annual leave entitlement at the reporting date is recognised as an expense accrual.

2.16 Provisions

Provisions are recognised when: the Bank has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.
Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.17. Stated capital

a. Ordinary shares

Ordinary shares are classified as ''Stated capital" in equity.

b. Dividends on ordinary shares

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the Bank's shareholders. Dividends for the year that are declared after the reporting date are dealt with in the subsequent events note.

2. Summary of significant accounting policies (continued)

NOTES (CONTINUED)

2.18. Contingent liabilities

Letters of credit, acceptances, guarantees and performance bonds are generally written by the Bank to support performance by a customer to third parties. The Bank will only be required to meet these obligations in the event of the customer's default. These obligations are accounted for as off balance sheet transactions and disclosed as contingent liabilities; credit risk, liquidity risk, market risk-comprising currency, interest rate and other price risk.

2.19. Cash and cash equivalents

Cash and cash equivalents comprise balances with less than three months' maturity at the date of acquisition, including cash in hand, deposits held at call with other Banks, and other short term highly liquid investments with original maturities of three months or less.

2.20 Interest income and expense

Interest income and expense for all interest-bearing financial instruments are recognised in profit or loss using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Bank estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

2.21 Fees and commissions

Fees and commissions are generally recognised on an accrual basis when the service has been provided. Loan commitment fees for loans that are likely to be drawn down are deferred (together with related direct costs) and recognised as an adjustment to the effective interest rate on the loan. Loan syndication fees are recognised as revenue when the syndication has been completed and the Bank has retained no part of the loan package for itself or has retained a part at the same effective interest rate as the other participants. Commission and fees arising from negotiating, or participating in the negotiation of, a transaction for a third party – such as the arrangement of the acquisition of shares or other securities, or the purchase or sale of businesses – are recognised on completion of the underlying transaction. Portfolio and other management advisory service fees are recognised based on the applicable service contracts, usually on a time-apportionment basis. Performance-linked fees or fee components are recognised when the performance criteria are fulfilled.

3. Financial risk management

The Bank's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the Bank's business, and the operational risks are an inevitable consequence of being in business. The Bank's aim is therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on its financial performance. The most important types of risk include; credit risk, liquidity risk and market risk- comprising currency, interest rate and other price risk.

Risk Management Framework

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Board has established a Risk Management Committee in support of their risk oversight objectives and responsibilities. There is also a Risk Management Department which has responsibility for the implementation of the Bank's risk control principles, frameworks and processes across the entire risk spectrum.

The Bank's risk management policies are established to identify and analyse the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Bank, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

3.1 Credit risk

Credit risk is the risk of financial loss to the Bank if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Bank's exposure to loans and advances to customers and other Banks and investment securities.

3.1.1 Management of credit risk

The Board of Directors has delegated responsibility for the management of credit risk to its Sub-Committee on Risk Management. A separate Credit Department, reporting to the Chief Risk Officer, is responsible for oversight of the Bank's credit risk, including:

- Formulating credit policies in consultation with business units, covering collateral requirements, credit assessment, risk grading and reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements.
- Establishing the authorisation structure for the approval

NOTES (CONTINUED)

3. Financial risk management (continued)

3.1 Credit risk (continued)

3.1.1 Management of credit risk (continued)

and renewal of credit facilities. Authorisation limits are allocated to business units. Larger facilities require approval by the Board Committee on Risk Management.

- Reviewing and assessing credit risk. The Credit department assesses all credit exposures in excess of designated limits, prior to facilities being committed to customers by the business unit concerned. Renewals and reviews of facilities are subject to the same review process. Limiting concentrations of exposure to counterparties, and industries for loans and advances.

- Developing and maintaining the Bank's risk grading in order to categorise exposures according to the degree of risk of financial loss faced and to focus management's attention on the attendant risks. The responsibility for setting risk grades lies with the Board of Directors. Risk grades are subject to regular reviews by the Risk Management Division.

The Bank's risk rating buckets and definitions are as follows:

Description	Grade	Rating bucket	Risk range	Risk range (description)
Extremely low risk	1	AAA	90% - 100%	Low risk range
Very low risk		AA	80% - 89%	
Low risk		A	70% - 79%	
Acceptable risk	2	BBB	60% - 69%	Acceptable risk range
Moderately high risk		BB	50% - 59%	
High risk	3	B	40% - 49%	High risk range
Very high risk		CCC	30% - 39%	
Extremely high risk		CC	0% - 29%	
High likelihood of default	4	C	Below 0%	Unacceptable risk range
Default		D	Below 0%	

The risk ratings are a primary tool for the review and decision making in the credit process. The Bank does not lend on unsecured basis to obligors that are below investment grade (BB and above). The Bank will not lend to obligors in the unacceptable risk range.

- Reviewing compliance of business units with agreed exposure limits, including those for selected industries and product types. Regular reports are provided to the credit department on the credit quality of local portfolios and appropriate corrective action is taken.

- Providing advice, guidance and specialist skills to business units to promote best practice throughout the Bank in the management of credit risk.

3.1.2 Risk limit control and mitigation policies

The Bank manages, limits and controls concentrations of credit risk wherever they are identified – in particular, to individual counterparties and banks, and to industries and countries.

The Bank structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or banks of borrowers, and to geographical and industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review, when considered necessary. Limits on the level of credit risk by product and industry sector are approved quarterly by the Board of Directors.

The exposure to any one borrower including banks and brokers is further restricted by sub-limits covering on- and off-balance sheet exposures, and daily delivery risk limits in relation to trading items such as forward foreign exchange contracts. Actual exposures against limits are monitored daily.

Lending limits are reviewed in the light of changing market and economic conditions and periodic credit reviews and assessments of probability of default.

Some other specific control and mitigation measures are outlined below:

(a) Collateral

The Bank employs a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security for funds advanced, which is common practice. The Bank implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for loans and advances are:

- Mortgages over residential properties.
- Charges over business assets such as premises, inventory and accounts receivable.
- Charges over financial instruments such as debt securities and equities.

Collateral held as security for financial assets other than loans and advances depends on the nature of the instrument.

Longer-term finance and lending to corporate entities are generally secured; revolving individual credit facilities are generally unsecured. In addition, in order to minimise the credit loss the Bank will seek additional collateral from the counterparty as soon as impairment indicators are identified for the relevant individual loans and advances.

(b) Financial covenants (for credit related commitments and loan books)

The primary purpose of these instruments is to ensure that funds are available to a customer as required. Guarantees and standby letters of credit carry the same credit risk as loans. Documentary and commercial letters of credit – which are written undertakings by the Bank on behalf of a customer authorising a third party to draw drafts on the Bank up to a stipulated amount under specific terms and conditions – are collateralised by the underlying shipments of goods to which they relate and therefore carry less risk than a direct loan.

NOTES (CONTINUED)

3. Financial risk management (continued)

3.1.1 Management of credit risk (continued)

3.1.2 Risk limit control and mitigation policies (continued)

Commitments to extend credit represent unused portions of authorisations to extend credit in the form of loans, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, the Bank is potentially exposed to loss in an amount equal to the total unused commitments. However, the likely amount of loss is less than the total unused commitments, as most commitments to extend credit are contingent upon customers maintaining specific credit standards (often referred to as financial covenants).

The Bank monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

3.1.3 Maximum exposure to credit risk before collateral held or other credit enhancements

The following table shows the maximum exposure to credit risk by class of financial asset. The Bank's maximum exposure to credit risk is represented by the net carrying amounts of the financial assets with the exception of financial and other guarantees issued by the Bank for which the maximum exposure to credit risk is represented by the maximum amount the Bank would have to pay if the guarantees are called on. The financial assets are categorised by the industry sectors of the Bank's counterparties. Loans and advances to banks and customers form 41.1% of the total maximum exposure (2016: 51.8%); 40.6% represent investments in government securities (2016: 29.4%) and 0.9% represent balances included in other assets (2016: 0.4%).

56% of the loans and advances portfolio is categorised in grade 1 of the internal rating system and are considered neither past due nor impaired (2016: 66%).

Due from other banks and cash and balances with Bank of Ghana and are neither past due nor impaired.

All the investments in Government of Ghana securities are not exposed to any significant risk.

All credit exposures arise in Ghana. The following table breaks down the Bank's credit exposure at carrying amounts (without taking into account any collateral held or other credit support), as categorised by the industry sectors of the Bank's counterparties

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

3. Financial risk management (continued)

3.1.3 Maximum exposure to credit risk before collateral held or other credit enhancements (continued)

At 31 December 2017	Loans and advances to customers	Balances with Bank of Ghana	Due from other Banks	Trading assets	Government Securities	Other Assets (less prepayments)	Total
Agriculture	9,241,448	-	-	-	-	-	9,241,448
Manufacturing	19,220,421	-	-	-	-	-	19,220,421
Commerce and Finance	96,177,596	248,881,165	289,585,215	-	1,257,684,598	29,276,940	1,921,605,514
Transport and communications	560,298,251	-	-		-	-	560,298,251
Building and construction	1,007,818	-	-		-	-	1,007,818
Services	18,376,962	-	-	-	-	-	18,376,962
Oil and Gas	550,906,106	-	-	-	-	-	550,906,106
Power	677	-	-	-	-	-	677
Miscellaneous (Consumer)	19,660,820	-	-	-	-	-	19,660,820
Total	**1,274,890,099**	**248,881,165**	**289,585,215**	**-**	**1,257,684,598**	**29,276,940**	**3,100,318,017**

3.1.3 Maximum exposure to credit risk before collateral held or other credit enhancements (continued)

At 31 December 2016	Loans and advances to customers	Balances with Bank of Ghana	Due from other Banks	Trading assets	Government Securities	Other Assets (less prepayments)	Total
Agriculture	280,374	-	-	-	-	-	280,374
Manufacturing	2,049,261	-	-	-	-	-	2,049,261
Commerce and Finance	131,831,160	388,319,776	319,255,484	616,400	1,128,439,566	14,853,193	1,983,215,579
Transport and communications	1,153,970,799	-	-		-	-	1,153,970,799
Building and construction	540,240	-	-		-	-	540,240
Services	25,756,173	-	-	-	-	-	25,756,173
Oil and Gas	575,107,466	-	-	-	-	-	575,107,466
Power	-	-	-	-	-	-	-
Miscellaneous (Consumer)	98,362,549	-	-	-	-	-	98,362,549
Total	**1,987,898,022**	**388,319,776**	**319,255,484**	**616,400**	**1,128,439,566**	**14,853,193**	**3,839,382,441**

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

3. Financial risk management (continued)

3.1.3 Maximum exposure to credit risk before collateral held or other credit enhancements (continued)

Credit risk exposures relating to off-balance sheet items are as follows:

	2017	2016
Off- balance sheet items		
Letters of credit	**11,469,429**	6,313,841
Letters of guarantee	**632,982,080**	289,819,266
Loan commitments	**18,971,267**	16,553,518
	663,422,776	312,686,625

3.1.4 Credit Quality

Excluding loans and advances to customers and other assets (less prepayments), all of the Bank's financial assets are categorized as "Neither past due nor impaired" in relation to their credit quality. The table below shows the credit quality of the Bank's loans and advances to customers and other assets (less prepayments).

At 31 December 2017	Loans to customers	Other Assets (less prepayments)
Neither past due nor impaired	**718,094,872**	**28,537,790**
Past due but not impaired	**94,482**	**-**
Impaired	**556,700,745**	**739,151**
Gross	**1,274,890,099**	**29,276,941**
Less impairment :		
Specific	**(167,897,631)**	**(739,151)**
Collective	**(8,146,057)**	**-**
Net	**1,098,846,411**	**28,537,790**
At 31 December 2016		
Neither past due nor impaired	1,319,456,742	14,853,193
Past due but not impaired	38,461,055	-
Impaired	629,980,225	-
Gross	1,987,898,022	14,853,193
Less impairment :		
Specific	(133,505,425)	-
Collective	(8,747,025)	-
Net	1,845,645,572	14,853,193

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

3. Financial risk management (continued)

Internal credit rating of financial assets that are neither past due nor impaired

31 December 2017	Very low risk	Low risk	Unrated	Carrying amount
Cash and cash equivalents	248,881,165	289,585,215	-	538,466,380
Investment securities	1,257,684,598	-	-	1,257,684,598
Loans and advances to customers	531,057,190	177,939,515	9,098,168	718,094,873
Other assets (less prepayments)	-	-	28,537,790	28,537,790
	2,037,622,953	**467,524,730**	**37,635,958**	**2,542,783,641**

31 December 2016	Very low risk	Low risk	Unrated	Carrying amount
Cash and cash equivalents	388,319,776	319,255,484	-	707,575,260
Trading assets	616,400	-	-	616,400
Investment securities	1,128,439,566	-	-	1,128,439,566
Loans and advances to customers	1,086,479,363	227,592,407	5,384,972	1,319,456,742
Other assets (less prepayments)	-	-	14,853,193	14,853,193
	2,603,855,105	**546,847,891**	**20,238,165**	**3,170,941,161**

3.1.5 Impaired loans

	2017	2016
Past due but not impaired		
1 - 30 days	**94,482**	38,461,055
Impaired loans:		
Individually impaired		
Grade 3:	**539,599,580**	622,280,014
Grade 4:	**17,101,165**	7,700,211
Allowance for impairment	**(167,897,631)**	(133,505,425)
Carrying amount	**388,803,114**	496,474,800
Collectively impaired		
Grade 1:	**718,094,872**	1,319,456,742
Grade 2:	**94,482**	38,461,055
Allowance for impairment	**(8,146,057)**	(8,747,025)
Carrying amount	**710,043,297**	1,349,170,772

Accrued interest on impaired loans amounts to GH¢ 55,384,337 during the year (2016: GH¢ 34,695,704).

NOTES (CONTINUED)

3. Financial risk management (continued)

3.1.5. Impaired Loans (continued)

Impaired loans

Impaired loans and securities are loans and securities for which the Bank determines that it is probable that it will be unable to collect all principal and interest due according to the contractual terms of the loan / securities agreement(s). These loans are considered "non performing" in the Bank's internal credit risk grading system and are rated 3 or 4.

Past due but not impaired loans

Late processing and other administrative delays on the side of the borrower can lead to a financial asset being past due but not impaired. Therefore, loans and advances less than 30 days past due are not usually considered impaired, unless other information is available to indicate the contrary. These are considered ''the Watch list credit'' in the Bank's internal credit risk grading system and are rated 2.

Neither past due nor impaired loans

These are loans for which no evidence exists that the obligations will not be honoured when due. They are considered ''performing'' credit and are rated 1 in the Bank's internal credit risk grading system.

Allowances for impairment

The Bank establishes an allowance for impairment losses that represents its estimate of incurred losses in its loan portfolio. The main components of this allowance are specific loss

component that relates to individually significant exposures, and a collective loan loss allowance established for the Bank's homogeneous assets in respect of losses that have been incurred but have not been identified on loans subject to individual assessment for impairment.

Write-off policy

The Bank writes off a loan / security balance (and any related allowances for impairment losses) when the Credit department determines that the loans are uncollectible. This determination is reached after considering information such as the occurrence of significant changes in the borrower's financial position such that the borrower can no longer pay the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure. For smaller balance standardised loans, charge off decisions generally are based on a product specific past due status. Loan write off requires approval of the Board of Directors and the Bank of Ghana.

Collateral held

The Bank holds collateral against loans and advances to customers in the form of cash, mortgage interests over property, other registered securities over assets, and guarantees. Estimates of fair value are based on the value of collateral assessed at the time of borrowing, and generally are not updated except when a loan is individually assessed as impaired. Collateral generally is not held over placements with other Banks, except when securities are held as part of reverse repurchase and securities borrowing activity.

Financial effect of collateral

The financial effect of collateral held by the bank as at 31 December 2017 was a reduction in impairment charge of GH¢5,481,572 (2016: GH¢2,503,401).

3.2 Liquidity risk

Liquidity risk is the risk that the Bank is unable to meet its obligations when they fall due as a result of customer deposits being withdrawn, cash requirements from contractual commitments, or other cash outflows, such as debt maturities or margin calls for derivatives. Such outflows would deplete available cash resources for client lending, trading activities and investments. In extreme circumstances, lack of liquidity could result in reductions in the statement of financial position and sales of assets, or potentially an inability to fulfil lending commitments. The risk that the Bank will be unable to do so is inherent in all banking operations and can be affected by a range of institution-specific and market-wide events including, but not limited to, credit events, merger and acquisition activity, systemic shocks and natural disasters.

3.2.1 Management of liquidity risk

The Bank's liquidity management process, as carried out within the Bank and monitored by a separate team in the Treasury department, includes:

(i) Day-to-day funding, managed by monitoring future cash flows to ensure that requirements can be met. This includes replenishment of funds as they mature or are borrowed by customers;

(ii) Maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;

(iii) Monitoring the liquidity ratios of the statement of financial position against internal and regulatory requirements; and

(iv) Managing the concentration and profile of debt maturities.

Monitoring and reporting take the form of cash flow measurement and projections for the next day, week and month respectively, as these are key periods for liquidity management. The starting point for those projections is an analysis of the contractual maturity of the financial liabilities and the expected collection date of the financial assets

The Bank's Treasury also monitors unmatched medium-term assets, the level and type of undrawn lending commitments, the usage of overdraft facilities and the impact of contingent liabilities such as standby letters of credit and guarantees.

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

3. Financial risk management (continued)

3.2 Liquidity risk (continued)

3.2.2 Funding approach

Sources of liquidity are regularly reviewed by the Bank's Treasury to maintain a wide diversification by currency, provider, product and term.

3.2.3 Exposure to liquidity risk

The key measure used by the Bank for managing liquidity risk is the ratio of net liquid assets to deposits from customers. For this purpose net liquid assets are considered as including cash and cash equivalents and investment grade debt securities for which there is an active and liquid market less any deposits from Banks, debt securities issued, other borrowings and commitments maturing within the next month. Details of the Bank's (liquid ratio) ratio of net liquid assets to customer deposits at the reporting date was as follows:

	2017	2016
At 31 December	**74%**	52%
Average for the year	**63%**	66%
Maximum for the year	**74%**	87%
Minimum for the year	**56%**	49%

3.2.4 Non-derivative financial liabilities and assets held for managing liquidity risk

The table below presents the cash flows payable by the Bank under non-derivative financial liabilities and assets held for managing liquidity risk by remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual discounted cash flow, whereas the Bank manages the liquidity risk based on a different basis not resulting in a significantly different analysis.

At 31 December 2017	Gross Nominal Amout	Up to 3 months	3-6 months	6-12 months	Over 1 year	Carrying Amount
Financial liabilities						
Customer deposits	2,137,643,367	1,334,048,593	559,520,002	240,452,927	3,621,845	2,073,671,821
Other liabilities	76,596,769	60,513,113	16,083,656	-	-	76,596,769
Deposits from banks	263,063,618	252,124,885	10,938,733	-	-	255,599,382
Total financial liabilities	**2,477,303,754**	**1,646,686,591**	**586,542,391**	**240,452,927**	**3,621,845**	**2,405,867,972**
Financial Assets						
Cash and cash equivalents	538,466,380	538,466,380	-	-	-	538,466,380
Government securities	1,293,420,439	994,033,388	132,796,054	45,926,275	120,664,722	1,257,684,598
Loans and advances	1,369,266,841	819,902,922	230,330,813	275,272,964	43,760,142	1,098,846,411
Other Assets(less prepayment)	28,537,790	28,537,790	-	-	-	28,537,790
Assets held for managing liquidity risk	**3,229,691,450**	**2,380,940,480**	**363,126,867**	**321,199,239**	**164,424,864**	**2,923,535,179**
Net liquidity gap	**752,387,696**	**734,253,889**	**(223,415,524)**	**80,746,312**	**160,803,019**	**517,667,207**

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

3. Financial risk management (continued)

3.2 Liquidity risk (continued)

3.2.4 Non-derivative financial liabilities and assets held for managing liquidity risk(continued)

At 31 December 2016	Gross Nominal Amout	Up to 3 months	3-6 months	6-12 months	Over 1 year	Carrying Amount
Financial liabilities						
Customer deposits	3,137,172,750	1,434,780,918	411,820,010	374,138,207	916,433,615	2,973,611,756
Other liabilities	152,933,004	94,944,326	20,369,990	37,618,688	-	152,933,004
Deposits from banks	300,648,649	300,648,649	-	-	-	286,059,609
Total financial liabilities	**3,590,754,403**	**1,830,373,893**	**432,190,000**	**411,756,895**	**916,433,615**	**3,412,604,369**
Financial Assets						
Cash and cash equivalents	707,575,260	707,575,260	-	-	-	707,575,260
Trading Assets	616,400	-	-	94,150	522,250	616,400
Government securities	1,128,439,566	967,202,773	3,639,628	157,597,165	-	1,128,439,566
Loans and advances	1,845,645,572	386,488,611	125,130,750	40,085,585	1,293,940,626	1,845,645,572
Other Assets(less prepayment)	14,853,193	14,853,193	-	-	-	14,853,193
Assets held for managing liquidity risk	**3,697,129,991**	**2,076,119,837**	**128,770,378**	**197,776,900**	**1,294,462,876**	**3,697,129,991**
Net liquidity gap	**106,375,588**	**245,745,944**	**(303,419,622)**	**(213,979,995)**	**378,029,261**	**284,525,622**

The net liquidity gap over one year is funded by the shareholders funds as well as the excess liquidity under three months.

3.2.5 Assets held for managing liquidity risk

The Bank holds a diversified portfolio of cash and high-quality highly-liquid securities to support payment obligations and contingent funding in a stressed market environment. The Bank's assets held for managing liquidity risk comprise:

i. Cash and balances with Bank of Ghana;
ii. Placement and balances with other Banks;
iii. Government bonds and other securities that are readily acceptable in repurchase agreements
iv. Short term loans and advances

3.3 Market risks

The Bank takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates and equity prices. The Bank separates exposures to market risk into either trading or non-trading portfolios.

Overall responsibility for management of market risk rests with the Assets and Liability Committee (ALCO). The risk department is responsible for the development of detailed market risk management policies (subject to review and approval by ALCO) and for the day to day implementation of those policies. The Board Sub-Committee on Risk Management has oversight responsibility for market risk management.

3.3.1 Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Bank takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may reduce losses in the event that unexpected movements arise. The Board sets limits on the level of mismatch of interest rate repricing and value at risk that may be undertaken, which is monitored daily by Bank Treasury.

Interest rates on advances to customers and other risk assets are based on the individual risk profile of the customer, taking into account the Bank's cost of fund.

The Asset and Liability Committee closely monitors the interest rate trends to minimize the potential adverse impact of interest rate changes.

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

3. Financial risk management (continued)

3.3 Market risks (continued)

3.3.1 Interest rate risk (continued)

The table below summarises the exposure to interest rate risks. Included in the table are the Bank's assets and liabilities at carrying amounts, categorised by the earlier of contractual repricing or maturity dates. The Bank does not bear an interest rate risk on off balance sheet items.

At 31 December 2017	Up to 3 months	3-6 months	6-12 months	Over I year	Non-interest bearing	Total
Financial assets						
Cash and cash equivalents	240,711,165	-	-	-	297,755,215	538,466,380
Government securities	978,127,949	126,925,784	43,765,029	108,865,836	-	1,257,684,598
Loans and advances to customers	463,636,868	18,517,100	587,782,944	28,909,499	-	1,098,846,411
Other assets(less prepayments)	-	-	-	-	28,537,790	28,537,790
Total financial assets	**1,682,475,982**	**145,442,884**	**631,547,973**	**137,775,335**	**326,293,005**	**2,923,535,179**
Financial liabilities						
Customer deposits	399,329,329	526,835,965	213,584,053	3,217,130	930,705,344	2,073,671,821
Deposits from banks	255,599,382	-	-	-	-	255,599,382
Other liabilities	-	-	-	-	76,596,769	76,596,769
Total financial liabilities	**654,928,711**	**526,835,965**	**213,584,053**	**3,217,130**	**1,007,302,113**	**2,405,867,972**
Interest rate sensitivity gap	**1,027,547,271**	**(381,393,081)**	**417,963,920**	**134,558,205**		**517,667,207**

At 31 December 2016	Up to 3 months	3-6 months	6-12 months	Over I year	Non-interest bearing	Total
Financial assets						
Cash and cash equivalents	319,255,484	-	-	-	388,319,776	707,575,260
Trading assets	-	-	94,150	522,250	-	616,400
Government securities	967,202,773	3,639,628	157,597,165	-	-	1,128,439,566
Loans and advances to customers (net)	386,488,611	125,130,750	40,085,585	1,293,940,626	-	1,845,645,572
Other assets (less prepayments)	-	-	-	-	14,853,193	14,853,193
Total financial assets	**1,672,946,868**	**128,770,378**	**197,776,900**	**1,294,462,876**	**403,172,969**	**3,697,129,991**
Financial liabilities						
Customer deposits	1,081,016,722	152,452,005	11,023,000	2,495,198	1,726,624,831	2,973,611,756
Deposits from banks	286,059,609	-	-	-	-	286,059,609
Other liabilities	-	-	-	-	152,933,004	152,933,004
Total financial liabilities	**1,367,076,331**	**152,452,005**	**11,023,000**	**2,495,198**	**1,879,557,835**	**3,412,604,369**
Interest rate sensitivity gap	**305,870,537**	**(23,681,627)**	**186,753,900**	**1,291,967,678**		**1,760,910,488**

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

3. Financial risk management (continued)

3.3 Market risks (continued)

3.3.1 Interest rate risk (continued)

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to the management of the Bank.

Sensitivity analysis

An increase of a 100 basis points in interest rates at the reporting date would have impacted equity and profit by the amounts shown below:

Sensitivity analysis of interest rate risks - Increase of 100 basis points on net interest margin.

	2017	2016
Interest income impact	**25,972,422**	32,939,570
Interest expense impact	**13,985,659**	15,330,465
Net impact on profit	**11,986,763**	17,609,105

A decrease of a 100 basis points in interest rates at the reporting date would have had the equal but opposite effect on the amount shown above, on the basis that all other variables remain constant.

3.3.2 Foreign exchange risk

The Bank operates wholly within Ghana and its assets and liabilities are carried in local currency. The Bank maintains trade with correspondent Banks and takes deposits and lends in foreign currencies. The Bank is exposed to the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Bank's currency position and exposure are managed within the exposure guideline of guideline of 5% and 10% of the core capital for single currency position and aggregate currency position respectively as stipulated by the Bank of Ghana. These positions are reviewed on a daily basis by Management.

The Bank applied the Bank of Ghana mid-rates indicated below to translate balances denominated in foreign currencies to Ghana cedi as at 31 December 2017:

	2017	2016
USD	**4.4157**	4.2002
GBP	**5.9669**	5.1965
EUR	**5.2964**	4.4367

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

3. Financial risk management (continued)

3.3 Market risks (continued)

3.3.2 Foreign exchange risk (continued)

The table below summarises the Bank's exposure to foreign currency exchange rate risk as at the reporting date. (All figures are in Ghana cedis)

As at 31 December 2017	GH¢	USD	EUR	Others	Total
Financial assets					
Cash and cash equivalents	253,724,492	238,708,088	35,675,225	10,358,575	538,466,380
Government securities	1,257,684,598	-	-	-	1,257,684,598
Loans and advances to customers	745,117,490	353,728,921	-	-	1,098,846,411
Other assets (less prepayments)	24,579,244	3,908,356	50,190	-	28,537,790
Total financial assets	**2,281,105,824**	**596,345,365**	**35,625,415**	**10,358,575**	**2,923,535,179**
Financial liabilities					
Customer deposits	1,690,652,603	342,104,381	31,209,251	9,705,586	2,073,671,821
Other liabilities	40,816,805	35,066,212	601,039	112,713	76,596,769
Deposits from banks	35,701,227	217,249,980	2,648,175	-	255,599,382
Total financial liabilities	**1,767,170,635**	**594,420,573**	**34,458,465**	**9,818,299**	**2,405,867,972**
Net balance sheet position	**513,935,189**	**1,924,792**	**1,266,950**	**540,276**	**517,667,207**
Off balance sheet items					
Letters of credit	-	11,469,429	-	-	11,469,429
Letters of guarantee	632,982,080	-	-	-	632,982,080
Loan commitments	18,971,267	-	-	-	18,971,267

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

3. Financial risk management (continued)

3.3 Market risks (continued)

3.3.2 Foreign exchange risk (continued)

As at 31 December 2016	GH¢	USD	EUR	Others	Total
Financial assets					
Cash and cash equivalents	428,850,887	242,505,137	14,188,168	22,031,068	707,575,260
Trading assets	616,400	-	-	-	616,400
Government securities	1,128,439,566	-	-	-	1,128,439,566
Loans and advances to customers	1,554,934,926	290,710,646	-	-	1,845,645,572
Other assets (less prepayments)	10,375,369	4,477,824	-	-	14,853,193
Total financial assets	3,123,217,148	537,693,607	14,188,168	22,031,068	3,697,129,991
Financial liabilities					
Customer deposits	2,680,686,427	262,426,761	13,736,558	18,762,010	2,975,611,756
Other liabilities	122,852,440	28,111,839	245,359	1,723,366	152,933,004
Deposits from banks	-	284,448,805	-	1,610,804	286,059,609
Total financial liabilities	2,803,538,867	574,987,405	13,981,917	22,096,180	3,414,604,369
Net balance sheet position	319,678,281	(37,293,798)	206,251	(65,112)	282,525,622
Off balance sheet items					
Letters of credit	-	6,313,841	-	-	6,313,841
Letters of guarantee	289,819,266	-	-	-	289,819,266
Loan commitments	16,553,518	-	-	-	16,553,518

Sensitivity analysis

A 5% strengthening of the cedi against foreign currencies at 31 December 2017 would have impacted equity and profit / (loss) by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2016:

	2017	2016
Profit / (loss)	(186,605)	1,857,633

A 5% weakening of the Ghana cedi against foreign currencies at 31 December 2017 would have had the equal but opposite effect on the amount shown above, on the basis that all other variables remain constant.

3.3.3 Fair value hierarchy

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the company's market assumptions. These two types of inputs have created the following fair value hierarchy:

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

3. Financial risk management (continued)

3.3 Market risks (continued)

3.3.3 Fair value hierarchy (continued)

Level 1 - Quoted prices (adjusted) in active markets for identical assets or liabilities. This level includes equity securities listed on the Ghana Stock Exchange.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components.

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised. All fair value measurements are recurring.

	Level 2	
	2017	2016
Financial assets held for trading	**-**	616,400
Available-for-sale investment securities	**68,347,089**	-
Total	**68,347,089**	616,400

The financial assets and liabilities not measured at fair value in the statement of financial position for which the fair values are disclosed in Note 3.3.4 are categorised as level 3 other than the investment securities classified as held to maturity which are categorised as level 2.

3.3.4 Financial instruments, classification, measurement and fair values

The table below sets out the Bank's classification of each class of financial assets and liabilities, and their fair values.

At 31 December 2017

	Held-to-maturity	Available for sale	Loans and receivables	Amortised cost	Total	Fair value
Cash and cash equivalents	-	-	538,466,380	-	538,466,380	538,466,380
Government securities assets	1,189,337,509	68,347,089	-	-	1,257,684,598	1,264,004,954
Loans and advances to customers	-	-	1,098,846,411	-	1,098,846,411	1,246,498,642
	1,189,337,509	68,347,089	1,637,312,791	-	2,894,997,389	3,048,969,976
Deposits from customers	-	-	-	2,073,671,821	2,073,671,821	2,074,919,277
Due to other banks	-	-	-	255,599,382	255,599,382	260,832,395
	-	-	-	2,329,271,203	2,329,271,203	2,335,751,672

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

3. Financial risk management (continued)

3.3 Market risks (continued)

3.3.4 Financial instruments, classification, measurement and fair values (continued)

At 31 December 2016

	Held-to-maturity	Held for trading	Loans and receivables	Amortised cost	Total	Fair value
Assets						
Cash and cash equivalents	-	-	707,575,260	-	707,575,260	707,575,260
Government securities assets	1,128,439,566	616,400	-	-	1,129,055,966	1,220,264,809
Loans and advances to customers	-	-	1,845,645,572	-	1,845,645,572	1,867,793,319
	1,128,439,566	616,400	2,553,220,832	-	3,682,276,798	3,795,633,388
Deposits from customers	-	-	-	2,973,611,756	2,973,611,756	2,973,611,756
Due to other banks	-	-	-	286,059,609	286,059,609	286,059,609
	-	-	-	3,259,671,365	3,259,671,365	3,259,671,365

3.3.5 Financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Bank's financial statements. These fair values were determined for disclosure purposes only.

Cash and cash equivalents

The carrying amount of cash and cash equivalents is a reasonable approximation of fair value.

Investment securities

The fair value for investment securities is based on market prices from financial market dealer price quotations. Where this information is not available, fair value is estimated using quoted market prices for securities with similar credit, maturity and yield characteristics.

Loans and advances

The estimated fair value of loans and advances represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates.

Other assets

The bulk of these financial assets have short (less than 3months) maturities and their amounts are a reasonable approximation of fair value.

Deposits from banks and customers

The estimated fair value of deposits with no stated maturity, which includes non-interest bearing deposits, is the amount repayable on demand. The estimated fair value of fixed interest-bearing deposits not quoted in an active market is based on discounted cash flows using interest rates for new debts with similar remaining maturity.

Other liabilities

The carrying amount of financial liabilities in other liabilities is a reasonable approximation of fair value.

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

3. Financial risk management (continued)
3.3 Market risks (continued)
3.3.6 Geographical concentration of assets and liabilities and off balances sheet items

	2017		2016	
	In Ghana	Outside Ghana	In Ghana	Outside Ghana
Assets				
Cash and balances with banks	**288,667,047**	**249,799,333**	407,892,679	299,682,581
Treasury bills and other Investments	**1,257,684,598**	**-**	1,129,055,966	-
Loans to customers	**1,098,846,411**	**-**	1,845,645,572	-
Other asset accounts	**36,025,822**	**-**	42,555,462	-
	2,681,223,878	**249,799,333**	3,425,149,679	299,682,581
Liabilities				
Due to customers	**2,073,671,821**	**-**	2,973,611,756	-
Due to other banks	**235,287,392**	**20,311,990**	284,448,805	1,610,804
Other liabilities	**44,515,077**	**32,081,692**	60,471,358	92,461,646
Current tax liability	**8,085,891**	**-**	-	-
Deferred tax liability	**543,201**	**-**	679,098	-
Total liabilities	**2,362,103,382**	**52,393,682**	3,319,211,017	94,072,450
Off Balance Sheet Items				
Letters of credit	**-**	**11,469,429**	-	6,313,841
Guarantees and indemnities	**632,982,080**	**-**	289,819,266	-
	632,982,080	**11,469,429**	289,819,266	6,313,841

4. Capital management

Regulatory capital

Bank of Ghana sets and monitors capital requirements for the Bank.

The Bank's objectives when managing capital, which is a broader concept than the 'equity' on the face of the statement of financial position, are:

- To safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for the shareholders and benefits for the other stakeholders.
- To maintain a strong capital base to support the current and future development needs of the business.
- To comply with the capital requirements set by the Bank of Ghana.

Capital adequacy and the use of regulatory capital are monitored daily by the Bank's management, based on the guidelines set by Bank of Ghana (the regulator), for supervisory purposes. The required information is filed with Bank of Ghana on a monthly basis.

The regulatory capital requirements are strictly observed when managing economic capital. The Bank's regulatory capital is managed by the Bank's Risk Management Department and comprises two tiers:

(i) Tier 1 capital: stated capital (net of any book values of the treasury shares), statutory reserve, retained earnings and reserves created by appropriations of retained earnings. This excludes credit risk reserve; and
(ii) Tier 2 capital: qualifying subordinated loan capital and unrealised gains arising on the fair valuation of equity instruments held as available-for-sale.

The Bank of Ghana requires each Bank to:

(i) Hold the minimum level of regulatory capital of GH¢60 million; and
(ii) Maintain a ratio of total regulatory capital to risk weighted assets plus risk weighted off balance assets at above the required minimum of 10%.

The table below summarises the composition of regulatory capital and the ratios of the Bank for the years ended 31 December 2017 and 2016. During those two years, the Bank complied with all of the externally imposed capital requirements.

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

4. Capital management (continued)

Regulatory capital (continued)

Tier 1 capital	**2017**	**2016**
Stated capital	**74,659,061**	74,659,061
Statutory reserve	**194,992,376**	167,496,379
Income surplus	**279,798,768**	34,678,268
Less: intangible assets	**(19,401,735)**	(27,702,269)
Total qualifying Tier 1 capital	**530,048,470**	249,131,439
Tier 2 capital		
Fair value reserve	**(676,234)**	-
Total regulatory capital	**529,372,236**	249,131,439
Risk-weighted assets:		
On-balance sheet	**786,539,890**	1,020,223,660
50% of net open position	**1,875,449**	7,363,782
100% of 3 years average annual gross income	**454,951,616**	297,688,524
Off-balance sheet	**644,451,509**	296,133,107
Total risk-weighted assets	**1,887,818,464**	1,621,409,073
Capital adequacy ratio	**28%**	15%

5. Regulatory credit reserve

IAS 39 requires the Bank to recognise an impairment loss when there is objective evidence that loans and advances are impaired. However, Bank of Ghana prudential guidelines require the Bank to set aside amounts for impairment losses on loans and advances in addition to those losses that have been recognised under IAS 39. Any such amounts set aside represent appropriations of income surplus and not expenses in determining profit or loss. These amounts are dealt with in the regulatory credit risk reserve. The provision for this additional impairment amounts is to be made only when impairment amounts provided under IFRS rules is lower than the provisions under Bank of Ghana Prudential Guidelines. The movements in regulatory credit risk reserve during the year were as follows:

	2017	2016
At 1 January	**52,648,517**	-
Transfer from income surplus	**(52,648,517)**	52,648,517
At 31 December	**-**	52,648,517
IFRS impairment provisions	**176,043,688**	142,252,450
Bank of Ghana provisions	**166,003,014**	194,900,967
Regulatory credit risk reserve	**-**	52,648,517

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6. Critical accounting estimates and judgements in applying the bank's accounting policies

The Bank's financial statements and its financial result are influenced by accounting policies, assumptions, estimates and management judgement, which necessarily have to be made in the course of preparation of the financial statements.

The Bank makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year.

All estimates and assumptions required in conformity with IFRS are best estimates undertaken in accordance with the applicable standard.

Estimates and judgements are evaluated on a continuous basis, and are based on past experience and other factors, including expectations with regard to future events.

Accounting policies and management's judgements for certain items are especially critical for the Bank's results and financial situation due to their materiality.

a. Impairment losses on loans and advances

The Bank reviews its loan portfolios to assess impairment at least on a quarterly basis. In determining whether an impairment loss should be recorded in the profit or loss, the Bank makes judgements as to whether there is any observable data indicating an impairment trigger followed by measurable decrease in the estimated future cash flows from a portfolio of loans before the decrease can be identified with that portfolio. This evidence may include observable data indicating that there has been an adverse change in the payment status of borrowers in a Bank, or national or local economic conditions that correlate with defaults on assets in the Bank. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling its future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

b. Determination of fair values

The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of techniques as described in accounting policy 2.5.2. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

c. Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and level of future taxable profits, together with future tax planning strategies.

d. Held to maturity investments

In accordance with IAS 39 guidance, the Bank classifies some non-derivative financial assets with fixed or determinable payments and fixed maturity as held to maturity. This classification requires significant judgement. In making this judgement, the Bank evaluates its intention and ability to hold such investments to maturity. If the Bank were to fail to keep these investments to maturity other than for the specific circumstances – for example, selling an insignificant amount close to maturity – the Bank is required to reclassify the entire category as available-for-sale. Accordingly, the investments would be measured at fair value instead of amortised cost. If all held-to-maturity investments were to be so reclassified, the carrying value would increase by GH¢6,320,356 with a corresponding entry in the fair value reserve in shareholders' equity.

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

7. Interest income

	2017	2016
Placements with banks	**26,055,618**	23,298,491
Loans to customers	**346,853,296**	308,621,998
Investment securities	**225,907,957**	308,256,006
	598,816,871	640,176,495

Accrued interest on impaired loans amounts to GH¢ 55,384,337 during the year (2016: GH¢ 34,695,704).

8. Interest expense

	2017	2016
On customer deposits:		
Fixed deposits	**89,649,576**	215,690,235
Savings deposits	**1,988,545**	1,619,695
Demand and call deposits	**42,439,146**	18,004,990
	134,077,267	235,314,920
On deposits from banks	**13,698,870**	27,177,246
	147,776,137	262,492,166

9. Fee and commission

	2017	2016
Commission on turnover	**4,567,729**	5,060,219
Credit-related fees and commissions	**20,102,229**	19,226,812
Trade finance fees	**7,443,147**	1,176,412
E-Banking related income	**5,453,721**	4,480,728
Guarantees charges and commissions	**2,024,015**	893,659
Other commissions on transactional service	**6,387,663**	942,126
	45,978,504	31,779,956
Fee and commission expenses	**(1,262,517)**	(1,022,073)
Net fee and commission income	**44,715,987**	30,757,883

10. Net trading income

	2017	2016
Foreign exchange transactions	**26,726,294**	20,329,077
	26,726,294	20,329,077

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

11. Other operating income

	2017	2016
Profit on disposal of property and equipment	**1,210**	125,470
Other income	**18,845**	373,553
	20,055	499,023

12. Loan impairment charges

	2017	2016
a) Impairment charges		
Specific impairment on loans	**34,392,206**	84,217,996
Collective impairment on loans	**(600,968)**	2,430,511
Recoveries	**(51,984)**	-
	33,739,254	86,648,507
Impairment on other assets	**739,151**	-
	34,478,405	86,648,507
b) Specific impairment Charges		
At 1 January	**133,505,425**	50,426,074
Impairment charge for the year	**34,392,206**	84,217,996
Amounts written off during the year as uncollectible	**-**	(1,138,645)
	167,897,631	133,505,425
c) Collective impairment Charges		
At 1 January	**8,747,025**	6,316,514
Impairment reversal for the year	**(600,968)**	2,430,511
At 31 December	**8,146,057**	8,747,025
Loan loss provision ratio	**13.81%**	7.20%
Gross non-performing loans ratio	**43.67%**	31.69%

13. Personnel expenses

	2017	2016
Salaries and wages	**40,887,689**	38,974,619
Social security fund contribution	**2,059,497**	1,749,315
Staff provident fund	**1,921,894**	1,750,527
	44,869,080	42,474,461
Number of staff at year end	**504**	503

14. Depreciation and amortisation

	2017	2016
Depreciation	**2,953,868**	2,431,754
Amortisation	**604,471**	468,352
	3,558,339	2,900,106

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

15. Other operating expenses

	2017	2016
Premises expenses	**12,222,223**	11,138,445
Motor vehicle expenses	**10,708,024**	9,986,753
Telephone and telex	**4,851,028**	3,699,825
Advertisement	**1,136,358**	2,378,832
Equipment expenses	**1,729,035**	2,327,025
Security services	**1,747,459**	1,527,497
Business travels	**989,950**	1,195,101
Correspondent bank expenses	**1,262,517**	1,022,073
Auditor's remuneration	**504,048**	450,450
Donations and social responsibility	**480,984**	132,272
Property and equipment written off	**150,128**	-
Directors' fees and allowances	**1,207,375**	1,275,471
General administrative expenses	**87,654,196**	51,396,751
	124,643,325	86,530,495

16. Basic and diluted earnings per share

	2017	2016
Profit attributed to ordinary shares	**219,967,980**	144,092,159
Weighted average number of ordinary shares	**3,700,250,000**	3,700,250,000
Basic and diluted earnings per share (GH¢)	**0.06**	0.04

17. Income tax

	2017	2016
Current income tax	**79,223,900**	56,138,986
National fiscal stabilisation levy	**15,747,696**	10,535,837
Deferred income tax	**14,345**	(50,239)
Income tax expense	**94,985,941**	66,624,584
Reconciliation of actual to effective tax rate		
Profit before income tax	**314,953,921**	210,716,743
Tax calculated at the tax rate of 25% (2016: 25%)	**78,738,480**	52,679,186
National fiscal stabilization levy	**15,747,696**	10,535,837
Expenses not deductible for tax purposes	**1,305,439**	4,340,888
Income not subject to tax	**(805,674)**	(931,327)
	94,985,941	66,624,584

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

17. Income tax (continued)

Current income tax

Year of assessment	Balance at 1 January	Charge for the year	Payment	Balances at 31 December
Up to 2016	1,096,818	-	-	1,096,818
2017	-	79,223,900	(72,301,927)	6,921,973
	1,096,818	79,223,900	(72,301,927)	8,018,791
National fiscal stabilisation levy				
Up to 2016	(1,667,478)	-	-	(1,667,478)
2017	-	15,747,696	(14,013,118)	1,734,578
	(1,667,478)	15,747,696	(14,013,118)	67,100
	(570,660)	94,971,596	(86,315,045)	8,085,891

18. Deferred income tax asset

	Property and equipment	Collective Impairment	Available for sale securities	Total
At 1 January 2017	679,098	(2,186,757)	-	(1,507,659)
(Debited)/credited to profit or loss	(135,897)	150,242	-	14,345
Credited to other comprehensive income	-	-	(225,412)	(225,412)
At 31 December 2017	543,201	(2,036,515)	(225,412)	(1,718,725)
At 1 January 2016	121,708	(1,579,128)	-	(1,457,420)
Credited/(debited) to profit or loss	557,390	(607,629)	-	(50,239)
At 31 December 2016	679,098	(2,186,757)	-	(1,507,659)

19. Cash and cash equivalents

	2017	2016
a) Cash and Balances with Bank of Ghana		
Cash on hand	**26,128,697**	28,755,021
Balances with Bank of Ghana(Mandatory)	**207,367,182**	297,361,176
Balances with Bank of Ghana(Unrestricted)	**15,385,286**	62,203,579
	248,881,165	388,319,776
b) Due from other banks		
Items in course of collection	**17,706,641**	19,572,903
Placements and balances with local banks	**22,079,240**	-
Placements with foreign banks	**218,632,915**	257,957,633
Nostro account balances	**31,166,419**	41,724,948
	289,585,215	319,255,484
	538,466,380	707,575,260

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

c) Cash and cash equivalents for purposes of the statements of cash flows	2017	2016
Cash on hand and balances with Bank of Ghana	**248,881,165**	388,319,776
Mandatory deposit reserves	**(207,367,182)**	(297,361,176)
Unrestricted cash and bank balances	**41,513,983**	90,958,600
Due from other banks	**289,585,215**	319,255,484
Short term treasury bills	**978,368,670**	970,948,445
	1,309,467,868	1,381,162,529

Balances with Bank of Ghana include mandatory deposit reserve of GH¢207,367,182 (2016: GH¢297,361,176) which is not available for day to day operations.

20. Non pledged trading assets

	2017	2016
1- Year Notes	-	94,150
3- Year Fixed Bond	-	522,250
	-	616,400
Current	-	94,150
Non-current	-	522,250
	-	616,400

21. Investment securities

(a) Treasury Bills – Held to maturity	2017	2016
14-Day B.o.G Bill	**977,622,686**	967,308,816
91-Day Treasury Bill	**745,984**	3,639,628
182-Day Treasury Bill	**103,568,046**	157,491,122
	1,081,936,716	1,128,439,566
(b) Government Bonds – Held to maturity		
5- Year Fixed Bond	**79,161,215**	-
7- Year Fixed Bond	**26,662,698**	-
10- Year Fixed Bond	**1,576,879**	-
	107,400,793	-
(c) Government Bonds – Available for sale		
1- Year Notes	**43,300,216**	-
2- Year Fixed Bond	**1,370,908**	-
3- Year Fixed Bond	**24,577,611**	-
Fair value loss	**(901,646)**	-
	68,347,089	-
Treasury bill	**1,081,936,716**	1,128,439,566
Government bonds	**175,747,882**	-
	1,257,684,598	1,128,439,566
Current	**1,123,997,441**	1,128,439,566
Non-current	**133,687,157**	-

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

22. Loans and advances to customers

	2017	2016
Analysis by type of advance		
Overdrafts	**662,514,616**	698,615,524
Loans	**612,375,483**	1,289,282,498
Gross loans and advances	**1,274,890,099**	1,987,898,022
Specific impairment	**(167,897,631)**	(133,505,425)
Collective impairment	**(8,146,057)**	(8,747,025)
Net loans and advances	**1,098,846,411**	1,845,645,572
Analysis by type of customer		
Private enterprises	**1,259,126,446**	1,963,787,406
Individuals	**6,665,485**	18,725,644
Staff	**9,098,168**	5,384,972
Gross loans and advances	**1,274,890,099**	1,987,898,022
Analysis by Sector		
Retail customers	**95,977,971**	102,651,584
Corporate customers	**1,178,912,128**	1,885,246,438
Gross loans and advances	**1,274,890,099**	1,987,898,022
Specific impairment	**(167,897,631)**	(133,505,425)
Collective impairment	**(8,146,057)**	(8,747,025)
Net loans and advances to customers	**1,098,846,411**	1,845,645,572
Current	**1,245,980,600**	551,704,946
Non- current	**28,909,499**	1,293,940,626

23. Other assets

	2017	2016
Prepayments	**7,488,032**	27,702,269
Stationery stocks	**178,952**	588,033
Mobile money	**18,385,234**	2,972,685
Accounts receivable	**10,712,755**	11,292,475
	36,764,973	42,555,462
Impairment on accounts receivable	**(739,151)**	-
	36,025,822	42,555,462
Current	**32,814,748**	41,364,146
Non- current	**3,211,074**	1,191,316

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

24. Property and Equipment

	Land and building	Leasehold improvements	Office fittings and equipment	Motor vehicles	Computers	Capital work in progress	Total
31 December 2017							
Cost							
At 1 January	3,725,458	7,023,298	12,402,684	4,892,414	3,870,369	936,008	32,850,231
Additions	-	183,788	591,184	1,348,482	329,359	15,506,598	17,959,411
Disposal	-	(858)	(160,025)	-	(1,620)	-	(162,503)
Transfer	-	465,497	1,575,672	-	202,167	(2,243,336)	-
Write offs	-	-	-	-	-	(150,128)	(150,128)
At 31 December	**3,725,458**	**7,671,725**	**14,409,515**	**6,240,896**	**4,400,275**	**14,049,142**	**50,497,011**
Depreciation							
At 1 January	202,018	3,758,715	8,554,734	3,705,165	2,634,692	-	18,855,324
Charge for year	81,315	413,875	1,273,479	799,300	385,899	-	2,953,868
Disposal	-	(858)	(160,025)	-	(1,620)	-	(162,503)
At 31 December	**283,333**	**4,171,732**	**9,668,188**	**4,504,465**	**3,018,971**	**-**	**21,646,689**
Net book value	**3,442,125**	**3,499,993**	**4,741,327**	**1,736,431**	**1,381,304**	**14,049,142**	**28,850,322**

	Land and building	Leasehold improvements	Office fittings and equipment	Motor vehicles	Computers	Capital work in progress	Total
31 December 2016							
Cost							
At 1 January	2,328,288	4,514,715	9,946,854	4,910,922	3,169,090	2,197,288	27,067,157
Additions	347,164	809,356	1,257,325	281,756	377,770	3,112,826	6,186,197
Disposal	-	-	(15,562)	(387,561)	-	-	(403,123)
Transfers	1,050,006	1,699,227	1,214,067	87,297	323,509	(4,374,106)	-
At 31 December	**3,725,458**	**7,023,298**	**12,402,684**	**4,892,414**	**3,870,369**	**936,008**	**32,850,231**
Depreciation							
At 1 January	152,808	3,363,219	7,563,757	3,396,617	2,350,292	-	16,826,693
Charge for year	49,210	395,497	1,006,539	696,108	284,400	-	2,431,754
Disposal	-	-	(15,562)	(387,561)	-	-	(403,123)
At 31 December	**202,018**	**3,758,716**	**8,554,734**	**3,705,164**	**2,634,692**	**-**	**18,855,324**
Net book value	**3,523,440**	**3,264,582**	**3,847,950**	**1,187,250**	**1,235,677**	**936,008**	**13,994,907**

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

24. Property and Equipment (continued)

The profit on disposal is as follows:

	2017	2016
Cost	**162,503**	403,123
Depreciation	**(162,503)**	(403,123)
Net book value	**-**	-
Proceeds	**1,210**	125,470
Profit on disposal	**1,210**	125,470

25 Intangible assets

Intangible assets represent computer software purchased by the Bank. The movement during the year is as follows:

	2017	2016
Cost		
At 1 January	**3,148,684**	2,523,614
Additions	**558,939**	625,070
At 31 December	**3,707,623**	3,148,684
Amortisation		
At 1 January	**1,967,576**	1,499,224
Charge for the year	**604,471**	468,352
At 31 December	**2,572,047**	1,967,576
Net book value	**1,135,576**	1,181,108

26. Customer deposits

Analysis by type of customer	2017	2016
Savings deposits	**93,828,107**	83,116,702
Demand and call deposits	**1,103,294,803**	1,773,968,450
Fixed deposits	**876,548,911**	1,116,526,604
	2,073,671,821	2,973,611,756
Current	**2,070,454,691**	2,971,116,558
Non-current	**3,217,130**	249,518

Analysis by Sector		
Retail customers	**801,175,840**	615,236,651
Corporate customers	**1,272,495,981**	2,358,375,105
	2,073,671,821	2,973,611,756

27. Deposits from banks

	2017	2016
Takings from local banks	**235,287,392**	284,444,563
Takings from foreign banks	**20,311,990**	-
Due to local banks	**-**	4,242
Nostro account balances	**-**	1,610,804
	255,599,382	286,059,609

All deposits from banks are current.

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

28. Other Liabilities

	2017	2016
Africash payable	**40,706**	31,332
Accrued expenses	**42,436,878**	32,719,613
Provision for legal claims	**479,365**	864,275
Drafts payable	**3,313,554**	3,788,928
Withholding tax payable	**230,812**	376,826
Visa payable	**603,956**	-
Inward transfers payable	**875,474**	401,813
Sundry liabilities	**28,616,024**	35,194,217
Dividend payable (note 31)	**-**	79,556,000
	76,596,769	152,933,004

All other liabilities are current

29. Stated capital

	2017	2016
Issued :		
Number of Shares	**3,700,250,000**	3,700,250,000
For cash consideration	**74,659,061**	74,659,061

30. Statutory reserve

Statutory reserve represents transfer of 12.5% of profit after tax to reserve in compliance with Bank of Ghana's regulatory requirement. The statutory reserve is not distributable.

	2017	2016
At January 1	**167,496,379**	149,484,859
Transfer from income surplus	**27,495,997**	18,011,520
At December 31	**194,992,376**	167,496,379

31. Dividend Declared

No dividend was declared during the year (2016: 2.15 Pesewas per share). Payment of dividend is subject to withholding tax at a rate of 8%.

	2017	2016
Dividend payable:		
At 1 January	**79,556,000**	39,038,006
Dividend declared	**-**	79,556,000
Dividend paid	**(79,556,000)**	(39,038,006)
	-	79,556,000

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

32. Contingent liabilities and commitments

a. Legal proceedings

There were legal cases proceeding against the Bank at 31 December 2017. Beside provision of GH¢479,365 (2016: GHS 864,275) made in respect of these cases, no contingent liability associated with legal actions has been disclosed as professional advice indicates that it is unlikely that any significant loss will arise.

b. Capital commitments

At 31 December 2017, the Bank had capital commitments of GH¢318,510 (2016: GH¢ 936,007) in respect of leasehold improvements. The Bank's Management is confident that future net revenues and funding will be sufficient to cover this commitment.

c. Loan commitments, guarantee and other financial facilities

At 31 December 2017, the Bank had contractual amounts of off-balance sheet financial instruments that commit the Bank to extend credit to customers, guarantee and other facilities as follows:

	2017	2016
Letters of credit	**11,469,429**	6,313,841
Guarantees and indemnities	**632,982,080**	289,819,266
Loan commitments	**18,971,267**	16,553,518
	663,422,776	312,686,625

Letters of credit commit the Bank to make payments to third parties, on production of documents, which are subsequently reimbursed by customers.

33. Fair value reserve

	2017	2016
At 1 January 2017	**-**	-
Fair value loss on available for sale financial assets	**(901,646)**	-
Deferred tax asset (Note 18)	**225,412**	-
	676,234	-

34. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. The Bank is a subsidiary of UBA Plc which owns 90.77% of the issued ordinary shares. UBA Plc is also the ultimate controlling party of the Bank.

All transactions with related parties are done in the normal course of business and at arm's length.

Details of related party balances are as follows:

	2017	2016
Loans to key management staff	**990,861**	758,103
Due from banks	**231,149,921**	218,359,453
Total	**232,140,782**	219,117,556
Interest income - key management staff	**10,792**	21,450
Deposits from key management staff	**668,878**	316,559
Due to Parent (UBA Plc)	**32,081,692**	74,006,764
Due to other UBA affiliates	**20,311,990**	12,608,697
Total	**53,062,560**	86,932,020
Interest expense - key management staff	**73,579**	7,365
Other expenses	**11,387,507**	16,250,854
Total	**11,461,086**	16,258,219

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

34. Related party transactions (continued)

Key management compensation

The remuneration of key management staff during the year were as follows:

	2017	2016
Salaries and other short-term employment benefits	**5,474,005**	5,412,672
Defined contribution for key management staff	**222,903**	175,407

Key management staff constitutes members of the Executive Committee

Directors' remuneration		
Fees for services as a director	**1,207,375**	1,275,471

35. Comparatives

Except when a standard or an interpretation permits or requires otherwise, all amounts are reported or disclosed with comparative information.

Shareholder information

Shareholder (2017)	Shareholding	% holding
United Bank For Africa Plc	3,358,600,375	90.77%
Gold Coast Investment Project Ltd	248,820,107	6.72%
Teachers Fund	63,522,250	1.72%
Consortium Investment Trust	11,416,278	0.31%
Unique Insurance Co Ltd	11,366,659	0.31%
Labour Enterprises Trust Co. Ltd	6,524,331	0.18%
Totals	**3,700,250,000**	**100%**

NOTES (CONTINUED)

(All amounts are expressed in Ghana cedis unless otherwise stated)

Value added statement

	2017	2016
Interest and other operating income	**644,795,375**	671,956,451
Direct cost of services	**(272,474,604)**	(348,769,263)
Value added by banking services	**372,320,771**	323,187,188
Non-banking income	**26,746,349**	20,828,100
Impairments	**(34,478,405)**	(86,648,507)
Value added	**364,588,715**	257,366,781
Distributed as follows:		
To employees:-		
Directors (excluding executives)	**1,207,375**	1,275,471
Executive directors	**1,506,241**	1,455,234
Other employees	**43,362,839**	41,019,227
To government:		
Income taxes	**94,985,941**	66,624,584
To providers of capital		
Dividend to shareholders	**-**	79,556,000
To expansion and growth		
Depreciation	**2,953,868**	2,431,754
Amortisation	**604,471**	468,352
	219,967,980	64,536,159

Quantitative disclosure

	2017	2016
Capital adequacy ratio	**28%**	15%
Liquid ratio	**74%**	52%
Gross non-performing loans ratio	**43.67%**	31.69%

Corporate Information

A directory of the Bank's offices, ATM locations and international network

Enterprise. Excellence. Execution

UBA
United Bank for Africa

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of United Bank for Africa (Ghana) Limited will be held at 4.00pm prompt on Thursday, 24th May, 2018 at Heritage Tower, Ambassadorial Enclave, Off Liberia Road, West Ridge, Accra to transact the following business:

1. To receive the Audited Accounts for the year ended 31st December, 2017 together with the reports of the Directors and Auditors thereon.

2. To appoint Deloitte Ghana as Auditors of the Company.

3. To elect Directors.

4. To authorise the Directors to fix the remuneration of the Auditors.

5. To transact any other business to be dealt with at an Annual General Meeting.

Dated this 3rd day of May, 2018
By Order of the Board

AG. COMPANY SECRETARY
UNITED BANK FOR AFRICA (GHANA) LIMITED
HERITAGE TOWER, AMBASSADORIAL ENCLAVE
WEST RIDGE, ACCRA

NOTE:

A member entitled to attend and vote at the General Meeting is entitled to appoint a proxy to attend and vote in his/her stead. Executed proxy forms must be deposited at the registered office of the Bank, Heritage Tower, near Cedi House, Ambassadorial Enclave, off Liberia Road, Ministries, Accra.

A proxy form is enclosed.

United Bank for Africa (Ghana) Limited
Heritage Tower, Ambassadorial Enclave, Ridge
P.M.B. 29, Ministries, Accra, Ghana
Tel: +233-302-683526-30 Fax: +233-302-680666

PROXY FORM

ANNUAL GENERAL MEETING to be held at 4.00pm on Thursday, May 24, 2018 at Heritage Tower, near Cedi House, Ambassadorial Enclave, West Ridge, Accra

I/We .... being a member of United Bank for Africa (Ghana) Limited hereby appoint ....(name of proxy) or failing him/her the Chairman of the meeting as my/our Proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on May 24, 2018.

Signed this .... day of 2018

....
Shareholder's signature/Common Seal

No.	Resolutions from the Board	For	Against
1.	To receive the Audited Accounts for the year ended 31st December, 2017 together with the reports of the Directors and Auditors thereon.		
2.	31st December, 2017 together with the reports of the		
3.	Directors and Auditors thereon.		
4.	To authorise the Directors to fix the remuneration of the Auditors.		
5.	To transact any other business to be dealt with at an Annual General Meeting.		

Please indicate with an "X" in the appropriate square how you wish your votes to be cast on the resolutions set out above. Unless otherwise instructed the proxy will vote or abstain from voting at his/her discretion.

THIS PROXY FORM SHOULD NOT BE SENT TO THE SECRETARY IF THE MEMBER WILL BE ATTENDING THE MEETING.

Notes.

1. A member (Shareholder) who is unable to attend the Annual General Meeting is allowed by law to vote by proxy. The above Proxy Form has been prepared to enable you to exercise your vote if you cannot personally attend.

2. Provision has been made on the Form for the Chairman of the meeting to act as your proxy, but if you wish, you may insert in the blank space marked "name of the proxy" the name of any person whether a Member of the Company or not, who will attend the Meeting and vote on your behalf instead of the Chairman of the Meeting.

3. If executed by a Company/Trust, the Proxy Form should bear its Common Seal or be signed on its behalf by a Director/ Trustees of the Company/Trust.

4. Please execute the Proxy Form and deliver it so as to reach the Board Secretary not later than 9.00am on Thursday, May 24, 2018.

Corporate Information

United Bank for Africa (Ghana) Ltd – Directors

UBA Ghana is led by a well selected team of Directors drawn from a wide spectrum of professions and geographies with huge experiences relevant to banking business.

1. Directors:

Mr. Kenneth Chikezie Orji – Chairman
Mrs. Abiola Bawuah – MD/CEO
Mr. Soni Anwal – DMD
Mr. Oliver Alawuba – Member
Mr. Alex Mould – Member (Retired, August 12, 2017)
Mr. Samuel Ofori-Adjei – Member
Prof. Kwamena Ahwoi – Member
Mr. Ebele Ogbue- Member (Appointed June 7, 2017)
Hon. Kwamena Bartels - Member (Received Bank of Ghana's approval on 3rd January 2018).

2. Executive Committee Members

UBA Ghana Executive Committee is made up of highly skilled and well talented professionals manning the various directorate of the Bank.

1. Abiola Bawuah -Managing Director/CEO- Chairman
2. Soni Anwal –Deputy Managing Director – Vice Chairman
3. Adedayo Adesipo - Chief Operating Officer – Member
4. Nkechi Akunyili- WAMZ Treasurer - Member
5. Olayiwola Sofolahan –Chief Risk Officer- Member
6. Johnson Olakunmi – Head, Digital Banking - Member
7. Ugochukwu Abanum - Chief Finance Officer - Member
8. Jocelyn E. Ackon - Head, Human Capital Management - Member
9. Chiedu Okonta – Country Chief Inspector- In attendance
10. Kwame Aduansere - Head, IT- Member
11. Philip Odoom- Head, Compliance - Member
12. Evans Sallah – Head, Internal Control - Member
13. Valerie Ackweh - Head, Legal - Member
14. Peter Dery - Head, Wholesale Banking - Member

3. Shareholder Information

S/N	Name Of Shareholder	Total Shares	Shareholding Structure
1	United Bank For Africa Plc	3,358,600,375	90.77%
2	Gold Coast Investment Project Ltd	248,820,107	6.72%
3	Teachers Fund	63,522,250	1.72%
4	Consortium Investment Trust	11,416,278	0.31%
5	Unique Insurance Co Ltd	11,366,659	0.31%
6	Labour Enterprises Trust Co. Ltd	6,524,331	0.18%
	Total	**3,700,250,000**	**100%**

Board Secretary (Ag.)

Valerie Ackwerh
Heritage Towers,
Ambassadorial Enclave,
PMB 29, Ministries
Accra

Auditors

PricewaterhouseCoopers
Chartered Accountants
No. 12 Airport City
UNA Home, 3rd Floor
PMB CT 42 Cantonment
Accra, Ghana

Registered office

Heritage Tower,
Near Cedi House,
Ambassadorial Enclave,
Off Liberia Road,
PMB 29, Ministries, Accra

Business Offices Network

GREATER ACCRA

CORPORATE BUSINESS OFFICE
Address: Heritage Tower, Ambassadorial Enclave, Near Cedi House, Off Liberia Road, Ridge.
Tel.: 0302680094 / 0302681224 / 302681224 / 0302689000

LABONE
Address: Hse. No. 96B Sithhole St., 5th Circular Road – Opp. Bosphorus Restaurant & Café, Labone
Tel.: 0302 783015 / 6 / 782234

ABEKA LAPAZ
Address: Abeka Lapaz,Akro-Gate Towers, Off Akweteyman,Lapaz, Road Accra - Ghana
Tel.: 03024 14474 / 407547 / 416682

ABOSSEY OKAI
Address: Urban Rose Plaza,13 Winneba road, Pamprom Traffic Light, Abossey Okai
Tel.: 0289 555189 / Fax.: 302661108

ACCRA CENTRAL
Address: No. 507 Cerby Avenue, White Chapel Building, Okaishie
Tel.: 0302 674085 / 674056 / 674112 / 674099 / 89

KANTAMANTO
Address: Tarzan Building Complex, Kantamanto
Tel.: 0302 681319 / 674112

RING ROAD CENTRAL
Address: Ring Road, Opposite Swiss School
Tel.: 0302 246066 / 8

NORTH INDUSTRIAL AREA
Address: NIA No. 612 Dadeban Road NTC
Tel.: 0302 2581778 / 257177 / 258177

ACHIMOTA
Address: Achimota Banking Farm, Mile 7, ABC Junction
Tel.: 0303- 976099/ 0303976100

AIRPORT
Address: 59 Patrice Lumumba Road, Airport Residential Area.
Tel.: 0302 766172 / 3

DZORWULU
Address: No. 47 Blohum Street, Near Medi-fem Clinic, Dzorwulu
Tel.: 0302 774038

EAST LEGON - AMERICAN HOUSE
Address: 4 Boundary Road East Legon, (Near America House)
Tel.: 0302 520497 / 8 / 520493

EAST LEGON - LAGOS AVENUE
Address: Plot 85, Lagos Avenue, East Legon (Adjacent Mensvic Hotel)
Tel.: 0289 532533 / Fax.: 509038072

MADINA
Address: Hollywood Shopping Complex - REDCO, Madina
Tel.: 0302 520770 / 4 / 520778 / 9 / 0201352992
Fax.: 302520772

TESHIE
Address: Lascala junction,Near KAIPC,Teshie
Tel.: 0289549669 / 0289549889

SPINTEX
Address: 120B Spintex Road, Agapet Filling Station
Tel.: 0289 549821 / 0289 549838

TEMA COMMUNITY 4
Address: Konadu Shopping complex, Near Chemu Sec School, Comm. 4
Tel.: 03032 00847

TEMA COMMUNITY 1
Address: Greenwich Tower, Opp. former Black Star Line, Meridian Road,Community
Tel.: 03032 12162 / 65
Fax.: 303212180

ASHANTI

ADUM
Plot 2, Block II A Palace Road, OTA Adum-Kumasi
Tel.: 03220 41006 / 8

KEJETIA
Opposite Unicom House,Kumasi Station,Kejetia, Kumasi
Tel.:03220 43898
Fax.: 322043898

ALABAR
ZE 66 Manhyia Road, Alabar - Kumasi
Tel.: 03220 31130

TANOSO
University of Education-Winneba (Kumasi campus)
Tel.: 03220 52490 / 52495 / 52489

SUAME
Address: Plot 3 Block A, Suame Takwa Layout
Tel.: 03220 49101 / 3

KNUST
Opp. Old administration block, KNUST campus, Kumasi
Tel.: 03220 64400
Fax.: 322064403

VOLTA

AFLAO
Aflao Border, Exit gate, Southern – end, Aflao
Tel.: 0362099821 / 036099822
fax.: 96230906

WESTERN

TAKORADI
Address: No. 52/1 John Sarbah Road,
Former BHC Building, Market Circle.
Tel.: 03120 26330 / 26437 / 25787

TARKWA
Address: St. Matthew Catholic Church, Obuoso Road, Tarkwa.
Tel: 0312 292952/

NORTHERN

TAMALE
Address: Ward M, Plot C4, North Lamashegu Res. Area.
Tel: 0372099002

UBA

United Bank for Africa

Africa's global bank