



**PRESS RELEASE**

**PR. No 108/2019**

**ADB BANK LIMITED (ADB)**  
**ANNUAL REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED 31 DECEMBER 2018**

ADB has released its audited Financial Statements for the year ended December 31, 2018 as per the attached.

Issued in Accra, this 3<sup>rd</sup>  
day of April, 2019

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att'd.

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AGRICULTURAL DEVELOPMENT BANK LIMITED

AGRICULTURAL DEVELOPMENT BANK LIMITED  
STATEMENT OF PROFIT OR LOSS  
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 GH¢'000	2017 GH¢'000
Interest income	8	478,702	520,862
Interest expense	9	(213,351)	(211,251)
<b>Net interest income</b>		<u>265,351</u>	<u>309,611</u>
Fees and commission income	10	75,464	72,947
Fees and commission expense	10	(8,310)	(8,593)
<b>Net fees and commission income</b>		<u>67,154</u>	<u>64,354</u>
Net trading income	11	45,704	28,328
Other operating income	12	<u>9,268</u>	<u>4,611</u>
<b>Operating Income</b>		<b>387,477</b>	<b>406,904</b>
Impairment loss on financial assets	13	(10,190)	(49,823)
Personnel expenses	14	(181,232)	(167,052)
Other operating expenses	15	(139,278)	(124,325)
Depreciation and amortization	16	<u>(22,720)</u>	<u>(18,365)</u>
<b>Profit before tax</b>		<b>34,057</b>	<b>47,339</b>
Income tax expense	24.1	<u>(28,149)</u>	<u>(20,829)</u>
<b>Profit after tax</b>		<u><b>5,908</b></u>	<u><b>26,510</b></u>

The notes on pages 26 to 125 form an integral part of these financial statements.

AGRICULTURAL DEVELOPMENT BANK LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 GH¢'000	2017 GH¢'000
Profit after tax		5,908	26,510
<b>Other comprehensive income, net of tax of Items that will not be reclassified to profit or loss:</b>			
Fair value through Other Comprehensive Income	38(ii)	<u>3,084</u>	<u>(2,275)</u>
<b>Other comprehensive income for the year</b>		<b><u>3,084</u></b>	<b><u>(2,275)</u></b>
<b>Total comprehensive income for the year</b>		<b>8,992</b>	<b>24,235</b>
<b>Earnings per share</b>			
Basic earnings per share (in Ghana pesewas)	17	2.56	11
Diluted earnings per share (in Ghana pesewas)	17	2.56	11

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AGRICULTURAL DEVELOPMENT BANK LIMITED

STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 GH¢'000	2017 GH¢'000
<b>Assets</b>			
Cash and bank balance	18	652,828	951,675
Due from other Banks	19	359,338	-
Investment securities	20	1,189,749	1,099,177
Loans and advances to customers	21	1,068,814	1,139,356
Investment (other than securities)	22	95,861	91,832
Investment in associate companies	23	-	357
Corporate tax assets	24.2	3,401	5,679
Intangible assets	25	28,466	35,861
Other assets	26	45,830	82,316
Property and equipment	27	98,846	105,117
Deferred tax assets	24.4	54,262	33,773
<b>Total Assets</b>		<b>3,597,395</b>	<b>3,545,143</b>
<b>Liabilities</b>			
Borrowed funds	29	274,322	458,551
Deposits from customers	30	2,586,265	2,541,010
Other liabilities	31	97,097	66,569
		<b>2,957,684</b>	<b>3,066,130</b>
<b>Equity</b>			
Stated capital	32	275,100	275,100
Deposit for shares	33	277,000	-
Income surplus	34	(294,086)	(189,429)
Revaluation reserve	35	57,531	57,531
Statutory reserve	36	101,100	98,146
Credit risk reserve	37	167,640	185,323
Fair value through OCI	38	55,426	52,342
<b>Shareholders' funds</b>		<b>639,711</b>	<b>479,013</b>
<b>Total liabilities and Shareholders' Funds</b>		<b>3,597,395</b>	<b>3,545,143</b>

These financial statements were approved by the Board of Directors on 29/03/2019, 2019 and signed on its behalf by:

CHAIRMAN

DIRECTOR

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AGRICULTURAL DEVELOPMENT BANK LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2018

	Stated Capital	Deposit for Shares	Credit risk Reserve	Statutory Reserve	Revaluation Reserve	Fair Value Reserve	Income Surplus	Total
	GHC'000	GHC'000	GHC'000	GHC'000	GHC'000	GHC'000	GHC'000	GHC'000
Balance at 1 January 2018	275,100	-	185,323	98,146	57,531	52,342	(189,429)	479,013
Impact of IFRS 9 (Note 50)	-	-	(167,058)	-	-	-	41,764	(125,294)
Restated opening balance under IFRS 9	275,100	-	18,265	98,146	57,531	52,342	(147,665)	353,719
Deposit for shares	-	277,000	-	-	-	-	-	277,000
Total Comprehensive income, net of income tax	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	5,908	5,908
Other Comprehensive income, net of income tax:	-	-	-	-	-	-	-	-
Net change in fair value of equity investment	-	-	-	-	-	3,084	-	3,084
Total Other Comprehensive income	-	-	-	-	-	3,084	-	3,084
Transfers from income surplus to reserves and transactions with owners, recorded directly in equity	-	-	-	2,954	-	-	(2,954)	-
Transfer to/ (from) credit risk reserve	-	-	149,375	-	-	-	(149,375)	-
Balance at 31 December 2018	275,100	277,000	167,640	101,100	57,531	55,426	(294,086)	639,711

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AGRICULTURAL DEVELOPMENT BANK LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2018

	Stated Capital GH¢'000	Credit risk Reserve GH¢'000	Statutory Reserve GH¢'000	Revaluation Reserve GH¢'000	Fair Value Reserve GH¢'000	Income Surplus GH¢'000	Total GH¢'000
Balance at 1 January 2017	275,100	171,417	84,891	57,531	54,617	(188,778)	454,778
Total Comprehensive income, net of income tax Profit	-	-	-	-	-	26,510	26,510
Other Comprehensive income, net of income tax Net change in fair value	-	-	-	-	(2,275)	-	(2,275)
Total Other Comprehensive income	-	-	-	-	(2,275)	-	(2,275)
Transfers from income surplus to reserves And transactions with owners, recorded directly In equity0	-	13,906	-	-	-	(13,906)	-
Transfer to/(from) credit risk reserve	-	-	13,255	-	-	(13,255)	-
Transfer to/ (from) statutory reserve	-	-	-	-	-	-	-
Total transfers and transactions with owners	-	13,906	13,255	-	-	(27,161)	-
Balance at 31 December 2017	275,100	185,323	98,146	57,531	52,342	(189,429)	479,013

The notes on pages 26 to 125 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2018

		2018	2017
	Note	GHC'000	GHC'000
<b>Cash flows from operating activities</b>			
Profit before tax		34,057	47,339
Adjustments for:			
Depreciation and Amortization	25, 27	22,720	18,365
Unrealised exchange difference		-	1,434
Impairment on financial assets	13	10,190	49,823
Impairment of equity instrument		2,985	
Loss on disposal of property and equipment		-	4
Dividend received		(2,678)	(2,921)
Net Interest income		(265,351)	(309,611)
Loss before working capital changes		(198,077)	(195,567)
Changes in:			
Loans and advances		(68,934)	(175,159)
Other assets		29,876	(39,322)
Deposits from customers		46,362	391,066
Other liabilities		12,772	14,329
Interest Income received		(178,001)	(4,653)
Interest expense paid		502,166	512,144
Dividend received		(215,037)	(202,463)
Taxes paid (NFSL)		2,678	2,921
Income tax paid		(1,507)	(2,378)
Tax refund		(9,796)	(6,442)
		4,040	10,470
<b>Net cash generated from operating activities</b>		104,543	309,599
<b>Cash flows from investing activities</b>			
Purchase of property and equipment	27	(7,106)	(12,989)
Purchase of intangible assets	25	(1,851)	(11,485)
Proceeds from the sale of property and equipment	27	186	-
Purchase of Medium and long term government securities		(459,975)	(118,732)
Proceeds from disposal of associated company		-	181
<b>Net cash used in investing activities</b>		(468,746)	(143,025)
<b>Cash flows from financing activities</b>			
Net (payments)/receipts of borrowed funds		(1,011,971)	71,232
Receipts in borrowed funds		947,317	
Proceeds from Right issue of shares		127,000	
<b>Net cash generated from financing activities</b>		62,346	71,232
<b>Net increase in cash and cash equivalents</b>		(301,857)	237,806
Cash and cash equivalent at 1 January		1,768,927	1,532,555
Effect of exchange rate fluctuations on cash held		(3,422)	(1,434)
<b>Cash and cash equivalents at December 31</b>	28	1,463,648	1,768,927

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