



NATIONAL INVESTMENT BANK LTD.

2007

ANNUAL REPORT



ATM SERVICES
PERSONAL SAVING
TRADE FINANCE
INTERNAL MONEY TRANSFER
INTERNATIONAL BANKING
ESTIC BANKING



Report of the Directors

In accordance with the requirement of Section 132 of the Companies Code, 1963 (ACT 179) and the Banking Act of 2004 (ACT 673) as amended by the Banking act, 2007 (Act 173), we the Board of National Investment Bank Limited submit our annual report on the state of affairs of the Bank for the year ended 31 December 2007.

1. Accounts

	2007 GH¢'000	2006 GH¢'000
Total Income	<u>57,257</u>	<u>36,991</u>
Profit before Taxation	6,851	3,380
From which is deducted a provision of for National Reconstruction Levy and Estimated tax liability/(asset) of	0 <u>(862)</u>	(169) <u>1,216</u>
Leaving a Net Profit of Which is to be added to income surplus brought forward from previous year of	5,989 <u>13,540</u>	4,427 <u>11,951</u>
Making a total of From which is transferred to Statutory Reserve of	19,529 <u>(1,497)</u>	16,378 <u>(1,107)</u>
Leaving a total of Less Dividend Declared	18,032 <u>(1,731)</u>	15,271 <u>(1,731)</u>
Leaving a Balance carried forward to the Balance Sheet of	<u>16,301</u>	<u>13,540</u>



Profit and Loss Account

for the year ended 31st December, 2007

	<i>Notes</i>	2007 GH¢'000	2006 GH¢'000
Interest Income	4	38,222	26,705
Interest Expense	5	(14,808)	(11,119)
Net Interest Income		23,414	15,586
Commission and Fees	6	8,754	5,051
Other Operating Income	7	6,644	4,549
Total Income		38,812	25,186
Charge For Bad And Doubtful Debts	19b	(6,670)	(1,137)
Operating Expenses	8	(28,928)	(21,355)
Net Operating Profit		3,214	2,694
Other Income	10	3,637	686
Profit Before Taxation		6,851	3,380
National Reconstruction Levy	11	0	(169)
Taxation	12	(862)	1,216
Profit After Tax Transferred To Income Surplus Account		5,989	4,427

Income Surplus Account

for the year ended 31st December, 2007

	<i>Notes</i>	2007 GH¢'000	2006 GH¢'000
Balance at 1st January		13,540	11,951
Transfer from Profit and Loss Account		5,989	4,427
Transfer to Statutory Reserve Fund	28	(1,497)	(1,107)
Dividend Declared	13	(1,731)	(1,731)
Balance at 31st December		16,301	13,540



Balance Sheet

as at 31st December, 2007

ASSETS			
	<i>Notes</i>	2007 GH¢'000	2006 GH¢'000
Cash and Balances with Bank of Ghana	14	31,260	29,803
Government Securities	15	27,109	17,803
Due from other Banks and Financial Institutions	16	36,874	34,392
Investment in other Securities	17	1,234	721
Loans and Advances to Customers	18	194,933	137,736
Other Assets	20	<u>27,487</u>	<u>35,277</u>
		318,897	255,732
Fixed Assets	21	<u>25,358</u>	<u>24,066</u>
TOTAL ASSETS		<u>344,255</u>	<u>279,798</u>
LIABILITIES AND SHAREHOLDERS' FUNDS			
Customers Deposits	22	244,583	169,754
Interest Payable and other Liabilities	23	12,467	6,764
Borrowing	24	44,628	64,243
Liability on Managed Funds	25	2,226	1,742
National Reconstruction Levy	11	881	881
Taxation	12	<u>(4,028)</u>	<u>(2,826)</u>
TOTAL LIABILITIES		<u>300,757</u>	<u>240,558</u>
Stated Capital	26	7,000	7,000
Capital Surplus	27	13,815	13,815
Statutory and other Reserve Funds	28	6,382	4,885
Income Surplus		<u>16,301</u>	<u>13,540</u>
TOTAL SHAREHOLDERS' FUNDS		<u>43,498</u>	<u>39,240</u>
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS		<u>344,255</u>	<u>279,798</u>
MANAGED FUNDS ADMINISTERED ON BEHALF OF THE GOVERNMENT OF GHANA	29	4,923	4,923

■ Approved by the Board on *March 7th* 2008

Dr. C. D. Jebuni (Chairman)

Sir. Daniel C. Gyimah (Managing Director)

Hon. Nii Adu Daku Mante (Director)



Statement of Changes in Equity

for the year ended 31st December, 2007

	Stated Capital GH¢'000	Capital Surplus GH¢'000	Statutory Reserve GH¢'000	Other Reserve GH¢'000	Income Surplus GH¢'000	Total GH¢'000
2007						
Balance at 1st January 2007	7,000	13,815	4,859	26	13,540	39,240
Transfer	0	0	1,497	0	(1,497)	0
Dividends Declared	0	0	0	0	(1,731)	(1,731)
Revaluation	0	0	0	0	0	0
Profit for the year	0	0	0	0	5,989	5,989
Balance at 31st December 2007	7,000	13,815	6,356	26	16,301	43,498

2006						
Balance at 1st January 2006	7,000	173	3,752	26	11,951	22,902
Transfer	0	0	1,107	0	(1,107)	0
Dividends Declared	0	0	0	0	(1,731)	(1,731)
Revaluation	0	13,642	0	0	0	13,642
Profit for the year	0	0	0	0	4,427	4,427
Balance at 31st December 2006	7,000	13,815	4,859	26	13,540	39,240



Cash Flow Statement

for the year ended 31st December, 2007

<i>Notes</i>	2007 GH¢'000	2006 GH¢'000
Cash flow from operating activities		
Net Profit before Taxation	6,851	3,380
Dividends received	(5,381)	(3,266)
Depreciation charge	3,177	1,857
Profit on sale of fixed assets	(44)	(129)
Profit on sale of Shares	(3,027)	(337)
Operating (Loss)/Profit before working capital changes	1,576	1,505
Net (Increase)/Decrease in Government Securities	(9,306)	11,611
Net Increase in Loans and Advances	(57,197)	(47,573)
(Increase)/Decrease in Investment in other Securities	(513)	75
Decrease/(Increase) in other Assets	7,790	(10,589)
Net Increase in Customers Deposits	74,829	44,301
Due from other Banks and Financial Institutions	(2,482)	(9,698)
Increase/(Decrease) in Interest Payable and other Liabilities	5,703	(10,404)
Cash inflow/(outflow) from operating activities	20,400	(20,772)
Tax Paid	(2,064)	(2,106)
Reconstruction Levy paid	0	(144)
Net cash inflow/(outflow) from operating activities	18,336	(23,022)
Investing Activities		
Purchase of fixed assets	(4,914)	(4,018)
Proceeds from sale of fixed assets	489	134
Proceeds from sale of Equity Shares	3,027	357
Dividend received from investments	5,381	3,266
Dividend paid	(1,731)	(1,731)
Net cash inflow/(outflow) from investing activities	2,252	(1,992)
Financing Activities		
Borrowing	(19,615)	41,936
Managed Funds	484	822
Net Cash (outflow)/inflow from financing activities	(19,131)	42,758
Net Increase in cash and cash equivalent	1,457	17,744
Cash and Cash Equivalents at 1st January	29,803	12,059
Cash and Cash Equivalents at 31st December <i>33</i>	31,260	29,803



21. Fixed Assets

	LAND AND BUILDINGS	FURNITURE AND EQUIPMENT	MOTOR VEHICLE	GENERATING PLANT	LIBRARY	WORK IN PROGRESS	LEASE HOLD ITEMS	COMPUTER	TOTAL
	GHe'000	GHe'000	GHe'000	GHe'000	GHe'000	GHe'000	GHe'000	GHe'000	GHe'000
COST / VALUATION									
Balance as at 1st Jan, 2007	19,126	2,761	650	506	12	641	3,211	1,287	28,194
Addition for the year	1,399	888	113	21	0	101	2,016	376	4,914
Disposal / Transfer	450	(5)	(6)	0	0	0	(113)	0	(574)
Balance as at 31st Dec. 2007	20,075	3,644	757	527	12	742	5,114	1,663	32,534
DEPRECIATION									
Balance as at 1st Jan. 2007	187	1,280	464	232	2	0	1,220	743	4,128
Charge for the year	1,139	564	152	96	1	0	979	246	3,177
Disposal / Transfer	(6)	(5)	(5)	0	0	0	(113)	0	(129)
Balance as at 31st Dec. 2007	1,320	1,839	611	328	3	0	2,086	989	7,176
NET BOOK VALUE									
At 31st December 2007	18,755	1,805	146	199	9	742	3,028	674	25,358
At 31st December 2006	18,939	1,481	186	274	10	641	1,991	544	24,066

■ The buildings of the Bank were revalued on 30th September 2006 by Messrs Valuation & Appraisal Consult on the basis of full replacement cost.