

FINANCIAL STATEMENTS 2017

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2017.		
	2017	2016
	GHC	GHC
Interest income	5,419,304	418,634
Interest expense	(2,764,749)	(146,108)
Net interest income	2,654,555	272,526
Fee and commission income	462,870	84,363
Other income	217,230	262,640
Operating income	3,334,655	619,529
Net impairment loss on financial assets	(94,809)	(31,097)
Personnel expenses	(994,748)	(119,109)
Depreciation and amortisation	(608,324)	(41,716)
Other expenses	(619,188)	(370,150)
Total operating expenses	(2,317,069)	(562,072)
Profit before income tax	1,017,586	57,457
Income tax expense	(277,618)	-
National fiscal stabilisation levy	(50,879)	(2,873)
Profit for the year	689,089	54,584

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2017.		
	2017	2016
	GHC	GHC
Profit for the year	689,089	54,584
Other comprehensive income	-	-
Total comprehensive income for the year	689,089	54,584
Attributable to owners of Darfin Finance Ghana Limited	689,089	54,584

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017.		
	2017	2016
	GHC	GHC
Assets		
Cash and cash equivalents	1,952,216	203,968
Receivables and prepayments	448,229	165,950
Financial investments	17,097,056	11,838,427
Loans and advances to customers	12,464,689	3,078,623
Property, plant and equipment	5,984,507	4,964,412
Total assets	37,946,697	20,251,380
Liabilities		
Deposits from customers	21,501,653	5,029,858
Deferred tax	187,968	-
Deferred revenue	76,556	-
Other liabilities	436,846	166,938
Total liabilities	22,203,023	5,196,796
Equity		
Stated capital	15,000,000	15,000,000
Income surplus	371,837	27,292
Reserve fund	371,837	27,292
Total equity	15,743,674	15,054,584
Total equity and liability	37,946,697	20,251,380

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017.				
	Stated capital	Income surplus	Reserve Fund	Total equity
	GHC	GHC	GHC	GHC
Balance as at 1 January 2017	15,000,000	27,292	27,292	15,054,584
Profit for the year	-	344,545	344,545	689,089
Balance at 31 December 2017	15,000,000	371,837	371,837	15,743,673

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2017.		
	2017	2016
	GHC	GHC
Cash flows from operating activities		
Profit for the period	1,017,586	57,457
Adjusted for:		
Depreciation and amortisation	481,667	119,109
Impairment on financial assets	126,658	-
Preliminary Expenses write off	-	243,718
Operating cash flow before investment in working capital	1,625,911	420,284
Change in receivables and prepayments	(282,279)	(37,963)
Changes in financial investment	(5,258,629)	(11,838,426)
Changes in loans and advances	(9,386,065)	(3,078,623)
Changes in customer deposits	16,471,795	5,029,858
Changes in other liabilities	275,564	164,064
Other Adjustment	(50,879)	-
Tax Paid	(18,750)	-
Increase in operating assets and liability	1,750,757	(9,761,090)
Net cash flow generated from operating activities	3,376,668	(9,340,806)
Cash flow from investing activities		
Purchases of property, plant and equipment	(1,628,419)	(178,769)
Net cash flow used in investing activities	(1,628,419)	(178,769)
Net cash flow from financing activities		
Increase in stated capital	-	8,000,000
Additional contribution by shareholder	-	1,723,543
Net cash flow from/(used in) financing activities	-	9,723,543
Net Increase/(decrease) in cash and cash	1,748,249	203,968
Analysis of changes in cash and cash equivalent		
Cash and cash equivalent at 1 January	203,967	-
Net Increase/(decrease) in cash and cash equivalents	1,748,249	203,968
Cash and cash equivalent at 31 December	1,952,216	203,968

The financial statements were approved by the board of directors on 27th March, 2018 and were signed on its behalf by:


 DIRECTOR / CEO


 DIRECTOR / CHAIRMAN

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2017.		
1. Significant Accounting Policies		
The financial statements were prepared in accordance with Bank of Ghana's directives and the requirements of the International Financial Reporting Standards (IFRS) and its Interpretations as issued by the International Accounting Standards Board (IASB).		
2. Quantitative Disclosures		
i. Capital Adequacy Ratio (%)	2017 46.74%	2016 110.25%
ii. Non-Performing Loan (NPL) Ratio (BoG Basis)	1.00%	1.00%
iii. Liquidity Ratio (%)	36.92%	184.01%
3. Default in statutory liquidity and accompanying sanctions	2017	2016
Default in statutory requirements (times)	Nil	Nil
Sanctions for statutory default (GHC)	Nil	Nil

SUMMARY REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DARFIN FINANCE COMPANY GHANA LIMITED.

Opinion
 We have audited the financial statements of Darfin Finance Company Ghana Limited, which comprise the statement of financial position as at December 31, 2017, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.
 In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company as at 31st December 2017, and of its financial performance and 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 Institution (SDI) Act 2016 (Act 930).

The engagement partner on the audit resulting in this independent auditor's report is David Adom (ICAG/P/1219)

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