

**TF FINANCIAL SERVICES LIMITED  
STATEMENT OF COMPREHENSIVE INCOME  
YEAR ENDED 31 DECEMBER 2021**

	2021 GH¢	2020 GH¢
Interest Income	37,736,428	35,412,928
Interest Expense	(15,792,378)	(13,873,664)
<b>Net Interest Income</b>	<b>21,944,050</b>	<b>21,539,264</b>
Other Operating Income	6,778,845	6,413,804
<b>Total Operating Income</b>	<b>28,722,895</b>	<b>27,953,068</b>
Credit Loss Expense	(1,278,309)	(3,510,086)
<b>Net Operating Income</b>	<b>27,444,586</b>	<b>24,442,982</b>
Personnel Expenses	(8,522,680)	(6,959,073)
Operating Expenses	(14,852,735)	(14,758,194)
<b>Total Operating Expenses</b>	<b>(23,375,415)</b>	<b>(21,717,267)</b>
<b>Profit Before Tax</b>	<b>4,069,171</b>	<b>2,725,715</b>
Income Tax Expense	(1,549,462)	(817,714)
<b>Profit for the year</b>	<b>2,519,709</b>	<b>1,908,001</b>

**TF FINANCIAL SERVICES LIMITED  
STATEMENT OF CASH FLOWS  
YEAR ENDED 31 DECEMBER 2021**

	2021 GH¢	2020 GH¢
<b>Reconciliation of Operating Profit to Net Cash Flow From Operating Activities</b>		
Operating Profit before Taxation	4,069,171	2,725,715
Adjusted for:		
Depreciation	549,004	490,701
Profit on Disposal	(29,210)	0
Interest Expense	15,792,378	13,873,664
<b>Operating Profit before Working Capital Changes</b>	<b>20,381,343</b>	<b>17,090,080</b>
<b>Changes in:</b>		
Loans and Advances to Customers	(28,136,161)	582,893
Other Assets	(2,400,922)	641,454
Other Liabilities	605,864	145,871
Interest Paid	(15,792,378)	(13,868,738)
<b>Cash flow from Operating Activities</b>	<b>(25,342,254)</b>	<b>4,591,560</b>
<b>Tax Paid</b>	<b>(2,180,497)</b>	<b>(1,902,412)</b>
<b>Net Cash flow from Operating Activities</b>	<b>(27,522,750)</b>	<b>2,689,148</b>
<b>Cash flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment	(481,900)	(711,536)
Proceeds from Disposal of Property, Plant and Equipment	102,075	0
Investment in Short-Term Fixed Deposit	(1,314,871)	(5,805,104)
<b>Net Cash flow from Investing Activities</b>	<b>(1,694,696)</b>	<b>(6,516,640)</b>
<b>Cash flow from Financing Activities</b>		
Loan Received	28,614,398	7,851,160
<b>Net Cash flow from Financing Activities</b>	<b>28,614,398</b>	<b>7,851,160</b>
<b>(Decrease) / Increase in Cash and Cash Equivalents Cash and Cash Equivalents at 1 January</b>	<b>(603,049)</b> <b>9,130,830</b>	<b>4,023,668</b> <b>5,107,162</b>
<b>Cash and Cash Equivalents at 31 December</b>	<b>8,527,781</b>	<b>9,130,830</b>
<b>Analysis of Cash and Cash Equivalents</b>		
Bank Balances	8,457,887	8,986,256
Cash on hand	69,894	144,574
	<b>8,527,781</b>	<b>9,130,830</b>

**TF FINANCIAL SERVICES LIMITED  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021**

	2021 GH¢	2020 GH¢
<b>ASSETS</b>		
Cash and Cash Equivalents	8,527,781	9,130,830
Loans and Advances to Customers	110,792,911	82,656,750
Deferred Tax Asset	1,599,576	1,585,490
Investment	7,119,975	5,805,104
Property, Plant & Equipment	1,204,635	1,344,604
Prepayments	8,835,565	6,704,725
Current Tax	558,587	0
Other Assets	412,380	142,298
<b>TOTAL ASSETS</b>	<b>139,051,410</b>	<b>107,369,801</b>
<b>LIABILITIES</b>		
Other Liabilities	2,086,728	1,480,864
Loan Payable	104,451,893	75,837,495
Income Tax Liability	0	58,362
<b>TOTAL LIABILITIES</b>	<b>106,538,621</b>	<b>77,376,721</b>
<b>EQUITY</b>		
Stated Capital	20,000,000	20,000,000
Retained Earnings	3,222,862	1,963,008
Statutory Reserve	9,289,927	8,030,072
<b>TOTAL EQUITY</b>	<b>32,512,789</b>	<b>29,993,080</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>139,051,410</b>	<b>107,369,801</b>

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
TF FINANCIAL SERVICES LIMITED  
ON THE FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 31 DECEMBER 2021**

**Opinion**

In our opinion, the financial statements give a true and fair view of the financial position of TF Financial Services Limited as at December 31, 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act, 2019 (Act 992), and the Banks and Specialised Deposit Taking Institutions Act 2016 (Act 930).

*PKF*  
Signed by: George Ekow Mensshan (ICAG/P/1090)  
For and on behalf of: PKF (ICAG/F/2022/039)  
Chartered Accountants  
Parrar Avenue  
P. O. Box GP 1219,  
Accra.

28 MARCH 2022

**1. Significant Accounting Policy**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and in a manner required under the Companies Act, 1963 (Act 179) and the Banks and Specialised Deposit Taking Institutions Act 2016 (Act 930).

**2. Quantitative Disclosures**

	2021	2020
Capital Adequacy Ratio	16.86%	16.66%
Gross Non-Performing Loans Ratio	5.32%	6.93%

**3. Risk Management**

Effective risk management is of critical importance and key to the delivery of sustainable returns for shareholders. Risk taking is an inherent part of the company's business activities and is defined as the possibility of losing some or all of an original investment. Risk management systems and governance structures are designed to reduce earnings volatility and achieve an appropriate balance between risk and reward and increased profitability. The most important types of risk include:

- Credit risk
- Liquidity risk
- Market risk
- Operational Risk

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The Board's commitment to good risk management may be supported by their continuing professional development in the field of risk management and their support for the implementation and continued improvement of the risk management framework within the company

The Financial Statements in this publication is an extract from the Financial Statement for the year ended 31st December 2021. The Full set of the Financial Statements is available for inspection at TF Financial Services Ltd Head Office

Approved by the Board of Directors on 24th March 2022

*Alexander Mawusi Buadi*

**Alexander Mawusi Buadi**  
Director

*Ransford Obeng Ansong*

**Ransford Obeng Ansong**  
Managing Director