

ACCESS BANK (GHANA) PLC

UNAUDITED SUMMARY FINANCIAL STATEMENTS FOR THE PERIOD JUNE 30, 2020



UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE

(All amounts are in thousands of Ghana Cedis unless otherwise stated)

	The Group		The Bank	
	June 2020	June 2019	June 2020	June 2019
Interest income	308,104	223,089	308,104	223,089
Interest expense	(120,440)	(93,575)	(120,440)	(93,575)
Net interest income	187,664	129,514	187,664	129,514
Fees and commission	28,942	35,806	28,942	35,806
Net trading income	82,283	77,375	82,283	77,375
Other operating income	12,144	10,837	12,144	10,837
Total operating income	311,033	253,532	311,033	253,532
Credit loss expense	(9,528)	(10,001)	(9,528)	(10,001)
Personnel expenses	(38,736)	(32,638)	(38,736)	(32,638)
Depreciation and amortization	(17,961)	(9,498)	(17,961)	(9,498)
Other expenses	(51,407)	(42,443)	(51,407)	(42,443)
Profit before income tax	193,401	158,952	193,401	158,952
Taxation	(58,020)	(47,686)	(58,020)	(47,686)
Profit after tax	135,381	111,266	135,381	111,266
Other comprehensive income	-	-	-	-
Total comprehensive income for the period attributable to equity holders of the Bank	135,381	111,266	135,381	111,266
Earnings per share Basic & Diluted	0.78	0.64	0.78	0.64

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE

(All amounts are in thousands of Ghana Cedis unless otherwise stated)

	The Group		The Bank	
	June 2020	June 2019	June 2020	June 2019
ASSETS				
Cash and cash equivalents	1,548,852	2,004,797	1,548,852	2,004,797
Non-pledged trading Assets	884,797	402,179	884,797	402,179
Investment securities	1,731,082	412,391	1,731,082	412,391
Loans and advances to customers	1,034,338	839,071	1,034,338	839,071
Investment other than securities	-	-	20	20
Right of Use Asset	61,178	-	61,178	-
Property and equipment	161,991	141,755	161,991	141,755
Intangible assets	1,453	3,015	1,453	3,015
Deferred income tax asset	20,015	7,974	20,015	7,974
Other assets	133,062	175,560	132,800	175,297
Total assets	5,576,768	3,986,742	5,576,526	3,986,499
LIABILITIES				
Deposits from banks	244,061	15,808	244,061	15,808
Deposits from customers	3,678,040	2,726,070	3,678,040	2,726,070
Borrowings	633,454	445,465	633,454	445,465
Current income tax	1,560	4,860	1,560	4,860
Lease Obligation	40,217	-	40,217	-
Deferred income tax liability	-	5,263	-	5,263
Other liabilities	39,234	45,249	40,013	46,027
Total liabilities	4,636,566	3,242,715	4,637,345	3,243,493
EQUITY				
Stated capital	400,000	400,000	400,000	400,000
Statutory reserve	274,899	209,835	274,899	209,835
Credit risk reserve	168,558	116,549	168,558	116,549
Income surplus	97,758	17,012	96,737	15,991
Fair value reserve	(1,013)	631	(1,013)	631
Total equity	940,202	744,027	939,181	743,006
Total equity and liabilities	5,576,768	3,986,742	5,576,526	3,986,499

STATEMENT OF CHANGES IN EQUITY

(All amounts are in thousands of Ghana Cedis unless otherwise stated)

The Group						
30 June 2020	Stated capital	Statutory reserve	Credit risk reserve	Income surplus	Fair value reserve	Total
At 1 January 2020	400,000	241,054	157,171	7,609	(1,013)	804,821
Profit for the period	-	-	-	135,381	-	135,381
Changes in fair value of held-to-collect-and-sell financial assets, net of tax	-	-	-	-	-	-
Total comprehensive income	-	-	-	135,381	-	135,381
Transfer to credit risk reserve	-	-	11,387	(11,387)	-	-
Transfer to statutory reserve	-	33,845	-	(33,845)	-	-
Total transactions with owners	-	33,845	11,387	(45,232)	-	-
At 30 June 2020	400,000	274,899	168,558	97,758	(1,013)	940,202
31 December 2019	Stated capital	Statutory reserve	Credit risk reserve	Income surplus	Fair value reserve	Total
At 1 January 2019	400,000	154,202	116,549	(38,621)	631	632,761
Profit for the year	-	-	-	173,704	-	173,704
Changes in fair value of held-to-collect-and-sell financial assets, net of tax	-	-	-	-	(1,644)	(1,644)
Total comprehensive income	-	-	-	173,704	(1,644)	172,060
Transfer to credit risk reserve	-	-	40,622	(40,622)	-	-
Transfer to statutory reserve	-	86,852	-	(86,852)	-	-
Total transactions with owners	-	86,852	40,622	(127,474)	-	-
At 31 December 2019	400,000	241,054	157,171	7,609	(1,013)	804,821
The Bank						
30 June 2020	Stated capital	Statutory reserve	Credit risk reserve	Income surplus	Fair value reserve	Total
At 1 January 2020	400,000	241,054	157,171	6,588	(1,013)	803,800
Profit for the period	-	-	-	135,381	-	135,381
Changes in fair value of held-to-collect-and-sell financial assets, net of tax	-	-	-	-	-	-
Total comprehensive income	-	-	-	135,381	-	135,381
Transfer to credit risk reserve	-	-	11,387	(11,387)	-	-
Transfer to statutory reserve	-	33,845	-	(33,845)	-	-
Total transactions with owners	-	33,845	11,387	(45,232)	-	-
At 30 June 2020	400,000	274,899	168,558	96,737	(1,013)	939,181
31 December 2019	Stated capital	Statutory reserve	Credit risk reserve	Income surplus	Fair value reserve	Total
At 1 January 2019	400,000	154,202	116,549	(39,642)	631	631,740
Profit for the year	-	-	-	173,704	-	173,704
Changes in fair value of held-to-collect-and-sell financial assets, net of tax	-	-	-	-	(1,644)	(1,644)
Total comprehensive income	-	-	-	173,704	(1,644)	172,060
Transfer to credit risk reserve	-	-	40,622	(40,622)	-	-
Transfer to statutory reserve	-	86,852	-	(86,852)	-	-
Total transactions with owners	-	86,852	40,622	(127,474)	-	-
At 31 December 2019	400,000	241,054	157,171	6,588	(1,013)	803,800

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE

(All amounts are in thousands of Ghana Cedis unless otherwise stated)

	The Group		The Bank	
	June 2020	June 2019	June 2020	June 2019
Cash flows from operating activities				
Profit before tax	193,401	158,952	193,401	158,952
Adjustments for:				
Depreciation of property, plant and equipment	17,100	8,114	17,100	8,114
Amortisation of intangible assets	861	1,385	861	1,385
Interest expense on borrowings	(9,546)	(5,131)	(9,546)	(5,131)
Impairment on financial instruments	9,528	10,001	9,528	10,001
Profit on disposal of property, plant and equipment	(4)	(6)	(4)	(6)
Change in loans and advances	258,529	(23,512)	258,529	(23,512)
Change in investment securities	(663,898)	(68,034)	(663,898)	(68,034)
Change in other assets	(41,878)	29,628	(41,878)	29,628
Change in deposits from customers	685,224	301,396	685,224	301,396
Change in deposits from banks	26,854	(95,258)	26,854	(95,258)
Change in other liabilities	2,614	6,847	2,614	6,847
Tax paid	(47,548)	(47,686)	(47,548)	(47,686)
Net cash used/generated in operating activities	431,237	276,696	431,237	276,696
Cash flows from investing activities				
Purchase of property and equipment	(2,650)	(32,576)	(2,650)	(32,576)
Purchase of intangible assets	(286)	(323)	(286)	(323)
Proceeds from sale of property and equipment	-	7	-	7
Net cash used in investing activities	(2,936)	(32,892)	(2,936)	(32,892)
Cash flows from financing activities				
Drawdown on borrowings	156,015	262,794	156,015	262,794
Repayment of borrowings	(129,808)	(14,791)	(129,808)	(14,791)
Net cash generated from financing activities	26,207	248,003	26,207	248,003
Net increase in cash and cash equivalents	454,508	491,807	454,508	491,807
Cash and cash equivalents at 1 January	1,094,344	1,512,990	1,094,344	1,512,990
Cash and cash equivalents at 30 June	1,548,852	2,004,797	1,548,852	2,004,797

NOTES FORMING PART OF THE UNAUDITED FINANCIAL STATEMENTS

1. Significant Accounting Policies

1.1 Accounting Policies

The accounting policies applied for the period ended 30 June 2020 are consistent with those applied in the financial statements for the year ended 31 December 2019.

2. Qualitative Disclosures

- The Bank's risk management framework defines the approach to risk management.
- The scope of risks that are directly managed by the Bank is as follows: Credit risk, Operational Risk, Market and Liquidity risk, Legal and Compliance risk, Strategic risk, Reputational risk and Capital risk.
- Key elements of the Bank's risk management framework are as follows:
 - Establishment of the Bank's risk philosophy, culture and objectives;
 - Establishment of the Bank's risk management governance framework;
 - Articulation of the Bank's risk management stakeholders and development of an action plan to meet their risk management expectations; and
 - Establishment of policies and procedures to identify, measure, monitor, report and control the risks the Bank faces. The processes adopted for risk management for the period ended 30 June 2020 are consistent with those adopted for the year ended 31 December 2019.

3. Quantitative Disclosures

	June 2020	June 2019
i. Capital Adequacy Ratio (%)	30.51	25.06
ii. Non-performing loans (%)	27.30	32.79
iii. Liquid ratio	168.18	182.2

4. Default in Statutory Liquidity and other Regulatory Sanctions

	June 2020	June 2019
i. Default in statutory liquidity	Nil	Nil
ii. Default in statutory liquidity sanction (GHS'000)	Nil	Nil

Signed
Frank Beecham
Chairman

Signed
Olumide Olatunji
Managing Director

Africa's Best Bank for SMEs

Winner, Euromoney Awards for Excellence 2020

This is more than an award for us; it is proof of our commitment to supporting the growth of African businesses.

We couldn't have achieved this without you. Thank you.



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