

Standard Chartered Bank Ghana PLC

Unaudited summary of consolidated and separate financial statements for the period ended 31 March 2023



UNAUDITED SUMMARY STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2023

	2023		2022
	Bank GHc'000	Group GHc'000	Bank GHc'000
Interest income calculated using the effective interest method	368,374	368,374	226,600
Interest expense	(56,820)	(56,820)	(50,497)
Net interest income	311,554	311,554	176,103
Fees and commission income	43,295	46,237	45,719
Fees and commission expense	(2,726)	(2,726)	(3,751)
Net fee and commission income	40,569	43,511	41,968
Net trading income	110,389	110,389	137,947
Net loss from other financial instruments carried at fair value through profit/loss	2,344	2,344	(320)
Other income	2,319	2,319	-
Operating income	467,175	470,117	355,698
Net impairment gain/(loss) on financial asset	114,217	114,217	28,820
Operating income net of impairment charges	581,392	584,334	384,518
Personnel expenses	(92,437)	(92,846)	(61,991)
Depreciation and amortisation	(10,494)	(10,557)	(9,064)
Other expenses	(21,201)	(21,650)	(19,549)
Total operating expenses	(124,132)	(125,053)	(90,604)
Profit before income tax	457,260	459,281	293,914
Income tax expense	(115,454)	(115,947)	(73,764)
National Fiscal Stabilization Levy	(22,863)	(22,964)	(14,696)
Financial Sector Clean up Levy	(22,863)	(22,863)	(14,696)
Total tax and levy	(161,180)	(161,774)	(103,156)
Profit for the year	296,080	297,507	190,758
Other comprehensive income			
Net gain/(losses) from changes in fair value	68,681	68,681	(2,961)
Tax on net gain/(losses) from changes in fair value	(17,170)	(17,170)	740
Expected Credit Loss charge/(release) on FVOCI Investment	14,785	14,785	(4,987)
Tax on changes in FVOCI Investment	(3,696)	(3,696)	1,247
Debt investments at FVOCI – reclassified to profit or loss	(173,036)	(173,036)	-
Total other comprehensive income	(110,436)	(110,436)	(5,961)
Total comprehensive income for the year	185,644	187,071	184,797
Basic earnings per share (Ghana Cedi per share)	2.20	2.21	1.40
Diluted earnings per share (Ghana Cedi per share)	2.20	2.21	1.40

UNAUDITED SUMMARY STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2023

	2023		2022
	Bank GHc'000	Group GHc'000	Bank GHc'000
Assets			
Cash and cash equivalents	5,703,289	5,707,016	4,378,378
Derivative assets held for risk management	6,621	6,621	2,111
Non-pledged trading assets	13,087	13,087	534,702
Loans to other banks	110,138	110,138	159,322
Loans and advances to customers	2,398,704	2,398,704	2,296,998
Investment securities	4,063,956	4,063,956	3,168,074
Current tax assets	-	-	11,015
Deferred tax asset	199,205	199,211	-
Property and equipment	39,845	40,431	45,652
Right-of-use asset	167,953	167,953	224,540
Equity investments	1,001	1	1,001
Other assets	169,687	169,687	544,832
Total assets	12,873,486	12,876,805	11,366,625
Liabilities			
Derivative liabilities held for risk management	28,635	28,635	10,950
Deposits from banks	168,794	168,794	212,574
Deposits from customers	10,269,516	10,269,516	8,187,618
Borrowings	-	-	291,601
Provisions	60,222	60,222	72,085
Current tax	22,233	21,874	-
Deferred tax liabilities	-	-	6,226
Lease liabilities	300,050	300,050	265,611
Other liabilities	511,034	511,431	491,881
Total liabilities	11,360,484	11,360,522	9,538,546

UNAUDITED SUMMARY STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2023 (CONT'D)

	2023		2022
	Bank GHc'000	Group GHc'000	Bank GHc'000
Shareholders' funds			
Stated capital	400,000	400,000	400,000
Income surplus	414,460	417,741	723,031
Reserve fund	568,228	568,228	568,228
Credit risk reserve	30,000	30,000	165,226
Other reserves	100,314	100,314	(28,406)
Total shareholders' funds	1,513,002	1,516,283	1,828,079
Total liabilities and shareholders' funds	12,873,486	12,876,805	11,366,625
Net assets value per share (Ghana Cedis per share)	11.16	11.16	13.50

UNAUDITED SUMMARY STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2023

	2023		2022
	Bank GHc'000	Group GHc'000	Bank GHc'000
Cash flows from operating activities			
Profit before tax	457,260	459,281	293,914
Adjustments for:			
Depreciation	10,494	10,557	9,064
Impairment on financial assets	(114,217)	(114,217)	(28,820)
Net interest income	(311,554)	(311,554)	(176,103)
Unrealised exchange gain/loss on trading	22,873	22,873	(10,411)
Effect of exchange	(28,737)	(28,737)	76,150
	36,119	38,203	163,794
Change in trading assets	(8,527)	(8,527)	(172,738)
Change in derivative assets held for risk management	63,070	63,070	8,032
Change in other assets	126,036	126,036	(163,618)
Change in loans to other banks	(110,138)	(110,138)	81,932
Change in loans and advances to customers	(105,928)	(105,928)	(410,199)
Change in derivative liabilities held for risk management	(41,703)	(41,703)	8,032
Change in deposits from banks	54,355	54,355	132,884
Change in deposits from customers	2,085,629	2,085,629	633,161
Change in borrowings	-	-	51,357
Change in provisions	(37,793)	(37,793)	-
Change in other liabilities	121,922	122,266	213,836
	2,183,042	2,185,470	546,473
Interest received	300,149	300,149	221,347
Interest paid	(47,502)	(47,502)	(43,814)
Income tax paid	(38,378)	(38,949)	(65,889)
Net cash from operating activities	2,397,311	2,399,168	658,117
Cash flows from investing activities			
Purchase of investment securities	(3,828,650)	(3,828,650)	(9,855,806)
Sale/redemption of investment securities	3,127,412	3,127,412	10,449,120
Purchase of property and equipment	-	-	-
Net cash used in investing activities	(701,238)	(701,238)	593,314
Net Cash flows from financing activities	-	-	-
Net increase in cash and cash equivalents	1,696,073	1,697,930	1,251,431
Effect of exchange fluctuation on cash held	28,737	28,737	(76,150)
Cash and cash equivalents at 1 January	3,978,479	3,980,349	3,203,097
Cash and cash equivalents at 31 December	5,703,289	5,707,016	4,378,378

UNAUDITED SUMMARY STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2023

Bank	Total Shareholders' Funds					
	Stated capital	Income surplus	Reserve fund	Credit risk reserve	Other reserves	Shareholders' Funds
2023	GHc'000	GHc'000	GHc'000	GHc'000	GHc'000	GHc'000
Balance at 1 January 2023	400,000	148,380	568,228	-	210,750	1,327,358
Total Comprehensive income	-	296,080	-	-	-	296,080
Profit for the year	-	296,080	-	-	-	296,080
Other comprehensive income	-	-	-	-	-	-
Net gain/(losses) from changes in fair value	-	-	-	-	68,681	68,681

UNAUDITED SUMMARY STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2023 (CONT'D)

Bank	Total Shareholders' Funds					
	Stated capital	Income surplus	Reserve fund	Credit risk reserve	Other reserves	Shareholders' Funds
2023	GHc'000	GHc'000	GHc'000	GHc'000	GHc'000	GHc'000
Tax on net gain/(losses) from changes in fair value	-	-	-	-	(17,170)	(17,170)
Expected Credit Loss charge/(release) on FVOCI Investment	-	-	-	-	14,785	14,785
Tax on changes in FVOCI Investment	-	-	-	-	(3,696)	(3,696)
Debt investments at FVOCI – reclassified to profit or loss	-	-	-	-	(173,036)	(173,036)
Total Comprehensive income	-	296,080	-	-	(110,436)	185,644
Transfers:						
Transfer to credit risk reserve	-	(30,000)	-	30,000	-	-
Total Transfers	-	(30,000)	-	30,000	-	-
Balance at 31 March 2023	400,000	414,460	568,228	30,000	100,314	1,513,002

Group	Total Shareholders' Funds					
	Stated capital	Income surplus	Reserve fund	Credit risk reserve	Other reserves	Shareholders' Funds
2023	GHc'000	GHc'000	GHc'000	GHc'000	GHc'000	GHc'000
Balance at 1 January 2023	400,000	150,234	568,228	-	210,750	1,329,212
Total Comprehensive income	-	297,507	-	-	-	297,507
Profit for the year	-	297,507	-	-	-	297,507
Other comprehensive income	-	-	-	-	-	-
Net gain/(losses) from changes in fair value	-	-	-	-	68,681	68,681
Tax on net gain/(losses) from changes in fair value	-	-	-	-	(17,170)	(17,170)
Expected Credit Loss charge/(release) on FVOCI Investment	-	-	-	-	14,785	14,785
Tax on changes in FVOCI Investment	-	-	-	-	(3,696)	(3,696)
Debt investments at FVOCI – reclassified to profit or loss	-	-	-	-	(173,036)	(173,036)
Total Comprehensive income	-	297,507	-	-	(110,436)	187,071
Transfers:						
Transfer to credit risk reserve	-	(30,000)	-	30,000	-	-
Total Transfers	-	(30,000)	-	30,000	-	-
Balance at 31 March 2023	400,000	417,741	568,228	30,000	100,314	1,516,283

2022	Total Shareholders' Funds					
	Stated capital	Income surplus	Reserve fund	Credit risk reserve	Other reserves	Shareholders' Funds
2022	GHc'000	GHc'000	GHc'000	GHc'000	GHc'000	GHc'000
Balance at 1 January 2022	400,000	553,412	568,228	144,087	(22,445)	1,643,282
Total Comprehensive income	-	190,758	-	-	-	190,758
Profit for the year	-	190,758	-	-	-	190,758
Other comprehensive income	-	-	-	-	-	-
Net gain/(losses) from changes in fair value	-	-	-	-	(2,961)	(2,961)
Tax on net gain/(losses) from changes in fair value	-	-	-	-	740	740
Expected Credit Loss charge/(release) on FVOCI Investment	-	-	-	-	(4,987)	(4,987)
Tax on changes in FVOCI Investment	-	-	-	-	1,247	1,247
Total Comprehensive income	-	190,758	-	-	(5,961)	184,797
Transfers:	-	-	-	-	-	-

UNAUDITED SUMMARY STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2023

Bank	Total Shareholders' Funds					
	Stated capital	Income surplus	Reserve fund	Credit risk reserve	Other reserves	Shareholders' Funds
2023	GHc'000	GHc'000	GHc'000	GHc'000	GHc'000	GHc'000
Transfer to credit risk reserve	-	(21,139)	-	21,139	-	-
Total Transfers	-	(21,139)	-	21,139	-	-
Balance at 31 March 2022	400,000	723,031	568,228	165,226	(28,406)	1,828,079

The summary financial statements presented in this publication are extracts from the unaudited financial statements for the period ended 31 March 2023, which are available for inspection at the Head Office of Standard Chartered Bank Ghana PLC located at the No. 87 Independence Avenue, Accra.

SUMMARY NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

1. Significant Accounting Policies

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants, Ghana (ICAG) and are consistent with those applied in the preparation of the annual consolidated financial statements.

2. Quantitative Disclosures

	2023	2022
i. Capital Adequacy Ratio (%)	21.86	27.58
ii. Common Equity Tier 1 (%)	18.72	25.42
iii. Tier 1 (%)	18.86	25.58
iv. Leverage ratio (%)	8.14	10.49
v. Non-performing loan (NPL) ratio (%) - Gross basis	14.67	11.97
vi. Non-performing loan (NPL ratio less loss category) (%)	2.08	2.11
vii. Liquid ratio (%)	69.70	95.18
viii. Contingent liabilities (GHc'000)	26,684	927

3. Qualitative Disclosures

- The Bank's dominant risks are: credit risk, liquidity risk, market risk, and operational risk.
- The Bank's Risk Management Framework, defines the approach to risk management and the framework within which risks are managed and risk-return trade offs made. The risk management framework establishes common principles & standards for the management and control of all risks, provides a shared framework and language to improve awareness of risk management processes and provides clear accountability and responsibility for risk management. The core components of the risk management framework include our risk classifications, risk principles and standards, definitions of roles and responsibilities and governance structure.

The processes followed in risk measurement and their management for the period ended 31 March 2023 are consistent with those followed for the year ended 31 December 2022.