

# LETSHEGO GHANA SAVINGS AND LOANS PLC

UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2023



Statement of Comprehensive Income	2023	2022
	GHS '000	GHS '000
<b>Income</b>		
Interest income	371,420	336,077
Interest expense	(281,035)	(289,029)
<b>Net interest income</b>	<b>90,385</b>	<b>47,049</b>
Net impairment allowance	(654)	(16,125)
<b>Income from lending activities</b>	<b>89,731</b>	<b>30,923</b>
Other income	17,497	54,831
<b>Operating income</b>	<b>107,228</b>	<b>85,755</b>
Total operating expenses	(80,740)	(63,402)
Personnel expenses	(17,543)	(12,837)
Depreciation and amortisation	(4,263)	(4,523)
Administration and other expenses	(58,934)	(46,041)
<b>Profit from operations before taxation</b>	<b>26,488</b>	<b>22,353</b>
Income tax expense	(9,600)	(6,706)
<b>Profit for the period</b>	<b>16,888</b>	<b>15,647</b>

Statement of Financial Position	2023	2022
	GHS '000	GHS '000
<b>Assets</b>		
Cash and cash equivalents	123,001	214,712
Investment Securities	171,067	206,625
Other receivables	76,773	14,427
Loan book receivable	959,843	760,464
Deferred tax	3,170	11,954
Property, plant and equipment	9,514	9,090
<b>Total assets</b>	<b>1,343,368</b>	<b>1,217,272</b>
<b>Equity and liabilities</b>		
Issued capital	162,046	80,546
Retained income	25,481	53,235
Credit risk reserve	19,830	-
Share based payment reserve	-	1,162
Statutory reserves	51,321	51,321
<b>Total equity</b>	<b>258,678</b>	<b>186,264</b>
Trade and other payables	27,790	56,182
Tax payable	3,258	15,842
Borrowings	584,423	747,572
Customer deposits	96,601	24,985
Collateral deposits	372,618	186,427
<b>Total liabilities</b>	<b>1,084,690</b>	<b>1,031,008</b>
<b>Total equity and liabilities</b>	<b>1,343,368</b>	<b>1,217,272</b>

Statement of Changes in Equity	Stated Capital	Income Surplus	Statutory Reserve	Credit Risk Reserve	Total Shareholder Funds
	GHS '000	GHS '000	GHS '000	GHS '000	GHS '000
For The Period Ended 30th September 2023					
Balance as at 1st Jan 2023	80,546	11,173	51,321	17,250	160,290
<b>Movement during the period:</b>					
New share capital issued	81,500	-	-	-	81,500
Profit for the period	-	16,888	-	-	16,888
Transfer to credit risk reserve	-	(2,580)	-	2,580	-
<b>Balance as at 30th September 2023</b>	<b>162,046</b>	<b>25,481</b>	<b>51,321</b>	<b>19,830</b>	<b>258,678</b>

Statement of Cash Flow	2023	2022
	GHS '000	GHS '000
<b>Operating Activities</b>		
Profit before taxation	26,488	22,353
<b>Adjustments for:</b>		
Amortisation, depreciation, right of use assets and disposals	4,881	4,523
Impairment and write off charge	10,233	28,729
Impairment on investment securities	30,943	-
<b>Changes in working capital</b>		
Increase in loans and advances to customers	(209,612)	(5,051)
Increase / (decrease) in customer deposits	71,616	(108,961)
Increase / (decrease) in collateral deposit	186,191	(55,750)
Movement in other assets, liabilities and provisions	(104,979)	24,289
<b>Cash generated from / (used in) operations</b>	<b>15,760</b>	<b>(89,869)</b>
Income tax paid	(21,367)	(3,226)
<b>Net cash flow (used in) generated from operating activities</b>	<b>(5,607)</b>	<b>(93,095)</b>
<b>Investing Activities</b>		
Purchase of property, plant and equipment and intangible assets	(4,456)	(3,456)
Purchase of Bonds	-	(150,959)
<b>Net cash flows used investing activities</b>	<b>(4,456)</b>	<b>(154,415)</b>
<b>Financing Activities</b>		
Drawdown from borrowings	82,665	253,451
Repayment of borrowings	(164,314)	(57,577)
<b>Net cash flows (used in)/generated from financing activities</b>	<b>(81,648)</b>	<b>195,874</b>
<b>Net movement in cash and cash equivalents</b>	<b>(91,712)</b>	<b>(51,636)</b>
Cash and cash equivalents at the beginning of the period	214,712	266,348
<b>Cash and cash equivalents at the end of the period</b>	<b>123,001</b>	<b>214,712</b>

Quantitative Disclosures	Sept-2023	Sept-2022
Capital adequate ratio	21.4%	18.4%
Non-performing loan ratio	9.1%	8.8%
Liquidity ratio	61.2%	120.1%
Leverage ratio	19.1%	15.4%
Tier 1 ratio	22.3%	20.2%

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing financial statements for each financial period which give a true and fair view of the state of affairs of the company at the end of the period and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgments and estimates that are reasonable and prudent.
- State whether the applicable accounting standards have been followed.
- Ensure that the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act, 2019 (Act 992) and the Banking and Specialised Deposit Taking

Institutions Act, 2016 (Act 930) and the International Financial Reporting Standards. They are responsible for safeguarding the assets of the company and hence for taking steps for the prevention and detection of fraud and other irregularities, and detection of fraud and other irregularities.

The financial statements do not contain untrue statements, misleading facts or omit material facts to the best of our knowledge.

  
Blaise Mankwa  
Board Chairman

  
Geoffrey Kitakule  
Non-Executive Director