

# Republic Bank (Ghana) PLC

## SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS PREPARED FROM THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2023

### SUMMARY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER, 2023

In thousands of GH¢

	2023		2022	
	Bank	Group	Bank	Group
Interest income using effective interest method	947,212	975,427	604,862	625,157
Interest expense	(420,586)	(417,866)	(234,196)	(232,234)
Net interest income	526,626	557,561	370,666	392,923
Fee and commission income	66,985	109,198	52,213	84,884
Fee and commission expense	(3,116)	(3,116)	(1,708)	(1,708)
Net fee and commission income	63,869	106,082	50,505	83,176
Net trading income	55,222	55,222	34,014	34,014
Net income from investments at fair value thru. profit & loss	-	-	5,098	4,692
Other operating income	19,164	19,164	18,493	18,493
Revenue	664,881	738,029	478,776	533,298
Other income	13,652	14,104	14,807	17,805
Operating income	678,533	752,133	493,583	551,103
Net impairment loss on financial assets	(66,773)	(66,094)	(237,662)	(241,607)
Personnel expenses	(196,845)	(233,734)	(157,498)	(186,374)
Lease expenses	(767)	(767)	(2,374)	(2,374)
Depreciation and amortization	(32,444)	(34,800)	(24,977)	(26,934)
Other expenses	(150,154)	(164,313)	(97,177)	(109,009)
Profit / (loss) before income tax for the year	231,550	252,425	(26,105)	(15,155)
Growth and Sustainability Levy	(11,577)	(12,571)	-	(664)
Financial Sector Recovery Levy	(11,577)	(11,577)	-	-
Tax expense	(77,992)	(83,243)	(40,732)	(45,268)
Profit / (loss) for the year	130,404	145,034	(66,837)	(61,127)
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Revaluation of land and buildings	-	-	51,239	51,239
Related tax on revaluation surplus	-	-	(12,810)	(12,810)
Other comprehensive income for the year	-	-	38,429	38,429
Total comprehensive income / (loss) for the year	130,404	145,034	(28,408)	(22,698)
Profit / (loss) for the year attributable to:				
Controlling Equity holders of the bank	130,404	140,026	(66,837)	(63,679)
Non-controlling interest	-	5,008	-	2,552
Profit / (loss) for the year	130,404	145,034	(66,837)	(61,127)
Comprehensive income / (loss) attributable to:				
Controlling Equity holders of the bank	130,404	140,026	(78,408)	(75,250)
Non-controlling interest	-	5,008	-	2,552
Total comprehensive income / (loss) for the year	130,404	145,034	(78,408)	(72,698)
Basic earnings/ (loss) per share (Ghana pesewas)	15.31	16.44	(7.84)	(7.47)
Diluted earnings/ (loss) per share (Ghana pesewas)	15.31	16.44	(7.84)	(7.47)

### SUMMARY STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER, 2023

In thousands of GH¢

	2023		2022	
	Bank	Group	Bank	Group
<b>Assets</b>				
Cash and cash equivalents	2,985,556	2,985,579	1,759,927	1,759,937
Investment securities at FVOCI	-	-	11,185	11,185
Pledged assets	101,019	101,019	34,148	34,148
Investment securities	1,065,451	1,097,430	1,015,786	1,042,752
Loans and advances to customers	2,429,756	2,429,756	1,958,017	1,958,017
Investment in subsidiaries	13,543	-	13,543	-
Current tax assets	-	-	14,009	13,575
Deferred tax assets	32,542	32,899	26,360	27,558
Intangible asset and Goodwill	9,139	9,210	6,143	6,308
Other assets	27,118	41,479	22,762	30,823
Property and equipment	288,098	293,066	218,412	223,222
<b>Total assets</b>	<b>6,952,222</b>	<b>6,990,438</b>	<b>5,080,292</b>	<b>5,107,525</b>
<b>Liabilities and equity</b>				
Deposits from customers	5,868,216	5,841,981	4,090,281	4,068,545
Borrowing	-	-	88,123	88,123
Current tax liabilities	4,014	3,870	-	-
Deferred tax liabilities	28,197	28,197	24,743	25,404
Bonds	81,748	81,748	81,681	81,681
Other liabilities	178,119	187,635	133,940	140,938
<b>Total liabilities</b>	<b>6,160,294</b>	<b>6,143,431</b>	<b>4,418,768</b>	<b>4,404,691</b>
<b>Equity</b>				
Stated capital	401,191	401,191	401,191	401,191
Income surplus	(143,246)	(100,956)	(192,890)	(160,222)
Statutory reserve fund	257,527	257,527	192,325	192,325
Revaluation reserve	63,281	63,281	63,281	63,281
Regulatory credit risk reserve	212,431	212,431	196,873	196,873
Housing development assistance reserve	744	744	744	744
<b>Total equity attributable to equity holders of the Bank</b>	<b>791,928</b>	<b>834,218</b>	<b>661,524</b>	<b>694,192</b>
Non-controlling interest	-	12,789	-	8,642
<b>Total equity</b>	<b>791,928</b>	<b>847,007</b>	<b>661,524</b>	<b>702,834</b>
<b>Total liabilities and equity</b>	<b>6,952,222</b>	<b>6,990,438</b>	<b>5,080,292</b>	<b>5,107,525</b>

### SUMMARY STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER, 2023

In thousands of GH¢

	2023		2022	
	Bank	Group	Bank	Group
<b>Cashflow from operating activities</b>				
Profit / (loss) before tax	231,550	252,425	(26,105)	(15,195)
Adjustments for:				
Depreciation and amortization	32,444	34,800	24,977	26,934
Profit on disposal of property and equipment	(84)	(84)	(728)	(728)
Net impairment loss on loans and advances	23,200	23,200	71,630	71,630
Impairment on investment securities	43,573	42,894	166,032	169,977
Impairment of goodwill	-	-	968	968
Net interest income	(526,626)	(557,561)	(370,666)	(392,923)
Fair value change—Investments securities FVTPL	3,121	3,051	(5,098)	(4,692)
Exchange difference	29,035	29,035	45,093	45,093
Effect of foreign exchange fluctuations on cash & cash equiv.	(182,536)	(182,536)	(160,533)	(160,533)
Changes in working capital:				
Decrease in investments securities at FVOCI	11,185	11,185	6,476	6,476
(Increase) / decrease in pledged assets	(66,871)	(66,871)	40,258	40,258
Increase in loans and advances to customers	(462,516)	(462,516)	(281,650)	(281,650)
Increase in other assets	(4,356)	(10,656)	(6,104)	(4,890)
Increase in deposits from customers	1,734,385	1,729,886	880,186	897,111
Increase in other liabilities	51,232	53,473	39,245	35,067
<b>Cash generated from operations</b>	<b>916,736</b>	<b>899,725</b>	<b>423,981</b>	<b>432,903</b>
Interest paid	(377,540)	(374,820)	(228,806)	(228,806)
Interest received	888,838	917,053	604,862	608,969
Tax refund	13,710	13,710	-	-
Corporate tax paid	(77,113)	(82,710)	(50,928)	(55,384)
Growth and Sustainability levy paid	(11,224)	(12,248)	(4,425)	(4,425)
Financial Sector recovery levy paid	(11,224)	(11,224)	(4,358)	(4,358)
<b>Net cash generated from operating activities</b>	<b>1,342,183</b>	<b>1,349,486</b>	<b>740,326</b>	<b>748,899</b>
<b>Cash flows from investing activities</b>				
Purchase of property and equipment	(98,647)	(101,093)	(52,976)	(56,084)
Purchase of intangible asset- software	(6,576)	(6,576)	(419)	(635)
Proceeds from sale of property and equipment	181	207	1,133	1,133
Purchase of investment securities at amortised cost	(2,302,449)	(2,320,866)	(1,230,622)	(1,243,754)
Proceeds from redemption of investment securities at amortised cost	2,232,040	2,246,342	1,289,919	1,301,015
Proceeds from sale of investment securities – FVTPL	-	-	7,159	7,159
Purchase of investment securities – FVTPL	-	(755)	-	(2,223)
<b>Net cash used in/(from) investing activities</b>	<b>(175,451)</b>	<b>(182,741)</b>	<b>14,194</b>	<b>6,611</b>
<b>Cash flows from financing activities</b>				
Payment of lease liabilities	(13,193)	(13,193)	(8,957)	(9,927)
Payment of interest on lease liabilities	(963)	(963)	(354)	(371)
Repayment of borrowings	(109,484)	(109,484)	(91,870)	(91,870)
<b>Net cash used in financing activities</b>	<b>(123,640)</b>	<b>(123,640)</b>	<b>(101,181)</b>	<b>(102,168)</b>
Increase in cash and cash equivalents	1,043,093	1,043,106	653,339	653,342
Effect of foreign exch. fluctuations on cash & cash equiv.	182,536	182,536	160,533	160,533
At 1 January	1,759,927	1,759,937	946,055	946,062
<b>Cash and cash equivalents as at 31 December</b>	<b>2,985,556</b>	<b>2,985,579</b>	<b>1,759,927</b>	<b>1,759,937</b>

### SUMMARY STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER, 2023

Bank-2023

	Stated Capital	Income surplus account	Statutory reserve fund	Revaluation reserve	Housing development assistance reserve	Regulatory credit risk reserve	Total Equity
<i>In thousands of GH¢</i>							
Balance at 1 January 2023	401,191	(192,890)	192,325	63,281	744	196,873	661,524
Profit for the year	-	130,404	-	-	-	-	130,404
<b>Transfers from income surplus to reserves</b>							
Transfer to credit risk reserve	-	(15,558)	-	-	-	15,558	-
Transfer to statutory reserve fund	-	(65,202)	65,202	-	-	-	-
<b>Total transfers</b>	-	(80,760)	65,202	-	-	15,558	-
<b>At 31 December 2023</b>	<b>401,191</b>	<b>(143,246)</b>	<b>257,527</b>	<b>63,281</b>	<b>744</b>	<b>212,431</b>	<b>791,928</b>

Continued on next page...

Continued from previous page...

**SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS  
PREPARED FROM THE AUDITED FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 31 DECEMBER, 2023**

Bank-2022

	Stated Capital	Income surplus account	Statutory reserve fund	Revaluation reserve	Housing development assistance reserve	Regulatory credit risk reserve	Total Equity
<i>In thousands of GHC</i>							
Balance at 1 January 2022	401,191	24,372	192,325	24,852	744	46,448	689,932
Loss for the year	-	(66,837)	-	-	-	-	(66,837)
Transfers from income surplus to reserves	-	-	-	-	-	-	-
Transfer to regulatory credit risk reserve	-	(150,425)	-	-	-	150,425	-
Total transfers	-	(150,425)	-	-	-	150,425	-
Other Comprehensive Income	-	-	-	-	-	-	-
Revaluation of land and building	-	-	-	51,239	-	-	51,239
Taxation on revaluation surplus	-	-	-	(12,810)	-	-	(12,810)
Net other comprehensive income	-	-	-	38,429	-	-	38,429
At 31 December 2022	401,191	(192,890)	192,325	63,781	744	196,873	661,524

**SUMMARY STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED  
31 DECEMBER, 2023**

Group-2023

	Stated Capital	Income surplus account	Statutory reserve fund	Revaluation reserve	Housing development assistance reserve	Regulatory credit risk reserve	Non-controlling interest	Total Equity
<i>In thousands of GHC</i>								
Balance at 1 January 2023	401,191	(160,222)	192,325	63,281	744	196,873	8,642	702,834
Profit for the year	-	140,026	-	-	-	-	5,008	145,034
Transaction with equity holders	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	(861)	(861)
Transfers from income surplus to reserves	-	-	-	-	-	-	-	-
Transfer to credit risk reserve	-	(15,558)	-	-	-	15,558	-	-
Transfer to statutory reserve fund	-	(65,202)	65,202	-	-	-	-	-
Total transfers	-	(80,760)	65,202	-	-	15,558	-	-
At 31 December 2023	401,191	(100,956)	257,527	63,281	744	212,431	12,789	847,007

Group-2022

	Stated Capital	Income surplus account	Statutory reserve fund	Revaluation reserve	Housing development assistance reserve	Regulatory credit risk reserve	Non-controlling interest	Total Equity
<i>In thousands of GHC</i>								
Balance at 1 January 2022	401,191	53,882	192,325	24,852	744	46,448	6,647	726,089
Loss for the year	-	(63,679)	-	-	-	-	2,552	(61,127)
Transaction with equity holders	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	(557)	(557)
Transfers from income surplus to reserves	-	-	-	-	-	-	-	-
Transfer to regulatory credit risk reserve	-	(150,425)	-	-	-	150,425	-	-
Total transfers	-	(150,425)	-	-	-	150,425	-	-
Other Comprehensive Income	-	-	-	-	-	-	-	-
Revaluation of land and building	-	-	-	51,239	-	-	-	51,239
Taxation on revaluation surplus	-	-	-	(12,810)	-	-	-	(12,810)
Net other comprehensive income	-	-	-	38,429	-	-	-	38,429
At 31 December 2022	401,191	(160,222)	192,325	63,281	744	196,873	8,642	702,834

**NOTES TO THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2023**

The summary financial statements presented in this publication are extracts from the audited financial statements for the year ended 31 December 2023, which are available for inspection at the Head Office of Republic Bank (Ghana) PLC located at the No. 35 Six Avenue North Ridge, Accra.

**1. Material accounting policies**

**Basis of preparation**

The summary financial statements are prepared in accordance with the requirements of the Guide for Financial Publication for Banks and Bank of Ghana Licensed Financial Institutions and, in the form, and manner required by the Securities and Exchange Commission Regulations, 2003 as applicable to summary financial statements. The Guide requires the summary financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS Accounting Standards including the Hyperinflation Directive issued by the Institute of Chartered Accountants, Ghana (ICAG).

The ICAG issued a directive in November 2023 to accountants in business and accountants in practice, together with an update during January 2024 in terms of which the ICAG concluded that based on its analysis and interpretation, IAS 29 will not be applicable for December 2023 financial reporting period since Ghana is not considered to be operating in a hyperinflationary economy. In this regard, the financial statements of the Bank, including the corresponding figures for the comparative period have not been stated in terms of the measuring unit current at the end of the reporting period.

The accounting policies applied in the preparation of the audited financial statements, from which the summary financial statements were derived, are in accordance with IFRS Accounting Standards including the Hyperinflation Directive issued by the ICAG and are consistent with the accounting policies applied in the preparation of the previous annual audited financial statements.

**2. Quantitative Disclosures**

	2023	2022
a. Capital Adequacy Ratio (CRD) (%)	19.24	21.25
b. Non-Performing Loan (NPL) Ratio (%)	15.95	19.85
c. Liquidity ratio (%)	112.39	146.70
d. Leverage Ratio (%)	8.19	9.55
e. Contingent liabilities (GHS'000)	439,333	254,226

**3. Qualitative Disclosures**

**a. Dominant Risks**

The Bank is exposed to the following risks:

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

The Board of Directors established the Bank's Risk Management Frameworks and Assets and Liabilities Committee (ALCO) to be responsible for the monitoring of the Bank's risks.

The Bank has Risk Management and Compliance Departments which have policy and procedure manuals which have been instituted by the Board of Directors and Management. A comprehensive departmental manual has established a framework within which Management effectively manages and controls risks. The tasks involved in the risk management functions are to identify, define, measure, control, monitor and mitigate potential events that could impair the ability of the Group to generate stable and sustainable financial results from its operations.

**b. Risk management, compliance frameworks and measurement**

All risks are qualitatively and quantitatively evaluated on a recurring basis. Management understands the degree and nature of risk exposures on decisions regarding allocation of resources. Risk assessment is validated by the Risk Department which also tests the effectiveness of risk management activities and makes recommendations for remedial action. The Bank also identifies risk by evaluating the potential impact of internal and external factors, business transactions and positions. Once the risks are identified, various mitigating measures are put in place to regulate the degree of risks involved.

**4. Defaults in statutory liquidity and accompanying sanctions**

	2023	2022
Default in Statutory Liquidity (Times)	Nil	1
Default in Statutory Liquidity Sanctions (GHS'000)	Nil	146

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

  
David Addo-Ashong  
Director

  
Benjamin Dzoboku  
Managing Director



Continued from previous page...



Republic Bank (Ghana) PLC

## SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS PREPARED FROM THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2023

### REPORT OF THE DIRECTORS' TO THE MEMBERS OF REPUBLIC BANK (GHANA) PLC STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view of Republic Bank (Ghana) PLC, comprising the statements of financial position at 31 December 2023, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements which include a summary of material accounting policies and other explanatory notes, in accordance with IFRS Accounting Standards including the Hyperinflation Directive issued by the Institute of Chartered Accountants, Ghana and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). In addition, the directors are responsible for the preparation of the report of directors.

The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The directors have made an assessment of the ability of the Bank and its subsidiaries ("the Group") to continue as going concerns and have no reason to believe that the businesses will not be going concerns in the year ahead.

The auditor is responsible for reporting on whether the consolidated and separate financial statements give a true and fair view in accordance with the applicable financial reporting framework.

### PRINCIPAL ACTIVITIES

The principal activities of the Group are:

- to carry on the business of universal banking;
- to provide residential and commercial mortgages;
- to provide brokerage services;
- to provide fund and asset management services;

There was no change in the nature of business of the Bank and its subsidiaries during the year.

### HOLDING COMPANY

The Bank is sixty-six point five four percentage (66.54%) owned by Republic Financial Holdings Limited (RFHL), a company incorporated in Trinidad and Tobago.

### SUBSIDIARIES OF THE BANK

The Bank directly or indirectly owns the following subsidiaries as at 31 December 2023.

Company name	Country of incorporation	Nature of business
Republic Investments (Ghana) Limited	Ghana	Fund and asset management services
Republic Securities Limited	Ghana	Brokerage services
Republic Bofofo Limited	Ghana	Other services
HFC Realty Company LTD	Ghana	Residential and commercial mortgages
HFC Venture Capital	Ghana	Venture capital financial services
Republic Trust Limited Company	Ghana	Pension Fund administration

### CORPORATE SOCIAL RESPONSIBILITY AND CODE OF ETHICS

As a corporate entity, the Bank interacts with and impacts its community in many ways. The Bank works to deliver sustainable growth and Shareholder value, it also contributes to the wider stakeholder community by being a responsible corporate citizen, an employer with a big heart and a bank of choice. The Bank is committed to promoting and engaging in projects that benefit and enhance the socio-economic development of the Community and the Country as a whole.

The Bank's main contributions in these areas have been in sponsorship of quality education, good health and well-being and clean water and sanitation.

A total of GH¢1,018,190 (2022: GH¢805,139) was spent under the Bank's social responsibility programme with key focus on education, financial inclusion and others.

### DIVIDENDS

In accordance with Section 72 of the Companies Act, 2019, (Act 992) no dividend has been recommended by the Directors for approval by the Shareholders (2022: Nil).

### AUDITOR

The Audit Committee has responsibility delegated from the Board of Directors for making recommendations on the appointment, reappointment, removal and remuneration of the external auditor. KPMG has been the auditor of Republic Bank (Ghana) PLC and its subsidiaries for six years and is due to be replaced in accordance with Section 139(11) of the Companies Act 2019, Act 992.

During the year under review, KPMG did not provide non-audit services to the Bank.

### CERTIFICATION OF COMPLIANCE WITH BANK OF GHANA CORPORATE GOVERNANCE DIRECTIVE 2018

In compliance with paragraph 12 of the Bank of Ghana Corporate Governance Directive 2018 the Board of Directors of Republic Bank (Ghana) PLC hereby certifies that it has complied with the provisions of the Directive.

The Board further certifies that:-

- It has independently assessed and documents that the corporate governance process of the Bank is effective and has successfully achieved its objectives.
- Directors are aware of their responsibilities to the Bank as persons charged with governance.

### APPROVAL OF THE REPORT OF THE DIRECTORS

The report of the directors of Republic Bank (Ghana) PLC, were approved by the board of directors on 21 February, 2024 and signed on their behalf by:

  
David Addo-Ashong  
Director

  
Benjamin Dzoboku  
Managing Director



### INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

To the Members of Republic Bank (Ghana) PLC

#### Opinion

The summary consolidated and separate financial statements, which comprise the summary statements of financial position at 31 December 2023, and the summary statements of comprehensive income, changes in equity and cash flows for the year then ended and related notes, are derived from the audited financial statements of Republic Bank (Ghana) PLC for the year ended 31 December 2023.

In our opinion, the accompanying summary consolidated and separate financial statements are a fair summary of the audited consolidated and separate financial statements, in accordance with the basis described in note 1.

#### Summary Consolidated and Separate Financial Statements

The summary consolidated and separate financial statements do not contain all the disclosures required by IFRS Accounting Standards including the Hyperinflation Directive issued by the Institute of Chartered Accountants, Ghana and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). Reading the summary consolidated and separate financial statements and our report thereon, therefore, is not a substitute for reading the audited financial statements and our report thereon.

#### The Audited Consolidated and Separate Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated and separate financial statements in our report dated 15 March 2024. That report also includes the communication of key audit matters. Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements for the current period.

#### Directors' Responsibility for the Summary Consolidated and Separate Financial Statements

The Directors are responsible for the preparation of the summary consolidated and separate financial statements in accordance with the basis described in note 1.

#### Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary consolidated and separate financial statements are a fair summary of the audited consolidated and separate financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

The engagement partner on the audit resulting in this independent auditor's report is Frederick Nyan Dennis (ICAG/P/1426).



FOR AND ON BEHALF OF:  
KPMG (ICAG/F/2024/038)  
CHARTERED ACCOUNTANTS 13  
YIYIWA DRIVE, ABELANKPE P  
O BOX GP 242  
ACCRA

15 March 2024



republicghana.com

email@republicghana.com

  
We're the One for you!