

ACCESS BANK (GHANA) PLC

SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

SUMMARY STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

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

	Dec 2022	Dec 2021
Interest income	993,292	746,027
Interest expense	(458,400)	(284,912)
Net interest income	534,892	461,115
Net fee and commission	116,805	52,587
Net trading income	469,680	304,553
Net impairment loss on loans	(46,830)	(104,228)
Net Impairment loss on investment securities	(1,217,233)	-
Other operating income	29,402	13,580
Total operating income	(113,284)	727,607
Personnel expenses	(143,664)	(89,356)
Depreciation and amortization	(27,644)	(24,912)
Other expenses	(156,008)	(112,433)
(Loss)/Profit before income tax	(440,600)	500,906
Taxation	102,465	(179,328)
Profit after tax	(338,135)	321,578
Other comprehensive income:		
Change in fair value of financial assets measured at FVOCI, net of tax	(265,055)	(11,128)
Expected Credit Loss on investment securities at FVOCI, net of tax	392,712	-
Other comprehensive income	127,657	11,128
Total comprehensive income for the period attributable to equity holders of the Bank	(210,478)	310,450
Earnings per share Basic & Diluted	(1.94)	1.85

SUMMARY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

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

	Dec 2022	Dec 2021
Assets		
Cash and cash equivalents	3,084,820	969,529
Non-pledged trading Assets	274,165	1,177,275
Investment securities	3,954,001	3,580,454
Loans and advances to customers	1,640,650	1,166,868
Property, equipment and right-of-use asset	385,596	359,243
Intangible assets	57,040	1,285
Current Tax	76,504	500
Deferred income tax asset	239,054	18,673
Other assets	345,391	181,594
Total assets	10,057,221	7,455,421
Liabilities		
Deposits from banks	104,404	575,716
Deposits from customers	7,398,646	4,622,976
Borrowings	845,262	790,059
Other liabilities	694,706	104,101
Total liabilities	9,043,018	6,092,852
Equity		
Stated capital	400,000	400,000
Statutory reserve	381,646	381,646
Credit risk reserve	20,561	33,964
Retained earnings	88,953	551,573
Fair value reserve	123,043	(4,614)
Total equity	1,014,203	1,362,569
Total equity and liabilities	10,057,221	7,455,421

SUMMARY STATEMENT OF CHANGES IN EQUITY

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

Year ended 31 December 2022	Stated capital	Statutory reserve	Credit risk reserve	Retained earnings	Fair value reserve	Total
At 1 January 2022	400,000	381,646	33,964	551,573	(4,614)	1,362,569
Profit for the year	-	-	-	(338,135)	-	(338,135)
Changes in fair value of financial assets recognised through other comprehensive income	-	-	-	-	127,657	127,657
Total comprehensive income	-	-	-	(338,135)	127,657	(210,478)
Dividend paid to equity holders	-	-	-	(137,888)	-	(137,888)
Transfer from credit risk reserve	-	-	(13,403)	13,403	-	-
Total transactions with owners	-	-	(13,403)	(124,485)	-	(137,888)
At 31 December 2022	400,000	381,646	20,561	88,953	123,043	1,014,203

Year ended 31 December 2021	Stated capital	Statutory reserve	Credit risk reserve	Retained earnings	Fair value reserve	Total
At 1 January 2021	400,000	301,252	82,057	262,296	6,514	1,052,119
Profit for the year	-	-	-	321,578	-	321,578
Changes in fair value of financial assets recognised through other comprehensive income	-	-	-	-	(11,128)	(11,128)
Total comprehensive income	-	-	-	321,578	(11,128)	310,450
Transfer from credit risk reserve	-	-	(48,093)	48,093	-	-
Transfer to statutory reserve	-	80,394	-	(80,394)	-	-
Total transactions with owners	-	80,394	(48,093)	(32,301)	-	-
At 31 December 2021	400,000	381,646	33,964	551,573	(4,614)	1,362,569

SUMMARY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

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

	2022	2021
Cash flows from operating activities		
Profit before tax	(440,600)	500,906
Adjustments for:		
Depreciation of property, plant, and equipment	15,368	16,155
Depreciation of Right-of-Use Asset	9,361	7,587
Write off of property, plant and equipment	-	379
Amortisation of intangible assets	2,915	1,170
Finance cost on lease obligation	3,411	2,335
Interest expense on borrowings	76,120	23,833
Impairment on financial instruments	1,264,063	104,228
Profit on disposal of property, plant and equipment	(552)	(251)
Gain on derecognition of leases	(642)	(300)
Change in loans and advances	(473,782)	(39,943)
Acquisition and sale of investment securities	(1,054,454)	(1,503,758)
Change in other assets	(163,799)	(39,087)
Change in deposits from customers	2,775,670	731,120
Change in deposits from banks	(471,312)	325,505
Change in other liabilities	590,605	(51,277)
Change in mandatory reserve deposit	172,928	73,112
Effect of exchange rate changes on cash held	(15,023)	(328)
Exchange loss on borrowings	668,797	12,081
Exchange loss on leases	8,953	1,149
Tax paid	(236,473)	(183,380)
Net cash used in operating activities	2,731,554	(18,764)
Cash flows from investing activities		
Purchase of property and equipment	(52,884)	(99,298)
Purchase of intangible assets	(55,884)	(127)
Proceeds from sale of property and equipment	13,132	328
Net cash used in investing activities	(95,636)	(99,097)
Cash flows from financing activities		
Drawdown on borrowings	2,142,789	1,075,880
Repayment of borrowings	(2,832,503)	(756,912)
Interest paid on leases	(3,411)	(2,335)
Repayment of principal portion of Lease liability	(14,905)	(12,528)
Dividends paid to owners	(137,888)	-
Net cash flow (used) or from financing activities	(845,918)	304,105
Net increase in cash and cash equivalents	1,790,042	186,244
Effect of exchange rate changes on cash held	15,023	328
Cash and cash equivalents at 1 January	856,250	669,678
Cash and cash equivalents at 31 December	2,661,315	856,250

SUMMARY NOTES

1. Reporting entity

Access Bank (Ghana) Plc (the Bank) is a public limited liability company incorporated in Ghana licensed to carry out universal banking. The address of the Bank's registered office is Starlets '91 Road, Opposite Accra Sports Stadium, P. O. Box GP 353, Osu Accra. The Bank is listed on the Ghana Stock Exchange. The parent company is Access Bank Plc incorporated in the Federal Republic of Nigeria.

For Companies Act, 2019 (Act 992) reporting purposes, the balance sheet is represented by the statement of financial position and the profit and loss account by part of the statement of comprehensive income, in this summary financial statements.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these summary financial statements are consistent with the accounting policies applied in preparation of the audited financial statements of the Bank for the year ended 31 December 2022. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The summary financial statements have been prepared in accordance with the requirements of the Guide for Financial Publication for Banks and Bank of Ghana Licensed Financial Institutions. The Guide requires the summary financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants, Ghana (ICAG). The accounting policies applied in the preparation of the audited financial statements from which the summary financial statements were derived, are in accordance with IFRSs and are consistent with the accounting policies applied in the preparation of the previous annual audited financial statements. The annual audited financial statements were authorised for issue on 28 April 2023.

2.2 Contingent Liabilities

Credit risk exposures relating to off-balance sheet items for the Bank are as follows:

	Dec 2022	Dec 2021
Contingent liabilities: Bonds and guarantees	426,613	396,293
Commitments: Clean Line Facilities for Letters of Credit	52,948	152,172

2.3 Risk Management

2.3.1 Quantitative Disclosures

	Dec 2022	Dec 2021
i. Capital Adequacy Ratio (%)	36.93	35.68
ii. Common Equity Tier 1 (%)	34.05	34.19
iii. Leverage ratio (%)	14.24	15.78
iv. Non-performing loans (%)	3.38	9.9
v. Liquid ratio (%)	65.93	85.52
vi. Default in statutory liquidity	Nil	1
vii. Default in statutory liquidity sanction (GHS'000)	Nil	93
viii. Other regulatory penalties (GHS'000)	12	12

2.3.2 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 year ended 31 December 2022 are consistent with those adopted for the year ended 31 December 2021.

SUMMARY REPORT OF THE DIRECTORS

Statement of directors' responsibility

The Directors are responsible for the preparation of the summary financial statements comprising the summary statement of financial position as at 31 December 2022 and the summary statements of comprehensive income, changes in equity and cash flows and related notes to the summary financial statements for each financial year which gives a true and fair view of the state of affairs of the Bank. The Directors have prepared these summary financial statements 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 International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants, Ghana (ICAG). The accounting policies applied in the preparation of the audited financial statements, from which the summary financial statements were derived, are in accordance with IFRSs and are consistent with the accounting policies applied in the preparation of the previous annual audited financial statements.

The Directors are responsible for ensuring that the Bank keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the Bank. The Directors are also responsible for safeguarding the assets of the Bank and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Nature of business

The Bank is authorised by Bank of Ghana to carry on the business of universal banking. The Bank comprises a network of 48 branches, 4 agencies and Head Office as at the time of signing this account.

Holding company

The Bank is a subsidiary of Access Bank Plc, a company incorporated in the Federal Republic of Nigeria and licensed to undertake banking and related services.

Going Concern

The Bank incurred a net loss of GHS440.60m (2021: GHS 500.90m) for the year ended 31 December, 2022 but as of that date its total assets exceeded its total liabilities by GHS1.01bn (2021:GHS1.36bn). Subsequently to the reporting date, the Bank projects an improved performance compared to prior year.

Approval of the financial statements

The Board of Directors approved the financial statements on 27 April, 2023 and were signed on their behalf by:

Signed
Ama S. Bawuah
Chairperson

Signed
Olumide Olatunji
Managing Director

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF ACCESS BANK (GHANA) PLC

Opinion

The summary financial statements, which comprise the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and related notes, are derived from the audited financial statements of Access Bank (Ghana) Plc for the year ended 31 December 2022.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the basis of preparation the notes to the summary financial statements.

Summary financial statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards (IFRS), the Companies Act, 2019 (Act 992) and The Banks and Deposit-Taking Institutions Act, 2016 (Act 930). Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 28 April 2023. That report also includes the communication of other key matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period.

Management's responsibility for the summary financial statements

Management is responsible for the preparation of the summary financial statements in accordance with the Bank of Ghana guide for financial publication for banks and Bank of Ghana (BOG) licensed financial Institutions.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (ISA) 810 (Revised), Engagement to Report on Summary Financial Statements.

The engagement partner on the audit resulting in this independent auditor's report is Pamela Des Bordes (ICAG/P/1329).

For and on behalf of Ernst & Young (ICAG/F/2023/126)
Chartered Accountants
Accra, Ghana

Date: 28 April 2023



**At Access Bank,
we are in the business
of impacting lives positively**

- Present on **3 continents** (Africa, Europe & Asia).
- Across **17 countries** including UK, UAE, China, India and Lebanon.
- First Nigerian bank to acquire commercial banking license to operate in the UK

**We are providing services
across Africa through**

700+
branches
& service outlets

2883+
ATMS

180,000+
POS

180,000+
Agents

FOR MORE INFORMATION

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