

The background of the entire page is a grayscale image of a businessman in a suit and tie, holding a tablet. Overlaid on this image are various financial and data-related graphics, including a prominent yellow line graph, a city skyline at night, and several white rectangular boxes and lines that suggest data analysis or reporting.

LETSHEGO GHANA

**AUDITED FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2024**

Published in compliance with the requirements of
the Listing Rules of the Ghana Stock Exchange (GSE).

LETSHEGO GHANA SAVINGS AND LOANS PLC

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2024



Statement of Comprehensive Income

	2024	2023
Income	GHS '000	GHS '000
Interest income	770,655	552,014
Interest expense	(267,402)	(407,299)
Net interest income	503,253	144,715
Other income	19,560	35,714
Income from lending activities	522,813	180,429
Net expense on financial liabilities at fair value through profit or loss	(20,867)	(3,283)
Credit loss expense on loans and advances	(174,815)	18,104
Credit loss expense on investment securities	-	6,666
Net operating income	327,131	201,916
Total operating expenses	(262,427)	(118,534)
Personnel expenses	(29,180)	(24,150)
Depreciation and amortisation	(6,288)	(5,579)
Administration and other expenses	(226,959)	(88,805)
Profit from operations before taxation	64,704	83,382
Income tax expense	(19,274)	(17,207)
Profit for the year	45,430	66,175

Statement of Financial Position

	2024	2023
Assets	GHS '000	GHS '000
Cash and cash equivalents	162,196	84,975
Investment Securities	252,585	203,081
Financial asset at fair value through profit or loss	6,266	-
Loans and advances to customers	954,926	1,121,442
Other assets	79,574	64,438
Income tax receivable	4,468	-
Deferred tax	36,071	5,925
Property, plant and equipment	5,702	4,953
Intangible assets	845	1,316
Right of use assets	6,556	2,466
Total assets	1,509,189	1,488,596
Equity and liabilities		
Issued capital	162,046	162,046
Retained income	49,786	22,244
Credit risk reserve	-	4,827
Statutory reserves	107,124	84,409
Share based payment reserve	207	-
Total equity	319,163	273,526
Customer deposits	457,692	185,003
Financial liabilities at fair value through profit or loss	-	3,184
Collateral deposits	-	399,252
Other liabilities	51,819	20,573
Lease liability	-	85
Income tax payable	-	10,828
Borrowings	680,515	596,145
Total liabilities	1,190,026	1,215,070
Total equity and liabilities	1,509,189	1,488,596

Statement of Cash Flow

	2024	2023
	GHS '000	GHS '000
Operating Activities		
Profit before taxation	64,704	83,382
Adjustments for:		
Interest earned on treasury bonds and forex movement	87,930	57,059
Amortisation, depreciation, right of use assets and disposals	6,288	5,504
Impairment and write off charge	194,364	(13,893)
Gain on disposal of property and equipment	(519)	-
Interest expense on borrowing and leases	161,425	115,608
Share-based payment expense	207	-
Movement in working capital and other changes	(138,300)	(40,000)
Cash from operations	376,098	207,660
Interest received on treasury bonds	8,858	1,643
Interest paid	(244,647)	(127,665)
Income tax paid	(64,716)	(18,102)
Net cash flows from operating activities	75,593	63,536
Investing Activities		
Purchase of property, plant and equipment and intangible assets	(2,834)	(5,012)
Proceeds from disposal of property and equipment	519	-
Proceeds from the sale of Investment securities	-	24,240
Net cash flows (used in) / from investing activities	(2,315)	19,228
Financing Activities		
Drawdown from borrowings	592,679	165,807
Repayment of principal portion of borrowings	(588,651)	(220,387)
Repayment of principal portion of lease liabilities	(85)	(1,492)
Net cash flows generated from/(used in) financing activities	3,943	(56,072)
Net movement in cash and cash equivalents	77,221	26,692
Cash and cash equivalents at the beginning of the period	84,975	58,283
Cash and cash equivalents at the end of the period	162,196	84,975

Statement of Changes in Equity

	Statutory Capital	Income Surplus	Statutory Reserve	Credit Risk Reserve	Share Based Payment Reserve	Total Shareholder Funds
	GHS '000	GHS '000	GHS '000		GHS '000	GHS '000
For The Period Ended 31st December 2024						
Balance as at 1st Jan 2024	162,046	22,244	84,409	4,827	-	273,526
Movement during the period:						
Profit for the year	-	45,430	-	-	-	45,430
Transfer to Statutory reserve	-	(22,715)	22,715	-	-	-
Recognition of share-based payment reserve	-	-	-	-	207	207
Transfer from credit risk reserve	-	4,827	-	(4,827)	-	-
Balance as at 31st December 2024	162,046	49,786	107,124	-	207	319,163

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF LETSHEGO GHANA SAVINGS AND LOANS PLC

Opinion

The summary financial statements, which comprise statement of financial position as at 31 December 2024, statement of profit or loss and other comprehensive income, 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 Letshego Ghana Savings and Loans PLC for the year ended 31 December 2024.

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 described in the notes.

Summary financial statements

The summary statements do not contain all the disclosures required by International Financial Reporting Standards as issued by the International Accounting Standards Board including the IAS29 Hyperinflation Directive issued by the Institute of Chartered Accountants Ghana and the requirements of the Companies Act, 2019 (Act 992). 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 summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 30 April 2025. 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 basis of preparation described in the notes.

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 Auditors' report is Pamela Des Bordes (ICAG/P/1329).



Ernst & Young (ICAG/F/2025/126)
Chartered Accountants
Accra, Ghana
Date: 30 April 2025

SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and interpretations issued by the IFRS Interpretations Committee. Additional information required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit–Taking Institutions Act, 2016 (Act 930) have been included, where appropriate. These financial statements have been prepared under the historical cost convention.

The condensed financial statements have been extracted from the audited financial statements of the company in accordance with Bank of Ghana Guide for Publication for banks & Bank of Ghana Licensed Financial Institutions.

Qualitative Disclosures

- 1. The company's risk management framework defines the approach to risk management.
- 2. The scope of risks that are directly managed by the Company is as follows: Investing activities Credit Risk, Operational Risk, Market and Liquidity Risk, Legal and Compliance Risk, Reputational Risk and Capital Risk

The risks inherent in the company's activities are managed through an ongoing process of identification, measurement and monitoring, subject to risk limits and other controls. The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. Oversight of risk management is the responsibility of the Audit and Finance Committee and Risk and Compliance Committee. The committees monitor risks associated with financial reporting, accounting policies, internal control and IT governance. The committees are responsible for risk management including setting the risk management framework, setting risk appetite and monitoring the company's management of risk

Quantitative Disclosures

	Dec 2024	Dec 2023
Capital adequacy ratio	23.2%	20.6%
Cost to income	57.2%	61.7%
Non performing loan ratio	14.2%	8.0%
Tier 1 ratio	26.6%	21.2%
Leverage ratio	21.2%	19.2%


Blaise Mankwa
Board Chairman


Geoffrey Kitakule
Non-Executive Director