

# Standard Chartered Bank Ghana PLC

Summary Financial Statements prepared from the Audited Financial Statements for the year ended 31 December 2021



| SUMMARY STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021               |                  |                  |
|---|------------------|------------------|
|   | 2021<br>GHc'000  | 2020<br>GHc'000  |
| Interest income calculated using the effective interest method                              | 819,932          | 795,374          |
| Interest expense  | (173,575)        | (154,856)        |
| <b>Net interest income</b>  | <b>646,357</b>   | <b>640,518</b>   |
| Fees and commission income  | 170,024          | 153,045          |
| Fees and commission expense   | (14,179)         | (13,606)         |
| <b>Net fee and commission income</b>  | <b>155,845</b>   | <b>139,439</b>   |
| Net trading income  | 268,504          | 246,622          |
| Net gain/(loss) from other financial instruments carried at fair value through profit/loss  | (378)            | (6,331)          |
| Other income  | -                | 2,488            |
| <b>Operating income</b>   | <b>1,070,328</b> | <b>1,022,736</b> |
| Net impairment gain/(loss) on financial asset   | 5,892            | (59,284)         |
| <b>Operating income net of impairment charges</b>   | <b>1,076,220</b> | <b>963,452</b>   |
| Personnel expenses  | (245,459)        | (209,281)        |
| Depreciation and amortisation   | (34,608)         | (32,808)         |
| Other expenses  | (101,656)        | (45,973)         |
| <b>Total operating expenses</b>   | <b>(381,723)</b> | <b>(288,062)</b> |
| <b>Profit before income tax</b>   | <b>694,497</b>   | <b>675,390</b>   |
| Income tax expense  | (196,366)        | (163,325)        |
| National Fiscal Stabilization Levy  | (34,725)         | (33,769)         |
| Financial Sector Clean up Levy  | (26,472)         | -                |
| <b>Total tax and levy</b>   | <b>(257,563)</b> | <b>(197,094)</b> |
| <b>Profit for the year</b>  | <b>436,934</b>   | <b>478,296</b>   |
| <b>Other comprehensive income</b>   |                  |                  |
| <b>Items that may be reclassified subsequently to profit or loss</b>                        |                  |                  |
| Debt instruments at fair value through other comprehensive income-Net changes in fair value | (26,106)         | 33,484           |
| <b>Total comprehensive income for the year</b>  | <b>410,828</b>   | <b>511,780</b>   |
| Basic earnings per share (Ghana Cedis per share)  | 3.23             | 3.54             |
| Diluted earnings per share (Ghana Cedis per share)  | 3.23             | 3.54             |

| SUMMARY STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2021 |                   |                  |
|---|-------------------|------------------|
|   | 2021<br>GHc'000   | 2020<br>GHc'000  |
| <b>Assets</b>   |                   |                  |
| Cash and cash equivalents                                   | 3,203,097         | 2,724,718        |
| Derivative assets held for risk management                  | 10,143            | 5,675            |
| Trading assets non-pledged                                  | 361,964           | 406,254          |
| Loans to other banks  | 241,254           | 15,000           |
| Loans and advances to customers                             | 1,886,799         | 1,695,213        |
| Investment securities                                       | 3,761,388         | 2,419,537        |
| Current tax assets  | 31,649            | 60,857           |
| Property and equipment                                      | 242,067           | 258,440          |
| Equity investments  | 1,001             | 1                |
| Other assets  | 381,214           | 445,979          |
| <b>Total assets</b>   | <b>10,120,576</b> | <b>8,031,674</b> |
| <b>Liabilities</b>  |                   |                  |
| Derivative liabilities held for risk management             | 9,249             | 161              |
| Deposits from banks   | 79,690            | 84,980           |
| Deposits from customers                                     | 7,554,457         | 5,751,627        |
| Borrowings  | 240,244           | 86,403           |
| Provisions  | 86,228            | 69,060           |
| Deferred tax liabilities                                    | 11,623            | 9,978            |
| Other liabilities   | 495,803           | 562,661          |
| <b>Total liabilities</b>                                    | <b>8,477,294</b>  | <b>6,564,870</b> |
| <b>Shareholders' funds</b>                                  |                   |                  |
| Stated capital  | 400,000           | 400,000          |
| Income surplus  | 553,412           | 440,014          |
| Reserve fund  | 568,228           | 513,611          |
| Credit risk reserve   | 144,087           | 109,518          |
| Other reserves  | (22,445)          | 3,661            |
| <b>Total shareholders' funds</b>                            | <b>1,643,282</b>  | <b>1,466,804</b> |
| <b>Total liabilities and shareholders' funds</b>            | <b>10,120,576</b> | <b>8,031,674</b> |
| <b>Net assets value per share (Ghana Cedis per share)</b>   | <b>12.13</b>      | <b>10.82</b>     |

| SUMMARY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021 |                    |                  |
|---|--------------------|------------------|
|   | 2021<br>GHc'000    | 2020<br>GHc'000  |
| <b>Cash flows from operating activities</b>                         |                    |                  |
| Profit before tax   | 694,497            | 675,390          |
| Adjustments for:  |                    |                  |
| Depreciation  | 34,608             | 32,808           |
| Impairment on financial assets                                      | (5,892)            | 59,284           |
| Net interest income   | (646,357)          | (640,518)        |
| Lease repayment   | 18,856             | 17,667           |
| Other income  | -                  | (2,488)          |
| Unrealised exchange gain/loss on trading assets                     | (102,614)          | (86,260)         |
| Effect of exchange  | 176,041            | 191,685          |
| Change in trading assets  | 169,139            | 247,568          |
| Change in derivative assets held for risk management                | 44,290             | (154,253)        |
| Change in other assets  | (4,468)            | 8,159            |
| Change in loans to other banks                                      | 85,827             | (165,540)        |
| Change in loans and advances to customers                           | (226,254)          | 101,208          |
| Change in derivative liabilities held for risk management           | (191,586)          | (75,453)         |
| Change in deposits from banks                                       | 9,088              | (5,221)          |
| Change in deposits from customers                                   | (5,290)            | 85,987           |
| Change in Borrowings  | 1,802,830          | 332,323          |
| Change in other liabilities and provisions                          | 153,841            | (190,282)        |
| Interest received   | 45,388             | 45,553           |
| Interest paid   | 1,882,805          | 230,049          |
| Income tax paid   | 786,418            | 767,365          |
| Income tax paid   | (191,118)          | (152,397)        |
| Income tax paid   | (247,826)          | (208,123)        |
| <b>Net cash from operating activities</b>                           | <b>2,230,279</b>   | <b>636,894</b>   |
| <b>Cash flows from investing activities</b>                         |                    |                  |
| Purchase of investment securities                                   | (5,949,210)        | (2,490,223)      |
| Sale/redemption of investment securities                            | 4,633,465          | 2,420,071        |
| Purchase of property and equipment                                  | (4,702)            | (12,015)         |
| <b>Net cash used in investing activities</b>                        | <b>(1,320,447)</b> | <b>(82,167)</b>  |
| <b>Cashflows from financing activities</b>                          |                    |                  |
| Dividend paid   | (234,350)          | (211,836)        |
| Lease principal repayment   | (21,062)           | (15,308)         |
| <b>Net cash used in financing activities</b>                        | <b>(255,412)</b>   | <b>(227,144)</b> |
| <b>Net increase in cash and cash equivalents</b>                    | <b>654,420</b>     | <b>327,583</b>   |
| Effect of exchange fluctuation on cash held                         | (176,041)          | (191,685)        |
| Cash and cash equivalents at 1 January                              | 2,724,718          | 2,588,820        |
| <b>Cash and cash equivalents at 31 December</b>                     | <b>3,203,097</b>   | <b>2,724,718</b> |

| SUMMARY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021                  |                           |                           |                         |                                |                           |                               |                  |
|---|---------------------------|---------------------------|-------------------------|--------------------------------|---------------------------|-------------------------------|------------------|
| 2021  | Stated capital<br>GHc'000 | Income surplus<br>GHc'000 | Reserve fund<br>GHc'000 | Credit risk reserve<br>GHc'000 | Other reserves<br>GHc'000 | shareholders' fund<br>GHc'000 | Total<br>GHc'000 |
| <b>Balance at 1 January 2021</b>  | <b>400,000</b>            | <b>440,014</b>            | <b>513,611</b>          | <b>109,518</b>                 | <b>3,661</b>              | <b>1,466,804</b>              |                  |
| <b>Total Comprehensive income</b>   |                           |                           |                         |                                |                           |                               |                  |
| Profit for the year   | -                         | 436,934                   | -                       | -                              | -                         | 436,934                       |                  |
| <b>Other comprehensive income</b>   |                           |                           |                         |                                |                           |                               |                  |
| Debt instruments at fair value through other comprehensive income-Net changes in fair value | -                         | -                         | -                       | -                              | (26,106)                  | (26,106)                      |                  |
| <b>Total Comprehensive income</b>   |                           | <b>436,934</b>            |                         |                                | <b>(26,106)</b>           | <b>410,828</b>                |                  |
| <b>Transfers:</b>   |                           |                           |                         |                                |                           |                               |                  |
| Transfer to credit risk reserve   | -                         | (34,569)                  | -                       | 34,569                         | -                         | -                             |                  |
| Transfer to reserve funds   | -                         | (54,617)                  | 54,617                  | -                              | -                         | -                             |                  |
| <b>Total Transfers</b>  |                           | <b>(89,186)</b>           | <b>54,617</b>           | <b>34,569</b>                  |                           |                               |                  |
| <b>Transactions with owners of the bank</b>   |                           |                           |                         |                                |                           |                               |                  |
| Dividends   | -                         | -                         | -                       | -                              | -                         | -                             |                  |
| <b>Total transactions with owners of the bank</b>   |                           | <b>(234,350)</b>          |                         |                                |                           | <b>(234,350)</b>              |                  |
| <b>Balance at 31 December 2021</b>  | <b>400,000</b>            | <b>553,412</b>            | <b>568,228</b>          | <b>144,087</b>                 | <b>(22,445)</b>           | <b>1,643,282</b>              |                  |

| SUMMARY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)         |                           |                           |                         |                                |                           |                               |
|---|---------------------------|---------------------------|-------------------------|--------------------------------|---------------------------|-------------------------------|
| 2020  | Stated capital<br>GHc'000 | Income surplus<br>GHc'000 | Reserve fund<br>GHc'000 | Credit risk reserve<br>GHc'000 | Other reserves<br>GHc'000 | shareholders' fund<br>GHc'000 |
| Balance at 1 January 2020   | 400,000                   | 317,043                   | 370,122                 | 109,518                        | (29,823)                  | 1,166,860                     |
| <b>Total Comprehensive income</b>   |                           |                           |                         |                                |                           |                               |
| Profit for the year   | -                         | 478,296                   | -                       | -                              | -                         | 478,296                       |
| <b>Other comprehensive income</b>   |                           |                           |                         |                                |                           |                               |
| Debt instruments at fair value through other comprehensive income-Net changes in fair value | -                         | -                         | -                       | -                              | 33,484                    | 33,484                        |
| <b>Total Comprehensive income</b>   |                           | <b>478,296</b>            |                         |                                | <b>33,484</b>             | <b>511,780</b>                |
| <b>Transfers:</b>   |                           |                           |                         |                                |                           |                               |
| Transfer from credit risk reserve   | -                         | -                         | -                       | -                              | -                         | -                             |
| Transfer to reserve funds   | -                         | (143,489)                 | 143,489                 | -                              | -                         | -                             |
| <b>Total Transfers</b>  |                           | <b>(143,489)</b>          | <b>143,489</b>          |                                |                           |                               |
| <b>Transactions with owners of the bank</b>   |                           |                           |                         |                                |                           |                               |
| Dividends   | -                         | (211,836)                 | -                       | -                              | -                         | (211,836)                     |
| <b>Total Transactions with owners of the bank</b>   |                           | <b>(211,836)</b>          |                         |                                |                           | <b>(211,836)</b>              |
| <b>Balance at 31 December 2020</b>  | <b>400,000</b>            | <b>440,014</b>            | <b>513,611</b>          | <b>109,518</b>                 | <b>3,661</b>              | <b>1,466,804</b>              |

The summary financial statements presented in this publication are extracts from the audited financial statements for the year ended 31 December 2021, which are available for inspection at the Head Office of Standard Chartered Bank Ghana PLC located at the No. 87 Independence Avenue, Accra.

## NOTES TO THE SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

**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 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 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 on the 25 February 2022 for publication.

## Quantitative Disclosures

|   | 2021  | 2020  |
|---|-------|-------|
| i. Capital adequacy ratio (CRD basis) (%)                 | 33.42 | 24.90 |
| ii. CET1 (%)  | 33.21 | 24.65 |
| iii. Leverage ratio (%)                                   | 11.58 | 6.70  |
| iv. Non-performing loan (NPL) ratio (%) - Gross basis     | 23.59 | 23.11 |
| v. Non-performing loan (NPL ratio less loss category) (%) | 2.56  | 7.21  |
| vi. Liquid ratio (%)                                      | 71.05 | 65.69 |
| vii. Contingent liabilities (GHc'000)                     | 927   | 912   |
| viii. Dividend paid per share (Ghana Cedis per share)     | 1.74  | 1.56  |

Assumptions and estimation uncertainties that have the most significant risk of resulting in a material adjustment in the year ended 31 December 2021 relates to impairment of financial instruments. Impairment allowance for the current year was GH\$150.4 million as compared to the prior year of GH\$184.6 million.

## 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-retained 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.

## Defaults in Statutory Liquidity and Accompanying Sanctions

|   | 2021 | 2020 |
|---|------|------|
| i. Default in statutory liquidity (times) | Nil  | Nil  |
| ii. Sanctions (GHc)                       | Nil  | Nil  |

## REPORT OF THE DIRECTORS TO THE MEMBERS OF STANDARD CHARTERED BANK GHANA PLC

### Directors' responsibility statement

The Directors are responsible for the preparation of the summary consolidated and separate financial statements comprising the summary statements of financial position as at 31 December 2021 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 keep 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.

## REPORT OF THE DIRECTORS TO THE MEMBERS OF STANDARD CHARTERED BANK GHANA PLC (CONT'D)

### Nature of Business

The Bank is licensed to carry out universal banking business in Ghana. There was no change to the Bank's business during the year.

### Particulars of entries in the Interests Register during the financial year

No director had any interest in contracts and proposed contracts with the Company during the year under review, hence there were no entries recorded in the Interests Register as required by 194(6), 195(1) (a) and 196 of the Companies Act 2019, (Act 992).

### Parent Company

The Bank is a subsidiary of Standard Chartered Holdings (Africa) BV, a company incorporated in The Netherlands.

### Going concern

The Bank's Management has assessed its ability to continue as a going concern having regard to the business impact of COVID-19 and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, Management is not aware of any threats that may cast significant doubt upon the Bank's ability to continue as a going concern. Therefore, the summary financial statements continue to be prepared on a going concern basis.

### Area of Operations

The Bank comprises a network of 21 branches and Head Office as at the time of signing this account.

### Auditor

The Audit Committee has the responsibility delegated from the Board of Directors for making recommendations on the appointment, reappointment, removal and remuneration of the external auditor. Messrs KPMG has been the auditor for the Bank commencing with the financial statements for the year ended 31 December 2018.

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

Signed

Mansa Nettey

Executive Director

Signed

Sheikh Jobe

Executive Director

## INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF STANDARD CHARTERED BANK GHANA PLC

### Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 December 2021, 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 Standard Chartered Bank Ghana PLC for the year ended 31 December 2021.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, in accordance with the basis described in the notes.

### Summary financial statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) applied in the preparation of the audited financial statements of Standard Chartered Bank Ghana PLC. Reading the summary financial statements and our report thereon, therefore, is not a substitute for reading the audited financial statements and our 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 February 2022. 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 financial statements for the current period.

### Directors' Responsibility for the Summary Financial Statements

The Directors are responsible for the preparation of the summary financial statements in accordance with the basis described in the notes.

### Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited 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).

KPMG

FOR AND ON BEHALF OF:

KPMG: (ICAG/F/2022/038)

CHARTERED ACCOUNTANTS

13 YIYIWA DRIVE, ABELNENKPE

P O BOX GP 242

ACCRA

28 February 2022

standard chartered priority

LEGACY PLANNING

I want a bank that makes building my legacy their priority

PRESERVING MY WEALTH

Join our Priority Banking today. Your priorities get our priorities.  
Contact us on +233 23 300 0650 | +233 20 222 0478 | Prioritybanking.GH@sc.com