

# Consolidated Bank (Ghana) Limited

## Unaudited Summary Financial Statements

All amounts are in thousands of Ghana cedis unless otherwise stated



### SUMMARY UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2022

	2022	2021
Interest income	779,406	732,137
Interest expense	(465,878)	(427,706)
<b>Net interest income</b>	<b>313,528</b>	<b>304,432</b>
Fee and commission income	61,375	38,202
Fee and commission expense	(2,143)	(4,477)
<b>Net fee and commission income</b>	<b>59,232</b>	<b>33,725</b>
Net trading income	74,381	28,225
Other operating income	1,198	1,540
<b>Operating income</b>	<b>448,339</b>	<b>367,922</b>
Impairment losses on loans and advances	(24,513)	(8,455)
Impairment losses on other financial assets	(6,367)	(35,926)
Personnel expenses	(203,188)	(160,939)
Depreciation and amortisation	(32,910)	(26,806)
Other expenses	(141,300)	(103,390)
<b>Profit before income tax</b>	<b>40,061</b>	<b>32,406</b>
Income tax charge	(15,068)	(10,455)
Financial sector recovery levy	(2,003)	(1,620)
National fiscal stabilisation levy	(2,003)	(848)
<b>Profit for the period</b>	<b>20,987</b>	<b>19,482</b>
<b>Other comprehensive income:</b>		
<b>Items that may be reclassified to profit or loss</b>		
Changes in the fair value of debt instruments at fair value through other comprehensive income	(25,810)	14,647
Deferred income tax (charge)/credit relating to other comprehensive income items	6,452	(3,662)
	(19,358)	10,985
<b>Total comprehensive income</b>	<b>1,629</b>	<b>30,467</b>

### SUMMARY UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	2022	2021
<b>ASSETS</b>		
Cash and bank balances	2,006,116	867,155
Investment securities	6,844,045	7,002,046
Non-pledged trading assets	338,476	779,878
Loans and advances to customers	1,872,578	971,321
Intangible assets	36,613	27,701
Right-of-use assets	52,503	76,730
Property and equipment	155,180	139,596
Deferred income tax assets	28,244	3,896
Other assets	132,354	150,540
<b>Total assets</b>	<b>11,466,109</b>	<b>10,018,863</b>
<b>LIABILITIES</b>		
Deposits from customers	7,383,473	6,832,436
Borrowed funds	2,513,354	1,701,232
Lease liabilities	69,227	92,435
Other liabilities	696,881	798,745
<b>Total liabilities</b>	<b>10,662,935</b>	<b>9,424,848</b>
<b>EQUITY</b>		
Stated capital	627,784	450,000
Retained earnings	81,468	44,585
Fair value reserve	(10,387)	32,005
Statutory reserve	104,309	67,425
<b>Total equity</b>	<b>803,174</b>	<b>594,015</b>
<b>Total equity and liabilities</b>	<b>11,466,109</b>	<b>10,018,863</b>

### SUMMARY UNAUDITED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2022

	2022	2021
Profit before income tax	40,061	32,406
<i>Adjustments for:</i>		
Depreciation and amortisation	32,911	26,806
Impairment losses on loans and advances	24,513	8,455
Impairment losses on other financial assets	6,367	35,926
Net interest income	(313,528)	(304,432)
Unrealised exchange losses on leases	3,662	3,524
Profit on disposal	(48)	(99)
Fair value changes recognised in profit or loss (staff loan)	3,239	2,438
Fair value (gains)/losses on trading assets	2,479	(2,796)
	<b>(200,345)</b>	<b>(197,771)</b>
<i>Changes in:</i>		
Loans and advances to customers	(434,677)	(109,585)
Other assets	(9,893)	37,350
Investment securities	(139,956)	58,712
Non-pledged trading assets	576,569	59,340
Deposits from customers	611,053	(33,682)
Mandatory cash reserve	(73,326)	2,695
Borrowed funds	69,099	154,165
Other liabilities	4,710	(98,060)
<b>Cash flow generated from/(used in) operations</b>	<b>403,235</b>	<b>(126,836)</b>
Interest received	983,527	201,861
Interest paid	(284,032)	(67,563)
Taxes and levies paid	(23,366)	(4,811)
<b>Net cash flow generated from operating activities</b>	<b>1,079,364</b>	<b>2,651</b>
<b>Cash flow from investing activities</b>		
Acquisition of property and equipment	(18,092)	(27,248)
Proceeds from disposal of property and equipment	204	-
Acquisition of intangible assets	(13,679)	(4,062)
<b>Net cash flow used in investing activities</b>	<b>(31,566)</b>	<b>(31,310)</b>
<b>Cash flow from financing activities</b>		
Payment of principal portion of lease liabilities	(9,358)	(11,284)
<b>Net cash flow used in financing activities</b>	<b>(9,358)</b>	<b>(11,284)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,038,440</b>	<b>(39,943)</b>
Balance at beginning of the year	796,638	769,178
<b>Cash and cash equivalents at 30 June</b>	<b>1,835,078</b>	<b>729,235</b>

### SUMMARY UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2022

	Stated Capital	Retained earnings	Statutory reserve	Fair value reserve	Total
<b>Balance at 1 January 2022</b>	627,784	70,975	93,815	8,972	801,545
Profit for the period		20,987			20,987
Fair value adjustment on investment securities				(19,358)	(19,358)
<b>Total comprehensive income for the period</b>	-	20,987	-	(19,358)	1,629
<b>Regulatory and other reserve transfers</b>					
Transfer to statutory reserve	-	(10,494)	10,494	-	-
<b>Net transfer to reserves</b>	-	(10,494)	10,494	-	-
<b>Balance at 30 June 2022</b>	627,784	81,468	104,309	(10,387)	803,174
	Stated Capital	Retained earnings	Statutory reserve	Fair value reserve	Total
Balance at 1 January 2021	450,000	34,844	57,684	21,020	563,548
Profit for the period		19,482			19,482
Fair value adjustment on investment securities	-			10,985	10,985
<b>Total comprehensive income for the period</b>	-	19,482	-	10,985	30,467
<b>Regulatory and other reserve transfers</b>					
Transfer to statutory reserve	-	(9,741)	9,741	-	-
<b>Net transfer to reserves</b>	-	(9,741)	9,741	-	-
<b>Balance at 30 June 2021</b>	450,000	44,585	67,425	32,005	594,015

# Consolidated Bank (Ghana) Limited

## Unaudited Summary Financial Statements

All amounts are in thousands of Ghana cedis unless otherwise stated



### NOTES TO THE SUMMARY FINANCIAL STATEMENTS

#### 1. GENERAL INFORMATION

Consolidated Bank (Ghana) Limited, (the Bank) is a limited liability company incorporated and domiciled in Ghana. The registered office is 1st Floor Manet Tower 3, Airport City, Accra. The Bank commenced universal banking operations in August 2018 and operates under the Bank and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

#### 2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). The financial statements have been prepared under the historical cost convention.

#### 3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these summary financial statements are consistent with the accounting policies applied in the audited financial statements of the Bank for the year ended 31 December, 2021. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 4. FUNCTIONAL AND PRESENTATION CURRENCY

These summary financial statements are presented in Ghana Cedis, which is the Bank's functional currency.

#### 5. BASIS OF MEASUREMENT

These summary financial statements have been prepared on a historical cost basis except for the following items:

- Non-derivative financial instruments at fair value through profit or loss.
- Non-pledged trading assets

which are measured at fair value.

#### 6. RISK MANAGEMENT

The Bank's activities expose the business to risks. These risks are managed in a targeted manner. The core functions of the Bank's risk management are to identify all key risks for the Bank, measure these risks, manage the risk positions and determine capital allocations. The risks arising from financial instruments to which the Bank is exposed are:

- credit risk
- liquidity risk
- market risk
- operational risk

Credit risk is the risk of suffering financial loss, should any of the Bank's customers, clients or market counterparties fail to fulfill their contractual obligations to the Bank. Credit risk arises mainly from commercial and consumer loans and advances and loan commitments arising from such lending activities, but can also arise from credit enhancements, financial guarantees, letters of credit, endorsements and acceptances.

Market risk is the risk that changes in market prices – such as interest rates, foreign exchange rates and credit spreads (not relating to changes in the obligor's/issuer's credit standing) – will affect the Bank's income or the value of its holdings of financial instruments. The Bank separates exposures to market risk into either trading or non-trading portfolios.

Liquidity risk is the risk that the Bank will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset when they fall due.

Operational risk is the risk of direct or indirect loss that the Bank will suffer due to an event or action resulting from the failure of its internal processes, people and systems, or from external events.

The Bank regularly reviews its risk management policies and systems to reflect changes in markets, products and best market practice. The Bank's aim is to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Bank's financial performance. The Bank defines risk as the possibility of losses or profits foregone, which may be caused by internal or external factors.

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Risk committee and the Technology, Cyber & Information Security committees of the Board are responsible for developing and monitoring the Bank's risk management policies over specified areas.

Key risk ratios for the Bank are summarised below :

	June 2022	June 2021
Non-performing loan ratio	2.08%	0.11%
Capital adequacy ratio	17.69%	19.75%
Common equity tier 1/RWA	17.13%	18.21%
Leverage ratio	5.29%	4.70%
Liquidity ratio	91.09%	72.38%
Default in statutory liquidity (times)	Nil	Nil
Default in statutory liquidity sanctions (GHS'000)	Nil	Nil

#### 7. CONTINGENT LIABILITIES

	June 2022	June 2021
Letters of credit	645,114	339,145
Letters of guarantee	220,814	114,675
Undrawn commitments	34,308	125,634
	<b>900,236</b>	<b>579,454</b>

  
Welbeck Abra-Appiah  
(Chairman)

  
Daniel Wilson Addo  
(Managing Director)

OFFICIAL TRAVEL PARTNER



OFFICIAL COLLECTION BANK









Join football fans from across the world and experience rich cultures in Qatar.

Visit any of CBG's 114 branches to select a package or call **0302216000**.