

**United Bank for Africa (Ghana) Limited**  
**Unaudited Condensed Financial Statements for the Three Months Ended 31 March 2021**



**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED 31 MARCH 2021**

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

	March 2021	March 2020
Interest income	107,847	164,025
Interest expense	(33,425)	(80,308)
<b>Net interest income</b>	<b>74,422</b>	<b>83,717</b>
Fees and commission income	19,130	19,297
Fees and commission expense	(3,109)	(2,635)
<b>Net fees and commission income</b>	<b>16,021</b>	<b>16,662</b>
Net trading and revaluation income	7,770	15,390
Other operating income	2	7
<b>Net trading and other income</b>	<b>7,772</b>	<b>15,397</b>
<b>Net operating income</b>	<b>98,215</b>	<b>115,776</b>
Allowance for credit losses on financial assets	(12,880)	(3,745)
Personnel expenses	(14,736)	(16,350)
Depreciation and amortisation	(1,191)	(2,712)
Other operating expenses	(14,175)	(14,840)
<b>Profit before income tax</b>	<b>55,233</b>	<b>78,129</b>
Income tax expense	(16,678)	(23,090)
<b>Profit for the period</b>	<b>38,555</b>	<b>55,039</b>
<b>Other comprehensive income</b>		
<i>Items that will be reclassified to the income statement:</i>		
Net change in fair value during the year (net of tax)	725	867
<b>Total comprehensive income for the period</b>	<b>39,280</b>	<b>55,906</b>
<b>Basic and diluted earnings per share (Ghana cedis per share)</b>	<b>0.01</b>	<b>0.01</b>

**UNAUDITED STATEMENT OF CASHFLOWS FOR THE THREE MONTHS ENDED 31 MARCH 2021**

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

	March 2021	March 2020
<b>Cash flows from operating activities</b>		
Profit before income tax	55,233	78,129
<i>Adjustments for:</i>		
Depreciation and amortisation	1,191	2,712
Allowance for credit losses on financial assets	12,880	3,745
Loss/(gain) on disposal of property and equipment	6	(6)
Net interest income	(74,422)	(83,717)
	(5,112)	863
<b>Change in operating assets and liabilities</b>		
Change in mandatory reserve deposits	(21,388)	23,004
Change in loans and advances to customers	161,048	49,371
Change in other assets	(28,530)	(11,675)
Change in placements with banks	-	(2,781)
Change in deposits from banks	(17,424)	(438,947)
Change in deposits from customers	213,876	(230,035)
Change in other liabilities	8,744	7,947
Interest received	107,847	164,025
Interest paid	(33,425)	(80,308)
Income tax paid	(19,053)	(23,490)
<b>Net cash from/(used in) operating activities</b>	<b>366,583</b>	<b>(542,026)</b>
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(1,083,562)	(979,498)
Proceeds from sale/redemption of investment securities	673,665	1,937,589
Purchase of property and equipment	(2,221)	(1,662)
Proceeds from sale of property and equipment	-	7
Purchase of intangible assets	-	(17)
<b>Net cash (used in)/from investing activities</b>	<b>(412,118)</b>	<b>956,419</b>
<b>Cash flows from financing activities</b>		
<b>Net cash used in financing activities</b>	<b>-</b>	<b>-</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(45,535)</b>	<b>414,393</b>
<b>Cash and cash equivalents at 1 January</b>	<b>779,309</b>	<b>351,270</b>
<b>Cash and cash equivalents at 31 March</b>	<b>733,774</b>	<b>765,663</b>
<i>Cash and cash equivalents for purposes of the statements of cash flows comprises:</i>		
Cash and balances with Bank of Ghana	337,384	292,789
Due from other banks less than 90 days	580,210	231,050
	917,594	523,839
Mandatory deposit reserve	(300,064)	(210,876)
	617,530	312,963
Short term treasury bills	116,244	452,700
<b>Cash and cash equivalents at 31 March</b>	<b>733,774</b>	<b>765,663</b>

**UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021**

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

	March 2021	March 2020
<b>Assets</b>		
Cash and bank balances	917,594	526,621
Investment securities:		
- At amortised cost	515,302	1,965,552
- At fair value through other comprehensive income	1,630,547	398,752
Loans and advances to customers	934,528	909,816
Other assets	122,410	40,448
Property and equipment	68,402	44,878
Intangible assets	659	195
Income tax asset	2,375	5,918
Deferred tax asset	2,804	370
<b>Total assets</b>	<b>4,194,621</b>	<b>3,892,550</b>
<b>Liabilities</b>		
Deposits from customers	3,000,641	2,108,765
Deposits from banks	55,020	799,416
Other liabilities	107,932	98,499
<b>Total liabilities</b>	<b>3,163,593</b>	<b>3,006,680</b>
<b>Equity</b>		
Stated capital	400,000	400,000
Income surplus	313,178	214,342
Fair value reserve	1,571	2,145
Credit risk reserve	5,084	8,381
Statutory reserve	311,195	261,002
<b>Total equity</b>	<b>1,031,028</b>	<b>885,870</b>
<b>Total liabilities and equity</b>	<b>4,194,621</b>	<b>3,892,550</b>

**UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 31 MARCH 2021**

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

**For the three months ended 31 March 2021**

	Stated capital	Income surplus	Statutory reserve	Credit risk reserve	Fair value reserve	Total
<b>At 31 December 2020</b>	<b>400,000</b>	<b>289,346</b>	<b>301,556</b>	<b>-</b>	<b>846</b>	<b>991,748</b>
Profit for the period	-	38,555	-	-	-	38,555
Net change in fair value during the year (net of tax)	-	-	-	-	725	725
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>38,555</b>	<b>-</b>	<b>-</b>	<b>725</b>	<b>39,280</b>
<b>Total transfer between reserves</b>	<b>-</b>	<b>(14,723)</b>	<b>9,639</b>	<b>5,084</b>	<b>-</b>	<b>-</b>
<b>At 31 March 2021</b>	<b>400,000</b>	<b>313,178</b>	<b>311,195</b>	<b>5,084</b>	<b>1,571</b>	<b>1,031,028</b>

**For the three months ended 31 March 2020**

	Stated capital	Income surplus	Statutory reserve	Credit risk reserve	Fair value reserve	Total
<b>At 31 December 2019</b>	<b>400,000</b>	<b>159,303</b>	<b>261,002</b>	<b>8,381</b>	<b>1,278</b>	<b>829,964</b>
Profit for the period	-	55,039	-	-	-	55,039
Other comprehensive income	-	-	-	-	867	867
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>55,039</b>	<b>-</b>	<b>-</b>	<b>867</b>	<b>55,906</b>
<b>Transfer between reserves</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>At 31 March 2020</b>	<b>400,000</b>	<b>214,342</b>	<b>261,002</b>	<b>8,381</b>	<b>2,145</b>	<b>885,870</b>

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021**

**1. Reporting Entity**

United Bank for Africa (Ghana) Limited ("the Bank") is a limited liability company and is incorporated and domiciled in Ghana. The registered office is Heritage Towers, Ambassadorial Enclave, Accra. The Bank operates under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

The Bank is a subsidiary of United Bank for Africa Plc of Nigeria and provides retail, corporate banking and investment banking services.

**2. Basis of Preparation and Significant Accounting Policies**

The condensed financial statements have been prepared in accordance with IAS 34 (Interim Financial Reporting) as issued by the International Accounting Standards Board (IASB). Additional information required under the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) have been included where appropriate.

The accounting policies adopted in the preparation of these condensed financial statements are consistent with those applied in the preparation of the Bank's annual financial statements for the year ended 31 December 2020. The Bank has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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

**3. Quantitative Disclosures**

	March 2021	March 2020
Capital adequacy ratio	24.3%	23.8%
Non-performing loans ratio	44.8%	51.2%
Liquidity ratio	83.6%	71.5%

**4. Qualitative Disclosures**

The Bank's activities expose it to a variety of risks such as credit risk, liquidity risk, operational risks and market risks.

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Board has established a Risk Management Committee in support of their risk oversight objectives and responsibilities. There is also a Risk Management Department which has responsibility for the implementation of the Bank's risk control principles, frameworks and processes across the entire risk spectrum.

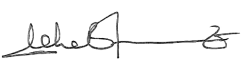
The Bank's risk management policies are established to identify and analyse the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Bank, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations

**5. Defaults in prudential requirements and accompanying sanctions**

	March 2021	March 2020
Default in statutory liquidity	Nil	1
Sanctions (GHS)	-	53,000
Default in prudential requirement (times)	Nil	Nil
Sanctions (GHS)	-	-



Kweku Awotwi  
Board Chairman



Olalekan Balogun  
MD/CEO