

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021

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

	Sept 2021	Sept 2020
Interest income	362,999	413,762
Interest expense	(120,872)	(180,454)
Net interest income	242,127	233,308
Fees and commission income	53,653	42,596
Fees and commission expense	(11,759)	(8,363)
Net fees and commission income	41,894	34,233
Net trading and revaluation income	36,606	36,727
Other operating income	910	1,343
Net trading and other income	37,516	38,070
Operating income	321,537	305,611
Allowance for credit losses on financial assets	(69,114)	(12,557)
Employee benefit expenses	(46,913)	(45,579)
Depreciation and amortisation	(8,774)	(8,511)
Other operating expenses	(36,451)	(42,812)
Profit before income tax	160,285	196,152
Income tax expense	(63,607)	(56,439)
Profit for the period	96,678	139,713
Other comprehensive income		
<i>Items that will be reclassified to the income statement:</i>		
Net change in fair value during the year (net of tax)	(885)	3,316
Total comprehensive income for the period	95,793	143,029
Basic and diluted earnings per share (Ghana cedis)	0.01	0.02

UNAUDITED STATEMENT OF CASHFLOWS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021

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

	Sept 2021	Sept 2020
Cash flows from operating activities		
Profit before income tax	160,285	196,152
<i>Adjustments for:</i>		
Depreciation and amortisation	8,774	8,511
Allowance for credit losses on financial assets	66,995	12,557
Gain on disposal of property and equipment	-	(62)
Allowance for credit loss on contingent liabilities	2,119	100
Finance cost on lease liabilities	975	-
Net interest income	(242,127)	(233,308)
	(2,979)	(16,050)
Change in operating assets and liabilities		
Change in mandatory reserve deposits	(88,151)	(23,303)
Change in loans and advances to customers	34,393	(127,701)
Change in other assets	(150,332)	(33,683)
Change in placements with banks	-	(62,222)
Change in deposits from banks	15,936	(1,156,127)
Change in deposits from customers	881,515	233,031
Change in other liabilities	10,435	(7,017)
Interest received	362,999	413,762
Interest paid	(120,872)	(180,454)
Income tax paid	(54,126)	(54,580)
Net cash used in operating activities	888,818	(1,014,344)
Cash flows from investing activities		
Purchase of investment securities	(3,488,286)	(1,986,536)
Proceeds from sale/redemption of investment securities	2,494,506	3,186,760
Purchase of property and equipment	(5,497)	(5,874)
Proceeds from sale of property and equipment	43	63
Purchase of intangible assets	(1,177)	(19)
Net cash from investing activities	(1,000,411)	1,194,394
Cash flows from financing activities		
Proceeds from borrowings	-	-
Repayment of borrowings	-	-
Payments of principal on lease liabilities	(3,784)	-
Net cash used in financing activities	(3,784)	-
Net increase/decrease in cash and cash equivalents	(115,377)	180,050
Cash and cash equivalents at 1 January	779,309	351,270
Cash and cash equivalents at 30 September	663,932	531,320
<i>Cash and cash equivalents for the purpose of statement of cashflow comprises:</i>		
Cash and balances with Bank of Ghana	533,886	306,603
Less mandatory deposit reserve	(366,828)	(257,183)
	167,058	49,420
Due from other banks	336,639	399,726
Short term treasury bills	160,235	82,174
Cash and cash equivalents at 30 September	663,932	531,320

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021

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

	Sept 2021	Sept 2020
Assets		
Cash and bank balances	870,526	768,552
Investment securities:		
- At amortised cost	2,506,937	1,261,195
- At fair value through other comprehensive income	259,607	492,841
Loans and advances to customers	1,004,949	1,077,009
Other assets	239,494	65,991
Property and equipment	64,212	46,894
Intangible assets	1,683	113
Income tax asset	271	3,659
Deferred tax asset	3,340	-
Total assets	4,951,019	3,716,254
Liabilities		
Deposits from customers	3,668,279	2,571,831
Deposits from banks	88,380	82,237
Other liabilities	106,819	88,321
Deferred tax liability	-	872
Total liabilities	3,863,478	2,743,261
Equity		
Stated capital	400,000	400,000
Income surplus	378,904	299,016
Fair value reserve	(39)	4,594
Credit risk reserve	7,120	8,381
Statutory reserve	301,556	261,002
Total equity	1,087,541	972,993
Total liabilities and equity	4,951,019	3,716,254

UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021

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

For the nine months ended 30 September 2021

	Stated capital	Income surplus	Statutory reserve	Credit risk reserve	Fair value reserve	Total
At 31 December 2020	400,000	289,346	301,556	-	846	991,748
Profit for the period	-	96,678	-	-	-	96,678
Net change in fair value during the year (net of tax)	-	-	-	-	(885)	(885)
Total comprehensive income for the period	-	96,678	-	-	(885)	95,793
Transfer between reserves	-	(7,120)	-	7,120	-	-
At 30 September 2021	400,000	378,904	301,556	7,120	(39)	1,087,541

For the nine months ended 30 September 2020

	Stated capital	Income surplus	Statutory reserve	Credit risk reserve	Fair value reserve	Total
At 31 December 2019	400,000	159,303	261,002	8,381	1,278	829,964
Profit for the period	-	139,713	-	-	-	139,713
Net change in fair value during the year (net of tax)	-	-	-	-	3,316	3,316
Total comprehensive income for the period	-	139,713	-	-	3,316	143,029
Transfer between reserves	-	-	-	-	-	-
At 30 September 2020	400,000	299,016	261,002	8,381	4,594	972,993

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 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

	Sept 2021	Sept 2020
Capital adequacy ratio	23.38%	21.97%
Common equity tier 1 ratio	21.38%	19.97%
Leverage ratio	14.33%	15.30%
Liquidity ratio	87.99%	54.96%
Non-performing loans ratio	40.41%	41.80%

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

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

Kweku Awotwi
Board Chairman

Olalekan Balogun
MD/CEO