

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

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

	31 Dec 2022	31 Dec 2021
Interest income	798,611,363	506,884,566
Interest expense	(261,788,406)	(169,547,713)
<b>Net interest income</b>	<b>536,822,957</b>	<b>337,336,853</b>
Fees and commission income	75,371,769	72,937,435
Fees and commission expense	(27,551,209)	(18,737,068)
<b>Net fees and commission income</b>	<b>47,820,560</b>	<b>54,200,367</b>
Net trading and revaluation income	97,278,555	56,982,072
Other operating income	127,895	931,237
<b>Net trading and other income</b>	<b>97,406,450</b>	<b>57,913,309</b>
<b>Net operating income</b>	<b>682,049,967</b>	<b>449,450,529</b>
Allowance for credit losses on financial assets	(406,630,830)	(95,265,683)
Personnel expenses	(80,753,856)	(65,856,828)
Depreciation and amortization	(12,590,329)	(11,783,794)
Other operating expenses	(90,863,133)	(57,730,110)
<b>Profit before income tax</b>	<b>91,211,819</b>	<b>218,814,114</b>
Income tax expense	(31,617,645)	(77,049,377)
<b>Profit for the year</b>	<b>59,594,174</b>	<b>141,764,737</b>
<b>Other comprehensive income</b>		
<i>Items that will be reclassified to the income statement</i>		
Net change to fair value during the year (net of tax)	-	(831,924)
<b>Total comprehensive income for the year</b>	<b>59,594,174</b>	<b>140,932,813</b>
<b>Basic and diluted earnings per share</b>	<b>0.01</b>	<b>0.02</b>

**STATEMENT OF CASHFLOWS**

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

	31 Dec 2022	31 Dec 2021
<b>Cash flows from operating activities</b>		
Profit before income tax	91,211,819	218,814,114
<i>Adjustments for:</i>		
Depreciation and amortisation	12,590,329	11,783,794
Allowance for credit loss on other assets	-	-
Reversal/allowance for loss on contingent liabilities	2,223,315	(68,416)
Allowance for credit loss on investment securities	281,647,731	(1,400,000)
Recoveries on loans written off	(282,649)	(503,982)
Gain on disposal of property and equipment	(113,973)	(18,323)
Write-off of property and equipment	126,375	182,619
Foreign currency exchange difference	(5,350,179)	(5,734,989)
Net interest income	(536,822,957)	(337,336,853)
	(31,727,756)	(17,043,955)
<b>Change in operating assets and liabilities</b>		
Change in mandatory reserve deposits	(66,075,326)	(128,873,415)
Change in loans and advances to customers	(634,929,342)	(20,797,949)
Change in other assets	224,367,161	(346,554,276)
Change in deposits from banks	13,890,484	(13,394,765)
Change in deposits from customers	660,753,258	1,288,734,152
Change in other liabilities	110,194,461	12,129,854
Interest received	798,611,363	506,884,565
Interest paid	(260,174,995)	(168,247,582)
Income tax paid	(98,620,775)	(83,275,215)
<b>Net cash (used in)/from operating activities</b>	<b>716,288,533</b>	<b>1,029,561,414</b>
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(3,779,202,782)	(4,216,206,737)
Proceeds from sale/redemption of investment securities	4,173,839,593	3,215,256,935
Purchase of property and equipment	(21,355,162)	(7,704,335)
Proceeds from sale of property and equipment	115,851	22,930
Purchase of intangible assets	(709,692)	(1,273,196)
<b>Net cash from/(used in) investing activities</b>	<b>372,687,808</b>	<b>(1,009,904,403)</b>
<b>Cash flows from financing activities</b>		
Payments of principal on lease liabilities	(1,613,411)	(1,300,131)
Payments of principal on lease liabilities	(8,784,535)	(5,280,032)
<b>Net cash used in financing activities</b>	<b>(10,397,946)</b>	<b>(6,580,163)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>1,078,578,395</b>	<b>13,076,848</b>
Foreign currency exchange difference	5,350,179	5,734,989
<b>Cash and cash equivalents at 1 January</b>	<b>798,120,341</b>	<b>779,308,505</b>
<b>Cash and cash equivalents at 31 December</b>	<b>1,882,048,915</b>	<b>798,120,342</b>
<i>Cash and cash equivalents for purposes of the statements of cash flows comprises:</i>		
Cash and balances with Bank of Ghana	973,647,785	553,564,039
Due from other banks	882,108,509	486,687,228
	1,855,756,294	1,040,251,267
Mandatory deposit reserve	(473,625,161)	(407,549,835)
Unrestricted cash and bank balances	1,382,131,133	632,701,432
Short term treasury bills	499,917,782	165,418,910
	1,882,048,915	798,120,342

**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022**

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

	31 Dec 2022	31 Dec 2021
<b>Assets</b>		
Cash and bank balances	1,855,756,294	1,040,251,267
Investment securities:		
- At amortised cost	2,438,908,925	2,717,849,080
- At fair value through other comprehensive income	-	64,191,145
Loans and advances to customers	1,544,688,879	1,032,519,321
Other assets	176,096,466	431,298,690
Property and equipment	72,339,376	63,388,093
Intangible assets	2,051,086	1,656,104
Income tax asset	30,416,193	8,594,131
Deferred tax asset	89,804,574	13,452,036
<b>Total assets</b>	<b>6,210,061,793</b>	<b>5,373,199,867</b>
<b>Liabilities</b>		
Deposits from customers	4,736,251,611	4,075,498,353
Deposits from banks	72,940,071	59,049,587
Other liabilities	209,603,917	105,970,684
<b>Total liabilities</b>	<b>5,018,795,599</b>	<b>4,240,518,624</b>
<b>Equity</b>		
Stated capital	400,000,000	400,000,000
Retained earnings	439,369,978	395,669,959
Fair value reserve	-	13,612
Statutory reserve	351,896,216	336,997,672
<b>Total equity</b>	<b>1,191,266,194</b>	<b>1,132,681,243</b>
<b>Total liabilities and equity</b>	<b>6,210,061,793</b>	<b>5,373,199,867</b>

**STATEMENT OF CHANGES IN EQUITY**

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

For the year ended 31 December 2022

	Stated capital	Income surplus	Statutory reserve	Credit risk reserve	Fair value reserve	Total
<b>At 1 January 2022</b>	<b>400,000,000</b>	<b>395,669,959</b>	<b>336,997,672</b>	<b>-</b>	<b>13,612</b>	<b>1,132,681,243</b>
Profit for the year	-	59,594,174	-	-	-	59,594,174
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>59,594,174</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>59,594,174</b>
<b>Transfer between reserves</b>						
Transfer to/from fair value reserve	-	13,612	-	-	(13,612)	-
Transfer to/from retained earnings	-	(1,009,223)	-	-	-	(1,009,223)
Transfer to statutory reserve	-	(14,898,544)	14,898,544	-	-	-
<b>Total transfer between reserves</b>	<b>-</b>	<b>(15,894,155)</b>	<b>14,898,544</b>	<b>-</b>	<b>(13,612)</b>	<b>(1,009,223)</b>
<b>Transactions with owners</b>						
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>At 31 December 2022</b>	<b>400,000,000</b>	<b>439,369,978</b>	<b>351,896,216</b>	<b>-</b>	<b>-</b>	<b>1,191,266,194</b>

	Stated capital	Income surplus	Statutory reserve	Credit risk reserve	Fair value reserve	Total
<b>At 1 January 2021</b>	<b>400,000,000</b>	<b>289,346,406</b>	<b>301,556,488</b>	<b>-</b>	<b>845,536</b>	<b>991,748,430</b>
Profit for the year	-	141,764,737	-	-	-	141,764,737
Net change to fair value during the year (net of tax)	-	-	-	-	(831,924)	(831,924)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>141,764,737</b>	<b>-</b>	<b>-</b>	<b>(831,924)</b>	<b>140,932,813</b>
<b>Transfer between reserves</b>						
Transfer to statutory reserve	-	(35,441,184)	35,441,184	-	-	-
<b>Total transfer between reserves</b>	<b>-</b>	<b>(35,441,184)</b>	<b>35,441,184</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transactions with owners</b>						
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>At 31 December 2021</b>	<b>400,000,000</b>	<b>395,669,959</b>	<b>336,997,672</b>	<b>-</b>	<b>13,612</b>	<b>1,132,681,243</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

The summary financial information presented in this publication is an extract from the annual report for the year ended 31 December 2022. The annual report is available for inspection at the Bank's Head Office at Heritage Towers, Ambassadorial Enclave, Accra.

**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.

The financial statements for the year ended 31 December 2022 were approved and authorised for issue by the Board of Directors on 25 April 2023.

**2. Summary of Significant Accounting Policies**

The detailed accounting policies are part of the annual report which is available for inspection at the Bank's Head Office at Heritage Towers, Ambassadorial Enclave, Accra. These policies have been consistently applied to all the years presented, unless otherwise stated.

**3. Basis of Preparation**

The Bank's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements have been prepared under the historical cost convention, except for financial assets measured at fair value through other comprehensive income. 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.

Except for the changes in accounting policies indicated below, the same accounting policies and methods of computation were followed in preparation of these financial statements as compared with the Bank's most recent annual financial statements.

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

**4. Quantitative Disclosures**

	31 Dec 2022	31 Dec 2021
Capital adequacy ratio	20.2%	22.8%
Common equity tier 1 ratio	20.2%	22.8%
Leverage ratio	11.9%	13.1%
Liquidity ratio	75.4%	86.9%
Gross non-performing loans ratio	15.8%	29.4%
Off balance sheet exposure	GHS 1.2b	GHS1.1b

**5. 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

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

	2022	2021
Default in statutory liquidity	Nil	Nil
Sanctions (GHS)	-	-
Defaults in other requirements (times)	2	Nil
Sanctions (GHS)	GHS468,000	-

**7. Value Added Statement**

	31 Dec 2022	31 Dec 2021
Interest and other operating income	873,983,132	579,822,001
Direct cost of services	(367,225,098)	(242,621,443)
<b>Value added by banking services</b>	<b>506,758,034</b>	<b>337,200,558</b>
Non-banking income	97,406,450	57,913,309
Impairments	(406,630,830)	(95,265,683)
<b>Value added</b>	<b>197,533,654</b>	<b>299,848,184</b>
Distributed as follows:		
<b>To employees:</b>		
Directors (without executives)	5,016,960	3,393,448
Executive directors	3,156,417	1,664,061
Other employees	85,558,129	64,192,767
	93,731,506	69,250,276
<b>To government:</b>		
Income taxes	31,617,645	77,049,377
<b>To providers of capital:</b>		
<b>To expansion and growth</b>		
Depreciation	11,978,632	11,457,698
Amortisation	611,697	326,096
	59,594,174	141,764,737

**SUMMARY REPORT OF THE DIRECTORS**

In accordance with the requirements of Section 136 of the Companies Act 2019 (Act 992) we, the Board of United Bank for Africa (Ghana) Limited submit herewith the annual report on the state of affairs of the Bank for the year ended 31 December 2022.

**Statement of directors' responsibilities**

The Companies Act 2019 (Act 992) requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Bank as at the end of the financial year and of the operating results of the Bank for that year.

It also requires the directors to ensure that the Bank keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Bank. They are also responsible for safeguarding the assets of the Bank.

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Companies Act 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). This responsibility includes: designing, implementing

and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and the requirements of Companies Act 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Bank and of its operating results. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the Bank will not remain a going concern for at least the next twelve months from the date of this financial statements.

**Holding Company**

The Bank is a subsidiary of United Bank for Africa Plc, a company incorporated in the Federal Republic of Nigeria and licensed to undertake all banking and related services.

**Nature of business**

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

**Directors and their interests**

None of the Bank's directors has any direct or indirect interest in the issued share capital of the Bank. No director had a material interest, at any time during the year, in any contract, other than a service contract with the Bank. All contracts with related parties during the year were conducted at arm's length.

**Dividend**

The directors do not recommend the payment of a dividend (2021: nil).

**Auditors**

Messrs Deloitte & Touche have indicated their willingness to continue in office as auditors in accordance with the Companies Act 2019, (Act 992) and in line with the provisions of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

On behalf of the Board



**Kweku Awotwi**  
 Board Chairman  
 25 April 2023



**Chris Ofikulu**  
 MD/CEO  
 25 April 2023

**Deloitte.**

**INDEPENDENT AUDITOR'S REPORT ON SUMMARY FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF UNITED BANK FOR AFRICA (GHANA) LIMITED**

**Our opinion**

The summary financial statements of United Bank for Africa (Ghana) Limited, which comprise:

- the summary statements of profit or loss and other comprehensive income;
- the summary statement of financial position as at 31 December 2022;
- the summary changes in equity;
- the summary cash flows for the year then ended; and
- the related notes to the summary financial statements 2022.

In our opinion, the accompanying summary financial statements of United Bank for Africa Ghana Limited ("Bank") present fairly, in all material respects, with the audited financial statements of the Bank.

**Summary financial statements**

The summary financial statements do not contain all the disclosures required by the International Financial Reporting Standards, the requirements of the Companies Act, 2019 (Act 992), and the Banks and Specialised Deposit-Taking Institutions Act 2016, (Act 930). 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 audited financial statements and our report thereon**

We expressed an unmodified audit opinion on the audited financial statements in our report dated 25 April 2023. That report also includes the communication of the key audit matter. Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the summarized financial statements for the current period.

**Directors' responsibility for the summary financial statements**

The Directors are responsible for the preparation and fair presentation of the summary financial statements in accordance with International Financial Reporting Standards, the requirements of the Companies Act, 2019 (Act 992), and the Banks and Specialised Deposit-Taking Institutions Act 2016, (Act 930).

**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 Standard on Auditing 810 (Revised), Engagements to Report on Summary Financial Statements.

The engagement partner on the audit resulting in this independent auditor's report is **Daniel Kwadwo Owusu (ICAG/P/1327)**.

For and on behalf:



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 25 March 2022