

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

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

	2023	2022
Interest income	1,085,374,127	798,611,363
Interest expense	(310,694,532)	(261,788,406)
Net interest income	774,679,595	536,822,957
Fees and commission income	93,222,993	75,371,769
Fees and commission expense	(48,134,177)	(27,551,209)
Net fees and commission income	45,088,816	47,820,560
Net trading and revaluation income	84,993,942	97,278,555
Other operating income	59,936	127,895
Net trading and other income	85,053,878	97,406,450
Net operating income	904,822,289	682,049,967
Allowance for credit losses on financial assets	(384,075,804)	(406,630,830)
Personnel expenses	(98,839,105)	(80,753,856)
Depreciation and amortization	(15,448,805)	(12,590,329)
Other operating expenses	(130,488,201)	(90,863,133)
Profit before income tax	275,970,374	91,211,819
Income tax expense	(100,127,745)	(31,617,645)
Profit for the year	175,842,629	59,594,174
Other comprehensive income		
<i>Items that will be reclassified to the income statement</i>		
Net change to fair value during the year (net of tax)	-	-
Total comprehensive income for the year	175,842,629	59,594,174
Basic and diluted earnings per share	0.02	0.01

STATEMENT OF CASHFLOWS

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

	2023	2022
Cash flows from operating activities		
Profit before income tax	275,970,374	91,211,819
<i>Adjustments for:</i>		
Depreciation and amortisation	15,448,805	12,590,329
Allowance for credit loss on loans to customers	122,466,227	123,042,433
Allowance for credit loss on other assets	15,321,211	-
Reversal/allowance for loss on contingent liabilities	688,186	2,223,315
Allowance for credit loss on investment securities	245,619,966	281,647,731
Recoveries on loans written off	(19,786)	(282,649)
Gain on disposal of property and equipment	(37,936)	(113,973)
Write-off of property and equipment	-	126,375
Foreign currency exchange difference	(7,927,306)	(5,350,179)
Net interest income	(774,679,595)	(536,822,957)
	(107,149,854)	(31,727,756)
Change in operating assets and liabilities		
Change in mandatory reserve deposits	(477,142,489)	(66,075,326)
Change in loans and advances to customers	280,099,655	(634,929,342)
Change in other assets	(1,177,707)	224,367,161
Change in deposits from banks	(72,940,071)	13,890,484
Change in deposits from customers	1,602,199,389	660,753,258
Change in other liabilities	491,943,113	176,269,787
Interest received	1,085,374,127	798,611,363
Interest paid	(308,809,905)	(260,174,995)
Income tax paid	(194,978,942)	(98,620,775)
Net cash (used in)/from operating activities	2,297,417,316	782,363,859
Cash flows from investing activities		
Purchase of investment securities	(3,960,181,810)	(3,779,202,782)
Proceeds from sale/redemption of investment securities	2,442,627,769	3,839,340,720
Purchase of property and equipment	(15,975,505)	(21,355,162)
Proceeds from sale of property and equipment	46,489	115,851
Purchase of intangible assets	(595,209)	(709,692)
Net cash from/(used in) investing activities	(1,534,078,266)	38,188,935
Cash flows from financing activities		
Payments of principal on lease liabilities	(1,884,627)	(1,613,411)
Payments of principal on lease liabilities	(9,227,030)	(8,784,535)
Net cash used in financing activities	(11,111,657)	(10,397,946)
Net decrease in cash and cash equivalents	752,227,393	810,154,848
Foreign currency exchange difference	7,927,306	5,350,179
Cash and cash equivalents at 1 January	1,855,756,294	1,040,251,267
Cash and cash equivalents at 31 December	2,615,910,993	1,855,756,294
<i>Cash and cash equivalents for purposes of the statements of cash flows comprises:</i>		
Cash and balances with Bank of Ghana	1,560,204,435	973,647,785
Due from other banks	1,055,706,558	882,108,509
	2,615,910,993	1,855,756,294

STATEMENT OF FINANCIAL POSITION

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

	2023	2022
Assets		
Cash and bank balances	2,615,910,993	1,855,756,294
Investment securities	3,710,843,000	2,438,908,925
Loans and advances to customers	1,142,142,783	1,544,688,879
Other assets	162,012,449	176,096,466
Property and equipment	73,580,706	72,339,376
Intangible assets	1,863,627	2,051,086
Income tax asset	34,867,378	30,416,193
Deferred tax asset	180,204,585	89,804,574
Total assets	7,921,425,521	6,210,061,793
Liabilities		
Deposits from customers	6,338,451,000	4,736,251,611
Deposits from banks	-	72,940,071
Other liabilities	215,865,698	209,603,917
Total liabilities	6,554,316,698	5,018,795,599
Equity		
Stated capital	400,000,000	400,000,000
Retained Earnings	486,387,853	439,369,978
Credit risk reserve	84,864,097	-
Statutory reserve	395,856,873	351,896,216
Total equity	1,367,108,823	1,191,266,194
Total liabilities and equity	7,921,425,521	6,210,061,793

STATEMENT OF CHANGES IN EQUITY

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

For the year ended 31 December 2023

	Stated capital	Retained Earnings	Statutory reserve	Credit risk reserve	Fair value reserve	Total
At 1 January 2023	400,000,000	439,369,978	351,896,216	-	-	1,191,266,194
Profit for the year	-	175,842,629	-	-	-	175,842,629
Total comprehensive income for the year	-	175,842,629	-	-	-	175,842,629
Transfer between reserves						
Transfer to statutory reserve	-	(43,960,657)	43,960,657	-	-	-
Transfer to to/from credit risk reserve	-	(84,864,097)	-	84,864,097	-	-
Total transfer between reserves	-	(128,824,754)	43,960,657	84,864,097	-	-
Transactions with owners						
Total transactions with owners	-	-	-	-	-	-
At 31 December 2023	400,000,000	486,387,853	395,856,873	84,864,097	-	1,367,108,823

For the year ended 31 December 2022

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The summary financial information presented in this publication is an extract from the annual report for the year ended 31 December 2023. 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 2023 were approved and authorised for issue by the Board of Directors on 27 March 2024.

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 2023	31 Dec 2022
Capital adequacy ratio	15.0%	20.2%
Common equity tier 1 ratio	15.0%	20.2%
Leverage ratio	7.9%	11.9%
Liquidity ratio	75.8%	75.4%
Gross nonperforming loans ratio	24.7%	15.8%

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

	2023	2022
Default in statutory liquidity	Nil	Nil
Sanctions (GHS)	-	-
Defaults in other requirements (times)	Nil	2
Sanctions (GHS)	-	GHS468,000

7. Value Added Statement

	2023	2022
Interest and other operating income	1,178,597,120	873,983,132
Direct cost of services	(483,495,710)	(367,225,098)
Value added by banking services	695,101,410	506,758,034
Non-banking income	85,053,878	97,406,450
Impairments	(384,075,804)	(406,630,830)
Value added	396,079,484	197,533,654
Distributed as follows:		
To employees:		
Directors (without executives)	5,821,200	5,016,960
Executive directors	6,253,653	3,156,417
Other employees	92,585,452	85,558,129
	104,660,305	93,731,506
To government:		
Income taxes	100,127,745	31,617,645
To expansion and growth:		
Depreciation	14,666,137	11,978,632
Amortisation	782,668	611,697
	15,448,805	12,590,329
	175,842,629	59,594,174

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 2023.

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 recommended the declaration of an Interim Dividend of GHS81,340,000 for the period ended June 30, 2023 subject to Bank of Ghana's approval. (2022: nil).


Auditors

The Auditors, Messrs Deloitte & Touche have served the Bank for six years and in line with the provisions of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) will not seek re-appointment. A resolution will be proposed at the Annual General Meeting for the appointment of new Auditors and to authorise the Directors to determine their remuneration.

On behalf of the Board



Kweku Awotwi
 Board Chairman
 27 March 2024



Uzoechina Molokwu
 MD/CEO
 27 March 2024

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 2023;
- the summary changes in equity;
- the summary cash flows for the year then ended; and
- the related notes to the summary financial statements 2023.

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 27 March 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

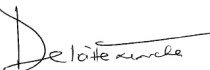
The Directors are responsible for the preparation and fair presentation of the summary financial statements in accordance with International Financial Reporting Standards, the requirements of the Companies Act, 2019 (Act 992), and the Banks and Specialised Deposit-Taking Institutions Act 2016, (Act 930).

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:



For and on behalf:
 Deloitte & Touche (ICAG/F/2024/129)
 Chartered Accountants
 The Deloitte Place, Plot No. 71
 Off George Walker Bush Highway
 North Dzorwulu
 Box GP 453
 Accra Ghana