

United Bank for Africa Ghana Ltd.

Audited Financial Statements for the year ended 31 December 2024



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
(All amounts are expressed in Ghana cedis unless otherwise stated)		
	Dec 2024	Dec 2023
Interest income	1,036,453,639	1,085,374,127
Interest expense	(438,960,110)	(310,694,532)
Net interest income	597,493,529	774,679,595
Fees and commission income	168,593,873	93,222,993
Fees and commission expense	(143,421,639)	(48,134,177)
Net fees and commission income	25,172,234	45,088,816
Net trading and revaluation income	68,520,782	84,993,942
Other operating income	1,222,019	59,936
Net trading and other income	69,742,801	85,053,878
Net operating income	692,408,564	904,822,289
Allowance for credit losses on financial assets	(180,110,176)	(384,075,804)
Employee benefit expenses	(114,614,924)	(98,839,105)
Depreciation and amortisation	(16,083,359)	(15,448,805)
Other operating expenses	(128,017,161)	(130,488,201)
Profit before income tax	253,582,944	275,970,374
Income tax expense	(89,270,965)	(100,127,745)
Profit for the year	164,311,979	175,842,629
Other comprehensive income		
Items that will be reclassified to the income statement		
Net change to fair value during the year (net of tax)	-	-
Total comprehensive income for the year	164,311,979	175,842,629
Basic and diluted earnings per share	0.02	0.02

STATEMENT OF CASHFLOWS		
(All amounts are expressed in Ghana cedis unless otherwise stated)		
	Dec 2024	Dec 2023
Cash flows from operating activities		
Profit before income tax	253,582,944	275,970,374
Adjustments for:		
Depreciation and amortisation	16,083,359	15,448,805
Allowance for credit loss on loans to customers	102,730,342	122,466,227
Allowance for credit loss on other assets	-	15,321,211
Allowance for credit loss on contingent liabilities	-	688,186
Allowance for credit loss on investment securities	102,073,641	245,619,966
Recoveries on loans written off	(24,693,807)	(19,786)
Finance cost on lease liabilities	(2,549,005)	(1,884,627)
Gain on disposal of property and equipment	(8,867)	(37,936)
Write-off of property and equipment	1,450	-
Net interest income	(597,493,529)	(774,679,595)
Foreign currency exchange difference	1,548,098	(7,927,306)
	(148,725,374)	(109,034,481)
Change in operating assets and liabilities		
Change in mandatory reserve deposits	(870,493,000)	(477,142,489)
Change in loans and advances to customers	(50,258,564)	280,099,655
Change in other assets	(75,798,341)	(1,177,707)
Change in deposits from banks	22,872,886	(72,940,071)
Change in deposits from customers	1,817,084,974	1,602,199,389
Change in other liabilities	51,276,126	491,943,113
Interest received	1,036,453,639	1,085,374,127
Interest paid	(433,862,105)	(308,809,905)
Income tax paid	(166,711,423)	(194,978,942)
Net cash from operating activities	1,181,838,818	2,295,532,689
Cash flows from investing activities		
Purchase of investment securities	(2,712,356,000)	(3,960,181,810)
Proceeds from sale/redemption of investment securities	2,006,874,297	2,442,627,769
Purchase of property and equipment	(57,393,932)	(15,975,505)
Proceeds from sale of property and equipment	34,809	46,489
Purchase of intangible assets	(847,134)	(595,209)
Net cash used in investing activities	(763,687,960)	(1,534,078,266)
Cash flows from financing activities		
Proceeds from borrowings	785,298,475	-
Payments of interest on leases	(2,549,005)	(1,884,627)
Payments of principal on lease liabilities	(22,296,534)	(7,342,403)
Dividend Paid	(40,000,000)	-
Net cash used in financing activities	720,452,936	(9,227,030)
Net decrease in cash and cash equivalents	1,138,603,794	752,227,393
Foreign currency exchange difference	(1,548,098)	7,927,306
Cash and cash equivalents at 1 January	2,615,910,993	1,855,756,294
Cash and cash equivalents at 31 December	3,752,966,689	2,615,910,993
c) Cash and cash equivalents for purposes of the statements of cash flows comprises:		
Cash and balances with Bank of Ghana	2,700,395,822	1,560,204,435
Due from other banks	1,052,570,867	1,055,706,558
	3,752,966,689	2,615,910,993

STATEMENT OF FINANCIAL POSITION		
(All amounts are expressed in Ghana cedis unless otherwise stated)		
	Dec 2024	Dec 2023
Assets		
Cash and bank balances	3,752,966,689	2,615,910,993
Investment securities:		
- At amortised cost	4,314,251,459	3,710,843,000
- At fair value through other comprehensive income	-	-
Loans and advances to customers	1,114,365,528	1,142,142,783
Other assets	256,165,210	162,012,449
Property and equipment	115,872,666	73,580,706
Intangible assets	1,702,111	1,863,627
Income tax asset	46,141,650	34,867,378
Deferred tax asset	246,370,771	180,204,585
Total assets	9,847,836,084	7,921,425,521
Liabilities		
Deposits from customers	7,285,042,974	6,338,451,000
Deposits from banks	22,872,886	-
Borrowings	785,298,475	-
Other liabilities	263,200,947	215,865,698
Total liabilities	8,356,415,282	6,554,316,698
Equity		
Stated capital	400,000,000	400,000,000
Income surplus	654,485,934	486,387,853
Credit reserve	-	84,864,097
Statutory reserve	436,934,868	395,856,873
Total equity	1,491,420,802	1,367,108,823
Total liabilities and equity	9,847,836,084	7,921,425,521

STATEMENT OF CHANGES IN EQUITY						
(All amounts are expressed in Ghana cedis unless otherwise stated)						
For the year ended 31 December 2024						
	Stated capital	Income surplus	Statutory reserve	Regulatory credit risk reserve	Fair value reserve	Total
At 1 January 2024	400,000,000	486,387,853	395,856,873	84,864,097	-	1,367,108,823
Profit for the year	-	164,311,979	-	-	-	164,311,979
Total comprehensive income for the year	-	164,311,979	-	-	-	164,311,979
Transfer between reserves						
Transfer to statutory reserve	-	(41,077,995)	41,077,995	-	-	-
Transfer from credit risk reserve	-	84,864,097	-	(84,864,097)	-	-
Total transfer between reserves	-	43,786,102	41,077,995	(84,864,097)	-	-
Transactions with owners						
Dividend paid	-	(40,000,000)	-	-	-	(40,000,000)
Total transactions with owners	-	(40,000,000)	-	-	-	(40,000,000)
At 31 December 2024	400,000,000	654,485,934	436,934,868	-	-	1,491,420,802

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 credit risk reserve	-	(84,864,097)		84,864,097	-	-
Total transfer between reserves	-	(128,824,754)	43,960,657	84,864,097	-	-
Total transactions with owners	-	-	-	-	-	-
At 31 December 2023	400,000,000	486,387,853	395,856,873	84,864,097	-	1,367,108,823

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The summary financial information presented in this publication is an extract from the annual report for the year ended 31 December 2024. 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 Ltd. (“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 2024 were approved and authorised for issue by the Board of Directors on 28 March 2025.

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 2024	31 Dec 2023
Capital adequacy ratio	17.25%	15.0%
Common equity tier 1 ratio	17.25%	15.0%
Leverage ratio	8.95%	7.9%
Liquidity ratio	84.73%	75.8%
Gross non-performing loans ratio	12.50%	24.7%

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

	2024	2023
Default in statutory liquidity	Nil	Nil
Sanctions (GHS)	-	-
Defaults in other requirements (times)	Nil	2
Sanctions (GHS)	120,000	-

7. Value Added Statement

	31 Dec 2024	31 Dec 2023
Interest and other operating income	1,205,047,512	1,178,597,120
Direct cost of services	(701,878,609)	(483,495,710)
Value added by banking services	503,168,903	695,101,410
Non-banking income	69,742,801	85,053,878
Impairments	(180,110,176)	(384,075,804)
Value added	392,801,528	396,079,484
Distributed as follows:		
To employees:		
Directors (without executives)	8,520,301	5,821,200
Executive director(s)	3,369,867	6,253,653
Other employees	111,245,057	92,585,452
	123,135,225	104,660,305
To government:		
Income taxes	89,270,965	100,127,745
To expansion and growth:		
Depreciation	15,074,709	14,666,137
Amortisation	1,008,650	782,668
	16,083,359	15,448,805
	164,311,979	175,842,629

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 Ltd. submit herewith the annual report on the state of affairs of the Bank for the year ended 31 December 2024.

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

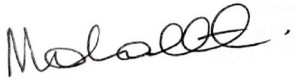
The directors recommended the declaration of an Interim Dividend of GHS157,3000,000 for the period ended June 30, 2024. (2023: GHS81,340,000).

Auditors

The Auditors, Ernst & Young Chartered Accountants, were appointed auditors of the Bank at the last Annual General Meeting in accordance with Section 134 (2) of the Companies Act,1963 (Act 179) and in line with the provisions of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).



Kweku Awotwi  
Board Chairman  
28 March 2025



Uzoechina Molokwu  
MD/CEO  
28 March 2025



Shape the future  
with confidence

INDEPENDENT AUDITOR’S REPORT ON SUMMARY FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF UNITED BANK FOR AFRICA GHANA LIMITED

Our opinion

The summary financial statements, which comprise statement of financial position as at 31 December 2024, statement of comprehensive income, statement of changes in equity, cash flow statements for the year then ended, and related notes, are derived from the audited financial statements of United Bank for Africa Ghana Ltd for the year ended 31 December 2024.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the basis of preparation described in the notes.

Summary financial statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards including the IAS29 Hyperinflation Directive issued by the Institute of Chartered Accountants Ghana, the Banks and Specialized Deposit -Taking Institutions Act, 2016, (Act 930) and the Companies Act, 2019 (Act 992). 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 summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 28 March 2025. 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.

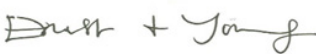
Management’s responsibility for the summary financial statements

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 Standards on Auditing (ISA) 810 (Revised), Engagement to Report on Summary Financial Statements.

The Engagement Partner on the audit resulting in this independent Auditors’ report is Emmanuel Adekahlor (ICAG/P/1596).



Ernst & Young (ICAG/F/2025/126)  
Chartered Accountants  
Accra, Ghana  
28 March 2025