

ACCESS BANK (GHANA) PLC

SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

SUMMARY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

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

	The Group		The Bank	
	Dec 2018	Dec 2017	Dec 2018	Dec 2017
Assets				
Cash and cash equivalents	1,512,990	1,107,576	1,512,990	1,107,576
Investment securities	866,065	906,238	866,065	906,238
Loans and advances to customers	815,559	877,675	815,559	877,675
Investment other than securities	-	-	20	20
Property and equipment	126,150	121,419	126,150	121,419
Intangible assets	4,077	4,206	4,077	4,206
Current Tax	3,011	-	3,181	-
Deferred income tax asset	7,974	2,517	7,974	2,517
Other assets	205,188	180,178	204,925	179,915
Total assets	3,541,014	3,199,809	3,540,941	3,199,566
Liabilities				
Deposits from banks	111,066	187,294	111,066	187,294
Deposits from customers	2,452,029	2,131,482	2,452,076	2,131,529
Borrowings	301,616	341,328	301,616	341,328
Current income tax	-	19,891	-	19,721
Deferred income tax liabilities	5,263	8,161	5,263	8,161
Other liabilities	38,279	41,895	39,180	42,796
Total liabilities	2,908,253	2,730,051	2,909,201	2,730,829
Equity				
Stated capital	400,000	144,738	400,000	144,738
Statutory reserve	154,202	129,279	154,202	129,279
Credit risk reserve	116,549	139,625	116,549	139,625
Income surplus	(38,621)	44,319	(39,642)	43,298
Fair value reserve	631	11,797	631	11,797
Total equity	632,761	469,758	631,740	468,737
Total equity and liabilities	3,541,014	3,199,809	3,540,941	3,199,566

SUMMARY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018

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

	The Group		The Bank	
	2018	2017	2018	2017
Cash flows from operating activities				
Profit before tax	71,788	58,597	71,788	58,587
Adjustments for:				
Depreciation of property, plant and equipment	14,962	13,576	14,962	13,576
Write off of property, plant and equipment	20	-	20	-
Amortisation of intangible assets	3,112	3,641	3,112	3,641
Interest expense on borrowings	19,977	13,921	19,977	13,921
Impairment on financial instruments	92,514	40,816	92,514	40,816
Profit on disposal of property and equipment	(220)	(55)	(220)	(55)
Change in loans and advances	(30,398)	367,121	(30,398)	367,121
Change in investment securities	(246,257)	(578,238)	(246,257)	(578,238)
Change in other assets	(25,010)	(66,618)	(25,010)	(66,606)
Change in deposits from customers	320,547	122,383	320,547	122,383
Change in deposits from banks	(76,228)	187,294	(76,228)	187,294
Change in other liabilities	(3,616)	25,464	(3,616)	25,462
Change in mandatory reserve deposit	(32,055)	(12,238)	(32,055)	(12,238)
Effects of exchange rate changes on cash held	(65,438)	(42,317)	(65,438)	(42,317)
Exchange loss on borrowings	17,078	6,366	17,078	6,366
Tax paid	(49,478)	(14,911)	(49,478)	(14,911)
Net cash generated from operating activities	11,298	124,802	11,298	124,802
Cash flows from investing activities				
Purchase of property and equipment	(20,331)	(25,639)	(20,331)	(25,639)
Purchase of intangible assets	(2,454)	(1,586)	(2,454)	(1,586)
Proceeds from sale of property and equipment	309	786	309	786
Net cash used in investing activities	(22,476)	(26,439)	(22,476)	(26,439)
Cash flows from financing activities				
Drawdown on borrowings	302,306	288,496	302,306	288,496
Repayment of borrowings	(379,073)	(171,123)	(379,073)	(171,123)
Cost of transfer to stated capital	(3,386)	-	(3,386)	-
Proceeds from issue of shares	218,108	-	218,108	-
Net cash generated from financing activities	137,955	117,373	137,955	117,373
Net increase in cash and cash equivalents	126,777	215,736	126,777	215,736
Effects of exchange rate changes on cash held	65,438	42,317	65,438	42,317
Cash and cash equivalents at 1 January	1,076,259	818,206	1,076,259	818,206
Cash and cash equivalents at 31 December*	1,268,474	1,076,259	1,268,474	1,076,259

SUMMARY REPORT OF THE DIRECTORS

The directors present their report together with the audited financial statements for the year ended 31 December 2018 in accordance with the Companies Act, 1963 (Act 179) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) which discloses the state of the affairs of the Bank and the Group.

Statement of directors' responsibility

The directors are responsible for the preparation of financial statements for each financial year, which gives a true and fair view of the state of affairs of the Group and the profit or loss and cash flows for that period. In preparing these financial statements, the directors have selected suitable accounting policies and applied them consistently, made judgements and estimates that are reasonable and prudent and followed International Financial Reporting Standards and complied with the requirements of the Companies Act 1963 (Act 179) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

The directors are responsible for ensuring that the Group keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the Bank. The directors are also responsible for safeguarding the assets of the Bank and taking reasonable steps for the prevention and detection of fraud and other irregularities.

We have no plans or intentions, for example to dispose of the business or cease operations that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

Nature of business

The Bank is authorised by Bank of Ghana to carry on the business of universal banking.

Subsidiaries

The Bank has two wholly owned subsidiaries, namely, Big Ticket Holdings Limited (BTH) and Triumph Properties Limited (TPL). BTH is currently operating as a leasing company. TPL is dormant.

Holding company

The Bank is a subsidiary of Access Bank Plc, a company incorporated in the Federal Republic of Nigeria and licensed to undertake all banking and related services. The parent company holds 93.40% of the issued ordinary shares of the Bank.

Approval of the consolidated financial statements

The Board of Directors approved the consolidated financial statements on 22 February, 2019 and were signed on their behalf by:

Signed
Frank Beecham
Chairman

Signed
Olumide Olatunji
Managing Director

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF ACCESS BANK (GHANA) PLC

REPORT ON THE AUDIT OF THE SUMMARY FINANCIAL STATEMENTS

Our opinion

In our opinion, the accompanying summary financial statements of Access Bank (Ghana) Limited (the "Bank") and its subsidiaries (together the "Group"), are consistent, in all material respects, with the audited financial statements of the Group for the year ended 31 December 2018 on the basis described in the notes.

SUMMARY STATEMENT OF CHANGES IN EQUITY

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

The Group

Year ended 31 December 2018	Stated capital	Fair value reserve	Statutory reserve	Credit Risk reserve	Income surplus	Total
At 1 January 2018	144,738	11,797	129,279	139,625	44,319	469,758
Changes on initial application of IFRS 9	-	-	-	-	(90,399)	(90,399)
Increase in impairment provisioning	-	-	-	(79,365)	79,365	-
Transfer between reserves	-	-	-	-	-	-
Restated balance at 1 January 2018	144,738	11,797	129,279	60,260	33,285	379,359
Profit for the year	-	-	-	-	49,846	49,846
Changes in fair value of held-to-collect-and-sell financial assets, net of tax	-	(11,166)	-	-	-	(11,166)
Total comprehensive income	-	(11,166)	-	-	49,846	38,680
Transfer to Stated Capital	37,154	-	-	-	(37,154)	-
Cost of transfer to Stated Capital	-	-	-	-	(3,386)	(3,386)
Transfer to credit risk reserve	-	-	-	56,289	(56,289)	-
Transfer to statutory reserve	-	-	24,923	-	(24,923)	-
Rights Issue	218,108	-	-	-	-	218,108
Total transactions with owners	255,262	-	24,923	56,289	(121,752)	214,722
At 31 December 2018	400,000	631	154,202	116,549	(38,621)	632,761
Year ended 31 December 2017						
At 1 January 2017	144,738	1,200	121,881	147,624	14,119	429,562
Profit for the year	-	-	-	-	29,599	29,599
Changes in fair value of available for sale financial assets, net of tax	-	10,597	-	-	-	10,597
Total comprehensive income	-	10,597	-	-	29,599	40,196
Transfer from credit risk reserve	-	-	-	(7,999)	7,999	-
Transfer to statutory reserve	-	-	7,398	-	(7,398)	-
Total transactions with owners	-	-	7,398	(7,999)	601	-
At 31 December 2017	144,738	11,797	129,279	139,625	44,319	469,758

The Bank

Year ended 31 December 2018	Stated capital	Fair value reserve	Statutory reserve	Credit Risk reserve	Income surplus	Total
At 1 January 2018	144,738	11,797	129,279	139,625	43,298	468,737
Changes on initial application of IFRS 9	-	-	-	-	(90,399)	(90,399)
Increase in impairment provisioning	-	-	-	(79,365)	79,365	-
Transfer between reserves	-	-	-	-	-	-
Restated balance at 1 January 2018	144,738	11,797	129,279	60,260	32,264	378,338
Profit for the year	-	-	-	-	49,846	49,846
Changes in fair value of held-to-collect-and-sell financial assets, net of tax	-	(11,166)	-	-	-	(11,166)
Total comprehensive income	-	(11,166)	-	-	49,846	38,680
Transfer to Stated Capital	37,154	-	-	-	(37,154)	-
Cost of transfer to Stated Capital	-	-	-	-	(3,386)	(3,386)
Transfer from credit risk reserve	-	-	-	56,289	(56,289)	-
Transfer to statutory reserve	-	-	24,923	-	(24,923)	-
Rights Issue	218,108	-	-	-	-	218,108
Total transactions with owners	255,262	-	24,923	56,289	(121,752)	214,722
At 31 December 2018	400,000	631	154,202	116,549	(39,642)	631,740
Year ended 31 December 2017						
At 1 January 2017	144,738	1,200	121,881	147,624	13,105	428,548
Profit for the year	-	-	-	-	29,592	29,592
Changes in fair value of available for sale financial assets, net of tax	-	10,597	-	-	-	10,597
Total comprehensive income	-	10,597	-	-	29,592	40,189
Transfer to credit risk reserve	-	-	-	(7,999)	7,999	-
Transfer to statutory reserve	-	-	7,398	-	(7,398)	-
Total transactions with owners	-	-	7,398	(7,999)	601	-
At 31 December 2017	144,738	11,797	129,279	139,625	43,298	468,737

The summary financial statements

The Group's summary financial statements derived from the audited financial statements for the year ended 31 December 2018 comprise:

- the summary separate and consolidated statement of financial position as at 31 December 2018;
- the summary separate and consolidated statement of comprehensive income for the year then ended;
- the summary separate and consolidated statement of changes in equity for the year then ended;
- the summary statement of cash flows for the year then ended; and
- the related notes to the summary separate and consolidated financial statements.

The summary separate and consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards, the Companies Act, 1963 (Act 179) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). Reading the summary separate and consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited separate and consolidated financial statements and the auditor's report thereon. The audited financial statements, and the summary separate and consolidated financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on the audited separate and consolidated financial statements.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited separate and consolidated financial statements in our report dated 28 March 2019. That report also include the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the audited separate and consolidated financial statements of the current period.

Directors' responsibility for the summary financial statements

The directors are responsible for the preparation of the summary separate and consolidated financial statements on the basis described in the notes.

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 Oseini Amui (ICAG/P/1139).

PricewaterhouseCoopers
PricewaterhouseCoopers (ICAG/F/2019/028)
Chartered Accountants
Accra, Ghana

28 March 2019

