



PRESS RELEASE

PR. No. 167/2021

LETSHEGO GHANA SAVINGS AND LOANS PLC-
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2020

LETSHEGO has released its Audited Financial Statements for the year ended December 31, 2020 as per the attached.

Issued in Accra, this 4th
Day of May, 2021

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att'd.

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LETSHEGO GHANA SAVINGS AND LOANS PLC

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

Published in compliance with the requirements of the Listing Rules
of the Ghana Stock Exchange (GSE).

**AUDITED FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31ST DECEMBER 2020**

Comprehensive Income Statement	2020	2019
	GHS 000	GHS '000
Income		
Interest income	226,085,339	309,598,372
Interest expense	(146,388,482)	(180,585,385)
Net interest income	79,696,857	129,012,987
Fee Income	19,983,466	13,841,411
Commission expenses	(22,540,348)	(39,421,180)
Net fee and commission expense	(2,556,882)	(25,579,769)
Other operating income	167,700	92,000
Operating income	77,307,675	103,525,218
Impairment charge	16,812,700	(49,663,372)
Personal costs	(13,907,771)	(11,790,285)
Operating expenses	(33,028,560)	(28,627,806)
Profit before tax	47,184,044	13,443,755
Income tax expense	(14,570,174)	(2,658,042)
Profit for the year	32,613,870	10,785,713
Other comprehensive	-	-
Total comprehensive profit for the period	32,613,870	10,785,713

**AUDITED FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31ST DECEMBER 2020**

Statement of Financial Position	2020	2019
	GHS '000	GHS '000
Assets		
Cash and bank balances	69,105,279	47,632,320
Investment Securities	37,105,200	-
Loans and advances to customers	552,484,130	421,964,058
Other assets	3,602,589	3,419,090
Deferred income tax asset	16,735,151	14,088,232
Property and equipment	2,983,606	3,242,777
Right of use assets	1,300,730	2,175,318
Intangible assets	1,521,313	2,611,956
Total assets	684,837,998	495,133,751
Liabilities		
Customer deposits	27,772,825	6,066,923
Collateral deposits	141,890,098	126,904,313
Other liabilities	29,732,155	22,513,916
Lease liabilities	5,754	1,693,878
Current income tax	25,760,043	14,845,479
Borrowings	370,638,674	267,049,250
Total liabilities	595,799,549	439,073,759
Equity		
Stated capital	30,546,314	30,546,314
Retained earnings	22,007,352	5,700,417
Statutory reserves	35,741,671	19,434,736
Share based payment reserve	743,112	378,525
Total equity	89,038,449	56,059,992
Total liabilities and equity	684,837,998	495,133,751

**AUDITED FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31ST DECEMBER 2020**

Cash Flow Statement	2020	2019
	GHS 000	GHS 000
Cash flows from operating activities	20,734,040	58,258,826
Interest paid	(50,405,877)	(45,528,738)
Income tax paid	(6,302,529)	(6,113,853)
Net cash (used in)/from operating activities	(35,974,366)	6,617,235
Cash flows from investing activities		
Purchase of property and equipment	(1,070,109)	(1,263,266)
Purchase of Treasury Bonds	(37,105,200)	-
Proceeds from disposal of property and equipment	176,339	95,066
Purchase of intangible assets	-	(2,769,029)
Payment for right of Use of assets	(1,894,811)	-
<u>Net cash used in investing activities</u>	<u>(39,893,781)</u>	<u>(3,937,229)</u>
Cash flows from financing activities		
Drawdown from borrowings	152,659,432	30,663,342
Repayment of borrowings	(53,445,764)	(4,000,000)
Lease liability payment	(1,872,562)	(2,415,938)
Net cash generated from financing activities	97,341,106	24,247,404
Net decrease in cash and cash equivalents	21,472,959	26,927,410
Cash and cash equivalents at 1 January 2020	47,632,320	20,704,910
Cash and cash equivalents at 31 December	69,105,279	47,632,320

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 Company and of the profit or loss and cash flows for that period. In preparing these financial statements, the directors have selected suitable accounting policies and then applied them consistently, made judgments and estimates that are reasonable and prudent and followed the requirements of International Financial Reporting Standards (IFRS), the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2017 (Act 930).

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

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the business will not be a going concern.

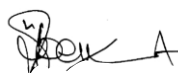
Holding company

The Company is a subsidiary of Letshego Holdings Limited, which acquired 100% of the Company effective 1 January 2018. Letshego incorporated in 1998, its headquarters is based in Gaborone, Botswana, and publicly listed on the Botswana Stock Exchange since 2002.

Financial results

The financial results for the year ended 31 December 2020 are set out below:

	GHS
Profit before tax	47,184,044
From which is deducted income tax expenses of	(14,570,174)
giving a profit for the year after income tax of	32,613,870
from which is deducted transfer to statutory reserve of	(16,306,935)
and income surplus account brought forward of	5,700,417
leaving an income surplus amount carried forward of	22,007,352



Blaise Mankwa
Board Chairman



Arnold Parker
Chief Executive Officer



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