



PRESS RELEASE

PR. No 123/2020

**ACCESS BANK GHANA PLC (ACCESS) –
SUMMARY FINANCIAL STATEMENTS FOR
THE YEAR ENDED DECEMBER 31, 2019**

ACCESS has released its summary Financial Statements for the year ended December 31, 2019 as per the attached

Issued in Accra, this 30th
day of March, 2020

- E N D -

att'd.

Distribution:

1. All LDMs
2. General Public
3. Company Secretary, ACCESS
4. CSD Registrars, (Registrars for ACCESS shares)
5. Custodians
6. Central Securities Depository
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**JEB*

ACCESS BANK (GHANA) PLC

SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

SUMMARY STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

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

	The Group		The Bank	
	Dec 2019	Dec 2018	Dec 2019	Dec 2018
Interest income	397,521	397,664	397,521	397,664
Interest expense	(214,880)	(178,493)	(214,880)	(178,493)
Net interest income	182,641	219,171	182,641	219,171
Fees and commission	64,510	44,066	64,510	44,066
Net trading income	100,129	59,969	100,129	59,969
Net income from other financial instruments carried at fair value	18,801	10,436	18,801	10,436
Other operating income	17,019	12,008	17,019	12,008
Total operating income	383,100	345,650	383,100	345,650
Credit loss recovery/(expense)	26,506	(92,514)	26,506	(92,514)
Personnel expenses	(70,899)	(66,554)	(70,899)	(66,554)
Depreciation and amortization	(31,575)	(18,074)	(31,575)	(18,074)
Other expenses	(87,047)	(96,720)	(87,047)	(96,720)
Profit before income tax	220,085	71,788	220,085	71,788
Taxation	(46,381)	(21,942)	(46,381)	(21,942)
Profit after tax	173,704	49,846	173,704	49,846
Other comprehensive income	(1,644)	(11,166)	(1,644)	(11,166)
Total comprehensive income for the period attributable to equity holders of the Bank	172,060	38,680	172,060	38,680
Earnings per share - Basic & Diluted	1.00	0.28	1.00	0.28

SUMMARY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

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

	The Group		The Bank	
	Dec 2019	Dec 2018	Dec 2019	Dec 2018
ASSETS				
Cash and cash equivalents	1,094,344	1,512,990	1,094,344	1,512,990
Non-pledged trading Assets	600,000	188,759	600,000	188,759
Investment securities	1,351,980	677,306	1,351,980	677,306
Loans and advances to customers	1,292,867	815,559	1,292,867	815,559
Investment other than securities	-	-	20	20
Property and equipment	227,426	126,150	227,426	126,150
Intangible assets	2,028	4,077	2,028	4,077
Current income tax asset	8,743	3,011	8,913	3,181
Deferred income tax asset	37,325	7,974	37,325	7,974
Other assets	97,058	205,188	96,795	204,925
Total assets	4,711,771	3,541,014	4,711,698	3,540,941
LIABILITIES				
Deposits from banks	217,207	111,066	217,207	111,066
Deposits from customers	3,009,559	2,452,029	3,009,606	2,452,076
Borrowings	586,158	301,616	586,159	301,616
Deferred income tax liabilities	17,310	5,263	17,310	5,263
Other liabilities	76,716	38,279	77,617	39,180
Total liabilities	3,906,950	2,908,253	3,907,898	2,909,201
EQUITY				
Stated capital	400,000	400,000	400,000	400,000
Statutory reserve	241,054	154,202	241,054	154,202
Credit risk reserve	157,171	116,549	157,171	116,549
Income surplus	7,609	(38,621)	6,588	(39,642)
Fair value reserve	(1,013)	631	(1,013)	631
Total equity	804,821	632,761	803,800	631,740
Total equity and liabilities	4,711,771	3,541,014	4,711,698	3,540,941

SUMMARY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019

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

	The Group		The Bank	
	2019	2018	2019	2018
Cash flows from operating activities				
Profit before tax	220,085	71,788	220,085	71,788
Adjustments for:				
Depreciation of property, plant and equipment	16,836	14,962	16,836	14,962
Depreciation of Right-of-Use Asset	12,239	-	12,239	-
Write off of property, plant and equipment	803	20	803	20
Amortisation of intangible assets	2,500	3,112	2,500	3,112
Finance cost on lease obligation	2,938	-	2,938	-
Interest expense on borrowings	(15,021)	19,977	(15,021)	19,977
Impairment on financial instruments	(26,506)	92,514	(26,506)	92,514
Profit on disposal of property, plant and equipment	(166)	(220)	(166)	(220)
Change in loans and advances	(455,290)	(30,398)	(455,290)	(30,398)
Change in investment securities	(874,831)	(246,257)	(874,831)	(246,257)
Change in other assets	108,130	(25,010)	108,130	(25,010)
Change in deposits from customers	557,530	320,547	557,530	320,547
Change in deposits from banks	106,141	(76,228)	106,141	(76,228)
Change in other liabilities	5,231	(3,616)	5,231	(3,616)
Change in mandatory reserve deposit	(8,922)	(32,055)	(8,922)	(32,055)

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SUMMARY STATEMENT OF CHANGES IN EQUITY

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

The Group

Year ended 31 December 2019	Stated capital	Statutory reserve	Credit risk reserve	Income surplus	Fair value reserve	Total
At 1 January 2019	400,000	154,202	116,549	(38,621)	631	632,761
Profit for the year	-	-	-	173,704	-	173,704
Changes in fair value of held-to-collect-and-sell financial assets, net of tax	-	-	-	-	(1,644)	(1,644)
Total comprehensive income	-	-	-	173,704	(1,644)	172,060
Transfer to credit risk reserve	-	-	40,622	(40,622)	-	-
Transfer to statutory reserve	-	86,852	-	(86,852)	-	-
Total transactions with owners	-	86,852	40,622	(127,474)	-	-
At 31 December 2019	400,000	241,054	157,171	7,609	(1,013)	804,821

The Group

Year ended 31 December 2018	Stated capital	Statutory reserve	Credit risk reserve	Income surplus	Fair value reserve	Total
Restated balance at 1 January 2018	144,738	129,279	60,260	33,285	11,797	379,359
Profit for the year	-	-	-	49,846	-	49,846
Changes in fair value of available for sale financial assets, net of tax	-	-	-	-	(11,166)	(11,166)
Total comprehensive income	-	-	-	49,846	(11,166)	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 of shares	218,108	-	-	-	-	218,108
Total transactions with owners	255,262	24,923	56,289	(121,752)	-	214,722
At 31 December 2018	400,000	154,202	116,549	(38,621)	631	632,761

The Bank

Year ended 31 December 2019	Stated capital	Statutory reserve	Credit risk reserve	Income surplus	Fair value reserve	Total
At 1 January 2019	400,000	154,202	116,549	(39,642)	631	631,740
Profit for the year	-	-	-	173,704	-	173,704
Changes in fair value of held-to-collect-and-sell financial assets, net of tax	-	-	-	-	(1,644)	(1,644)
Total comprehensive income	-	-	-	173,704	(1,644)	172,060
Transfer to credit risk reserve	-	-	40,622	(40,622)	-	-
Transfer to statutory reserve	-	86,852	-	(86,852)	-	-
Total transactions with owners	-	86,852	40,622	(127,474)	-	-
At 31 December 2019	400,000	241,054	157,171	6,588	(1,013)	803,800

The Bank

Year ended 31 December 2018	Stated capital	Statutory reserve	Credit risk reserve	Income surplus	Fair value reserve	Total
Restated balance at 1 January 2018	144,738	129,279	60,260	32,264	11,797	378,338
Profit for the year	-	-	-	49,846	-	49,846
Changes in fair value of available for sale financial assets, net of tax	-	-	-	-	(11,166)	(11,166)
Total comprehensive income	-	-	-	49,846	(11,166)	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 of shares	218,108	-	-	-	-	218,108
Total transactions with owners	255,262	24,923	56,289	(121,752)	-	214,722
At 31 December 2018	400,000	154,202	116,549	(39,642)	631	631,740

Effect of exchange rate changes on cash held	(24,181)	(65,438)	(24,181)	(65,438)
Exchange loss on borrowings	96,128	17,078	96,128	17,078
Tax paid	(68,869)	(49,478)	(68,869)	(49,478)
Net cash used/generated from operating activities	(345,225)	11,298	(345,225)	11,298
Cash flows from investing activities				
Purchase of property and equipment	(72,606)	(20,331)	(72,606)	(20,331)
Purchase of intangible assets	(334)	(2,454)	(334)	(2,454)
Proceeds from sale of property and equipment	9,046	309	9,046	309
Net cash used in investing activities	(63,894)	(22,476)	(63,894)	(22,476)
Cash flows from financing activities				
Drawdown on borrowings	474,156	302,306	474,156	302,306
Repayment of borrowings	(300,763)	(379,073)	(300,763)	(379,073)
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	173,393	137,955	173,393	137,955
Net increase in cash and cash equivalents	(235,726)	126,777	(235,726)	126,777
Effects of exchange rate changes on cash held	24,181	65,438	24,181	65,438
Cash and cash equivalents at 1 January	1,268,474	1,076,259	1,268,474	1,076,259
Cash and cash equivalents at 31 December	1,056,929	1,268,474	1,056,929	1,268,474

SUMMARY NOTES

1. Reporting entity

Access Bank (Ghana) Plc (the Bank) is a public limited liability company incorporated in Ghana licensed to carry out universal banking. The address of the Bank's registered office is Starlets '91 Road, Opposite Accra Sports Stadium, P. O. Box GP 353, Osu Accra. The consolidated financial statements of the Bank as at, and for the year ended 31 December 2019 comprises the Bank and its subsidiary BTH Limited (together as the Group).

The Group's principal activity is corporate and retail banking as well as leasing operations. The Bank is listed on the Ghana Stock Exchange. The parent company is Access Bank Plc incorporated in the Federal Republic of Nigeria.

For Companies Act, 2019 (Act 992) reporting purposes, the balance sheet is represented by the statement of financial position and the profit and loss account by part of the income statement, in these separate and consolidated financial statements ("financial statements").

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policy below.

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.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4 to the full financial statements.

These financial statements are presented in Ghana Cedi, which is the Group's functional currency.

2.2 Contingent Liabilities

Credit risk exposures relating to off-balance sheet items for the Group and Bank are as follows:

	2019	2018
Contingent liabilities: Bonds and guarantees	435,584	450,331
Commitments: Clean Line Facilities for Letters of Credit	107,846	211,662

2.3 Risk Management

	Dec 2019	Dec 2018
i. Capital Adequacy Ratio (%)	21.75	20.35
ii. Non-performing loans (%)	21.6	32.10
iii. Liquid Ratio (%)	134.5	155.7

2.3.2 Qualitative Disclosures

i. The Bank's risk management framework defines the approach to risk management.

ii. The scope of risks that are directly managed by the Bank is as follows: Credit risk, Operational Risk, Market and Liquidity risk, Legal and Compliance risk, Strategic risk, Reputational risk and Capital risk.

iii. Key elements of the Bank's risk management framework are as follows:

- Establishment of the Bank's risk philosophy, culture and objectives;
- Establishment of the Bank's risk management governance framework;
- Articulation of the Bank's risk management stakeholders and development of an action plan to meet their risk management expectations; and
- Establishment of policies and procedures to identify, measure, monitor, report and control the risks the Bank faces. The processes adopted for risk management for the year ended 31 December 2019 are consistent with those adopted for the year ended 31 December 2018.

2.3.3 Default in Statutory Liquidity and other Regulatory Sanctions

	Dec 2019	Dec 2018
i. Default in statutory liquidity	Nil	Nil
ii. Default in statutory liquidity sanction (GHS'000)	Nil	Nil
iii. Regulatory sanctions (GHS'000)	7,034	Nil

SUMMARY REPORT OF THE DIRECTORS

The directors present their report together with the audited financial statements for the year ended 31 December 2019 in accordance with the Companies Act, 2019 (Act 992) 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, 2019 (Act 992) 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 Group. The directors are also responsible for safeguarding the assets of the Group 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 banking and related services.

Approval of the consolidated financial statements

The Board of Directors approved the financial statements on 12 March 2020 and were signed on their behalf by:

Signed

Frank Beecham

Chairman

Signed

Olumide Olatunji

Managing Director

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

Opinion

The summary financial statements, which comprise the separate and consolidated statement of financial position as at 31 December 2019, the separate and consolidated statement of profit or loss and other comprehensive income, the separate and consolidated statement of changes in equity and the separate and consolidated statement of cash flows for the year then ended, and related notes, are derived from the audited financial statements of Access Bank (Ghana) Plc for the year ended 31 December 2019.

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 the notes to the summary financial statements.

Summary financial statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards (IFRS), the Companies Act, 2019 (Act 992) and The Banks and 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 26 March 2020. That report also includes the communication of other key matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period.

Management's responsibility for the summary financial statements

Management is responsible for the preparation of the summary financial statements in accordance with the Bank of Ghana guide for financial publication for banks and Bank of Ghana (BOG) licensed financial Institutions.

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 auditor's report is Pamela Des Bordes (ICAG/P/1329).

Ernst & Young

For and on behalf of Ernst & Young (ICAG/F/2020/126)

Chartered Accountants

Accra, Ghana

30 March 2020



Avoid the use of cash to spread germs



Make transfers & pay bills from home



Shop online to avoid crowded places



Pay your DSTv & stay up to date with news



Link account to wallet to send money

