



PRESS RELEASE

PR. No 385/2019

**STANDARD CHARTERED BANK GHANA LIMITED (SCB) -
UNAUDITED FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDING 30 SEPTEMBER 2019**

SCB has released its unaudited Financial Statements for the third quarter ending September 30, 2019 as per the attached.

Issued in Accra, this 29th
day of October, 2019

- E N D -

att'd.

Distribution:

1. All LDMs
2. General Public
3. Company Secretary, SCB
4. GCB, (Registrars for SCB Preference shares)
5. Custodians
6. Central Securities Depository
7. Securities and Exchange Commission
8. GSE Council Members
9. GSE Notice Board

For enquiries, contact:

Head Listing, GSE on 0302 669908, 669914, 669935

**GA*

Standard Chartered Bank Ghana Limited

Here for good

(Driving commerce and prosperity through our unique diversity in Ghana)



Unaudited financial statements

30 September 2019

Standard Chartered Bank Ghana Limited

Corporate information

Board of directors

Dr. Emmanuel Oteng Kumah
Mansa Nettey (Managing Director)
Kweku Nimfah-Essuman
Felix Addo (stepped down on 17/06/2019)
David Adepoju
Professor (Mrs) Akua Kuenyehia
Harriet-Ann Omobolanle Adesola
Mr. Ebenezer Asante

Secretary

Angela Okai
Standard Chartered Building
87 Independence Avenue
P. O. Box 768
Accra

Auditors

KPMG
Chartered Accountants
Marlin Hse. 13 Yiyiwa Drive
Abelemkpe
P.o.Box GP 242
Accra

Solicitors

Bentsi-Enchill Letsa & Ankomah
#4 Momotse Avenue
Adabraka, Accra
P. O. Box GP 1632
Accra, Ghana

Registrars

GCB Bank Limited
Share Registry Department
Thorpe Road,
John Evans Atta Mills High Street
P.O. Box 134
Accra

Registered office

Standard Chartered Bank Building
87 Independence Avenue
P. O. Box 768
Accra

Standard Chartered Bank Ghana Limited
Unaudited statement of profit or loss
for the period ended 30 September 2019

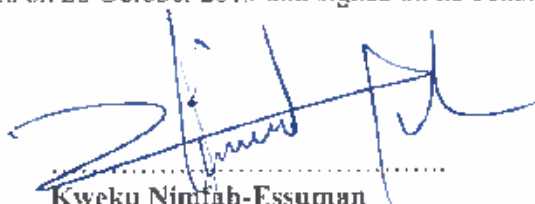
	Note	Sept 2019	Sept 2018
		GH¢'000	GH¢'000
Interest income	5	534,711	452,504
Interest expense	6	<u>(110,795)</u>	<u>(89,221)</u>
Net interest income		<u>423,916</u>	<u>363,283</u>
Fees and commission income		93,040	90,820
Fees and commission expense		<u>(12,993)</u>	<u>(11,300)</u>
Net fee and commission income		<u>80,047</u>	<u>79,520</u>
Net trading income		129,109	96,765
Net income from other financial instruments carried at fair value		<u>(9,235)</u>	<u>89</u>
Total other and trading income		<u>119,874</u>	<u>96,854</u>
Operating income		623,837	539,657
Net impairment (charge) on financial assets	7	<u>(94,927)</u>	<u>(93,811)</u>
Operating income net of impairment charges		<u>528,910</u>	<u>445,846</u>
Personnel expenses	8	<u>(133,647)</u>	<u>(119,265)</u>
Operating lease expenses		<u>(167)</u>	<u>(10,038)</u>
Depreciation and amortisation	9	<u>(23,681)</u>	<u>(5,652)</u>
Other expenses	10	<u>(82,049)</u>	<u>(61,024)</u>
		<u>(239,544)</u>	<u>(195,979)</u>
Profit before income tax		<u>289,366</u>	<u>249,867</u>
Income tax expense:			
Corporate tax		<u>(72,342)</u>	<u>(62,467)</u>
National fiscal stabilization levy		<u>(14,468)</u>	<u>(12,493)</u>
Profit for the period:		<u>202,556</u>	<u>174,907</u>
Basic earnings per share (Ghana Cedis per share)		<u>1.49</u>	<u>1.29</u>
Diluted earnings per share (Ghana Cedis per share)		<u>1.49</u>	<u>1.29</u>

Standard Chartered Bank Ghana Limited
Unaudited statement of financial position at 30 September 2019

	Note	Sept 2019 GH¢'000	Sept 2018 GH¢'000
Assets			
Cash and cash equivalents	11	3,072,255	2,025,868
Derivative assets held for risk management		4,069	3,699
Non-pledged trading assets		75,525	5,590
Loans to other banks		604,742	595,552
Loans and advances to customers	12	1,693,271	1,173,196
Investment securities		2,258,832	1,778,233
Current tax assets		46,421	52,870
Property, plant and equipment	13	283,075	47,680
Intangible assets		-	294
Equity investment		1	1
Other assets	14	<u>334,390</u>	<u>308,713</u>
Total assets		<u>8,372,581</u>	<u>5,991,696</u>
Liabilities			
Deposits from other financial institutions		110,035	80,580
Deposits from customers		5,788,347	4,488,965
Borrowings		691,093	95,552
Deferred tax liability		4,483	6,339
Other liabilities	15	<u>669,998</u>	<u>290,732</u>
Total liabilities		<u>7,263,956</u>	<u>4,962,168</u>
Shareholders' funds			
Stated capital		400,000	400,000
Income surplus		290,297	202,535
Reserve fund		299,658	246,994
Credit risk reserve		126,647	192,463
Other reserves		<u>(7,977)</u>	<u>(12,464)</u>
Total shareholders' funds		<u>1,108,625</u>	<u>1,029,528</u>
Total liabilities and shareholders' funds		<u>8,372,581</u>	<u>5,991,696</u>

These financial statements were approved by the Board of Directors on 28 October 2019 and signed on its behalf by:


.....
Mansa Nettey
Director


.....
Kweku Nimfah-Essuman
Director

Standard Chartered Bank Ghana Limited
Unaudited statement of changes in equity
for the period ended 30 September 2019

2019	Stated capital GH¢'000	Income surplus GH¢'000	Reserve fund GH¢'000	Credit risk reserve GH¢'000	Other reserves GH¢'000	Total GH¢'000
Balance at 1 January 2019	400,000	230,216	299,658	126,647	(8,701)	1,047,820
<i>Movement during the period</i>						
Profit for the period	-	202,556	-	-	-	202,556
Dividend paid	-	(141,751)	-	-	-	(141,751)
Transfer from credit reserve	-	-	-	-	-	-
FVOCI-debt securities	-	(724)	-	-	724	-
As at 30 September 2019	<u>400,000</u>	<u>290,297</u>	<u>299,658</u>	<u>126,647</u>	<u>(7,977)</u>	<u>1,108,625</u>
2018	Stated Capital GH¢'000	Income Surplus GH¢'000	Reserve Fund GH¢'000	Credit Risk Reserve GH¢'000	Other Reserves GH¢'000	Total GH¢'000
Balance at 1 January 2018	121,631	361,859	246,994	148,237	42,033	920,754
<i>Movement during the period</i>						
Profit for the period	-	174,907	-	-	-	174,907
Capitalisation of Retained Earnings	278,369	(289,879)	-	-	-	(11,510)
Dividend paid	-	(1,483)	-	-	-	(1,483)
Transfer to credit risk	-	(44,226)	-	44,226	-	-
Expected Credit Loss Adjustment	-	(22,546)	-	-	(12,954)	(35,500)
Subsequent Expected Credit Loss	-	23,019	-	-	-	23,019
Net fair value loss on available for sale on financial asset	-	-	-	-	(40,659)	(40,659)
Other movements	-	884	-	-	(884)	-
As at 30 September 2018	<u>400,000</u>	<u>202,535</u>	<u>246,994</u>	<u>192,463</u>	<u>(12,464)</u>	<u>1,029,528</u>

Standard Chartered Bank Ghana Limited
Unaudited statement of cash flows
for the period ended 30 September 2019

	Sept 2019 GH¢'000	Sept 2018 GH¢'000
Cash flows from operating activities		
Profit for the period	202,556	174,907
<i>Adjustments for:</i>		
Depreciation and amortisation	23,681	5,652
Impairment on financial Assets	94,927	93,811
Net interest income	(423,916)	(363,283)
Income tax expense	<u>86,810</u>	<u>74,960</u>
	(15,942)	(13,953)
<i>Change in:</i>		
Trading assets	(20,459)	37,492
Investment securities	(593,920)	(521,293)
Derivate assets held for risk management	(1,621)	(3,156)
Loans to other banks	(460,142)	(595,552)
Loans and advances to customers	(486,104)	118,689
Other assets	(56,412)	34,739
Deferred tax assets	4,483	2,768
Derivate liabilities held for risk management	(3,787)	(543)
Deposits from customers	1,486,275	1,068,802
Deposits from banks	65,431	14,494
Current tax asset	-	-
Other liabilities and provisions	<u>786,773</u>	<u>(28,712)</u>
	704,575	113,775
Interest received	499,450	410,605
Interest paid	(64,427)	(62,940)
Income tax paid	<u>(70,189)</u>	<u>(105,921)</u>
Net cash generated from operating activities	<u>1,069,409</u>	<u>355,519</u>
Cash flows in investing activities		
Property, plant and equipment change	<u>(241,910)</u>	<u>(20,862)</u>
Net cash used in investing activities	<u>(241,910)</u>	<u>(20,862)</u>
Cash flows from financing activities		
Dividend paid	<u>(141,751)</u>	<u>(1,483)</u>
Net cash used in financing activities	<u>(141,751)</u>	<u>(1,483)</u>
Net increase in cash and cash equivalents	685,748	333,174
Cash and cash equivalents at 1 January	<u>2,386,507</u>	<u>1,692,694</u>
Cash and cash equivalents at 30 September	<u>3,072,255</u>	<u>2,025,868</u>

Standard Chartered Bank Ghana Limited
Notes to the unaudited financial statements
for the period ended 30 September 2019

1. Significant Accounting Policies

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants, Ghana (ICAG) and are consistent with those applied in the preparation of the annual consolidated financial statements.

2. Quantitative Disclosures

	Sept 2019	Sept 2018
i. Capital requirement directive (CRD) (%)	26.63	23.41
ii. CET1 (%)	24.35	21.01
iii. Tier 1(%)	24.63	21.41
iv. Leverage ratio (%)	6.84	8.77
v. Non-performing loan (NPL) ratio (%) - Gross basis	17.84	34.75
vi. Non-performing loan (NPL ratio less loss category) (%)	2.39	16.97
vii. Liquid ratio (%)	96.41	78.08

3. Qualitative Disclosures

i. The Bank's dominant risks are: credit risk, liquidity risk, market risk, and operational risk.

ii. The Bank's Risk Management Framework, defines the approach to risk management and the framework within which risks are managed and risk-return tradeoffs made. The risk management framework establishes common principles & standards for the management and control of all risks, provides a shared framework and language to improve awareness of risk management processes and provides clear accountability and responsibility for risk management. The core components of the risk management framework include our risk classifications, risk principles and standards, definitions of roles and responsibilities and governance structure.

The processes followed in risk measurement and their management for the period ended 30 September 2019 are consistent with those followed for the year ended 31 December 2018.

4. Defaults in Statutory Liquidity and Accompanying Sanctions

	Sept 2019	Sept 2018
i. Default in statutory liquidity (times)	Nil	Nil
ii. Sanctions (GH¢)	Nil	Nil

Standard Chartered Bank Ghana Limited

Notes to the unaudited financial statements

for the period ended 30 September 2019

5. Interest income

	Sept 2019	Sept 2018
	GH¢'000	GH¢'000
Cash & cash equivalent	35,802	42,216
Loans and advances to customers	202,727	157,090
Investment securities	<u>296,182</u>	<u>253,198</u>
	<u>534,711</u>	<u>452,504</u>

6. Interest expense

	Sept 2019	Sept 2018
	GH¢'000	GH¢'000
Deposits from banks	30,692	28,089
Deposits from customers	<u>80,103</u>	<u>61,133</u>
	<u>110,795</u>	<u>89,221</u>

7. Net Impairment on financial Assets

	Sept 2019	Sept 2018
	GH¢'000	GH¢'000
Specific Provisions	98,598	77,382
Expected Credit Loss(ECL)	<u>(3,671)</u>	<u>16,429</u>
	<u>94,927</u>	<u>93,811</u>

8. Personnel expenses

	Sept 2019	Sept 2018
	GH¢'000	GH¢'000
Wages, salaries, bonus and allowances	98,199	87,167
Social security costs	9,114	8,071
Pension and retirement benefits	5,054	4,590
Training	1,076	630
Other staff costs	<u>20,204</u>	<u>18,807</u>
	<u>133,647</u>	<u>119,265</u>

Standard Chartered Bank Ghana Limited
Notes to the unaudited financial statements
for the period ended 30 September 2019

9. Depreciation and amortisation

	Sept 2019 GH¢'000	Sept 2018 GH¢'000
Leasehold premises	2,106	1,758
Plant	144	250
Computer equipment	5,070	1,821
Office equipment	393	262
Furniture & fixtures	1,498	678
Leased property assets (IFRS16)	<u>14,470</u>	-
	23,681	4,768
Amortn acquired intangible	=	<u>883</u>
	<u>23,681</u>	<u>5,652</u>

10. Other expenses

	Sept 2019 GH¢'000	Sept 2018 GH¢'000
Advertising and marketing	5,200	4,773
Donations and sponsorship	52	-
Premises and equipment	25,334	16,177
Administrative	43,660	28,100
Redundancy cost	6,079	8
Others	<u>1,724</u>	<u>11,966</u>
	<u>82,049</u>	<u>61,024</u>

11. Cash and cash equivalents

	Sept 2019 GH¢'000	Sept 2018 GH¢'000
Cash and balances with other banks	195,780	109,175
Unrestricted balances with BoG	2,218,928	1,188,898
Vostro balances with BoG	611,759	451,628
Placements	<u>45,788</u>	<u>276,167</u>
	<u>3,072,255</u>	<u>2,025,868</u>

11a. Unrestricted balances with BoG

	Sept 2019 GH¢'000	Sept 2018 GH¢'000
Local currency	693,021	427,590
Foreign currency	<u>1,525,907</u>	761,308
	<u>2,218,928</u>	<u>1,188,898</u>

Standard Chartered Bank Ghana Limited

Notes to unaudited financial statements

for the period ended 30 September 2019

12. Loans and advances to customers

	Sept 2019	Sept 2018
	GH¢'000	GH¢'000
Individuals	486,380	453,504
Public and private institutions	1,513,852	1,341,281
Staff	<u>147,100</u>	<u>151,641</u>
Gross loans and advances	2,147,332	1,946,426
Interest in suspense	(320,815)	(401,434)
Impairment allowance	<u>(133,246)</u>	<u>(371,796)</u>
Net loans and advances	<u>1,693,271</u>	<u>1,173,196</u>

13. Property, plant and equipment

	Sept 2019	Sept 2018
	GH¢'000	GH¢'000
Leased property asset (IFRS 16)	213,617	-
Leasehold property	28,382	11,665
Computer equipment	17,844	7,350
Furniture & fittings	7,758	4,972
Office equipment	1,414	816
Plant	796	989
Work in progress	<u>13,264</u>	<u>21,888</u>
	<u>283,075</u>	<u>47,680</u>

14. Other assets

	Sept 2019	Sept 2018
	GH¢'000	GH¢'000
Accounts receivable and prepayments	75,790	29,765
LC acceptance	97,153	160,576
Accrued interest receivable	118,038	107,446
Impersonal accounts	<u>43,409</u>	<u>10,926</u>
	<u>334,390</u>	<u>308,713</u>


Standard Chartered Bank Ghana Limited

**Notes to unaudited financial statements
for the period ended 30 September 2019**

15. Other liabilities

	Sept 2019	Sept 2018
	GH¢'000	GH¢'000
Accrued interest payable	25,037	9,478
LC acceptance	97,153	160,576
Provisions	69,804	79,111
lease liability (IFRS 16)	221,914	-
Other creditors and accruals	<u>256,090</u>	<u>41,567</u>
	<u>669,998</u>	<u>290,732</u>

"The financial statements do not contain untrue statements, misleading facts or omit material facts to the best of our knowledge"


.....
Mansa Nettey
Director


.....
Kweku Nimfah-Essuman
Director