



**PRESS RELEASE**

**PR. No 086/2020**

**STANDARD CHARTERED BANK GHANA LIMITED (SCB) -  
AUDITED CONDENSED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

SCB has released its Audited Financial Statements for the year ended 31<sup>st</sup> December, 2019 as per the attached.

Issued in Accra, this 2<sup>nd</sup>  
day of March, 2020

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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**

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# Standard Chartered Bank Ghana Limited

Audited Condensed Financial Statements for the year ended 31 December 2019

## CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	Ghc '000	Ghc '000
Interest income calculated using the effective interest method	749,703	612,784
Interest expense	(154,974)	(123,970)
<b>Net interest income</b>	<b>594,729</b>	<b>488,814</b>
Fees and commission income	121,096	113,840
Fees and commission expense	(18,192)	(15,251)
<b>Net fee and commission income</b>	<b>102,904</b>	<b>98,589</b>
Net trading income	198,027	125,428
Net (loss)/income from other financial instruments carried at fair value through profit/loss	(13,041)	90
Other income	1,013	-
<b>Total trading income</b>	<b>195,999</b>	<b>125,518</b>
<b>Operating income</b>	<b>853,032</b>	<b>712,921</b>
Net impairment loss on financial asset	(99,868)	(100,758)
<b>Operating income net of impairment charges</b>	<b>753,164</b>	<b>612,163</b>
Personnel expenses	(177,006)	(163,048)
Operating lease expenses	(568)	(25,219)
Depreciation and amortisation	(31,925)	(7,574)
Other expenses	(119,463)	(88,451)
<b>Total operating expenses</b>	<b>(328,961)</b>	<b>(286,292)</b>
<b>Profit before income tax</b>	<b>424,203</b>	<b>325,871</b>
Income tax expense	(121,137)	(95,126)
National Fiscal Stabilisation Levy	(21,210)	(20,089)
<b>Total tax and levy</b>	<b>(142,347)</b>	<b>(115,217)</b>
<b>Profit for the year</b>	<b>281,856</b>	<b>210,654</b>
<b>Other comprehensive income</b>		
Items that may be reclassified subsequently to profit or loss		
Debt instruments at fair value through other comprehensive income	(21,122)	(49,657)
<b>Total comprehensive income for the year</b>	<b>260,734</b>	<b>160,997</b>
Basic earnings per share (Ghana Cedi per share)	2.08	Ghc1.54
Diluted earnings per share (Ghana Cedi per share)	2.08	Ghc1.54

## CONDENSED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2019

	2019	2018
	Ghc '000	Ghc '000
<b>Assets</b>		
Cash and cash equivalents	2,588,820	2,386,507
Derivative assets held for risk management	13,834	2,448
Trading assets non-pledged	165,741	55,066
Loans to other banks	110,298	144,600
Loans and advances to customers	1,770,686	1,302,095
Investment securities	2,349,385	1,864,912
Current tax assets	63,240	60,786
Property, plant and equipment	285,596	64,846
Equity investment	1	1
Deferred tax assets	-	2,256
Other assets	265,131	277,978
<b>Total assets</b>	<b>7,618,622</b>	<b>5,961,495</b>
<b>Liabilities</b>		
Derivative liabilities held for risk management	5,382	3,787
Deposits from banks	170,967	44,604
Deposits from customers	5,419,304	4,392,072
Borrowings	270,685	265,100
Provisions	55,858	71,275
Deferred tax liabilities	23,390	-
Other liabilities	500,176	226,838
<b>Total liabilities</b>	<b>6,451,762</b>	<b>4,913,676</b>
<b>Shareholders' funds</b>		
Stated capital	400,000	400,000
Income surplus	317,043	230,215

## CONDENSED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2019

Reserve fund	370,122	299,656
Credit risk reserve	109,518	126,647
Other reserves	(29,823)	(6,701)
<b>Total shareholders' funds</b>	<b>1,166,860</b>	<b>1,047,819</b>
<b>Total liabilities and shareholders' funds</b>	<b>7,618,622</b>	<b>5,961,495</b>
<b>Net assets value per share (Ghana Cedis Per Share)</b>	<b>8.59</b>	<b>7.71</b>

## CONDENSED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	Ghc '000	Ghc '000
<b>Cash flows from operating activities</b>		
Profit before tax	424,203	325,871
Adjustments for:		
Depreciation and amortisation	31,925	7,574
Impairment on financial assets	99,868	100,758
Net interest income	(594,729)	(488,814)
Profit on sale of asset	(1,013)	-
	(39,746)	(54,611)
Change in trading assets	(110,675)	(11,984)
Change in investment securities	(684,473)	(407,972)
Change in derivative assets held for risk management	-	(1,905)
Change in other assets	(16,692)	65,475
Change in loans to other banks	28,392	(144,600)
Change in loans and advances to customers	(668,439)	(17,157)
Change in derivative liabilities held for risk management	-	3,244
Change in deposits from banks	126,393	(21,492)
Change in deposits from customers	1,117,233	881,908
Change in other liabilities and provisions	23,133	140,589
<b>Net cash (used in)/generated from operating activities</b>	<b>(124,904)</b>	<b>431,505</b>
Interest received	702,217	551,616
Interest paid	(88,687)	(89,150)
Income tax paid	(119,156)	(159,921)
<b>Net cash from operating activities</b>	<b>369,471</b>	<b>735,050</b>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(25,485)	(39,754)
<b>Net cash used in investing activities</b>	<b>(25,485)</b>	<b>(39,754)</b>
<b>Cashflows from financing activities</b>		
Dividend paid	(141,693)	(1,483)
<b>Net cash used in financing activities</b>	<b>(141,693)</b>	<b>(1,483)</b>
<b>Net increase in cash and cash equivalents</b>	<b>202,313</b>	<b>693,813</b>
Cash and cash equivalents at 1 January	2,386,507	1,692,694
<b>Cash and cash equivalents at 31 December</b>	<b>2,588,820</b>	<b>2,386,507</b>

## CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	Stated capital	Income surplus	Reserve fund	Credit risk reserve	Other reserves	Total shareholders' fund
	Ghc'000	Ghc'000	Ghc'000	Ghc'000	Ghc'000	Ghc'000
<b>Balance at 1 January 2019</b>	<b>400,000</b>	<b>230,215</b>	<b>299,656</b>	<b>126,647</b>	<b>(6,701)</b>	<b>1,047,819</b>
<b>Comprehensive income</b>						
Profit for the year	-	281,856	-	-	-	281,856
<b>Other comprehensive income</b>						
Net fair value loss on financial asset carried at fair value through other comprehensive income	-	-	-	-	(21,122)	(21,122)
<b>Total comprehensive income</b>	<b>-</b>	<b>281,856</b>	<b>-</b>	<b>-</b>	<b>(21,122)</b>	<b>260,734</b>
<b>Transfers:</b>						
Transfer to credit risk reserve	-	17,129	-	(17,129)	-	-
Transfer to reserve funds	-	(70,464)	70,464	-	-	-
<b>Total transfers</b>	<b>(53,335)</b>	<b>70,464</b>	<b>(17,129)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transactions with owners of the bank</b>						
Dividend paid	-	(141,693)	-	-	-	(141,693)
<b>Total transactions with owners of the bank</b>	<b>(141,693)</b>	<b>(141,693)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(141,693)</b>
<b>Balance at 31 December 2019</b>	<b>400,000</b>	<b>317,043</b>	<b>370,122</b>	<b>109,518</b>	<b>(29,823)</b>	<b>1,166,860</b>



### CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	Stated capital GHe'000	Income surplus GHe'000	Reserve fund GHe'000	Credit risk reserve GHe'000	Other reserves GHe'000	Total shareholders' fund GHe'000
Balance at 1 January 2018	121,831	361,859	248,994	148,237	42,035	920,756
Expected Credit loss adjustment	-	(12,393)	-	-	-	(12,393)
Excess in credit risk reserve per IFRS 9 transferred to retained earnings	-	12,393	-	(12,393)	-	-
<b>Restated balance at 1 January 2018</b>	<b>121,831</b>	<b>361,859</b>	<b>248,994</b>	<b>135,844</b>	<b>42,035</b>	<b>908,363</b>
<b>Comprehensive income</b>						
Profit for the year	-	210,654	-	-	-	210,654
<b>Other comprehensive income</b>						
Net fair value loss on financial asset carried at fair value through other comprehensive income	-	-	-	-	(49,657)	(49,657)
<b>Total Comprehensive income</b>	<b>-</b>	<b>210,654</b>	<b>-</b>	<b>-</b>	<b>(49,657)</b>	<b>160,997</b>
<b>Transfers:</b>						
Transfer to credit risk reserve	-	9,197	-	(9,197)	-	-
Transfers from other reserves	-	1,079	-	-	(1,079)	-
Transfer to reserve funds	-	(52,664)	52,664	-	-	-
<b>Total transfers</b>	<b>-</b>	<b>(42,388)</b>	<b>52,664</b>	<b>(9,197)</b>	<b>(1,079)</b>	<b>-</b>
<b>Transactions with owners of the bank</b>						
Dividend paid	-	(1,483)	-	-	-	(1,483)
Dividend Forfeitures	-	656	-	-	-	656
Transfer to stated capital	278,369	(278,369)	-	-	-	-
Stamp duty and WHT on capitalisation	-	(20,713)	-	-	-	(20,713)
<b>Total Transactions with owners of the bank</b>	<b>278,369</b>	<b>(299,910)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(21,541)</b>
<b>Balance at 31 December 2018</b>	<b>400,000</b>	<b>230,215</b>	<b>299,658</b>	<b>126,647</b>	<b>(8,701)</b>	<b>1,047,819</b>

The financial statement presented in this publication are extracts from the audited financial statement for the period ended 31 December 2019, which are available for inspection at the head office of Standard Chartered Bank Ghana Limited located at the 87 Independence Avenue, Accra

### NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

#### Basis of preparation

The condensed financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Boards (IASB) and adopted by the Institute of Chartered Accountants Ghana (ICAG) and are consistent with those applied in the preparation of the annual audited financial statements and in a manner required by the Companies Act, 2019 (Act 992) and The Banks and Specialised Deposit Taking Institutions Act, 2016 (Act 930).

The condensed financial statements have been extracted from the audited financial statements of the Bank with the Bank of Ghana Guide for Publication for Banks & BoG licensed financial institutions.

#### Quantitative Disclosures

	2019	2018
i. Capital adequacy ratio (%)	27.53	28.59
ii. Non-performing loan (NPL) ratio (%) - Gross basis	17.20	25.16
iii. Non-performing loan (NPL) ratio less loss category (%)	2.01	6.30
iv. Liquidity Ratio (%)	74.73	84.79

#### 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 the risk management and the framework within which risks are managed and risk-return trade-offs made. The risk management frameworks establish common principles & standards for the management and control of all risks, provides a shared framework and language to improve awareness of risk management process and provide clear accountability and responsibility for risk management. The core components of risk management framework include our risk classifications, risk principles and standards, definitions of roles and responsibilities a shared framework and language to improve awareness of risk management processes and provides clear accountability and responsibility for risk and responsibilities and governance structure.

	2019	2018
i. Default in statutory liquidity (times)	Nil	Nil
ii. Sanctions (GHe)	54,000	100

### REPORT OF THE DIRECTORS TO THE MEMBERS OF STANDARD CHARTERED BANK GHANA LIMITED

#### Directors' responsibility statement

The Directors have the pleasure in submitting their reports and the financial statements of the Bank for the year ended 31 December 2019. The financial statements have been prepared and presented in accordance with the Companies Act, 2019 (Act 992), Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) and the International Financial Reporting Standards issued by the International Accounting Standard Board (IASB).

On behalf of the Board, the Audit Committee has reviewed the annual report and the process by which the Bank believes that the annual report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the performance of the Bank. Following its review, the Audit Committee has advised the Board that such a statement can be made in the annual report.

#### Nature of business

The Bank is licensed to carry out universal banking business in Ghana. There was no change to the Bank's business during the year.

#### Particulars of entries in the Interests Register during the financial year

No Director had any interest in contracts and proposed contracts with the Company during the year under review, hence there were no entries recorded in the Interests Register as required by 194(6), 195(1)(a) and 196 of the Companies Act, 2019 (Act 992).

#### Parent company

The Bank is a subsidiary of Standard Chartered Holdings (Africa) B.V., a company incorporated in The Netherlands.

#### Area of operation

The Bank comprises a network of 21 branches and Head Office as at the time of signing this account.

#### Subsidiary

The Bank maintains a special purpose legal entity, Standard Chartered Ghana Nominee Limited, to warehouse assets held in trust on behalf of custody clients in the conduct of its fiduciary activities. The assets and income due to such clients arising thereon are not the bona fide property of the Bank and therefore not consolidated with these financial statements.

The financial statements do not contain untrue statements, mis-leading facts or omit material facts to the best of our knowledge.

*Mansa Nettey*  
Director

*Kwaku Nimfah-Essuman*  
Director

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STANDARD CHARTERED BANK GHANA LIMITED

#### Opinion

The condensed financial statements, which comprise the statement of financial position as at 31 December 2019 and the statements of comprehensive income, changes in equity and cash flows for the year then ended and related notes, are derived from the audited financial statements of Standard Chartered Bank Ghana Limited for the year ended 31 December 2019. In our opinion, the accompanying condensed financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the basis described in the notes.

#### Condensed Financial Statements

The condensed financial statements do not contain all the disclosures required by International Financial Reporting Standards and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) applied in the preparation of the audited financial statements of Standard Chartered Bank Ghana Limited. Reading the condensed financial statements and our report thereon, therefore, is not a substitute for reading the audited financial statements and our 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 27 February 2020. That report also includes the communication of key audit matters. Key audit matters are those matters that in our professional judgment, were of most significance in our audit of the financial statements for the current period.

#### Directors' Responsibility for the Condensed Financial Statements

The Directors are responsible for the preparation of the condensed financial statements in accordance with the basis described in the notes.

#### Auditor's Responsibility

Our responsibility is to express an opinion on whether the condensed 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 (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

The engagement partner on the audit resulting in this independent auditor's report is Frederick Nyan Dennis (ICAG/P/1462).

*KPMG*

For and on behalf of:  
KPMG (ICAG/F/2020/038)  
CHARTERED ACCOUNTANTS  
13 YIYIWA DRIVE, ABELENKPE  
P O BOX GP 242  
ACCRA  
27 February 2020

### 2019 Highlights

