



**PRESS RELEASE**

**PR. No 337/2018**

**STANDARD CHARTERED BANK GHANA LIMITED (SCB)**  
**UNAUDITED FINANCIAL STATEMENTS FOR**  
**THE SECOND QUARTER ENDING JUNE 2018**

SCB has released its un-audited Financial Statements for the second quarter ending June 30, 2018 as per the attached.

Issued in Accra, this 1<sup>st</sup>  
day of August, 2018.

**- E N D -**

att'd.

Distribution:

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

**For enquiries, contact:**

**Listing Department, GSE on 0302 669908, 669914, 669935**

*\*GA*

# *Standard Chartered Bank Ghana Limited*

*(Driving investment, trade and the creation of wealth in Ghana)*



*Unaudited financial statements*

*30 June 2018*

**Standard Chartered Bank Ghana Limited**

**Corporate information**

**Board of directors**

Dr. Emmanuel Oteng Kumah - (Appointed Chairman on 30/06/18)  
Mansa Nettey (Managing Director)  
Kweku Nimfah-Essuman  
Felix Addo  
David Adepoju  
Henry Baye  
Professor (Mrs) Akua Kuenyehia  
Ishmael Yamson - (Stepped down on 30/06/18)

**Secretary**

Angela Okai  
Standard Chartered Bank Building  
John Evans Atta Mills High Street  
P. O. Box 768  
Accra

**Auditors**

Deloitte & Touché  
Chartered Accountants  
Plot No. 71, off George Walker Bush Highway  
North Dworwulu  
Accra

**Solicitors**

Bentsi-Enchill Letsa & Ankomah  
1st Floor Teachers' Hall Complex  
Education Loop (off Barnes Road)  
Adabraka  
P. O. Box GP 1632  
Accra

**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  
John Evans Atta Mills High Street  
P. O. Box 768  
Accra

Standard Chartered Bank Ghana Limited

Unaudited statement of profit or loss

for the period ended 30 June 2018

	Note	June 2018	June 2017
		GH¢'000	GH¢'000
Interest income	5	293,411	277,354
Interest expense	6	(54,952)	(48,029)
<b>Net interest income</b>		<u>238,459</u>	<u>229,325</u>
Fees and commission income		65,366	41,627
Fees and commission expense		(7,965)	(5,644)
<b>Net fee and commission income</b>		<u>57,401</u>	<u>35,983</u>
Net trading income		61,626	73,954
Net income from other financial instruments carried at fair value		53	(12,355)
<b>Total other and trading income</b>		<u>61,679</u>	<u>61,599</u>
<b>Operating income</b>		357,539	326,907
Net impairment (loss)/recovery on financial assets	7	(33,675)	15,954
<b>Operating income net of impairment charges</b>		323,864	342,861
Personnel expenses	8	(78,918)	(70,833)
Operating lease expenses		(3,509)	(2,891)
Depreciation and amortisation		(3,686)	(3,481)
Other expenses	9	(40,764)	(38,982)
		<u>(126,877)</u>	<u>(116,187)</u>
<b>Profit before income tax</b>		196,987	226,674
Income tax expense:			
Corporate tax		(49,247)	(56,669)
National Fiscal Stabilization Levy		(9,849)	(11,333)
<b>Profit for the period:</b>		<u>137,891</u>	<u>158,672</u>
Basic earnings per share (Ghana Cedis per share)		<u>1.19</u>	<u>1.37</u>
Diluted earnings per share (Ghana Cedis per share)		<u>1.19</u>	<u>1.37</u>

**Standard Chartered Bank Ghana Limited**  
**Unaudited statement of financial position at 30 June 2018**

	Notes	June 2018	June 2017
		GH¢'000	GH¢'000
<b>Assets</b>			
Cash and cash equivalents	10	2,228,294	1,588,886
Derivative assets held for risk management		14,963	7,058
Non-pledged trading assets		10,967	27,817
Loans and advances to customers	11	1,242,429	1,364,822
Investment securities		1,776,726	1,267,191
Current tax assets		33,427	643
Intangible assets		589	1,767
Equity investment		1	1
Other assets	12	242,325	220,133
Property plant and equipment		<u>34,778</u>	<u>30,542</u>
<b>Total assets</b>		<b><u>5,584,499</u></b>	<b><u>4,508,860</u></b>
<b>Liabilities</b>			
Deposits from banks		14,517	16,100
Deposits from customers		4,178,742	3,239,078
Borrowings		90,459	87,258
Deferred tax liabilities		6,339	9,676
Other liabilities	13	<u>254,756</u>	<u>358,919</u>
<b>Total liabilities</b>		<b><u>4,544,813</u></b>	<b><u>3,711,031</u></b>
<b>Equity</b>			
Stated capital		121,631	121,631
Income surplus		498,624	280,036
Reserve Fund		246,994	211,544
Credit risk reserve		148,237	140,989
Other reserves		<u>24,200</u>	<u>43,629</u>
<b>Total equity</b>		<b><u>1,039,686</u></b>	<b><u>797,829</u></b>
<b>Total liabilities and equity</b>		<b><u>5,584,499</u></b>	<b><u>4,508,860</u></b>

These financial statements were approved by the Board of Directors on 27th July 2018 and signed on its behalf by:

**Signed**  
**Mansa Nettey**  
**Director**

**Signed**  
**Kweku Nimfah-Essuman**  
**Director**

Standard Chartered Bank Ghana Limited

Unaudited statement of changes in equity

for the period ended 30 June 2018

2018	Share Capital	Income Surplus	Reserve Fund	Credit Risk Reserve	Other Reserves	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	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	-	137,891	-	-	-	137,891
Dividend paid	-	(773)	-	-	-	(773)
Expected Credit Loss Adjustment		(22,546)				(22,546)
Subsequent Expected Credit Loss		21,604				21,604
Net fair value loss on available for sale on financial asset					(17,244)	(17,244)
Other movements	-	589	-	-	(589)	-
As at 30 June 2018	<u>121,631</u>	<u>498,624</u>	<u>246,994</u>	<u>148,237</u>	<u>24,200</u>	<u>1,039,686</u>

2017	Share Capital	Income Surplus	Reserve Funds	Credit Risk Reserve	Other Reserves	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Balance at 1 January 2017	61,631	335,122	211,544	121,408	35,511	765,216
<i>Movement during the period</i>						
Profit for the period	-	158,672	-	-	-	158,672
Capitalisation of retained earnings	60,000	(64,149)				(4,149)
Dividend paid	-	(130,617)	-	-	-	(130,617)
Transfer to credit risk reserve	-	(19,581)	-	19,581	-	-
Net fair value gain on available for sale on financial asset					8,707	8,707
Other movements	-	589	-	-	(589)	-
As at 30 June 2017	<u>121,631</u>	<u>280,036</u>	<u>211,544</u>	<u>140,989</u>	<u>43,629</u>	<u>797,829</u>

Standard Chartered Bank Ghana Limited

Unaudited statement of cash flows

for the period ended 30 June 2018

	Notes	June 2018 GH¢'000	June 2017 GH¢'000
<b>Cash flows from operating activities</b>			
Profit for the period		137,891	158,672
<i>Adjustments for:</i>			
Depreciation and amortisation		3,686	3,481
Impairment on financial Assets		33,675	(15,954)
Net interest income		(238,459)	(229,325)
Income tax expense		<u>59,096</u>	<u>68,002</u>
		(4,111)	(15,124)
<i>Change in:</i>			
Trading Assets		32,115	39,733
Investment securities		(519,786)	11,683
Derivate assets held for risk management		(14,420)	(2,773)
Loans and advances		109,592	(86,232)
Other assets		101,126	40,344
Deferred tax assets		2,768	-
Derivate liabilities held for risk management		(543)	-
Deposits from customers		758,578	41,405
Deposits from banks		(51,569)	6,398
Other liabilities and provisions		<u>(31,536)</u>	<u>64,764</u>
		382,214	100,198
Interest and dividend received		268,523	254,165
Interest paid		(37,462)	(30,754)
Income tax paid		<u>(70,614)</u>	<u>(54,627)</u>
<b>Net cash generated from operating activities</b>		<u>542,661</u>	<u>268,982</u>
<b>Cash flows in investing activities</b>			
Purchase of property, plant and equipment		(6,288)	(4,021)
Proceeds from sale of property, plant and equipment		-	-
<b>Net cash used in investing activities</b>		<u>(6,288)</u>	<u>(4,021)</u>
<b>Cash flows in financing activities</b>			
Dividend paid		<u>(773)</u>	<u>(130,617)</u>
<b>Net cash used in financing activities</b>		<u>(773)</u>	<u>(130,617)</u>
<b>Net change from cash and cash equivalents</b>		535,600	134,344
Cash and cash equivalents at 1 January		<u>1,692,694</u>	<u>1,454,542</u>
<b>Cash and cash equivalents at 30 June</b>		<u>2,228,294</u>	<u>1,588,886</u>

**Standard Chartered Bank Ghana Limited**

**Notes to the unaudited financial statements**

**for the period ended 30 June 2018**

**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**

	<b>June 2018</b>	June 2017
i. Capital adequacy ratio (%)	<b>30.73</b>	23.69
ii. Non-performing loan (NPL) ratio (%) - Gross basis	<b>48.16</b>	41.79
iii. Non-performing loan (NPL) ratio (%) - Net basis	<b>9.18</b>	12.30
iv. Non-performing loan (NPL ratio less loss category) (%)	<b>18.20</b>	23.51
v. Liquid ratio (%)	<b>85.57</b>	81.60

**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 June 2018 are consistent with those followed for the year ended 31 December 2017.

**4. Defaults in Statutory Liquidity and Accompanying Sanctions**

	<b>June 2018</b>	June 2017
i. Default in statutory liquidity (times)	<b>Nil</b>	Nil
ii. Sanctions (GH¢)	<b>Nil</b>	Nil

**5. Interest income**

	<b>June 2018</b>	June 2017
	<b>GH¢'000</b>	GH¢'000
Cash and cash equivalents	<b>25,161</b>	20,653
Loans and advances to customers	<b>104,767</b>	96,647
Investment securities	<b>163,090</b>	158,099
Other	<b><u>393</u></b>	<u>1,955</u>
	<b><u>293,411</u></b>	<u>277,354</u>



**6. Interest expense**

	<b>June 2018</b>	June 2017
	<b>GH¢'000</b>	GH¢'000
Deposits from banks	3,737	2,562
Deposits from customers	36,232	29,696
Other	<u>14,983</u>	<u>15,771</u>
	<u>54,952</u>	<u>48,029</u>

**7. Net Impairment (loss) / recovery on financial Assets**

	<b>June 2018</b>	June 2017
	<b>GH¢'000</b>	GH¢'000
Specific Provisions	(22,189)	15,954
Expected Credit Loss(ECL)	<u>(11,486)</u>	-
	<u>(33,675)</u>	<u>15,954</u>

**8. Personnel expenses**

	<b>June 2018</b>	June 2017
	<b>GH¢'000</b>	GH¢'000
Wages, salaries, bonus and allowances	59,197	52,252
Social security costs	5,269	4,610
Pension and retirement benefits	2,931	2,597
Training	577	436
Other staff costs	<u>10,944</u>	<u>10,938</u>
	<u>78,918</u>	<u>70,833</u>

**9. Other expenses**

	<b>June 2018</b>	June 2017
	<b>GH¢'000</b>	GH¢'000
Advertising and marketing	2,599	2,021
Donations and sponsorship	50	31
Premises and equipment	10,740	10,021
Administrative	25,949	24,931
Redundancy Cost	-	594
Others	<u>1,426</u>	<u>1,384</u>
	<u>40,764</u>	<u>38,982</u>

**10. Cash and cash equivalents**

	<b>June 2018</b>	June 2017
	<b>GH¢'000</b>	GH¢'000
Cash and balances at Central Bank	1,630,857	1,113,003
Due to other banks	567,597	332,762
Placements	<u>29,840</u>	<u>143,121</u>
	<u>2,228,294</u>	<u>1,588,886</u>

### 11. Loans and Advances

	June 2018	June 2017
	GH¢'000	GH¢'000
Individuals	434,908	363,025
Public and Private enterprise	1,443,978	1,528,222
Staff	<u>151,418</u>	<u>111,039</u>
Gross loans and advances	2,030,304	2,002,286
Impairment allowance	<u>(787,875)</u>	<u>(637,464)</u>
Net loans and advances	<u>1,242,429</u>	<u>1,364,822</u>

### 12. Other Assets

	June 2018	June 2017
	GH¢'000	GH¢'000
Accounts receivable and prepayments	49,351	34,983
LC acceptance	100,302	100,344
Accrued interest receivable	89,751	79,115
Impersonal accounts	<u>3,531</u>	<u>5,691</u>
	<u>242,935</u>	<u>220,133</u>

### 13. Other Liabilities

	June 2018	June 2017
	GH¢'000	GH¢'000
Accrued interest payable	10,119	10,293
LC acceptance	100,302	100,344
Other creditors and accruals	82,914	203,547
Provisions	<u>61,421</u>	<u>44,735</u>
	<u>254,756</u>	<u>358,919</u>

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

Signed  
Mansa Nettey  
Director

Signed  
Kweku Nimfah-Essuman  
Director