



PR. No 055/2022

STANDARD CHARTERED BANK GHANA PLC (SCB)-

AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31,2021

SCB has released its audited Financial Statements for the year ended December 31,2021 as per the attached.

Issued in Accra, this 28th
day of February 2022

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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 of Listing, GSE on 0302 669908, 669914, 669935

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Standard Chartered Bank Ghana PLC

Summary Financial Statements prepared from the Audited Financial Statements for the year ended 31 December 2021



SUMMARY STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021		
	2021 GH¢'000	2020 GH¢'000
Interest income calculated using the effective interest method	819,932	795,374
Interest expense	(173,575)	(154,856)
Net interest income	646,357	640,518
Fees and commission income	170,024	153,045
Fees and commission expense	(14,179)	(13,606)
Net fee and commission income	155,845	139,439
Net trading income	268,504	246,622
Net gain/(loss) from other financial instruments carried at fair value through profit/loss	(378)	(6,331)
Other income	-	2,488
Operating income	1,070,238	1,022,736
Net impairment gain/(loss) on financial asset	5,892	(59,284)
Operating income net of impairment charges	1,076,220	963,452
Personnel expenses	(245,459)	(209,281)
Depreciation and amortisation	(34,608)	(32,808)
Other expenses	(101,656)	(45,973)
Total operating expenses	(381,723)	(288,062)
Profit before income tax	694,497	675,390
Income tax expense	(196,366)	(163,325)
National Fiscal Stabilization Levy	(34,725)	(33,769)
Financial Sector Clean up Levy	(26,472)	-
Total tax and levy	(257,563)	(197,094)
Profit for the year	436,934	478,296
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Debt instruments at fair value through other comprehensive income-Net changes in fair value	(26,106)	33,484
Total comprehensive income for the year	410,828	511,780
Basic earnings per share (Ghana Cedis per share)	3.23	3.54
Diluted earnings per share (Ghana Cedis per share)	3.23	3.54

SUMMARY STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2021		
	2021 GH¢'000	2020 GH¢'000
Assets		
Cash and cash equivalents	3,203,097	2,724,718
Derivative assets held for risk management	10,143	5,675
Trading assets non-pledged	361,964	406,254
Loans to other banks	241,254	15,000
Loans and advances to customers	1,886,799	1,695,213
Investment securities	3,761,388	2,419,537
Current tax assets	31,649	60,857
Property and equipment	242,067	258,440
Equity investments	1,001	1
Other assets	381,214	445,979
Total assets	10,120,576	8,031,674
Liabilities		
Derivative liabilities held for risk management	9,249	161
Deposits from banks	79,690	84,980
Deposits from customers	7,554,457	5,751,627
Borrowings	240,244	86,403
Provisions	86,228	69,060
Deferred tax liabilities	11,623	9,978
Other liabilities	495,803	562,661
Total liabilities	8,477,294	6,564,870
Shareholders' funds		
Stated capital	400,000	400,000
Income surplus	553,412	440,014
Reserve fund	568,228	513,611
Credit risk reserve	144,087	109,518
Other reserves	(22,445)	3,661
Total shareholders' funds	1,643,282	1,466,804
Total liabilities and shareholders' funds	10,120,576	8,031,674
Net assets value per share (Ghana Cedis per share)	12.13	10.82

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SUMMARY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021			
	2021 GH¢'000	2020 GH¢'000	
Cash flows from operating activities			
Profit before tax	694,497	675,390	
Adjustments for:			
Depreciation	34,608	32,808	
Impairment on financial assets	(5,892)	59,284	
Net interest income	(646,357)	(640,518)	
Lease repayment	18,856	17,667	
Other income	-	(2,488)	
Unrealised exchange gain/loss on trading assets	(102,614)	(86,260)	
Effect of exchange	176,041	191,685	
Change in trading assets	169,139	247,568	
Change in derivative assets held for risk management	44,290	(154,253)	
Change in other assets	(4,468)	8,159	
Change in loans to other banks	85,827	(165,540)	
Change in loans and advances to customers	(226,254)	101,208	
Change in derivative liabilities held for risk management	(191,586)	(75,453)	
Change in deposits from banks	9,088	(5,221)	
Change in deposits from customers	(5,290)	85,987	
Change in Borrowings	1,802,830	332,323	
Change in other liabilities and provisions	153,841	(190,282)	
Interest received	45,388	45,553	
Interest paid	1,882,805	230,049	
Income tax paid	786,418	767,365	
Net cash from operating activities	(191,118)	(152,397)	
Cash flows from investing activities	(247,826)	(208,123)	
Purchase of investment securities	2,230,279	636,894	
Sale/redemption of investment securities	(5,949,210)	(2,490,223)	
Purchase of property and equipment	4,633,465	2,420,071	
Net cash used in investing activities	(4,702)	(12,015)	
Cashflows from financing activities	(1,320,447)	(82,167)	
Dividend paid	(234,350)	(211,836)	
Lease principal repayment	(21,062)	(15,308)	
Net cash used in financing activities	(255,412)	(227,144)	
Net increase in cash and cash equivalents	(654,420)	327,583	
Effect of exchange fluctuation on cash held	(176,041)	(191,685)	
Cash and cash equivalents at 1 January	2,724,718	2,588,820	
Cash and cash equivalents at 31 December	3,203,097	2,724,718	

SUMMARY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021						
2021	Stated capital GH¢'000	Income surplus GH¢'000	Reserve fund GH¢'000	Credit risk reserve GH¢'000	Other reserves GH¢'000	Total shareholders' fund GH¢'000
Balance at 1 January 2021	400,000	440,014	513,611	109,518	3,661	1,466,804
Total Comprehensive income	-	436,934	-	-	-	436,934
Profit for the year	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-
Debt instruments at fair value through other comprehensive income-Net changes in fair value	-	-	-	(26,106)	(26,106)	(26,106)
Total Comprehensive income	-	436,934	-	(26,106)	(26,106)	410,828
Transfers:						
Transfer to credit risk reserve	-	(34,569)	-	34,569	-	-
Transfer to reserve funds	-	(54,617)	54,617	-	-	-
Total Transfers	-	(89,186)	54,617	34,569	-	-
Transactions with owners of the bank	-	-	-	-	-	-
Dividends	-	(234,350)	-	-	-	(234,350)
Total transactions with owners of the bank	-	(234,350)	-	-	-	(234,350)
Balance at 31 December 2021	400,000	553,412	568,228	144,087	(22,445)	1,643,282

SUMMARY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)						
2020	Stated capital GH¢'000	Income surplus GH¢'000	Reserve fund GH¢'000	Credit risk reserve GH¢'000	Other reserves GH¢'000	Total shareholders' fund GH¢'000
Balance at 1 January 2020	400,000	317,043	370,122	109,518	(29,823)	1,166,860
Total Comprehensive income						
Profit for the year	-	478,296	-	-	-	478,296
Other comprehensive income						
Debt instruments at fair value through other comprehensive income-Net changes in fair value	-	-	-	-	33,484	33,484
Total Comprehensive income	-	478,296	-	-	33,484	511,780
Transfers:						
Transfer from credit risk reserve	-	-	-	-	-	-
Transfer to reserve funds	-	(143,489)	143,489	-	-	-
Total Transfers	(143,489)	143,489	-	-	-	-
Transactions with owners of the bank						
Dividends	-	(211,836)	-	-	-	(211,836)
Total Transactions with owners of the bank	-	(211,836)	-	-	-	(211,836)
Balance at 31 December 2020	400,000	440,014	513,611	109,518	3,661	1,466,804

The summary financial statements presented in this publication are extracts from the audited financial statements for the year ended 31 December 2021, which are available for inspection at the Head Office of Standard Chartered Bank Ghana PLC located at the No. 87 Independence Avenue, Accra.

NOTES TO THE SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021		
Basis of preparation	2021	2020
The summary financial statements have been prepared in accordance with the requirements of the Guide for Financial Publication for Banks and Bank of Ghana Licensed Financial Institutions and, in the form, and manner required by the Securities and Exchange Commission Regulations, 2003 as applicable to summary financial statements. The Guide requires the summary financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and adopted by Institute of Chartered Accountants, Ghana (ICAG).		
The accounting policies applied in the preparation of the audited financial statements, from which the summary financial statements were derived, are in accordance with IFRSs and are consistent with the accounting policies applied in the preparation of the previous annual audited financial statements.		
The annual audited financial statements were authorised on the 25 February 2022 for publication.		
Quantitative Disclosures	2021	2020
i. Capital adequacy ratio (CRD basis) (%)	33.42	24.90
ii. CET1 (%)	33.21	24.65
iii. Leverage ratio (%)	11.58	6.70
iv. Non-performing loan (NPL) ratio (%) - Gross basis	23.59	23.11
v. Non-performing loan (NPL ratio less loss category) (%)	2.56	7.21
vi. Liquid ratio (%)	71.05	65.69
vii. Contingent liabilities (GH¢'000)	927	912
viii. Dividend paid per share (Ghana Cedis per share)	1.74	1.56

Assumptions and estimation uncertainties that have the most significant risk of resulting in a material adjustment in the year ended 31 December 2021 relates to impairment of financial instruments. Impairment allowance for the current year was GH\$150.4 million as compared to the prior year of GH\$184.6 million.

Qualitative Disclosures

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

The Bank's Risk Management Framework, defines the approach to risk management and the framework within which risks are managed and risk-retained trade-offs 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.

Defaults in Statutory Liquidity and Accompanying Sanctions		
	2021	2020
i. Default in statutory liquidity (times)	Nil	Nil
ii. Sanctions (GH¢)	Nil	Nil

REPORT OF THE DIRECTORS TO THE MEMBERS OF STANDARD CHARTERED BANK GHANA PLC

Directors' responsibility statement

The Directors are responsible for the preparation of the summary consolidated and separate financial statements comprising the summary statements of financial position as at 31 December 2021 and the summary statements of comprehensive income, changes in equity and cash flows and related notes to the summary financial statements for each financial year which gives a true and fair view of the state of affairs of the Bank. The Directors have prepared these summary financial statements in accordance with the requirements of the Guide for Financial Publication for Banks and Bank of Ghana Licensed Financial Institutions and, in the form, and manner required by the Securities and Exchange Commission Regulations, 2003 as applicable to summary financial statements. The Guide requires the summary financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants, Ghana (ICAG). The accounting policies applied in the preparation of the audited financial statements, from which the summary financial statements were derived, are in accordance with IFRSs and are consistent with the accounting policies applied in the preparation of the previous annual audited financial statements.

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

REPORT OF THE DIRECTORS TO THE MEMBERS OF STANDARD CHARTERED BANK GHANA PLC (CONT'D)

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.

Going concern

The Bank's Management has assessed its ability to continue as a going concern having regard of the business impact of COVID-19 and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, Management is not aware of any threats that may cast significant doubt upon the Bank's ability to continue as a going concern. Therefore, the summary financial statements continue to be prepared on a going concern basis.

Area of Operations

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

Auditor

The Audit Committee has the responsibility delegated from the Board of Directors for making recommendations on the appointment, reappointment, removal and remuneration of the external auditor. Messrs KPMG has been the auditor for the Bank commencing with the financial statements for the year ended 31 December 2018.

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

Signed

Mansa Nettey

Executive Director

Signed

Sheikh Jobe

Executive Director

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF STANDARD CHARTERED BANK GHANA PLC

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 December 2021, and the summary 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 PLC for the year ended 31 December 2021.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, in accordance with the basis described in the notes.

Summary financial statements

The summary 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 PLC. Reading the summary 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 28 February 2022. That report also includes the communication of key audit matters. Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the financial statements for the current period.

Directors' Responsibility for the Summary Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of 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/1426).

KPMG

FOR AND ON BEHALF OF:

KPMG: (ICAG/F/2022/038)

CHARTERED ACCOUNTANTS

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ACCRA

28 February 2022

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