

### SUMMARY STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2021

	2021	2020
Interest income	1,485,497	1,139,385
Interest expense	(861,115)	(625,853)
<b>Net interest income</b>	<b>624,382</b>	513,532
Fee and commission income	88,012	56,176
Fee and commission expense	(8,260)	(8,578)
<b>Net fee and commission income</b>	<b>79,752</b>	47,598
Net trading income	69,914	52,394
Other operating income	4,639	16,066
<b>Operating income</b>	<b>778,687</b>	629,590
Impairment losses on loans and advances	(21,687)	(17,419)
Impairment losses on other financial assets	(48,377)	(53,660)
Personnel expenses	(332,753)	(253,643)
Depreciation and amortisation	(55,305)	(56,423)
Other expenses	(217,909)	(171,729)
<b>Profit before income tax</b>	<b>102,656</b>	76,716
Income tax charge	(21,412)	(26,559)
Financial sector recovery levy	(3,850)	-
National fiscal stabilisation levy	(5,133)	(3,836)
<b>Profit for the year</b>	<b>72,261</b>	46,321
<b>Other comprehensive income:</b>		
<b>Items that may be reclassified to profit or loss</b>		
Changes in the fair value of debt instruments at fair value through other comprehensive income	(16,064)	31,312
Deferred income tax (charge)/credit relating to other comprehensive income items	4,016	(7,828)
	(12,048)	23,484
<b>Total comprehensive income</b>	<b>60,213</b>	69,805

### SUMMARY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	2021	2020
<b>ASSETS</b>		
Cash and bank balances	1,332,426	763,879
Investment securities	6,731,794	7,060,759
Non-pledged trading assets	971,140	839,218
Loans and advances to customers	1,330,480	861,736
Intangible assets	30,217	28,702
Right-of-use assets	68,308	90,956
Property and equipment	146,608	115,616
Current income tax assets	223	-
Deferred income tax assets	17,507	13,006
Other assets	122,461	187,890
<b>Total assets</b>	<b>10,751,164</b>	9,961,762
<b>LIABILITIES</b>		
Deposits from customers	6,751,075	6,866,118
Borrowed funds	2,426,796	1,614,630
Lease liabilities	78,585	103,719
Other liabilities	693,163	804,369
Current income tax liability	-	9,378
<b>Total liabilities</b>	<b>9,949,619</b>	9,398,214
<b>EQUITY</b>		
Stated capital	627,784	450,000
Retained earnings	70,974	34,844
Fair value reserve	8,972	21,020
Statutory reserve	93,815	57,684
<b>Total equity</b>	<b>801,545</b>	563,548
<b>Total equity and liabilities</b>	<b>10,751,164</b>	9,961,762

### SUMMARY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
Profit before income tax	102,656	76,716
<i>Adjustments for:</i>		
Depreciation and amortisation	55,305	56,423
Impairment losses on loans and advances	21,687	17,419
Impairment losses on other financial assets	48,377	53,660
Net interest income	(624,382)	(513,532)
Lease remeasurement impact	4,560	-
Unrealised exchange losses on leases	3,636	13,557
Profit on disposal	(110)	(837)
Fair value changes recognised in profit or loss (staff loan)	4,560	4,301
	(383,711)	(292,293)
<i>Changes in:</i>		
Loans and advances to customers	(490,431)	(633,858)
Other assets	17,320	(58,550)
Investment securities	113,983	(1,481,492)
Non-pledged assets	(131,922)	(290,545)
Deposits from customers	(115,043)	1,769,768
Mandatory cash reserve	(342,797)	(197,289)
Borrowed funds	812,166	916,346
Other liabilities	66,712	264,343
<b>Cash flow used in operations</b>	<b>(453,723)</b>	(3,570)
Interest received	1,480,937	1,139,385
Interest paid	(856,663)	(625,853)
Taxes and levies paid	(40,255)	(42,822)
<b>Net cash flow used in operating activities</b>	<b>130,296</b>	467,140
<b>Cash flow from investing activities</b>		
Acquisition of property and equipment	(45,755)	(38,599)
Proceeds from disposal of property and equipment	164	313
Acquisition of intangible assets	(12,483)	(22,564)
<b>Net cash flow generated from investing activities</b>	<b>(58,074)</b>	(60,850)
<b>Cash flow from financing activities</b>		
Payment of principal portion of lease liabilities	(44,763)	(36,337)
<b>Net cash flow generated from financing activities</b>	<b>(44,763)</b>	(36,337)
<b>Net increase in cash and cash equivalents</b>	<b>27,459</b>	369,953
Balance at beginning of the year	769,179	399,226
<b>Cash and cash equivalents at 31 December</b>	<b>796,638</b>	769,179

### SUMMARY STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2021

	Stated Capital	Retained earnings	Statutory reserve	Fair value reserve	Total
<b>Balance at 1 January 2021</b>	450,000	34,844	57,684	21,020	563,548
Profit for the period	-	72,261	-	-	72,261
Fair value adjustment on investment securities	-	-	-	(12,048)	(12,048)
<b>Total comprehensive income for the year</b>	-	72,261	-	(12,048)	60,213
<b>Regulatory and other reserve transfers</b>					
Transfer to statutory reserve	-	(36,131)	36,131	-	-
<b>Net transfer to reserves</b>	-	(36,131)	36,131	-	-
Transactions with owners					
Additional capital issued	177,784	-	-	-	177,784
Net Transactions with owners	177,784	-	-	-	177,784
<b>Balance at 31 December 2021</b>	<b>627,784</b>	<b>70,974</b>	<b>93,815</b>	<b>8,972</b>	<b>801,545</b>
<b>Balance at 1 January 2020</b>	450,000	11,683	34,524	(2,464)	493,743
Profit for the period	-	46,321	-	-	46,321
Fair value adjustment on investment securities	-	-	-	23,484	23,484
<b>Total comprehensive income for the year</b>	-	46,321	-	23,484	69,805
<b>Regulatory and other reserve transfers</b>					
Transfer to statutory reserve	-	(23,160)	23,160	-	-
<b>Net transfer to reserves</b>	-	(23,160)	23,160	-	-
<b>Balance at 31 December 2020</b>	<b>450,000</b>	<b>34,844</b>	<b>57,684</b>	<b>21,020</b>	<b>563,548</b>

### REPORT OF THE DIRECTORS

The Directors have the pleasure in presenting their report and the summary financial statements for the period ended 31 December 2021.

#### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Bank's directors are responsible for the preparation of the financial statements that give a true and fair view of Consolidated Bank (Ghana) Limited's financial position at 31 December 2021, and of the profit or loss and cash flows for the period then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with 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).

The directors' responsibilities include: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The directors have made an assessment of the Bank's ability to continue as a going concern and have no reason to believe the business will not be a going concern.

#### PRINCIPAL ACTIVITIES

The Bank is licensed to carry out universal banking business in Ghana, and there was no change in the nature of the Bank's business during the period.

#### APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements of the Bank were approved by the Board of Directors on 28 March, 2022.

### NOTES TO THE SUMMARY FINANCIAL STATEMENTS

#### 1. GENERAL INFORMATION

Consolidated Bank (Ghana) Limited, (the Bank) is a limited liability company incorporated and domiciled in Ghana. The registered office is 1st Floor Manet Tower 3, Airport City, Accra. The Bank commenced universal banking operations in August 2018 and operates under the Bank and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

#### 2. BASIS OF PREPARATION

The Bank's financial statements have been prepared on a historical cost basis and in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

The summary financial statements in this publication is an extract from the financial statements for the year ended 31 December 2021. The full set of the financial statements are available for inspection at the Bank's Head Office at 1st Floor Manet Tower 3, Airport City, Accra.

#### 3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these summary financial statements are consistent with the accounting policies applied in the audited financial statements of the Bank for the year ended 31 December, 2021. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 4. FUNCTIONAL AND PRESENTATION CURRENCY

These summary financial statements are presented in Ghana Cedis, which is the Bank's functional currency.

#### 5. BASIS OF MEASUREMENT

These summary financial statements have been prepared on a historical cost basis except for the following items:

- Non-derivative financial instruments at fair value through profit or loss.
- Non-pledged trading assets

which are measured at fair value.

#### 6. RISK MANAGEMENT

The Bank's activities expose the business to risks. These risks are managed in a targeted manner. The core functions of the Bank's risk management are to identify all key risks for the Bank, measure these risks, manage the risk positions and determine capital allocations. The risks arising from financial instruments to which the Bank is exposed are:

- credit risk
- liquidity risk
- market risk
- operational risk

Credit risk is the risk of suffering financial loss, should any of the Bank's customers, clients or market counterparties fail to fulfil their contractual obligations to the Bank. Credit risk arises mainly from commercial and consumer loans and advances and loan commitments arising from such lending activities, but can also arise from credit enhancements, financial guarantees, letters of credit, endorsements and acceptances.

Liquidity risk is the risk that the Bank will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset when they fall due.

Market risk is the risk that changes in market prices – such as interest rates, foreign exchange rates and credit spreads (not relating to changes in the obligor's/issuer's credit standing) – will affect the Bank's income or the value of its holdings of financial instruments. The Bank separates exposures to market risk into either trading or non-trading portfolios.

Operational risk is the risk of direct or indirect loss that the Bank will suffer due to an event or action resulting from the failure of its internal processes, people and systems, or from external events.

The Bank regularly reviews its risk management policies and systems to reflect changes in markets, products and best market practice. The Bank's aim is to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Bank's financial performance. The Bank defines risk as the possibility of losses or profits foregone, which may be caused by internal or external factors.

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Risk and Cyber & Information Security Committees of the Board is responsible for developing and monitoring the Bank's risk management policies over specified areas.

Key risk ratios for the Bank are summarised below :

	2021	2020
Non-performing loan ratio	0.71%	0.12%
Capital Adequacy Ratio	21.6%	19.8%
Common equity tier 1/RWA	21.4%	18.9%
Leverage ratio	6.1%	4.5%
Liquidity ratio	83%	73%
Default in statutory liquidity (Times)	1	Nil
Default in statutory liquidity Sanctions (GHC)	42,755	Nil

#### 7. CONTINGENT LIABILITIES

	2021	2020
Letters of credit	478,752	107,553
Letters of guarantee	305,111	187,926
Undrawn commitments	52,910	85,001
	<b>836,773</b>	<b>380,480</b>

#### 8. CORPORATE SOCIAL RESPONSIBILITIES

The Bank spent a total of GHC3,055,435 (2020: GHC3,349,220) on corporate social responsibilities during the year. These are mainly in the form of sponsorships in the areas of agriculture, education, health, security and social partnerships.

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



**Welbeck Abra-Appiah**  
(Chairman)



**Daniel Wilson Addo**  
(Managing Director)

### INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF CONSOLIDATED BANK (GHANA) LIMITED

#### OUR OPINION

In our opinion, the accompanying summary financial statements of Consolidated Bank (Ghana) Limited (the "Bank"), are consistent, in all material respects, with the audited financial statements of the Bank for the year ended 31 December 2021, on the basis described in the notes.

#### THE SUMMARY FINANCIAL YEAR STATEMENTS

The Bank's summary financial statements derived from the audited financial statements for the year ended 31 December 2021 comprise:

- the summary statement of financial position as at 31 December 2021;
- the summary statement of comprehensive income for the year then ended;
- the summary statement of changes in equity for the year then ended;
- the summary statement of cash flows for the year then ended; and
- the related notes to the summary financial statements.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards, the Companies Act, 2019 (Act 992) and the Banks and Specialised 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 the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

#### THE AUDITED FINANCIAL STATEMENTS AND OUR REPORT THEREON

We expressed an unmodified audit opinion on the audited financial statements in our report dated 29 March 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 audited financial statements of the current period.

#### DIRECTORS' RESPONSIBILITY FOR THE SUMMARY FINANCIAL STATEMENTS

The directors are responsible for the preparation of the summary financial statements on the basis described in the notes.

#### 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 Standard on Auditing 810 (Revised), 'Engagements to Report on Summary Financial Statements'.

The engagement partner on the audit resulting in this independent auditor's report is Michael Asiedu-Antwi (ICAG/P/1138).



**PricewaterhouseCoopers** (ICAG/F/2022/028)  
Chartered Accountants  
Accra, Ghana  
29 March 2022

