



ZENITH BANK (GHANA) LIMITED

UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2023

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

	2023	2022
	GHC'000	GHC'000
Interest income	591,584	439,878
Interest expense	(159,246)	(110,339)
Net interest income	432,338	329,539
Fee and commission income	111,839	73,402
Fee and commission expense	(13,725)	(6,782)
Net fee and commission income	98,114	66,620
Net trading income	204,096	41,357
Net income - financial instruments at fair value	(54)	(654)
Other income	4,542	2,207
Net trading and other income	208,584	42,910
Operating Income	739,036	439,069
Impairment loss on financial assets	(11,114)	(16,490)
Personnel expenses	(99,242)	(84,634)
Depreciation and amortization	(14,887)	(12,784)
Other expenses	(120,132)	(78,764)
Profit before income tax	493,661	246,397
Income tax expense	(59,371)	(56,130)
Profit after tax attributable to equity holders of	434,290	190,267
Other comprehensive income (net of income tax)	-	-
Total comprehensive income attributable to equity holders of the bank	434,290	190,267
Earnings per share - Basic & Diluted	0.11	0.05

UNAUDITED STATEMENT OF FINANCIAL POSITION

	2023	2022
	GHC'000	GHC'000
Assets		
Cash and bank balances	3,165,927	1,613,060
Non-pledged trading assets	49	8,327
Pledged trading assets	-	67,695
Investment securities	5,346,505	4,836,366
Investments (other than securities)	434,250	300,501
Loans and advances to customers	1,421,896	1,771,595
Property, plant and equipment	320,288	270,807
Intangible assets	7,400	7,644
Current tax receivable	9,380	10,610
Deferred tax assets	325,018	25,281
Other assets	439,823	162,904
Total assets	11,470,536	9,074,790
Liabilities		
Deposits from customers	9,846,484	7,091,499
Deposits from banks and NBFIs	15,701	16,536
Other liabilities	175,605	361,981
Deferred tax liabilities	16,089	12,370
Total liabilities	10,053,879	7,482,386
Equity		
Stated capital	400,000	400,000
Statutory reserve	444,899	444,899
Credit risk reserve	9,704	26,346
Retained earnings	562,054	721,159
Total equity	1,416,657	1,592,404
Total equity and liabilities	11,470,536	9,074,790

UNAUDITED STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Credit Risk Reserve	Statutory Reserve	Retained Earnings	Total Equity
	GHC'000	GHC'000	GHC'000	GHC'000	GHC'000
Balance at 1 January	400,000	9,704	444,899	127,764	982,367
Profit for the period	-	-	-	434,290	434,290
Balance at 30 June	400,000	9,704	444,899	562,054	1,416,657
Balance at 1 January	400,000	19,439	444,899	689,799	1,554,137
Profit for the period	-	-	-	190,267	190,267
Dividend Paid	-	-	-	(152,000)	(152,000)
Transfer to credit risk	-	6,907	-	(6,907)	-
Balance at 30 June	400,000	26,346	444,899	721,159	1,592,404

UNAUDITED STATEMENT OF CASH FLOWS

	2023	2022
	GHC'000	GHC'000
Profit before tax	493,661	246,397
<i>Adjustments for:</i>		
Depreciation and amortization	14,887	12,784
Net impairment loss on financial assets	11,114	16,490
Net interest income	(432,338)	(329,539)
Fair value changes recognised in profit or loss	54	654
	87,378	(53,214)
<i>Changes in:</i>		
Investments (other than securities)	(33,551)	(233,559)
Non-pledged trading assets	15,222	98,363
Pledged trading assets	1,951	417,342
Investment securities	(1,403,203)	(82,628)
Loans and advances to customers	434,315	(272,695)
Other assets	(66,062)	30,849
Deposits from customers	1,438,283	700,418
Deposits from banks and NBFIs	(2,206)	(2,764)
Other liabilities	(57,784)	(370,861)
	414,343	231,251
Interest received	591,584	439,878
Interest paid	(159,246)	(110,339)
Corporate taxes paid	(59,371)	(56,130)
Net cash flow generated from operating activities	787,310	504,660
Cash flow from investing activities		
Acquisition of property, plant and equipment	(3,858)	(9,787)
Proceeds from disposal of property, plant and equipment	-	818
Acquisition of intangible assets	(308)	(1,909)
Net cash flow used in investing activities	(4,166)	(10,878)
Cash flow from financing activities		
Finance lease payments	(8,597)	(4,147)
Dividend paid	-	(86,771)
Net changes in Borrowings	-	(154,536)
Net cash flow used in financing activities	(8,597)	(245,454)
Net increase in cash and cash equivalents	774,547	248,328
Balance at beginning	2,286,213	1,162,515
	3,060,760	1,410,843
Effect of exchange rate fluctuations on cash and cash equivalents held	(29,700)	(62,733)
Cash and cash equivalents at 30 June	3,031,060	1,348,110

PEOPLE · TECHNOLOGY · SERVICE



ZENITH BANK (GHANA) LIMITED

UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2023

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

1. Reporting entity

Zenith Bank (Ghana) Limited (the Bank) is a limited liability company incorporated and domiciled in Ghana. The registered office is Zenith Heights, No. 37 Independence Avenue, PMB CT 393, Accra. The Bank is a subsidiary of Zenith Bank Plc, a bank incorporated in the Federal Republic of Nigeria.

2. Basis of accounting

These unaudited financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants, Ghana (ICAG), and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

3. Functional and presentation currency

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

4. Use of judgements and estimates

In preparing these unaudited financial statements, management has made judgements, estimates and assumptions that affect the application of the Bank's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

5. Basis of measurement

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

Items	Measurement Basis
• Non-derivative financial instruments at fair value through profit or loss	Fair value
• Pledged trading assets	
• Non-pledged trading assets	

6. Significant accounting policies

The principal accounting policies applied in the preparation of these unaudited financial statements are consistent with the accounting policies applied in the audited financial statements of the Bank for the year ended December 31, 2022. These policies have been consistently applied to all the years presented, unless otherwise stated.

7. Risk Management

The Bank's activities expose the business to certain risks. The Bank has exposure to the following types of risks:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk
- Reputational risk
- Regulatory risk

These risks are managed professionally and in a targeted manner. The Bank's risk management policies are established to identify and analyse risks faced by the Bank, set appropriate risks limits and controls as well as monitor these risks and adherence to established policies. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered by the Bank.

8. Quantitative Disclosures

OTHER DISCLOSURES	JUNE 2023	JUNE 2022
Capital Adequacy Ratio (%)	26.10	47.93
Common Equity Tier 1 Ratio (%)	23.10	45.93
Leverage Ratio (%)	12.26	13.90
Non-performing loans to gross loans (%)	4.83	3.95
Loan loss provision (%)	5.96	4.32
Liquid Ratio (%)	88	76
Off-balance sheet exposures (GH¢' million)	1,397	1,683
Default in statutory liquidity (Number of times)	Nil	Nil
Sanctions for Default in statutory liquidity (GH¢' 000)	Nil	Nil
Other Regulatory Penalties (GH¢' 000)	60	60

Freda Duplan
(Chairperson)

Henry Chinedu Onwuzurigbo
(Managing Director/CEO)



EVERYONE CAN BANK WITH US!

Talk to us today.