

# FBNBANK GHANA LIMITED

SUMMARY FINANCIAL STATEMENTS PREPARED FROM THE  
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023



## SUMMARY STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

(All amounts are in thousands of Ghana Cedis)

	2023	2022
Interest income using the effective Interest rate method	768,728	326,940
Other Interest income	2,568	2,954
Interest expense	(154,913)	(124,970)
<b>Net interest income</b>	<b>616,383</b>	<b>204,924</b>
Fee and commission income	33,526	20,408
Fee and commission expense	(4,622)	(2,828)
<b>Net Fee and commission Income</b>	<b>28,904</b>	<b>17,580</b>
Net trading income/(Loss)	(106,655)	231,959
<b>Revenue</b>	<b>538,632</b>	<b>454,463</b>
Net impairment loss on financial assets	(21,327)	(212,397)
Personnel expenses	(92,628)	(52,803)
Depreciation and amortisation	(24,997)	(20,890)
Operating expenses	(115,005)	(65,962)
<b>Profit before tax</b>	<b>284,675</b>	<b>102,411</b>
Income tax expense	(75,287)	(30,544)
Growth and Sustainability levy	(14,234)	(5,121)
Financial sector recovery levy	(14,234)	(5,121)
<b>Profit for the year</b>	<b>180,920</b>	<b>61,625</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>180,920</b>	<b>61,625</b>
<b>Earnings per share (in Ghana Cedis)</b>		
Earnings Per Share (Basic and Diluted)	0.45	0.15

## SUMMARY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

(All amounts are in thousands of Ghana Cedis)

	2023	2022
<b>Assets</b>		
Cash and cash equivalents	1,220,798	621,808
Trading assets	4,766	8,178
Investment securities	1,552,494	1,511,978
Derivatives held for risk management	47,156	-
Loans and advances	672,931	550,247
Other assets	16,716	13,815
Investments in associates	8,088	8,088
Property and equipment	58,084	21,918
Right-of-use asset	46,821	45,980
Intangible assets	1,216	123
Deferred tax assets	61,951	52,320
<b>Total assets</b>	<b>3,691,021</b>	<b>2,834,455</b>
<b>Liabilities</b>		
Customer deposits	2,000,726	1,207,121
Deposits from banks and other financial institutions	639,452	428,222
Other liabilities	157,455	81,121
Lease liability	33,867	24,732
Current tax liabilities	26,541	67,083
Derivatives held for risk management	-	374,116
<b>Total liabilities</b>	<b>2,858,041</b>	<b>2,182,395</b>
<b>Shareholders' funds</b>		
Stated capital	400,000	400,000
Income surplus	180,654	110,284
Statutory reserve	232,236	141,776
Credit risk reserve	20,090	-
<b>Shareholders' funds</b>	<b>832,980</b>	<b>652,060</b>
<b>Total liabilities and shareholders' funds</b>	<b>3,691,021</b>	<b>2,834,455</b>

## SUMMARY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

(All amounts are in thousands of Ghana Cedis)

	2023	2022
<b>Cash flows from operating activities</b>		
Profit before income tax	284,675	102,411
<b>Adjustment for:</b>		
Depreciation and amortisation	24,997	20,890
Impairment loss on financial assets	25,366	215,065
Effect of exchange rate fluctuations on cash and cash equivalents held	(39,451)	(42,748)
Net interest income	(616,383)	(204,924)
Changes in derivatives held for risk management	(421,272)	405,705
Changes in loans and advances to customers	(111,288)	(44,073)
Changes in other assets	2,765	(26,964)
Changes in customer deposits	781,787	303,803
Changes in deposits from banks and other financial institutions	211,573	82,732
Changes in other liabilities	74,237	21,033
Purchase of trading assets	3,412	3,457
<b>Cash generated from operations</b>	<b>220,418</b>	<b>836,387</b>
Interest received	760,649	280,083
Interest Paid	(141,604)	(108,600)
Tax paid	(125,094)	(22,605)
Growth and sustainability levy	(14,417)	(4,112)
Financial sector recovery levy paid	(14,417)	(4,114)
<b>Net cash generated from operating activities</b>	<b>685,535</b>	<b>977,039</b>
<b>Cash flows from investing activities</b>		
Proceeds from investment securities	1,823,731	760,795
Purchase of investment securities	(1,888,265)	(1,416,271)
Purchase of property and equipment	(45,705)	(11,660)
Purchase of intangible assets	(1,375)	-
Proceeds from disposal of property and equipment	90	289
<b>Net cash used in investing activities</b>	<b>(111,524)</b>	<b>(666,847)</b>
<b>Cash flows from financing activities</b>		
Principal payment of lease liabilities	(14,144)	(2,012)
Interest payment of lease liabilities	(328)	(290)
<b>Net cash used in financing activities</b>	<b>(14,472)</b>	<b>(2,302)</b>
<b>Increase in cash and cash equivalents</b>	<b>559,539</b>	<b>307,890</b>
<b>Analysis of changes in cash and cash equivalents</b>		
Cash and cash equivalents at 1 January	621,808	271,170
Increase in cash and cash equivalents	559,539	307,890
Effect of exchange rate fluctuations on cash and cash equivalents held	39,451	42,748
<b>Cash and cash equivalents at 31 December</b>	<b>1,220,798</b>	<b>621,808</b>

## SUMMARY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

(All amounts are in thousands of Ghana Cedis)

	Stated Capital	Income Surplus	Statutory Reserves	Credit Risk Reserves	Total
Year ended 31 December 2023					
At 1 January 2023	400,000	110,284	141,776	-	652,060
Profit for the year	-	180,920	-	-	180,920
Total comprehensive income	-	180,920	-	-	180,920
Transfer to statutory reserve	-	(90,460)	90,460	-	-
Transfer to credit risk reserve	-	(20,090)	-	20,090	-
Total transfers	-	(110,550)	90,460	20,090	-
At 31 December 2023	400,000	180,654	232,236	20,090	832,980
Year ended 31 December 2022					
At 1 January 2022	400,000	67,438	110,963	12,034	590,435
Profit for the year	-	61,625	-	-	61,625
<b>Total comprehensive income</b>					<b>61,625</b>
Transfer to statutory reserve	-	(30,813)	30,813	-	-
Transfer from credit risk reserve	-	12,034	-	(12,034)	-
<b>Total transfers</b>					<b>-</b>
At 31 December 2022	400,000	110,284	141,776	-	652,060

The summary financial information presented in this publication are extracts from the audited financial statements for the year ended 31 December 2023. The audited financial statements is available for inspection at the Bank's Head office at Plot No. 6,7 and 8 Liberation Road, Accra.

## NOTES TO THE SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

### 1.0 Basis of preparation

The summary financial statements are prepared in accordance with the requirements of the Guide for Financial Publication for Banks and Bank of Ghana Licensed Financial Institutions. The Guide requires the summary financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS Accounting Standards including the Hyperinflation Directive issued by the Institute of Chartered Accountants, Ghana (ICAG). The ICAG issued a directive in November 2023 to accountants in business and accountants in practice, together with an update during January 2024 in terms of which the ICAG concluded that based on its analysis and interpretation, IAS 29 will not be applicable for December 2023 financial reporting period since Ghana is not considered to be operating in a hyperinflationary economy. In this regard, the financial statements of the Bank, including the corresponding figures for the comparative period have not been stated in terms of the measuring unit current at the end of the reporting period.

The accounting policies applied in the preparation of the audited financial statements, from which the summary financial statements were derived, are in accordance with IFRS Accounting Standards including the Hyperinflation Directive issued by the ICAG and are consistent with the accounting policies applied in the preparation of the previous annual audited financial statements.

The annual audited financial statements were authorized for issue on 25th March 2024.

### 2.0 Quantitative Disclosures

	2023	2022
Capital Adequacy Ratio	52.68%	56.90%
Non-Performing Loans (NPL) Ratio	17.89%	24.94%
Liquid Ratio	105.74%	137.2%
Leverage ratio	17.01%	27.11%
Contingent liabilities (GHS'000)	254,860	41,347

Assumptions and estimation uncertainties that have the most significant risk of resulting in a material adjustment in the year ended 31 December 2023 relates to impairment of financial instruments. Net impairment allowance for the current year was GHS21 million as compared to the prior year of GHS 212 million.

### 3.0 Qualitative Disclosures

The Bank has exposure to the following risks from its use of financial instruments and from operations:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. Under this framework, the Board has established a number of board sub-committees and management committees which are responsible for managing and monitoring risks. These include Credit Committee of Management (MCC), Risk Management Department, Asset and Liability Management Committee (ALCO), which are responsible for developing and monitoring the Bank's risk management policies in their specified areas. All Board committees report regularly to the Board of Directors on their activities.

### 4.0 Defaults in statutory liquidity and accompanying sanctions

These sanctions were in relation to foreign currency transfer breaches.

	2023	2022
Default in Statutory Liquidity (Number)	Nil	Nil
Sanctions (GHS'000)	30	96.5



**Victor Yaw Asante**  
(Managing Director/CEO)



**Kofoworola Adedamola**  
(Chairman)

## REPORT OF THE DIRECTORS' TO THE MEMBERS OF FBNBANK GHANA LIMITED

### Directors' Responsibility Statement

The Bank's Directors are responsible for preparation of the summary financial statements comprising the summary statement of financial position at 31 December 2023 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. The Guide requires the summary financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS Accounting Standards including the Hyperinflation Directive issued by the Institute of Chartered Accountants, Ghana. The accounting policies applied in the preparation of the audited financial statements, from which the summary financial statements were derived, are in accordance with IFRS Accounting Standards including the Hyperinflation Directive issued by the Institute of Chartered Accountants, Ghana 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 keeps 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.

#### Going concern

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 operate as a universal bank under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

#### Holding Company

The Bank is a subsidiary of FirstBank of Nigeria Limited, a Bank incorporated in the Federal Republic of Nigeria

#### Dividend

The Directors do not recommend dividend for the year ended 31 December 2023 (2022: Nil).

### Directors

The names of the Directors who served during the year are provided in the full year financial statements. No director had any interest at any time during the year, in any contract of significance, other than executive directors who have a contract of employment with the Bank. No director had interest in the issued ordinary shares of the Bank.

### Capacity of Directors

The Bank goes through a rigorous process in ensuring only fit and proper persons are appointed to the Board after obtaining consent from Bank of Ghana. Relevant trainings are in place to enable the Directors discharge their duties.

### Interest in other Body Corporates

The Bank has no subsidiary entities during the year and at year end. The Bank has a non-controlling interest in FBNBank Guinea and FBNBank Senegal. The principal activity of these entities is banking.

### Auditor

In accordance with Section 81 of the Banks and Specialised-Deposit Taking Institutions Act, 2016 (Act 930) and Section 139 of the Companies Act, 2019 (Act 992), KPMG was appointed as external auditors in 2020 by the Bank and will continue in office.

### Certification Of Compliance With Bank Of Ghana Corporate Governance Directive 2018

In accordance with section 12 of the Corporate Governance Directive 2018 (CGD), the Board certifies that it has complied with the contents of the Corporate Governance Disclosures Directives issued by the Bank of Ghana in May 2022 and states that the Board has independently assessed and documented the corporate governance process of the Bank and has found it to be effective as having successfully achieved its objectives..

### Approval of the Report of the Directors

The report of directors of FBNBank Ghana Limited, were approved by the Board of Directors on 25th March 2024 and signed on their behalf by:



**Victor Yaw Asante**  
(Managing Director/CEO)



**Kofoworola Adedamola**  
(Chairman)

The financial information presented in this publication is an extract from the annual report for the year ended 31 December 2023. The annual report is available at the Head Office located at Plots No. 6, 7 and 9, Liberation Road, Accra.

## INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS

### To the Members of FBNBank Ghana Limited

#### Opinion

The summary financial statements, which comprise the summary statement of financial position at 31 December 2023, 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 FBNBank Ghana Limited for the year ended 31 December 2023.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, in accordance with Note 1.

#### Summary Financial Statements

The summary financial statements do not contain all the disclosures required by IFRS Accounting Standards including the Hyperinflation Directive issued by the Institute of Chartered Accountants, Ghana and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). Reading the 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 March 2024. 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 Note 1.

#### 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 Labaran Amidu (ICAG/P/1472).



For and on behalf of:  
KPMG: (ICAG/2024/038)  
CHARTERED ACCOUNTANTS  
13 YIYIWA DRIVE, ABELENKPE  
P O BOX GP 242  
ACCRA

27 March 2024



Bank at your  
convenience

...so easy, so simple

