



ZENITH BANK (GHANA) LIMITED

UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME			UNAUDITED STATEMENT OF CHANGES IN EQUITY					
	2020	2019		Stated Capital	Credit risk Reserve	Statutory Reserve	Retained Earnings	Total Equity
	GH¢'000	GH¢'000		GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Interest income	628,811	559,580	Balance at 1 January 2020	400,000	25,313	305,341	388,014	1,118,668
Interest expense	(192,410)	(215,438)	Profit for the period	-	-	-	304,184	304,184
Net interest income	436,401	344,142	Transfers for the period	-	13,137	76,046	(89,183)	-
Fee and commission income	65,083	60,502	Balance at 30 September 2020	400,000	38,450	381,387	603,015	1,422,852
Fee and commission expense	(6,794)	(5,643)	Balance at 1 January 2019	400,000	22,237	243,724	206,240	872,201
Net fee and commission income	58,289	54,859	Changes on initial application of IFRS 16:					
Net trading income	75,908	87,118	- Increase in depreciation	-	-	-	(163)	(163)
Net income - financial instruments carried at fair value	15,573	593	Restated balance at 1 January 2019	400,000	22,237	243,724	206,077	872,038
Other income	3,281	7,109	Profit for the period	-	-	-	224,200	224,200
Net trading and other income	94,762	94,820	Transfers for the period	-	8,187	28,025	(36,212)	-
Revenue	589,452	493,821	Balance at 30 September 2019	400,000	30,424	271,749	394,065	1,096,238
Impairment loss on financial assets	(4,947)	(10,312)	UNAUDITED STATEMENT OF CASH FLOWS					
Personnel expenses	(109,186)	(108,981)						
Depreciation and amortization	(15,923)	(15,255)						
Other expenses	(81,386)	(70,948)						
Profit before income tax	378,010	288,325						
Income tax expense	(73,826)	(64,125)						
Profit after tax attributable to equity holders of the Bank	304,184	224,200						
Other comprehensive income (net of income tax)	-	-						
Total comprehensive income attributable to equity holders of the Bank	304,184	224,200						
Earnings per share - Basic & Diluted	0.08	0.06						
UNAUDITED STATEMENT OF FINANCIAL POSITION								
	2020	2019						
	GH¢'000	GH¢'000						
Assets			Profit before tax				378,010	288,325
Cash and cash equivalents	1,157,266	976,596	<i>Adjustments for:</i>					
Non-pledged trading assets	94,395	271,890	Depreciation and amortization				15,923	15,255
Pledged trading assets	272,952	182,163	Net impairment loss on financial assets				4,947	10,312
Investment securities	4,187,111	3,392,574	Net interest income				(436,401)	(344,142)
Investments (other than securities)	107,094	341,939	(Profit) / loss on disposal of property, plant and equipment				(19)	124
Loans and advances to customers	835,916	728,988	Fair value changes recognised in profit or loss				(15,573)	(593)
Property, plant and equipment	250,964	231,544					(53,113)	(30,719)
Intangible assets	4,958	3,203	<i>Changes in:</i>					
Deferred tax assets	8,780	8,991	Investments (other than securities)				431,824	312,491
Other assets	105,882	47,434	Non-pledged trading assets				218,291	(159,819)
Total assets	7,025,318	6,185,322	Pledged trading assets				(75,113)	26,945
Liabilities			Investment securities				(1,018,191)	(921,933)
Borrowings	202,692	769,099	Loans and advances to customers				(187,666)	4,096
Deposits from customers	4,929,401	3,939,971	Other assets				(35,907)	(545)
Deposits from banks and non-bank financial institutions	64,607	36,249	Deposits from customers				536,953	532,429
Current tax payable	6,223	10,610	Deposits from banks and non-bank financial institutions				28,358	9,542
Other liabilities	391,760	327,632	Other liabilities				22,752	63,309
Deferred tax liabilities	7,783	5,523					(131,812)	(164,204)
Total liabilities	5,602,466	5,089,084	Interest received				628,811	559,580
Equity			Interest paid				(192,410)	(215,438)
Stated capital	400,000	400,000	Corporate taxes paid				(72,800)	(66,791)
Statutory reserve	381,387	271,749	Net cash flow generated from operating activities				231,789	113,147
Credit risk reserve	38,450	30,424	Cash flow from investing activities					
Retained earnings	603,015	394,065	Acquisition of property, plant and equipment				(12,816)	(9,084)
Total equity	1,422,852	1,096,238	Proceeds from disposal of property, plant and equipment				19	208
Total equity and liabilities	7,025,318	6,185,322	Acquisition of intangible assets				(2,434)	(1,550)
			Net cash flow used in investing activities				(15,231)	(10,426)
			Cash flow from financing activities					
			Net changes in borrowings				(499,127)	(213,802)
			Finance lease payments				(7,055)	-
			Net cash flow used in financing activities				(506,182)	(213,802)
			Net decrease in cash and cash equivalents				(289,624)	(111,081)
			Balance at 1 January				1,129,590	1,213,467
							839,966	1,102,386
			Effect of exchange rate fluctuations on cash and cash equivalents held				(3,706)	32,680
			Cash and cash equivalents at 30 September				836,260	1,135,066



ZENITH BANK (GHANA) LIMITED

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NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

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. 31 Independence Avenue, PMB CT 393, Accra. The Bank is a subsidiary of Zenith Bank Plc, a bank incorporated in the Federal Republic of Nigeria.

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).

Functional and presentation currency

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

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.

Basis of measurement

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

Items	Measurement Basis
<ul style="list-style-type: none"> Non-derivative financial instruments at fair value through profit or loss. Pledged trading assets Non-pledged trading assets 	Fair value

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, 2019. These policies have been consistently applied to all the years presented, unless otherwise stated.

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

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.

Quantitative Disclosures

Disclosures	2020	2019
Capital Adequacy Ratio (%)	37.41	29.15
Common Equity Tier 1 Ratio (%)	35.41	27.15
Leverage Ratio (%)	12.93	11.43
Non-performing loans to gross loans (%)	9.04	22.90
Loan loss provision (%)	4.09	11.49
Liquid Ratio (%)	150	161
Off-balance sheet exposures (GH¢' million)	946	994
Default in statutory liquidity (Number of times)	Nil	Nil
Sanctions for Default in statutory liquidity (GH¢' 000)	Nil	Nil
Other Regulatory Penalties (GH¢' 000)	Nil	Nil

Signed
Anthony Akindele Ogunranti
(Managing Director/CEO)

Signed
Freda Duplan
(Chairman)



PAYMENTS MADE EASY WITH ZENITH CORPORATE INTERNET BANKING (CIB)

- Authorize single and bulk payments to vendors
- Pay employees' salaries at a go
- Perform intra and interbank funds transfers

Now that's what we call service!

Sign up today...

FOR FURTHER ENQUIRIES, CONTACT

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