



ZENITH BANK (GHANA) LIMITED

UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

	2021	2020
	GH¢'000	GH¢'000
Interest income	693,763	628,811
Interest expense	(230,287)	(192,410)
Net interest income	463,476	436,401
Fee and commission income	71,511	65,083
Fee and commission expense	(10,450)	(6,794)
Net fee and commission income	61,061	58,289
Net trading income	(42,082)	75,908
Net income - financial instruments carried at fair value	16,611	15,573
Other income	10,038	3,281
Net trading and other income	(15,433)	94,762
Revenue	509,104	589,452
Impairment loss on financial assets	(11,000)	(4,947)
Personnel expenses	(94,012)	(109,186)
Depreciation and amortization	(15,720)	(15,923)
Other expenses	(87,791)	(81,386)
Profit before income tax	300,581	378,010
Income tax expense	(98,199)	(73,826)
Profit after tax attributable to equity holders of the Bank	202,382	304,184
Other comprehensive income (net of income tax)	-	-
Total comprehensive income attributable to equity holders of the Bank	202,382	304,184
Earnings per share - Basic & Diluted	0.05	0.08

UNAUDITED STATEMENT OF FINANCIAL POSITION

	2021	2020
	GH¢'000	GH¢'000
Assets		
Cash and bank balances	1,625,030	1,157,266
Non-pledged trading assets	113,213	94,395
Pledged trading assets	543,836	272,952
Investment securities	4,151,437	4,187,111
Investments (other than securities)	510,598	107,094
Loans and advances to customers	1,174,336	835,916
Property, plant and equipment	268,983	250,964
Intangible assets	6,581	4,958
Deferred tax assets	17,903	8,780
Other assets	141,149	105,882
Total assets	8,553,066	7,025,318
Liabilities		
Borrowings	179,233	202,692
Deposits from customers	5,987,967	4,929,401
Deposits from banks and non-bank financial institutions	48,413	64,607
Current tax payable	-	6,223
Other liabilities	791,680	391,760
Deferred tax liabilities	9,358	7,783
Total liabilities	7,016,651	5,602,466
Equity		
Stated capital	400,000	400,000
Statutory reserve	389,873	381,387
Credit risk reserve	33,022	38,450
Retained earnings	713,520	603,015
Total equity	1,536,415	1,422,852
Total equity and liabilities	8,553,066	7,025,318

UNAUDITED STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Credit risk Reserve	Statutory Reserve	Retained Earnings	Total Equity
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Balance at 1 January 2021	400,000	33,384	389,873	633,538	1,456,795
Profit for the period	-	-	-	202,382	202,382
Dividend paid	-	-	-	(122,762)	(122,762)
Transfers	-	(362)	-	362	-
Balance at 30 September 2021	400,000	33,022	389,873	713,520	1,536,415
Balance at 1 January 2020	400,000	25,313	305,341	388,014	1,118,668
Profit for the period	-	-	-	304,184	304,184
Transfers	-	13,137	76,046	(89,183)	-
Balance at 30 September 2020	400,000	38,450	381,387	603,015	1,422,852

UNAUDITED STATEMENT OF CASH FLOWS

	2021	2020
	GH¢'000	GH¢'000
Profit before tax	300,581	378,010
<i>Adjustments for:</i>		
Depreciation and amortization	15,720	15,923
Net impairment loss on financial assets	11,000	4,947
Net interest income	(463,476)	(436,401)
Loss /(Profit) on disposal of property, plant and equipment	25	(19)
Fair value changes recognised in profit or loss	16,611	(15,573)
	(119,540)	(53,113)
<i>Changes in:</i>		
Investments (other than securities)	(334,521)	431,824
Non-pledged trading assets	(15,116)	218,291
Pledged trading assets	(280,035)	(75,113)
Investment securities	674,336	(1,018,191)
Loans and advances to customers	(117,132)	(187,666)
Other assets	(8,290)	(35,907)
Deposits from customers	188,701	536,953
Deposits from banks and non-bank financial institutions	27,052	28,358
Other liabilities	364,133	22,752
	379,619	(131,812)
Interest received	693,763	628,811
Interest paid	(230,287)	(192,410)
Corporate taxes paid	(95,182)	(72,800)
Net cash flow from operating activities	747,913	231,789
Cash flow from investing activities		
Acquisition of property, plant and equipment	(10,115)	(12,816)
Proceeds from disposal of property, plant and equipment	284	19
Acquisition of intangible assets	(3,198)	(2,434)
Net cash flow used in investing activities	(13,029)	(15,231)
Cash flow from financing activities		
Net changes in borrowings	(109,846)	(499,127)
Dividend paid	(122,762)	-
Finance lease payments	(7,256)	(7,055)
Net cash flow used in financing activities	(239,864)	(506,182)
Net increase (decrease) in cash and cash equivalents	495,020	(289,624)
Balance at 1 January	1,096,820	1,129,590
	1,591,840	839,966
Effect of exchange rate fluctuations on cash and cash equivalents held	(4,269)	(3,706)
Cash and cash equivalents at 30 September	1,587,571	836,260



ZENITH BANK (GHANA) LIMITED

UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021

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. 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.

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
• Non-derivative financial instruments at fair value through profit or loss/ pledged and 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, 2020. 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.

Dividends

The Bank declared and paid dividend of GH¢ 122.7 million (Sept 2020:nil) for the year ended December 31, 2020.

Quantitative Disclosures

Disclosures	2021	2020
Capital Adequacy Ratio (%)	43.86	37.41
Common Equity Tier 1 Ratio (%)	41.86	35.41
Leverage Ratio (%)	12.80	12.93
Non-performing loans to gross loans (%)	7.58	9.04
Loan loss provision (%)	3.82	4.09
Liquid Ratio (%)	150	150
Off-balance sheet exposures (GH¢' million)	1,409	946
Default in statutory liquidity (Number of times)	Nil	Nil
Sanctions for Default in statutory liquidity (GH¢' 000)	Nil	Nil
Other Regulatory Penalties (GH¢' 000)	288	Nil

Signed
Anthony Akindele Ogunranti
(Managing Director/CEO)

Signed
Freda Duplan
(Chairman)

The Zenith Bank USSD code.

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...Eazy banking for Everyone

- OPEN AN INSTANT ACCOUNT
- LINK MOBILE MONEY WALLET TO ACCOUNT
- TOP UP AIRTIME
- EFFECT INTERBANK TRANSFERS
- CHECK ACCOUNT BALANCE
- PAY BILLS
- ...AND MORE



FOR FURTHER ENQUIRIES, CONTACT

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