



ZENITH BANK (GHANA) LTD

UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

	2023	2022
	GH¢'000	GH¢'000
Interest income	275,238	215,697
Interest expense	(85,427)	(52,551)
Net interest income	189,811	163,146
Fee and commission income	58,714	34,471
Fee and commission expense	(3,737)	(3,488)
Net fee and commission income	51,977	30,983
Net trading income	98,749	17,241
Net income - financial instruments carried at fair value	(55)	243
Other income	2,777	1,092
Net trading and other income	101,471	18,576
Operating Income	343,259	212,705
Impairment loss on financial assets	(2,020)	(7,191)
Personnel expenses	(48,320)	(42,363)
Depreciation and amortization	(7,516)	(6,311)
Other expenses	(68,093)	(36,347)
Profit before income tax	217,310	120,493
Income tax expense	-	(28,064)
Profit after tax attributable to equity holders of the Bank	217,310	92,429
Other comprehensive income (net of income tax)	-	-
Total comprehensive income attributable to equity holders of the bank	217,310	92,429
Earnings per share - Basic & Diluted	0.05	0.02

UNAUDITED STATEMENT OF CASH FLOWS

	2023	2022
	GH¢'000	GH¢'000
Profit before tax	217,310	120,493
Adjustments for:		
Depreciation and amortization	7,516	6,311
Net impairment loss on financial assets	2,020	7,191
Net interest income	(189,709)	(163,146)
Unrealised exchange difference on cash and banks	(165,625)	(60,555)
Fair value changes recognised in profit or loss	55	(243)
	(128,534)	(89,949)
Changes in:		
Investments (other than securities)	89,663	(313,856)
Non-pledged trading assets	15,018	54,902
Pledged trading assets	1,951	(44)
Investment securities	(182,712)	493,963
Mandatory cash reserve	(7,668)	(158,917)
Loans and advances to customers	509,861	(104,464)
Other assets	148,335	2,839
Deposits from customers	885,026	940,791
Deposits from banks and non-bank financial institutions	(676)	3,534
Other liabilities	146,671	50,341
	1,476,935	879,140
Interest received	235,288	215,697
Interest paid	(45,427)	(52,551)
Corporate taxes paid	-	(28,064)
Net cash flow generated from operating activities	1,666,796	1,014,222
Cash flow from investing activities		
Acquisition of property, plant and equipment	(3,204)	(2,723)
Acquisition of intangible assets	(177)	(1,735)
Net cash flow used in investing activities	(3,381)	(4,458)
Cash flow from financing activities		
Net changes in Borrowings	-	(154,536)
Finance Lease Payments	(2,475)	(721)
Net cash flow used in financing activities	(2,475)	(155,257)
Net increase in cash and cash equivalents	1,660,940	854,507
Balance at 1 January	2,286,213	1,162,515
	3,947,153	2,017,022
Effect of exchange rate fluctuations on cash and cash equivalents held	165,625	60,555
Cash and cash equivalents at 31 March	4,112,778	2,077,577

UNAUDITED STATEMENT OF FINANCIAL POSITION

	2023	2022
	GH¢'000	GH¢'000
Assets		
Cash and bank balances	2,855,462	2,439,147
Non-pledged trading assets	253	51,788
Pledged trading assets	-	485,081
Investment securities	5,402,609	4,305,427
Investments (other than securities)	311,036	380,798
Loans and advances to customers	1,344,330	1,603,364
Property, plant and equipment	312,982	263,874
Intangible assets	8,693	8,680
Current tax receivable	11,798	10,610
Deferred tax assets	325,018	25,281
Other assets	225,426	190,914
Total assets	10,797,607	9,764,964
Liabilities		
Deposits from customers	9,293,227	7,331,872
Deposits from banks and non-bank financial institutions	17,231	22,834
Other liabilities	271,383	751,322
Deferred tax liabilities	16,089	12,370
Total liabilities	9,597,930	8,118,398
Equity		
Stated capital	400,000	400,000
Statutory reserve	444,899	444,899
Credit risk reserve	9,704	26,346
Retained earnings	345,074	775,321
Total equity	1,199,677	1,646,566
Total equity and liabilities	10,797,607	9,764,964

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 2023	400,000	9,704	444,899	127,764	982,367
Profit for the period	-	-	-	217,310	217,310
Balance at 31 March 2023	400,000	9,704	444,899	345,074	1,199,677
Balance at 1 January 2022	400,000	19,439	444,899	689,799	1,554,137
Profit for the period	-	-	-	92,429	92,429
Transfer to credit risk reserve	-	6,907	-	(6,907)	-
Balance at 31 March 2022	400,000	26,346	444,899	775,321	1,646,566

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

1. Reporting entity

Zenith Bank (Ghana) Ltd (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 commenced universal banking operations in September 2005 and operates under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). 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) 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.

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	MARCH 2023	MARCH 2022
Capital Adequacy Ratio (%)	34.34	40.23
Common Equity Tier 1 Ratio (%)	31.34	38.22
Leverage Ratio (%)	11.70	12.80
Non-performing loans to gross loans (%)	5.05	4.72
Loan loss provision (%)	5.77	4.49
Liquid Ratio (%)	92	106
Off-balance sheet exposures (GH¢' million)	1,750	1,904
Default in statutory liquidity (Number of times)	Nil	Nil
Sanctions for Default in statutory liquidity (GH¢' 000)	Nil	Nil
Other Regulatory Penalties (GH¢' 000)	12	60

Freda Duplan
(Chairperson)

Henry Chinedu Onwuzurigbo
(Managing Director/CEO)

USE ZENITH E-PRODUCTS



USSD



Internet Banking



ZMobile



Bank2Wallet



Scan 2 Pay



Zenith Cards