

SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

SUMMARY STATEMENT OF COMPREHENSIVE INCOME

(All amounts are in thousands of Ghana cedis unless otherwise stated)

	2020	2019
Interest income	96,749	83,929
Interest expense	(77,364)	(83,917)
Net interest income	19,385	12
Fee and commission income	21,223	21,273
Fee and commission expense	(656)	(657)
Net fee and commission income	20,567	20,616
Net trading income	1,600	6,038
Other income	19,114	237
Operating income	60,666	26,903
Net impairment release/(charge)	16,500	(167,643)
Personnel expenses	(48,534)	(45,836)
Depreciation and amortisation expense	(18,454)	(21,272)
Other operating expenses	(60,742)	(55,319)
Loss before tax	(50,564)	(263,167)
Income tax expense	(1,086)	-
Loss after tax	(51,650)	(263,167)
Other comprehensive income	-	-
Total comprehensive income for the year	(51,650)	(263,167)
Earnings per share (pesewas) - Basic	(4.43)	(29.59)
Earnings per share (pesewas) - Diluted	(4.43)	(37.36)

SUMMARY STATEMENT OF FINANCIAL POSITION

(All amounts are in Ghana cedis unless otherwise stated)

	2020	2019
Assets		
Cash and balances with banks	256,111	197,557
Loans and advances to customers	314,210	274,115
Investments	613,618	189,168
Other assets	49,303	32,138
Current tax assets	5,737	4,783
Non-current asset held for sale	6,626	6,626
Right-of-use assets	78,111	98,864
Intangible assets	1,321	2,158
Property and equipment	61,978	65,816
Total assets	1,387,015	871,225
Liabilities		
Deposits from banks and other financial institutions	105,865	43,405
Deposits from customers	1,081,000	686,425
Other liabilities	12,921	59,026
Lease liabilities	82,310	95,800
Total liabilities	1,282,096	884,656
Equity		
Stated capital	479,948	349,948
Contribution towards capital	40,000	-
Statutory reserve	3,893	3,893
Credit risk reserve	120,494	187,947
Retained earnings - (deficit)	(539,416)	(555,219)
Total equity	104,919	(13,431)
Total liabilities and equity	1,387,015	871,225

SUMMARY STATEMENT OF CASH FLOWS

(All amounts are in Ghana cedis unless otherwise stated)

	2020	2019
Cash flows from operating activities		
Cash (used in)/generated from operations	(99,936)	4,170
Tax paid	(2,040)	-
Net cash (used in)/from operating activities	(101,976)	4,170
Cash flows from investing activities		
Cash acquired on business combination	-	177,493
Purchase of intangible assets	(704)	-
Purchase of property and equipment	(5,041)	(2,973)
Proceeds from disposal of property and equipment	200	259
Net cash (used in)/from investing activities	(5,545)	174,779
Cash flows from financing activities		
Finance lease payments	(3,805)	(12,127)
Proceeds from issue of ordinary share capital	120,000	-
Proceeds from issue of preference shares	10,000	-
Contribution towards capital	40,000	-
Net cash from/(used in) financing activities	166,195	(12,127)
Increase in cash and cash equivalents	58,674	166,822
Cash and cash equivalents at 1 January	197,646	30,824
Cash and cash equivalents at 31 December	256,320	197,646

SUMMARY STATEMENT OF CHANGES IN EQUITY

(All amounts are in Ghana cedis unless otherwise stated)

	Stated Capital	Contribution towards capital	Statutory Reserve	Credit Risk Reserve	Retain Earnings	Total
Year ended 31 December 2020						
At 1 January 2020	349,948	-	3,893	187,947.00	(555,219)	(13,431)
Loss for the Year	-	-	-	-	(51,650)	(51,650)
Other comprehensive income, net tax	-	-	-	-	-	-
Total comprehensive income					(51,650)	(51,650)
Proceeds from issue of shares	130,000	-	-	-	-	130,000
Contribution towards capital	-	40,000	-	-	-	40,000
Transactions with shareholders	130,000	40,000	-	-	-	170,000
Transfer to Regulatory Credit Risk Reserve	-	-	-	(67,453)	67,453	-
Regulatory Transfers				(67,453)	67,453	-
Transfer to Regulatory Credit Risk Reserve	-	-	-	-	-	-
AT 31 December 2020	479,948	40,000	3,893	120,494	(539,416)	104,919
Year ended 31 December 2019						
At 1 January 2019	155,352	-	3,893	-	(104,105)	55,140
Loss for the Year	-	-	-	-	(263,167)	(263,167)
Other comprehensive income, net tax	-	-	-	-	-	-
Total comprehensive income					(263,167)	(263,167)
Proceeds from issue of shares	194,596	-	-	-	-	194,596
Transactions with shareholders	194,596	-	-	-	-	194,596
Regulatory Transfers	-	-	-	187,947	(187,947)	-
Transfer to Regulatory Credit Risk Reserve				187,947	(187,947)	-
AT 31 December 2019	349,948	-	3,893	187,947	(555,219)	(13,431)


Simeon Patrick Kyei
Chairman
27 April 2021


Daniel Asiedu
Interim Managing Director
27 April 2021

REPORT OF THE DIRECTORS

The directors submit their report together with the summary financial statements of OmniBSIC Bank Ghana Limited (the "Bank") for the year ended 31 December 2020.

Statement of directors' responsibilities

The Bank's directors are responsible for the preparation of the financial statements that give a true and fair view of OmniBSIC Bank Ghana Limited's financial position at 31 December 2020, and of the profit or loss and cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit Taking Institutions Act, 2016 (Act 930).

The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

Going concern

The financial statements of the Bank have been prepared on a going concern basis notwithstanding the loss after tax of GH¢51.7 million for the year ended 31 December 2020. In addition, the Bank did not meet the minimum capital adequacy requirement established by the Bank of Ghana because it had a capital deficit of 12.6% at the end of the year. The directors have negotiated funding of GH¢442 million from the existing shareholders and received approval from Bank of Ghana in respect of the capitalisation plan.

Principal activities

The Bank's principal activities comprise corporate, investment and retail banking under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). There was no change in the nature of the Bank's business during the year.

Dividends

The directors do not recommend dividend for the year ended 31 December 2020.

Interest in other body corporates

The Bank had no subsidiaries or associate entities during the year or as at year end.

Corporate social responsibilities

The Bank did not undertake any corporate social responsibility activities during the year.

Auditor

The auditor, PricewaterhouseCoopers, will continue in office in accordance with Section 139 (5) of the Companies Act, 2019 (Act 992) and Section 81 of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements of the Bank were approved by the Board of Directors on 27 April 2021.

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

1. GENERAL INFORMATION

OmniBSIC Bank Ghana Limited is a limited liability company incorporated and domiciled in Ghana. The registered office is Atlantic Towers, Airport City, Accra. The Bank operates under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

2. BASIS OF PREPARATION

The Bank's financial statements have been prepared on a historical cost basis and 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).

The summary financial statements in this publication is an extract from the financial statements for the year ended 31 December 2020. The full set of the financial statements are available for inspection at the Bank's Head Office at Atlantic Towers, Airport City, Accra.

3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these summary financial statements are consistent with the accounting policies applied in the audited financial statements of the Bank for the year ended 31 December, 2020. These policies have been consistently applied to all the years presented, unless otherwise stated.

4. FUNCTIONAL AND PRESENTATION CURRENCY

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

5. BASIS OF MEASUREMENT

These summary financial statements have been prepared on a historical cost basis.

RISK MANAGEMENT

The Bank's activities expose the business to risks. These risks are managed professionally. The core functions of the Bank's risk management are to identify all key risks for the Bank, measure these risks, manage the risk positions and determine capital allocations. The risks arising from financial instruments to which the Bank is exposed are financial risks which include credit risk, liquidity risk, and market risk.

The Bank regularly reviews its risk management policies and systems to reflect changes in markets, products and best market practice. The Bank's aim is to achieve an appropriate balance between risk and return, and minimise potential adverse effects on the Bank's financial performance. The Bank defines risk as the possibility of losses or profits foregone, which may be caused by internal or external factors.

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework.

Key risk ratios for the Bank are summarised below:

	2020	2019
Capital adequacy ratio	-12.6%	-33.9%
Non-performing loans (NPL) ratio	73%	85%
Liquidity ratio	145%	56%

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF OMNIBSIC BANK GHANA LIMITED

OUR OPINION

In our opinion, the accompanying summary financial statements of OmniBSIC Bank Ghana Limited (the "Bank"), are consistent, in all material respects, with the audited financial statements of the Bank for the year ended 31 December 2020, on the basis described in the notes.

The Summary Financial Statements

The Bank's summary financial statements derived from the audited financial statements for the year ended 31 December 2020 comprise:

- the summary statement of financial position as at 31 December 2020;
- the summary statement of comprehensive income for the year then ended;
- the summary statement of changes in equity for the year then ended;
- the summary statement of cash flows for the year then ended; and
- the related notes to the summary financial statements.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards, the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The audited financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

THE AUDITED FINANCIAL STATEMENTS AND OUR REPORT THEREON

We expressed an unmodified audit opinion on the audited financial statements in our report dated 30 April 2021. 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 audited financial statements of the current period.

MATERIAL UNCERTAINTY RELATING TO THE GOING CONCERN

We draw attention to note 2.1.1 to the audited financial statements, which states that the Bank incurred a net loss of GH¢51.7 million for the year ended 31 December 2020. In addition, the Bank did not meet the minimum capital adequacy requirement established by the Bank of Ghana because it had a capital adequacy ratio of negative 12.6%. These factors indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Bank to continue as a going concern. Our opinion is not modified in respect of this matter.

DIRECTORS' RESPONSIBILITY FOR THE SUMMARY FINANCIAL STATEMENTS

The directors are responsible for the preparation of the summary financial statements on the basis described in the notes.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with the International Standard on Auditing 810 (Revised), 'Engagements to Report on Summary Financial Statements'.

The engagement partner on the audit resulting in this independent auditor's report is Michael Asiedu-Antwi (ICAG/P/1138).

PricewaterhouseCoopers (ICAG/F/2021/028)
Chartered Accountants
Accra, Ghana
30 April 2021

