



ZENITH BANK (GHANA) LIMITED

UNAUDITED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED JUNE 30, 2021

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

	2021	2020
	GH¢'000	GH¢'000
Interest income	453,143	413,156
Interest expense	(147,418)	(128,952)
Net interest income	305,725	284,204
Fee and commission income	46,749	42,544
Fee and commission expense	(6,714)	(4,297)
Net fee and commission income	40,035	38,247
Net trading income	(9,503)	86,421
Net income - financial instruments carried at fair value	16,345	18,710
Other income	1,966	2,222
Net trading and other income	8,808	107,353
Revenue	354,567	429,804
Impairment loss on financial assets	(10,000)	(37,547)
Personnel expenses	(62,822)	(72,882)
Depreciation and amortization	(9,981)	(11,072)
Other expenses	(58,777)	(86,822)
Profit before income tax	212,987	221,481
Income tax expense	(76,426)	(52,592)
Profit after tax attributable to equity holders of the Bank	136,561	168,889
Other comprehensive income (net of income tax)	-	-
Total comprehensive income attributable to equity holders of the bank	136,561	168,889
Earnings per share - Basic & Diluted	0.03	0.04

UNAUDITED STATEMENT OF FINANCIAL POSITION

	2021	2020
	GH¢'000	GH¢'000
Assets		
Cash and bank balances	1,317,926	1,047,874
Non-pledged trading assets	145,051	111,086
Pledged trading assets	392,962	273,193
Investment securities	4,540,844	3,991,238
Investments (other than securities)	116,505	211,092
Loans and advances to customers	1,103,568	669,327
Current tax receivable	-	77
Property, plant and equipment	259,433	248,788
Intangible assets	6,311	3,773
Deferred tax assets	17,903	8,780
Other assets	163,708	79,519
Total assets	8,064,211	6,644,747
Liabilities		
Borrowings	261,344	199,430
Deposits from customers	5,665,076	4,693,086
Deposits from banks and non-bank financial institutions	38,420	73,228
Current tax payable	11,500	-
Other liabilities	607,919	383,663
Deferred tax liabilities	9,358	7,783
Total liabilities	6,593,617	5,357,190
Equity		
Stated capital	400,000	400,000
Statutory reserve	389,873	305,341
Credit risk reserve	37,965	25,313
Retained earnings	642,756	556,903
Total equity	1,470,594	1,287,557
Total equity and liabilities	8,064,211	6,644,747

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	-	-	-	136,561	136,561
Dividend paid	-	-	-	(122,762)	(122,762)
Transfers	-	4,581	-	(4,581)	-
Balance at 30 June 2021	400,000	37,965	389,873	642,756	1,470,594
Balance at 1 January 2020	400,000	25,313	305,341	388,014	1,118,668
Profit for the period	-	-	-	168,889	168,889
Balance at 30 June 2020	400,000	25,313	305,341	556,903	1,287,557

UNAUDITED STATEMENT OF CASH FLOWS

	2021	2020
	GH¢'000	GH¢'000
Profit before tax	212,987	221,481
<i>Adjustments for:</i>		
Depreciation and amortization	9,981	11,072
Net impairment on financial assets	10,000	37,547
Net interest income	(305,725)	(284,204)
Loss on disposal of property, plant and equipment	80	-
Fair value changes recognised in profit or loss	(16,345)	(18,710)
	(89,022)	(32,814)
<i>Changes in:</i>		
Investments (other than securities)	59,572	327,826
Non-pledged trading assets	(46,954)	201,600
Pledged trading assets	(129,161)	(75,354)
Investment securities	473,623	(653,956)
Loans and advances to customers	(56,364)	(21,077)
Other assets	326	(9,544)
Deposits from customers	(134,190)	236,030
Deposits from banks and non-bank financial institutions	17,059	36,979
Other liabilities	149,198	14,655
	244,087	24,345
Interest received	453,143	413,156
Interest paid	(147,418)	(128,952)
Corporate taxes paid	(61,909)	(26,600)
Net cash flow from operating activities	487,903	281,949
Cash flow from investing activities		
Acquisition of property, plant and equipment	(6010)	(6,472)
Proceeds from disposal of property, plant and equipment	177	-
Acquisition of intangible assets	(1,996)	(562)
Net cash flow used in investing activities	(7,829)	(7,034)
Cash flow from financing activities		
Net changes in borrowings	(27,735)	(502,388)
Dividend paid	(122,762)	-
Finance lease payments	(4,692)	(4,402)
Net cash flow used in financing activities	(155,189)	(506,790)
Net Increase/(decrease) in cash and cash equivalents	324,882	(231,875)
Balance at 1 January	1,096,820	1,129,590
	1,421,705	897,715
Effect of exchange rate fluctuations on cash and cash equivalents held	(5,710)	(5,193)
Cash and cash equivalents at 30 June	1,415,995	892,522



ZENITH BANK
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UNAUDITED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED JUNE 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 (June 2020:nil) for the year ended December 31, 2020.

Quantitative Disclosures

Disclosures	June 2021	June 2020
Capital Adequacy Ratio (%)	50.95	36.94
Common Equity Tier 1 Ratio (%)	48.95	34.94
Leverage Ratio (%)	14.90	13.58
Non-performing loans to gross loans (%)	6.88	9.24
Loan loss provision (%)	3.80	9.51
Liquid Ratio (%)	135	125
Off-balance sheet exposures (GH¢' million)	1,302	920
Default in statutory liquidity (Number of times)	Nil	Nil
Sanctions for Default in statutory liquidity (GH¢' 000)	Nil	Nil
Other Regulatory Penalties (GH¢' 000)	168	Nil

Signed
Anthony A. Ogunranti
(Managing Director/CEO)

Signed
Freda Duplan
(Chairperson)

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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