

SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 GH¢	2019 GH¢
Interest income	231,613,938	192,073,636
Interest expense	(51,084,486)	(46,026,821)
Net interest income	180,529,452	146,046,815
Fees and commission income	25,380,246	25,640,817
Fees and commission expenses	(3,832,801)	(3,392,504)
Net fee and commission income	21,547,445	22,248,313
Net trading income	40,515,612	43,637,077
Other operating income	2,719,953	5,155,840
	43,235,565	48,792,917
Operating income	245,312,462	217,088,045
Net impairment loss on financial instruments	(35,750,839)	(20,358,071)
Personnel expenses	(49,454,768)	(47,396,041)
Depreciation and amortisation	(16,167,789)	(10,112,258)
Other expenses	(47,252,770)	(49,521,013)
Profit before income tax	96,686,296	89,700,662
National fiscal stabilisation levy	(4,834,318)	(4,485,045)
Income tax expense	(26,036,595)	(20,519,166)
Profit for the year	65,815,383	64,696,451
Other comprehensive income, net of income tax	(1,032,285)	1,485,260
Changes in fair value of investments measured at fair value through other comprehensive income (FVOCI) (net of tax)		
Total comprehensive income for the year	64,783,098	66,181,711

SUMMARY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	2020 GH¢	2019 GH¢
Assets		
Cash and cash equivalents	357,531,967	435,487,326
Loans and advances to customers	751,878,958	725,543,689
Investment securities	783,944,695	734,891,613
Deferred income tax assets	4,553,435	-
Current income tax assets	-	4,243,221
Intangible assets	6,048,263	4,020,987
Other assets	77,921,534	30,214,277
Right of use asset	19,242,694	23,712,896
Property and equipment	58,536,972	58,917,180
Non-current assets held for sale	-	30,744,333
Total assets	2,059,658,518	2,047,775,522
Liabilities		
Deposits from customers	1,204,062,141	1,083,816,478
Deposits from banks	-	35,014,636
Current income tax liabilities	679,497	-
Borrowings	169,285,258	299,800,167
Lease liabilities	15,446,290	19,196,230
Deferred tax liabilities	-	1,313,556
Other liabilities	23,593,799	12,967,889
Total liabilities	1,413,066,985	1,452,108,956
Equity		
Stated capital	422,288,538	422,288,538
Retained earnings	17,790,520	13,858,131
Other reserves	449,966	1,482,251
Regulatory credit risk reserve	67,583,044	52,465,750
Statutory reserve	138,479,465	105,571,896
Total equity	646,591,533	595,666,566
Total liabilities and equity	2,059,658,518	2,047,775,522

The financial statements of the bank were approved by the board of directors on 29 March 2021 and signed on its behalf by:



Ely Ohene-Adu
Independent Director



Kobby Andah
Managing Director

SUMMARY STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2020

	Stated capital	Retained earnings	Regulatory Credit Risk Reserve	Statutory reserve	Other reserves	Total equity
Year ended 31 December 2020:						
Balance at 1 January 2020	422,288,538	13,858,131	52,465,750	105,571,896	1,482,251	595,666,566
Profit for the year	-	65,815,383	-	-	-	65,815,383
Other comprehensive income	-	-	-	-	(1,032,285)	(1,032,285)
Total comprehensive income	-	65,815,383	-	-	(1,032,285)	(64,783,098)
Regulatory and other reserve transfers						
Transfer to credit risk reserve	-	(15,117,294)	15,117,294	-	-	-
Transfer to statutory reserve	-	(32,907,569)	-	32,907,569	-	-
Transactions with owners:						
Dividends paid	-	(13,858,131)	-	-	-	(13,858,131)
Net regulatory and other transfers and transactions with owners:	-	(61,882,994)	15,117,294	32,907,569	-	(13,858,131)
Balance at 31 December 2020	422,288,538	17,790,520	67,583,044	138,479,465	449,966	646,591,533

SUMMARY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 GH¢	2019 GH¢
Cash flows from operating activities		
Profit before income tax	96,686,296	89,700,662
Adjustments for:		
Depreciation and amortisation	16,167,789	10,112,258
Net impairment loss on financial instruments	35,750,839	20,358,071
Finance cost on lease liabilities	621,836	728,223
Exchange loss on lease liabilities	695,413	2,220,651
Exchange loss on short-term borrowings	16,728,093	25,175,170
Interest expense on short-term borrowings	9,354,494	7,444,415
Interest income on investment securities	(20,193,285)	(18,614,852)
Foreign exchange gains on investment securities	(3,499,748)	(14,274,000)
Gains on disposal of property and equipment	(42,512)	(77,136)
Operating cash flows before changes in working capital	152,269,215	122,773,462
Changes in non-pledged trading assets	-	158,413,375
Changes in loans and advances to customers	(43,506,892)	(201,931,078)
Changes in other assets	(4,555,926)	1,743,987
Changes in mandatory reserve cash with Bank of Ghana	(6,067,765)	(24,403,614)
Changes in deposits from customers	119,983,633	306,761,497
Changes in deposits from banks and other financial institutions	(35,014,636)	35,014,636
Changes in other liabilities	8,007,338	(2,600,699)
Cash flows from operations	191,114,967	395,771,566
National fiscal stabilisation levy paid	(3,820,304)	(4,815,776)
Income tax paid	(27,650,788)	(19,099,652)
Net cash flows from operating activities	159,643,875	371,856,138
Cash flows from investing activities		
Purchase of investment securities	(754,403,107)	(794,622,704)
Proceeds from sale of investment securities	704,452,583	89,955,895
Purchase of property and equipment	(4,167,247)	(12,885,075)
Proceeds from sale of property and equipment	42,512	77,136
Purchase of intangible assets	(186,688)	(901,182)
Net cash flows used in from investing activities	(54,261,947)	(718,375,930)
Cash flows from financing activities		
Proceeds from issue of share capital	-	282,767,710
Payment for finance leases	(6,660,195)	(5,698,419)
Proceeds from short-term borrowings	1,067,217,214	1,388,031,966
Repayment of short-term borrowings	(1,223,814,710)	(1,328,078,339)
Dividends paid	(13,858,131)	-
Net cash flows (used in)/ from financing activities	(177,115,822)	337,022,918
Net decrease in cash and cash equivalents	(71,733,894)	(9,496,874)
Cash and cash equivalents at 1 January	327,315,091	336,862,441
Exchange difference on cash and cash equivalents	(153,700)	(50,476)
Cash and cash equivalents at 31 December	255,427,497	327,315,091

REPORT OF THE DIRECTORS TO THE MEMBERS OF BANK OF AFRICA GHANA LIMITED

The Directors have the pleasure of presenting their report and the summary financial statements for the year ended 31 December 2020.

Statement of directors' responsibilities

The Bank's Directors are responsible under the Companies Act, 2019 (Act 992) and Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) for the preparation of the financial statements for each financial year, which gives a true and fair view of the state of affairs of the Bank and of the profit or loss and cash flows for that year. In preparing these financial statements, the Directors have selected suitable accounting policies and applied them consistently, made judgements and estimates that are reasonable and prudent; stated whether applicable accounting standards have been followed, disclosed and explained in the financial statements; prepared the financial statements on a going concern basis unless it is inappropriate to presume that the Bank will continue in business and that the financial statements are prepared in accordance with International Financial Reporting Standards.

The Directors are responsible for ensuring that the Bank keeps proper accounting records that disclose with reasonable accuracy at any time, the financial position of the Bank. The Directors are also responsible for safeguarding the assets of the Bank and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activities

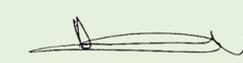
The principal activities carried out by the Bank during the year under review are within the limits permitted by its regulations which continued to be banking and finance. These represent no change from the activities carried out in the previous year.

Approval of Financial Statements

The financial statements of the Bank were approved by the Board of Directors on 29 March 2021 and signed on its behalf by:



Ely Ohene-Adu
Independent Director



Kobby Andah
Managing Director

NOTES TO THE FINANCIAL STATEMENTS

1.0 Reporting entity

Bank of Africa Ghana Limited (the "Bank") is a financial institution engaged in universal banking. The Bank is a limited liability company incorporated and domiciled in Ghana. The registered office of the Bank is at The Octagon, First Floor, Block A & B, Independence Avenue. The Bank operates under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

The Bank is a subsidiary of the Bank of Africa (BOA) Group. Its majority shareholder is Bank of Africa (BOA) West Africa SA, a holding company incorporated in Cote d'Ivoire. Its ultimate parent is Banque Marocaine du Commerce Extérieur (BMCE), a company incorporated in Morocco.

2.0 Summary of Significant Accounting Policies

The significant accounting policies adopted by the Bank in the preparation of these summary financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.1 Basis of Preparation

2.1.1 Statement of Compliance

The Bank's financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) and in a manner required by the Companies Act, 2019 (Act 992), and the Banks and Specialised Deposit Taking Institutions Act, 2016 (Act 930).

2.1.2 Basis of Measurement

The summary financial statements have been prepared under the historic cost convention except for the following:

- Financial instruments at fair value through profit or loss measured at fair value;
 - Trading assets are measured at fair value; and
 - Financial assets measured at fair value through other comprehensive income are measured at fair value
- The financial statements are presented in Ghana Cedis, which is the Bank's functional and presentation currency.

2.1.3 Use of estimates and judgements

The preparation of the Bank's financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Directors to exercise judgements in the process of applying the Bank's accounting policies.

2.1.4 Going concern

These financial statements have been prepared on the basis that the Bank will continue to operate as a going concern.

3.0 Risk Management Disclosures

Taking risk is core in the business of Banking. In the performance of its statutory duties, the Bank analyses, evaluates and assumes positions of taking calculated risks. The Bank's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on its financial performance. The most significant risks faced by the Bank include but are not limited to:

- Credit Risk
- Liquidity Risk
- Market Risk (Risks related to currency trading, interest rate, etc.)
- Operational Risk
- Compliance Risk

3.1 Risk Management Framework

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Board has established a Risk and Compliance Committee for the management of risk in the Bank. The arm of the committee within management is the Risk Management Department which assists it in the discharge of this responsibility. The Bank's risk management policies are established to identify and analyse the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered.

SUMMARY STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2020

	Stated capital	Retained earnings	Regulatory Credit risk reserve	Statutory reserve	Other reserves	Total equity
Year ended 31 December 2019:						
Balance at 1 January 2019	100,960,828	(15,827,175)	49,802,830	73,223,671	(3,009)	208,157,145
Profit for the year	-	64,696,451	-	-	-	64,696,451
Other comprehensive income	-	-	-	-	1,485,260	1,485,260
Total comprehensive income	-	64,696,451	-	-	1,485,260	66,181,711
Regulatory and other reserve transfers						
Transfer to credit reserve	-	(2,662,920)	2,662,920	-	-	-
Transfer to statutory reserve	-	(32,348,225)	-	32,348,225	-	-
Transactions with owners:						
Proceeds from ordinary shares issued	321,327,710	-	-	-	-	321,327,710
Net regulatory and other transfers and transactions with owners:	321,327,710	(35,011,145)	2,662,920	32,348,225	-	321,327,710
Balance at 31 December 2019	422,288,538	13,858,131	52,465,750	105,571,896	1,482,251	595,666,566

Through the compliance department, the Bank ensures it complies with all prudential and regulatory guidelines in the pursuit of profitable Banking opportunities while avoiding excessive, unnecessary and uncontrollable risk exposures. Being an inherent feature in the business of the Bank, various mitigating measures are put in place to better manage risk.

All risk management policies are formulated at the board level through the Board Risk and Compliance Committee. The Bank, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Risk and Compliance Committee is responsible among other things for authorising the scope of the risk management function, renewing and assessing the integrity of the risk control systems, as well as ensuring that the risk policies and strategies are effectively managed.

3.2 Quantitative and Qualitative Disclosures

	2020	2019
Capital Adequacy Ratio per Capital Requirement Directive (CRD)	46.38%	40.66%
Non-Performing Loan Ratio	15.54%	11.92%
Liquid Ratio	115.96%	191.68%
Common Equity Tier 1	46.34%	40.55%
Leverage Ratio	23.78%	23.80%

Compliance with Statutory requirement

	2020	2019
Default in Statutory Liquidity	Nil	Nil
Default in Statutory Liquidity Sanction (GHS'000)	Nil	Nil
Other Regulatory Penalties (GHS'000)	30	18

3.3 Corporate social responsibility

The Bank spent GH¢620,637 on corporate social responsibilities during the year. These were mainly in the form of donations to support the fight against Covid-19.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BANK OF AFRICA GHANA LIMITED

Opinion

In our opinion, the accompanying summary financial statements of Bank of Africa 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 profit or loss and other 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 and 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 March 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.

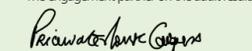
Directors' responsibility for the summary financial statements

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 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 (ICAGP/1138).



PricewaterhouseCoopers
(ICAGP/2021/028)
Chartered Accountants
Accra, Ghana
30th March 2021