

UNAUDITED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2022

UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 30 JUNE 2022

	June 2022 GHS	June 2021 GHS
Interest income	50,675,858	37,555,578
Interest expense	(13,243,396)	(9,828,427)
Net interest income	37,432,462	27,727,150
Fees and commissions income	5,132,508	4,048,675
Other operating income	40,831	7,234
Operating Income	42,605,801	31,783,060
Impairment charges	(3,294,635)	(2,131,479)
Personnel Expenses	(15,440,414)	(12,920,918)
Depreciation of Property and Equipment	(1,394,095)	(1,252,227)
Depreciation of right-of-use assets	(1,260,988)	(1,175,732)
Amortisation of intangible Assets	(55,080)	(63,282)
Other operating expenses	(16,201,195)	(11,030,624)
	(34,351,772)	(26,442,783)
Profit before income tax	4,959,393	3,208,797
National Stabilisation Levy	(247,970)	(160,440)
Income tax expense	(1,239,848)	(802,199)
Profit for the year	3,471,575	2,246,158
Other comprehensive income	-	-
Total comprehensive income	3,471,575	2,246,158

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	June 2022 GHS	June 2021 GHS
Assets		
Cash and bank balances	3,760,142	5,749,380
Due from banks	11,910,688	5,746,769
Government securities	21,152,011	8,865,755
Loans and advances to customers	166,338,593	137,392,349
Other assets	6,508,579	6,642,132
Property and equipment	19,856,511	6,712,388
Right-of-use assets	8,434,218	8,376,969
Intangible assets	13,032,468	379,172
Deferred tax asset	4,328,499	3,386,621
Total assets	255,321,707	183,251,535
Equity and liabilities		
Liabilities		
Customer deposits	103,359,401	81,682,393
Borrowings	85,767,105	55,473,770
Lease Liabilities	6,628,246	6,235,385
Corporate tax payable	15,219	1,130,358
Other liabilities	9,280,759	6,622,529
Total liabilities	205,050,731	151,144,435
Shareholders' equity		
Stated capital	27,291,374	17,291,374
Statutory Reserve	16,105,663	12,023,724
Income Surplus	6,873,939	2,792,002
Total shareholders' equity	50,270,977	32,107,100
Total equity and liabilities	255,321,707	183,251,535


Director


Director

UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30 JUNE 2022

Period ended 30 June 2022	Stated Capital	Deposit for Shares	Income Surplus	Statutory Reserve	Total
At 1 January 2022	17,291,374	10,000,000.00	5,138,151	14,369,876	46,799,401
Deposit made for shares	10,000,000	(10,000,000.00)	-	-	-
Profit for the period	-	-	3,471,575	-	3,471,575
Transfer to statutory Reserve	-	-	(1,735,788)	1,735,788	-
At 30 June 2022	27,291,374	-	6,873,939	16,105,663	50,270,977
Period ended 30 June 2021	Stated Capital	Deposit for Shares	Income Surplus	Statutory Reserve	Total
At 1 January 2021	17,291,374	-	1,668,923	10,900,645	29,860,943
Deposit made for shares	-	-	-	-	-
Profit for the period	-	-	2,246,158	-	2,246,158
Transfer to statutory Reserve	-	-	(1,123,079)	1,123,079	-
At 30 June 2021	17,291,374	-	2,792,002	12,023,724	32,107,100

UNAUDITED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 30 JUNE 2022

	June 2022 GHS	June 2021 GHS
Cash flows from operating activities		
Profit before taxation	4,959,393	3,208,797
Adjustments for:		
Depreciation	1,394,095	1,252,227
Amortization	55,080	63,282
Loss/(Profit) on the sale of property, plant & equipment	(32,858)	(1,100)
Working capital changes:		
Change in loans & advances	10,103,777	(18,476,371)
Change in other assets	(3,088,345)	1,265,500
Change customer deposits	5,767,435	18,696,625
Change in other liabilities	(755,571)	2,641,238
Cash generated from operations	18,403,007	8,650,198
Income taxes paid	(2,808,456)	(381,600)
Net cash (used in)/generated from operating activities	15,594,552	8,268,598
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,335,043)	(1,095,312)
Additions to Intangible assets	(5,730,918)	(183,499)
Proceeds from sale of property, plant and equipment	37,020	1,100
Net cash used in investing activities	(8,028,941)	(1,277,712)
Cash flows from financing activities		
Net change in borrowings	15,665,657	(5,564,859)
Net change in lease liabilities	144,066	(13,121)
Net cash generated from / (used in) financing activities	15,809,723	(5,577,980)
Net change in cash and cash equivalents	23,375,333	1,412,906
Cash and cash equivalents at 1 January	13,447,507	18,948,999
Cash and cash equivalents at end of period	36,822,840	20,361,905

Analysis of cash and cash equivalents:

Cash & bank balances	3,760,142	5,749,380
Due from banks	11,910,688	5,746,769
Government securities	21,152,011	8,865,755
	36,822,840	20,361,905

1. Reporting Entity

Advans Ghana Savings and Loans Limited was incorporated on 20 November 2007 as a Limited Liability Company under the Companies Act 1963, (Act 179), now replaced by the Companies Act 2019 (Act 992). The company is a subsidiary of Advans SA SICAR, a company incorporated in Luxembourg, which holds 86.57% of the issued ordinary shares of the company.

2. Basis of Preparation

The Company's 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 Specialized Deposit-Taking Institutions Act, 2016 (Act 930).

The financial statements have been prepared on a historical cost basis, as modified by the revaluation of certain financial assets and liabilities.

3. Use of Judgement and Estimates

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously. Income and expenses are not offset in the statement of profit or loss and other comprehensive income unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Company.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise judgement in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed.

4. Risk Management

As a financial institution, risk is at the core of our operations. To manage it, we have designed a risk management framework that aims to comprehensively cover the following risks: Credit Risk, Liquidity Risk, Operational Risk, and Market Risk.

- ✓ Credit Risk is managed by using internal credit ratings for all credits, and a strong credit appraisal and control regime adopted by the Advans Group.
- ✓ The assets and Liabilities Committee (ALCO) under delegated authority from the Board of Director's sets and Monitor Liquidity Risk and Market Risk standards in accordance with regulatory and Group requirements. Over the period, no default has been recorded in the maintenance of statutory liquidity.

5. Regulatory Disclosures

	June 2022	June 2021
Non-Performing Loans Ratio	7.98%	4.05%
Capital Adequacy Ratio	15.60%	12.52%
Default in Statutory Liquidity	Nil	Nil
Statutory Sanctions	Nil	Nil