

SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Summary statement of profit or loss and other comprehensive income for the year ended 31 December 2024

	Dec-24	Dec-23
	GHS	GHS
Interest income calculated using effective interest method	206,536,151	153,553,843
Interest expense calculated using effective interest method	(44,406,770)	(45,032,782)
Net interest income	162,129,381	108,521,061
Fees and commissions income	2,562,382	2,682,023
Other operating income	1,082,723	307,007
Operating Income	165,774,486	111,510,091
Impairment charges on financial assets	(12,325,658)	(7,034,702)
Personnel Expenses	(51,382,380)	(37,616,093)
Depreciation of property and equipment	(3,290,022)	(3,104,576)
Depreciation of right-of-use assets	(3,993,769)	(3,796,453)
Amortisation of intangible assets	(3,073,552)	(3,008,626)
Other operating expenses	(64,491,584)	(54,640,520)
Total operating expenses	(126,231,307)	(102,166,268)
Profit before income tax	27,217,521	2,309,121
Income tax expense	(8,448,589)	(1,557,597)
Profit for the year	18,768,932	751,524
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss:		
Revaluation gains on landed property - net of tax	15,823,039	-
	34,591,971	751,524
Basic earnings per share	130.74	2.84
Diluted earnings per share	130.74	2.84

Summary statement of financial position as at 31 December 2024

	Dec-24	Dec-23
	GHS	GHS
Assets		
Cash and bank balances	44,948,318	7,455,522
Due from banks	10,131,566	10,893,769
Government securities	7,969,024	6,274,216
Loans and advances to customers	386,878,937	268,288,298
Other assets	15,227,396	15,481,458
Property and equipment	50,138,379	28,359,599
Right-of-use assets	7,484,580	8,867,617
Intangible assets	23,540,772	26,598,499
Corporate tax asset	-	1,835,342
Total assets	546,318,972	374,054,320
Equity and liabilities		
Liabilities		
Customer deposits	282,515,005	219,451,130
Borrowings	118,135,360	60,422,213
Lease liabilities	6,507,914	7,554,812
Corporate tax payable	1,577,055	-
Deferred tax liability	6,058,027	779,619
Other liabilities	41,291,021	30,203,927
Total liabilities	456,084,382	318,411,701
Shareholders' equity		
Stated capital	27,291,374	27,291,374
Statutory Reserve	20,443,886	15,751,653
Revaluation Reserve	21,902,703	6,079,664
Retained earnings	20,596,627	6,519,928
Total shareholders' equity	90,234,590	55,642,619
Total equity and liabilities	546,318,972	374,054,320

Summary statement of changes in equity for the year ended 31 December 2024

Year ended 31 December 2024	Stated Capital	Revaluation Reserve	Retained earnings	Statutory Reserve	Total
At 1 January 2024	27,291,374	6,079,664	6,519,928	15,751,653	55,642,619
Profit for the period	-	-	18,768,932	-	18,768,932
Revaluation Gains	-	15,823,039	-	-	15,823,039
Transfer to statutory Reserve	-	-	(4,692,233)	4,692,233	-
At 31 December 2024	27,291,374	21,902,703	20,596,627	20,443,886	90,234,590

Year ended 31 December 2023	Stated Capital	Revaluation Reserve	Retained earnings	Statutory Reserve	Total
At 1 January 2023	27,291,374	6,079,664	6,144,167	15,375,890	54,871,095
Profit for the period	-	-	751,524	-	751,524
Transfer to statutory Reserve	-	-	(375,763)	375,763	-
At 31 December 2023	27,291,374	6,079,664	6,519,928	15,751,653	55,642,619

Summary statement of cashflow for the year ended 31 December 2024

	Dec-24	Dec-23
	GHS	GHS
Cash flows from operating activities		
Profit before taxation	27,217,521	2,309,122
Adjustments for:		
Depreciation of Property and Equipment	3,290,022	3,104,576
Depreciation of right-of-use assets	3,993,769	3,796,453
Amortization of intangible assets	3,073,552	3,008,626
Net impairment loss on financial assets	12,325,658	7,034,702
Unrealized exchange difference on borrowings	-	312,813
Unrealized exchange differences on lease liabilities	1,077,784	1,779,087
Fair value changes recognized in profit or loss	-	674,539
Net interest income	(162,129,381)	(108,521,060)
Profit on the sale of property & equipment	(415,728)	(129,946)
Other non-cash items included in profit or loss	6,081,756	6,535,738
Changes in:		
Change in loans & advances	(118,590,639)	(51,107,349)
Change in other assets	254,062	(11,078,725)
Change customer deposits	63,063,875	76,293,644
Change in other liabilities	11,087,097	(620,203)
Cash generated from operations	(149,670,652)	(66,607,983)
Interest received	185,766,068	139,581,966
Interest paid	(39,812,031)	(43,314,400)
Income taxes paid	(5,032,130)	(743,498)
Net cash flows (used in)/generated from operating activities	(8,748,745)	28,916,085
Cash flows from investing activities		
Purchase of property and equipment	(3,978,618)	(3,291,725)
Lease prepayments	(2,510,038)	(4,559,885)
Additions to Intangible assets	(54,454)	(418,779)
Proceeds from sale property and equipment	422,929	138,951
Net cash flows used in investing activities	(6,120,181)	(8,131,438)
Cash flows from financing activities		
Repayment on borrowings	(41,130,605)	(30,234,451)
Drawdown on borrowings	97,822,563	15,620,644
Lease liability payments	(2,808,982)	(2,263,253)
Net cash flows from/(used in) financing activities	53,882,976	(16,877,060)
Net change in cash and cash equivalents	39,014,050	3,907,587
Net foreign exchange difference	(588,649)	(6,315)
Cash and cash equivalents at 1 January	24,623,507	20,722,235
Cash and cash equivalents at end of period	63,048,908	24,623,507
Analysis of cash and cash equivalents:		
Cash & bank balances	44,948,318	7,455,522
Due from banks	10,131,566	10,893,769
Government securities	7,969,024	6,274,216
	63,048,908	24,623,507

Summary notes to the financial statements for the year ended 31 December 2024

1. Reporting Entity

The Company is incorporated in Ghana under the Companies Act, 2019 (Act 992) as a limited liability company and is domiciled in Ghana. The Company's principal activity is to transact business as a savings and loans company.

2. Basis of Preparation

The Company's financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board including the IAS 29 Hyperinflation Directive issued by the Institute of Chartered Accountants Ghana and in the manner required by the Companies Act, 2019 (Act 992) and Banks and Specialised 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.

SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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 recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously. Income and expenses are not offset in the income statement 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 Accounting Standards 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 monitors Liquidity Risk and Market Risk standards in accordance with regulatory and the Advans Group requirements. Over the period, no default has been recorded in the maintenance of statutory liquidity.

5. Regulatory Disclosures

	2024	2023
Capital Adequacy Ratio (%)	12.26%	10.22%
Non-performing Loans Ratio (%)	3.54%	4.22%
Regulatory Breaches	1	Nil
Sanctions for Regulatory Breaches	1	Nil

Directors' Report

The directors present their report together with the audited financial statements for the year ended 31 December 2024 in accordance with the Companies Act, 2019 (Act 992) and the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930) which discloses the state of the affairs of the Company.

Principal Activities

Advans Ghana Savings and Loans LTD is authorised to transact business as a savings and loans company.

Incorporation

Advans Ghana Savings and Loans LTD 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.

Statement of Directors' Responsibilities

The directors are responsible for the preparation of financial statements for each financial year which gives a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the Company for the 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.
- Prepared the financial statements on the going concern basis, and
- Followed IFRS Accounting Standards and complied with the requirements of the Companies Act, 2019 (Act 992) and the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930)

The directors are responsible for ensuring that the Company keeps proper accounting records which disclose with reasonable accuracy the financial position of the Company. The directors are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the company, and to prevent and detect fraud and other irregularities.

Going Concern

The financial statements have been prepared on the going concern basis with the Company expected to continue in operation for the foreseeable future and will be able to realise assets and discharge liabilities in the normal course of operations.

Financial Results

The profit for the year of **GHS 18,768,932** (2023: GHS 751,524) has been transferred to retained earnings and statutory reserves appropriately.

Dividend

The Board of Directors do not recommend the payment of dividend for the year ended 31 December 2024. (2023: Nil).

Auditor

Ernst & Young Chartered Accountants has expressed willingness to continue in office as auditors of the Company in accordance with Section 139(5) of the Companies Act, 2019 (Act 992).

Approval of the Financial Statements

The Board of Directors approved the financial statements on 14 April, 2025 and were signed on their behalf by:

Signed
Chairman

Signed
CEO/MD

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF ADVANS GHANA SAVINGS AND LOANS LTD

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 December 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and related notes, are derived from the audited financial statements of Advans Ghana Savings and Loans LTD for the year ended 31 December 2024.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements in accordance with the basis of preparation and the notes to the summary financial statements.

Summary financial statements

The summary financial statements do not contain all the disclosures required by IFRS Accounting Standards as issued by the International Financial Accounting Standards Board including the IAS 29 Hyperinflation Directive issued by the Institute of Chartered Accountants Ghana, 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 Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 30 April 2025. That report also includes the communication of other key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the 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 in accordance with the Bank of Ghana guide for financial publication for banks and Bank of Ghana (BOG) licensed Financial Institutions.

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 Standards on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

The engagement partner on the audit resulting in this independent auditor's report is Samuel Okine (ICAG/P/1757).



Ernst & Young (ICAG/F/2025/126)
Chartered Accountants
Accra, Ghana

Shape the future
with confidence

Date: 30 April 2025