

SOCIETE GENERALE GHANA PLC

UNAUDITED FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 30 SEPTEMBER 2021

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE QUARTER ENDED 30 SEPTEMBER 2021

	2021 GH¢	2020 GH¢
Interest income	376,569,068	381,769,453
Interest expense	(81,210,395)	(85,597,559)
Net interest income	295,358,673	296,171,894
Fees & commission income	56,121,534	54,141,577
Fees & commission expense	(18,677,979)	(14,441,718)
Net fees and commission income	37,443,556	39,699,859
Net trading revenue	32,279,472	34,357,966
Net income from other financial instruments carried at fair value	41,587,802	39,957,718
Other operating expense	55,859,686	(4,708,889)
Total other operating income	129,726,960	69,606,795
Operating income	462,529,189	405,478,548
Net impairment loss on financial assets	(23,859)	(34,369,489)
Personnel expense	(102,896,854)	(95,420,435)
Depreciation and amortization	(25,676,052)	(25,571,799)
Other expenses	(116,227,662)	(114,062,922)
Profit before income tax	217,704,762	136,053,903
Income tax expenses	(75,641,751)	(42,532,685)
Profit after tax expense	142,063,011	93,521,218
Other comprehensive income for the period		
Fair value on available for sale financial instrument	1,074,753	-
Less tax	(268,688)	-
Other comprehensive income, net of income tax	806,065	-
Total comprehensive income for the period	142,869,076	93,521,218
Earnings per share:		
Basic and diluted earnings per share (GH¢)	GH¢0.27p	GH¢0.18p

STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2021

	2021 GH¢	2020 GH¢
Assets		
Cash and cash equivalents	1,428,404,054	897,739,328
Non-pledged trading assets	148,140,153	83,985,044
Debt instruments at fair value through other comprehensive income	91,604,495	-
Debt instruments at amortised cost	1,185,348,457	1,075,449,487
Loans and advances to customers	2,468,186,689	2,659,481,653
Investments (other than securities)	12,236,464	12,539,730
Other assets	45,685,619	72,056,885
Property, plant and equipment	260,512,287	292,738,364
Intangible assets	15,983,104	1,531,548
Deferred tax assets	18,788,857	12,739,860
Total assets	5,674,890,179	5,108,261,899
Liabilities		
Deposits from banks	802,206	2,776,793
Deposits from customers	3,621,251,192	3,422,633,926
Borrowings	489,996,343	427,651,842
Derivative liabilities held for risk management	37,904,373	27,851,474
Current tax liabilities	44,805,577	32,945,661
Other liabilities	413,002,427	298,919,554
Total liabilities	4,607,762,118	4,212,779,250
Shareholders' fund		
Stated capital	404,245,427	404,245,427
Income surplus	256,454,332	136,302,663
Revaluation reserve	123,670,260	123,670,260
Statutory reserve	281,951,977	231,264,299
Other reserves	806,065	-
Total shareholders' fund	1,067,128,061	895,482,649
Total liabilities and shareholders' fund	5,674,890,179	5,108,261,899

THE FINANCIAL STATEMENTS DO NOT CONTAIN UNTRUE STATEMENTS, MISLEADING FACTS OR OMIT MATERIAL FACTS TO THE BEST OF OUR KNOWLEDGE.



Margaret Boateng Sekyere (Chairperson)



Hakim Ouzzani (Managing Director)

STATEMENT OF CASH FLOWS

FOR THE QUARTER ENDED 30 SEPTEMBER 2021

	2021 GH¢	2020 GH¢
Cash flow from Operating activities		
Operating profit before taxation	217,704,762	136,053,903
Adjustments for:		
Impairment provision	5,082,244	(38,258,345)
Fair value on available for sale instrument	(706,452)	-
Fair value adjustment on non pledged trading assets	(913,361)	(257,580)
Depreciation and amortization	25,676,052	25,571,799
Unrealized gains/losses on forex and revaluations	1,161,332	5,504,525
Profit/ loss on sales of property, plant and equipment	-	(2,560)
Operating profit before working capital changes	248,004,577	128,611,742
Changes in operating and other assets and liabilities		
Change in non-pledged trading assets	(79,330,316)	(26,203,528)
Change in loans and advances to customers	89,437,741	22,170,694
Change in other assets	20,825,901	(9,542,650)
Change in derivative liabilities held for risk management	37,904,373	27,851,474
Change in deposit from banks	(3,143,732)	(22,898,597)
Change in deposit from customers	139,907,871	252,927,955
Change in other liabilities	100,699,535	65,800,445
	306,301,373	310,105,791
Income tax paid	(59,891,509)	(57,806,984)
Net cash generated from operating activities	494,414,441	380,910,550
Cash flow from investing activities		
Change in investment securities	(740,403,354)	(992,344,495)
Investments (other than securities)	-	(3,676,830)
Purchase of property, plant and equipment	7,250,641	(26,298,961)
Purchase of intangible assets	(17,409,514)	(945,566)
Proceeds from sale of property, plant and equipment	-	2,560
Net cash generated/(used in) from investing activities	(750,562,227)	(1,023,263,292)
Cash flow from financing activities		
Change in borrowings	123,729,556	249,955,865
Net cash used in financing activities	123,729,556	249,955,865
Change in cash and cash equivalents	(132,418,230)	(392,396,877)
Net foreign exchange difference	(1,161,332)	(5,504,525)
Cash & cash equivalents as at 1 January	1,561,983,616	1,295,640,731
Cash and cash equivalents as at 30 September 2021	1,428,404,054	897,739,328
Operational cash flows from interest:		
Interest received	339,947,822	287,311,488
Interest paid	82,856,663	82,603,379

STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED 30 SEPTEMBER 2021

	Stated Capital GH¢	Income surplus GH¢	Revaluation Reserve GH¢	Statutory reserve GH¢	Other reserves GH¢	Total shareholders' equity GH¢
For the Quarter ended 30 September 2021						
Balance as at 1 January 2021	404,245,427	149,907,074	123,670,260	246,436,224	1,335,904	925,594,889
Movements during the year:						
Profit for the period	-	142,063,011	-	-	-	142,063,011
Other movements in equity	-	-	-	-	(529,839)	(529,839)
Transfer to statutory reserve	-	(35,515,753)	-	35,515,753	-	-
Balance as at 30 September 2021	404,245,427	256,454,332	123,670,260	281,951,977	806,065	1,067,128,061

	Stated Capital GH¢	Income surplus GH¢	Revaluation Reserve GH¢	Statutory reserve GH¢	Other reserves GH¢	Total shareholders' equity GH¢
For the Quarter ended 30 September 2020						
Balance as at 1 January 2020	404,245,427	66,161,749	123,670,260	207,883,995	-	801,961,431
Movements during the year:						
Profit for the period	-	93,521,218	-	-	-	93,521,218
Other movements in equity:						
Transfer to statutory reserve	-	(23,380,304)	-	23,380,304	-	-
Balance as at 30 September 2020	404,245,427	136,302,663	123,670,260	231,264,299	-	895,482,649

NOTES TO THE SUMMARY FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2021

REPORTING ENTITY

Societe Generale Ghana Limited is a public limited liability company incorporated under the Companies Act, 2019 (Act 992). The bank is domiciled in Ghana with its registered office at 2nd Crescent, Royalt Castle Road, Ring Road Central, Accra. The bank is authorized and licensed to carry out the business of banking and provides retail banking, corporate banking, investment banking and other financial intermediation activities and specialized financing activities such as leasing and consumer credits through its network of branches and outlets including divisions across Ghana.

The Societe Generale (Group), a bank incorporated in France, is the ultimate parent of the Bank. The Bank is listed on the Ghana Stock Exchange (GSE). This has enabled the equity shares of the Bank to be traded publicly on the GSE.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing financial statements for each financial period which give a true and fair view of the state of affairs of the bank at the end of the period and of the profit or loss of the bank for that period. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgments and estimates that are reasonable and prudent.
- State whether the applicable accounting standards have been followed.
- Ensure that the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the bank will continue in business.

The Directors are responsible for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act, 2019 (Act 992) and the Banking and Specialised Deposit Taking Institutions Act, 2016 (Act 930) and the International Financial Reporting Standards. They are responsible for safeguarding the assets of the bank and hence for taking steps for the prevention and detection of fraud and other irregularities.

NOTES TO THE SUMMARY FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2021

STATEMENT OF COMPLIANCE

The financial statements of the Bank for the quarter ended 30 September 2021 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and accounting requirements as dictated by the guide for financial publication 2017 issued by the Bank of Ghana. Except as otherwise specified by the guide for financial publication, the financial statements were prepared in accordance with IFRS.

ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year.

BASIS OF PREPARATION

The financial statements of the Bank have been prepared on a historical cost basis, except for Financial assets and liabilities held-for-trading, Derivative financial instruments and Equity investments which are at fair value. Land and buildings are also carried under the revaluation model.

QUANTITATIVE DISCLOSURES

	2021	2020
Capital adequacy ratio	20.1	17.8
Non-performing loan ratio	7.1	6.6
Leverage ratio	10.9	9.2
Liquidity ratio	107.7	91.4

QUALITATIVE DISCLOSURES

RISK MANAGEMENT

1. The Bank is exposed to the following risks: credit, liquidity, interest rate, market and other operational risks.
2. The risks inherent in the Bank's activities are managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Bank's continuing profitability and each individual within the Bank is accountable for the risk exposures relating to his or her responsibilities.
3. The Board of Directors is responsible for the overall risk management approach and for approving the risk management strategies and principles. In addition, there are Risk Committees that have the overall responsibility for the development of risk strategy and implementing principles, frameworks, policies and limits.

DEFAULTS IN STATUTORY LIQUIDITY

	2021	2020
Number of Defaults in Statutory Liquidity	NIL	1
Sanctions (GHS)	NIL	37,734