

# First National Bank Ghana Ltd

Unaudited financial statements for the three months ended 31 March 2024



## Statement of comprehensive income

(All amounts are in thousands of Ghana Cedis)

For the three months ended 31 March

	2024	2023
Interest income	127,941	122,376
Interest expense	(76,116)	(75,006)
<b>Net interest income</b>	<b>51,825</b>	<b>47,370</b>
Fees and commission income	24,181	22,492
Fees and commission expense	(6,115)	(7,029)
<b>Net fees and commission</b>	<b>18,066</b>	<b>15,463</b>
Net trading income	25,871	25,466
Other income	(842)	(24,783)
	<b>25,029</b>	<b>683</b>
<b>Operating income</b>	<b>94,920</b>	<b>63,516</b>
Net impairment loss on financial assets	2,376	(6,729)
<b>Operating income net of impairment</b>	<b>97,296</b>	<b>56,787</b>
Personnel expenses	(49,381)	(40,717)
Operating lease expense	(2,262)	(2,743)
Depreciation and amortisation	(5,089)	(6,415)
Other operating expenses	(26,266)	(14,716)
<b>Total operating expenses</b>	<b>(82,998)</b>	<b>(64,591)</b>
<b>Profit/(Loss) before tax</b>	<b>14,298</b>	<b>(7,804)</b>
<b>Profit/(Loss) for the period</b>	<b>14,298</b>	<b>(7,804)</b>
<b>Total comprehensive income for the period</b>	<b>14,298</b>	<b>(7,804)</b>

## Statement of cash flows

(All amounts are in thousands of Ghana Cedis)

For the three months ended 31 March

	2024	2023
<b>Cash flows from operating activities</b>		
Profit/(Loss) for the period	14,298	(7,804)
Adjustments for:		
Depreciation and amortisation	5,089	6,415
Impairment of financial assets	(2,376)	6,729
Net interest income	(51,825)	(47,370)
Foreign currency (gain)/loss	842	24,783
Change in trading assets	(74,667)	942
Change in loans and advances	76,640	52,638
Change in investment securities	(88,495)	(482,472)
Change in other assets	(89,065)	191,597
Change in deposits from banks	1,561	449
Change in deposits from customers	492,912	294,787
Change in other liabilities	(6,642)	(222,715)
Change in derivative financial assets	(1,965)	24,895
Change in derivative financial liabilities	1,405	(10,613)
Change in restricted balances with Bank of Ghana	(79,733)	276,232
Interest received	121,089	117,536
Interest paid	(103,394)	(73,939)
<b>Net cash generated from operating activities</b>	<b>215,674</b>	<b>152,090</b>
<b>Cash flows from investing activities</b>		
Purchases of property and equipment	(217)	(2,679)
Purchases of intangible assets	(1,287)	(1,504)
<b>Net cash (used in) investing activities</b>	<b>(1,505)</b>	<b>(4,183)</b>
<b>Cash flows from financing activities</b>		
Repayment of long-term borrowing	(107,140)	-
Payment of finance lease liability	-	(16,805)
<b>Net cash (used in) financing activities</b>	<b>(107,140)</b>	<b>(16,805)</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>107,030</b>	<b>131,102</b>
Cash and cash equivalents at 1 January	789,826	533,361
Effect of exchange rate changes on cash and cash equivalents	185,715	104,834
<b>Cash and cash equivalents at 31 March</b>	<b>1,082,571</b>	<b>769,297</b>

## Statement of financial position

(All amounts are in thousands of Ghana Cedis)

as at 31 March 2024

	2024	2023
<b>Assets</b>		
Cash and cash equivalents	1,610,698	1,009,897
Trading assets	209,580	3,271
Loans and advances	1,124,487	1,066,118
Investment securities	1,145,323	1,288,289
Derivative financial assets	4,615	8,396
Intangible assets	16,781	12,047
Deferred tax assets	797	797
Other assets	213,108	64,262
Property and equipment	50,464	53,120
<b>Total assets</b>	<b>4,375,853</b>	<b>3,506,197</b>
<b>Liabilities</b>		
Deposits from other banks	3,476	1,568
Deposits from customers	3,014,832	2,346,261
Derivative financial liabilities	5,004	6,772
Other liabilities	336,571	167,999
Borrowings	651,322	745,479
<b>Total liabilities</b>	<b>4,011,205</b>	<b>3,268,079</b>
<b>Equity</b>		
Stated capital	769,911	662,914
Statutory reserves	1,713	1,713
Retained earnings	(406,976)	(426,509)
<b>Total equity</b>	<b>364,648</b>	<b>238,118</b>
<b>Total liabilities and equity</b>	<b>4,375,853</b>	<b>3,506,197</b>

Cash and cash equivalents in the statement of financial position include restricted cash balance of GHS 528,127 (2023: GHS240,600) with Bank of Ghana. But restricted balances are excluded in the cash and cash equivalents for cash flow purposes

Proud winner



Emmanuel Idun (Chairman)  
26 April 2024

Warren Adams (Chief Executive Officer)  
26 April 2024



## Statement of changes in equity for the three months ended 31 March 2024

(All amounts are in thousands of Ghana Cedis)

	Stated capital	Contribution towards capital	Statutory reserve	Retained earnings	Total equity
Balance at 1 January 2024	769,911	-	1,713	(421,274)	350,350
Profit for the period	-	-	-	14,298	14,298
<b>Total comprehensive income</b>	-	-	-	14,298	14,298
Balance at 31 March 2024	769,911	-	1,713	(406,976)	364,648

## Statement of changes in equity for the three months ended 31 March 2023

(All amounts are in thousands of Ghana Cedis)

	Stated capital	Contribution towards capital	Statutory reserve	Retained earnings	Total equity
Balance at 1 January 2023	622,847	40,067	1,713	(418,705)	245,922
Loss for the period	-	-	-	(7,804)	(7,804)
<b>Total comprehensive income</b>	-	-	-	(7,804)	(7,804)
Contribution towards capital	40,067	(40,067)	-	-	-
<b>Total transactions with owners</b>	40,067	(40,067)	-	-	-
Balance at 31 March 2023	662,914	-	1,713	(426,509)	238,118

## Notes to the unaudited summary financial statements

(for the three months ended 31 March 2024)

### 1. Material accounting policy information

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants, Ghana (ICAG).

### 2. Quantitative disclosures

	March 2024	March 2023
a) Capital Adequacy Ratio (CAR)	19.01%	18.57%
b) Non-Performing Loans (NPL) Ratio	10.94%	8.52%

### 3. Qualitative disclosures

First National Bank Ghana Ltd (the bank) is exposed to:

- 1 Credit Risk 2 Liquidity Risk 3 Market Risk 4 Operational Risk

The Board of Directors has overall responsibility for the establishment and oversight of the bank's risk management framework.

The Board has established the bank's Asset, Liability and Capital Committee (ALCCO), the Risk Committee (RISCO) and the Executive Committee (EXCO) which are responsible for developing and monitoring risk management policies in their specified areas.

The bank maintains liquidity and cash reserving requirements imposed by its local regulator, Bank of Ghana, and the overall liquidity has always been within the regulatory requirements of Bank of Ghana. The daily liquidity position as well as future funding requirements is monitored and managed by Treasury.

Regular liquidity stress testing is conducted under a variety of scenarios covering both normal and more severe market conditions. All liquidity policies and procedures are subject to review and approval by ALCCO.

Daily reports on the liquidity position of the bank are submitted to senior management and summary report, including any exceptions and remedial action taken, is submitted regularly to ALCCO on a quarterly basis.

The Board of Directors has delegated responsibility for the management of credit risk to a Management Credit Risk Committee. The committee is responsible for the independent monitoring and oversight of the credit risk management process within the bank as well as the approval of risk procedure, frameworks, policies and methodologies applied in the management of the bank's credit exposures.

### 4. Defaults in statutory liquidity and accompanying sanctions

	March 2024	March 2023
a) Default in statutory liquidity (number of times)	n/a	n/a
b) Sanctions (GHS'000)	n/a	n/a

### Corporate Investment Banking



It's not about the deals we do  
It's about what those deals do

Change to First National Bank

In partnership with  
 RMB