

AUDITED SUMMARY CONSOLIDATED AND SEPARATE  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2023



FIDELITY BANK GHANA LIMITED  
AND ITS SUBSIDIARIES

(All amounts are in thousands of Ghana cedis unless otherwise stated)

SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF

COMPREHENSIVE INCOME

	GROUP		BANK	
	2023	2022	2023	2022
Interest income	2,476,744	1,874,762	2,474,378	1,875,487
Interest expense	(934,339)	(965,767)	(951,555)	(979,421)
Net interest income	1,542,405	908,995	1,522,823	896,066
Fee and commission income	362,818	256,485	353,926	244,106
Fee and commission expense	(115,486)	(108,041)	(115,452)	(108,017)
Net fee and commission income	247,332	148,444	238,474	136,089
Other operating income	246,111	401,023	269,423	400,888
Operating income	2,035,848	1,458,462	2,030,720	1,433,043
Derecognition loss on investment securities	(819,648)	-	(819,648)	-
Net impairment reversal/(loss) on investment securities	879,581	(1,055,658)	850,432	(1,026,322)
Net impairment loss on loans and advances, and others	(3,248)	(265,852)	(3,248)	(265,852)
Personnel expenses	(400,550)	(294,977)	(393,833)	(288,185)
Depreciation and amortization	(70,171)	(56,904)	(70,115)	(56,747)
Other expenses	(432,671)	(318,480)	(428,928)	(314,560)
Profit/ (loss) before income tax	1,189,141	(533,409)	1,165,380	(518,623)
Income tax (expense)/credit	(422,785)	134,324	(414,555)	130,038
Profit/(loss) for the year	766,356	(399,085)	750,825	(388,585)
Other comprehensive income that will not be reclassified to the income statement:				
Net Property Revaluation Gain	81,848	-	81,848	-
Other comprehensive income/(loss) that may be reclassified to the income statement:				
Net change in investment securities measured at FVOCI	1,718	(25,592)	1,718	(25,592)
Currency translation differences on foreign subsidiary	24,265	17,936	-	-
Total other comprehensive income/(loss)	107,831	(7,656)	83,566	(25,592)
Total comprehensive (loss)/income for the year, net of tax	874,187	(406,741)	834,391	(414,177)
Earnings per share				
Basic/diluted earnings/(loss) per share (GHC)	30.35	(15.81)	29.74	(15.39)

SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF

FINANCIAL POSITION

	GROUP		BANK	
	2023	2022	2023	2022
Assets				
Cash and cash equivalents	5,210,089	3,419,799	5,208,765	3,421,897
Derivative financial instruments	16,833	368,886	16,833	368,886
Investment securities	7,697,202	6,019,160	7,695,598	5,945,309
Investments (other than securities)	-	-	12,471	12,471
Loans and advances to customers	3,213,860	2,736,268	3,213,860	2,815,748
Current tax asset	-	35,401	-	35,181
Property and equipment and right-of-use assets	314,284	185,170	314,217	185,058
Intangible assets	66,713	58,324	66,387	57,988
Deferred tax asset	254,833	309,513	254,781	302,178
Other assets	408,539	612,231	405,959	609,243
Non-current assets held for sale	31,138	31,938	31,138	31,938
Total assets	17,213,491	13,776,690	17,220,009	13,785,897
Liabilities				
Deposits from banks and other financial institutions	217,216	478,198	229,784	481,449
Deposits from customers	12,697,873	9,583,044	12,423,422	9,393,360
Borrowings	2,366,096	2,606,480	2,731,436	2,858,582
Current tax liability	38,128	-	38,451	-
Other liabilities	360,642	399,310	356,457	396,129
Total liabilities	15,679,955	13,067,032	15,779,550	13,129,520
Equity				
Stated capital	422,840	422,840	422,840	422,840
Statutory reserve	628,462	440,756	628,462	440,756
Other reserves	145,641	37,810	86,173	2,607
Retained earnings	336,593	(191,748)	302,984	(209,826)
Total equity attributable to equity holders	1,533,536	709,658	1,440,459	656,377
Total liabilities and equity	17,213,491	13,776,690	17,220,009	13,785,897

SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF

CHANGES IN EQUITY

GROUP	Stated capital	Statutory reserve	Other reserves	Retained earnings	Total equity
Balance at 1 January 2023	422,840	440,756	37,810	(191,748)	709,658
Profit for the year	-	-	-	766,356	766,356
Net change in investment securities measured at FVOCI	-	-	1,718	-	1,718
Foreign currency translation differences for foreign subsidiary	-	-	24,265	-	24,265
Net property revaluation gains	-	-	81,848	-	81,848
Total Comprehensive income	-	-	107,831	766,356	874,187
Regulatory and other reserve transfers:					
Transfer to statutory reserve	-	187,706	-	(187,706)	-
Transactions with owners:					
Dividend paid (preference shares)	-	-	-	(50,309)	(50,309)
Net transfer to reserves and transactions with owners	-	187,706	-	(238,015)	(50,309)
Balance at 31 December 2023	422,840	628,462	145,641	336,593	1,533,536

GROUP	Stated capital	Statutory reserve	Other reserves	Credit risk reserve	Retained earnings	Total equity
Balance at 1 January 2022	422,840	440,756	45,466	3,783	374,940	1,287,785
Loss for the year	-	-	-	-	(399,085)	(399,085)
Net change in investment securities measured at FVOCI	-	-	(25,592)	-	-	(25,592)
Foreign currency translation differences for foreign subsidiary	-	-	17,936	-	-	17,936
Total Comprehensive income	-	-	(7,656)	-	(399,085)	(406,741)
Regulatory and other reserve transfers:						
Transfer from credit risk reserve	-	-	-	(3,783)	3,783	-
Transactions with owners:						
Dividend paid (ordinary shares)	-	-	-	-	(137,613)	(137,613)
Dividend paid (preference shares)	-	-	-	-	(33,773)	(33,773)
Net transfer to reserves and transactions with owners	-	-	-	(3,783)	(167,603)	(171,386)
Balance at 31 December 2022	422,840	440,756	37,810	-	(191,748)	709,658

BANK	Stated capital	Statutory reserve	Other reserves	Retained earnings	Total equity
Balance at 1 January 2023	422,840	440,756	2,607	(209,826)	656,377
Profit for the year	-	-	-	750,825	750,825
Net change in investment securities measured at FVOCI	-	-	1,718	-	1,718
Net property revaluation gains	-	-	81,848	-	81,848
Total Comprehensive income	-	-	83,566	750,825	834,391
Regulatory and other reserve transfers:					
Transfer to statutory reserve	-	187,706	-	(187,706)	-
Transactions with owners:					
Dividend paid (preference shares)	-	-	-	(50,309)	(50,309)
Net transfer to reserves and transactions with owners	-	187,706	-	(238,015)	(50,309)
Balance at 31 December 2023	422,840	628,462	86,173	302,984	1,440,459

BANK	Stated capital	Statutory reserve	Other reserves	Credit risk reserve	Retained earnings	Total equity
Balance at 1 January 2022	422,840	440,756	28,199	3,783	346,362	1,241,940
Loss for the year	-	-	-	-	(388,585)	(388,585)
Net change in investment securities measured at FVOCI	-	-	(25,592)	-	-	(25,592)
Total Comprehensive income	-	-	(25,592)	-	(388,585)	(414,177)
Regulatory and other reserve transfers:						
Transfer from credit risk reserve	-	-	-	(3,783)	3,783	-
Transactions with owners:						
Dividend paid (ordinary shares)	-	-	-	-	(137,613)	(137,613)
Dividend paid (preference shares)	-	-	-	-	(33,773)	(33,773)
Net transfer to reserves and transactions with owners	-	-	-	(3,783)	(167,603)	(171,386)
Balance at 31 December 2022	422,840	440,756	2,607	-	(209,826)	656,377

AUDITED SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2023

(All amounts are in thousands of Ghana cedis unless otherwise stated)

SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF

CASH FLOWS

	GROUP		BANK	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit/(Loss) before income tax	1,189,141	(533,409)	1,165,380	(518,623)
Adjustments:				
Depreciation	50,985	40,443	50,938	40,319
Amortisation	19,186	16,461	19,177	16,428
Impairment on financial assets	(861,172)	1,335,980	(832,023)	1,306,644
Derecognition loss on investment securities	819,648	-	819,648	-
Profit on disposal of non-current assets held for sale	-	(2,537)	-	(2,537)
Exchange differences	102,398	471,076	102,398	471,073
Finance charge on lease liabilities	3,882	2,564	3,882	2,564
	1,324,068	1,330,578	1,329,400	1,315,868
Changes in working capital				
Changes in loans and advances to customers	(186,192)	(493,158)	(94,175)	(572,642)
Changes in investment securities held for trading	(249,410)	269,157	(249,410)	269,302
Changes in other assets	183,318	(307,550)	182,908	(306,081)
Changes in deposits from customers	2,222,105	860,643	2,137,338	844,001
Changes in deposits from banks and other financial institutions	(260,982)	332,990	(251,665)	124,816
Changes in other liabilities	(9,377)	165,054	(10,380)	164,159
Changes in derivative financial instruments	352,053	(421,057)	352,053	(421,057)
Income tax and levies paid	(322,431)	(192,826)	(321,382)	(189,409)
Changes in operating assets and liabilities	1,729,084	213,253	1,745,287	(86,911)
Net cash flow generated from operating activities	3,053,152	1,543,831	3,074,687	1,228,957
Cash flow from investing activities				
Purchase of property and equipment	(49,794)	(39,932)	(49,792)	(39,861)
Purchase of intangible assets	(27,575)	(31,516)	(27,575)	(31,516)
Proceeds on disposal of non-current asset held for sale	-	20,487	-	20,487
Purchase of investment securities	(11,093,983)	(6,015,230)	(11,198,758)	(5,916,978)
Proceeds from sale/redemption of investment securities	9,977,776	6,489,582	9,968,619	6,478,495
Net cash flows (used in)/from investing activities	(1,193,576)	423,391	(1,307,506)	510,627
Cash flow from financing activities				
Dividends paid	(50,309)	(171,386)	(50,309)	(171,386)
Repayment of principal portion of lease liabilities	(21,786)	(17,073)	(21,786)	(17,073)
Draw-down of long term borrowings	-	120,002	-	120,002
Repayment of long term borrowings	(206,766)	(82,157)	(206,766)	(82,157)
Repayment of short term borrowings	(343,710)	(1,990,501)	(230,472)	(1,738,399)
Net cash flow used in financing activities	(622,571)	(2,141,115)	(509,333)	(1,889,013)
Net increase/(decrease) in cash and cash equivalents	1,237,005	(173,893)	1,257,848	(149,429)
Analysis of changes in cash and cash equivalents				
Cash and cash equivalents at 1 January	3,419,799	2,771,863	3,421,897	2,767,433
Effect of exchange rate fluctuations on cash and cash equivalents held	553,446	821,328	529,181	803,392
Impairment (charge)/reversal on cash equivalents	(161)	501	(161)	501
Net increase/(decrease) in cash and cash equivalents	1,237,005	(173,893)	1,257,848	(149,429)
Cash and cash equivalents at 31 December	5,210,089	3,419,799	5,208,765	3,421,897

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

Directors' responsibility statement

The Bank's Directors are responsible for the preparation and fair presentation of the audited Consolidated and Separate Financial Statements comprising the Consolidated and Separate Statements of Financial Position at 31 December 2023, the Consolidated and Separate Statements of Comprehensive Income, the Consolidated and Separate Statements of Changes in Equity, the Consolidated and Separate Statements of Cash Flows for the year then ended, and the notes to the financial statements, which include a summary of material accounting policies and other explanatory notes in accordance with International Financial Reporting Standards (IFRS) 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 the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

The directors have made an assessment of the bank's ability to continue as a going concern and have no reason to believe the business will not be a going concern.

Nature of business

The Bank is licensed to carry out universal banking business

in Ghana, and there was no change in the nature of the Bank's business during the period.

Subsidiaries

Fidelity Bank Ghana Limited, a company incorporated in Ghana, wholly owns Fidelity Securities Limited and Fidelity Asia Bank Limited, a company incorporated in Malaysia.

Fidelity Securities Limited (FSL), a company incorporated in Ghana, is regulated and licensed by the Securities and Exchanges Commission, Ghana to operate as a fund manager. FSL's business involves managing funds for both Corporate and Retail clients.

Fidelity Asia Bank Limited (FABL) is a company incorporated in Malaysia and carries on the business of offshore banking.

Approval of the Financial Statements

The Consolidated Financial Statements of the Group were approved by the Board of Directors on 26 March 2024 and signed on their behalf by:

Signed  
Jim Reynolds Baiden  
Board Chairman

Signed  
Julian Opuni  
Managing Director

NOTES TO THE AUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

1. Basis of Preparation

The summary Consolidated and Separate Financial Statements have been prepared in accordance with the requirements of the Guide for Financial Publication for Banks and Bank of Ghana Licensed Financial Institutions. The Guide requires the summary Consolidated and Separate Financial Statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). These financial statements have been prepared under the historical cost convention.

The financial statements are presented in Ghana cedis, which is the Bank's functional and presentation currency. The figures shown in the financial statements are in thousands of Ghana cedis unless otherwise stated.

The financial statements presented in this publication are extracts from the audited financial statements for the year ended 31 December 2023, which are available for inspection at the Head Office of Fidelity Bank Ghana Limited located at No. 10 Ambassadorial Enclave, Ridge Tower, Accra.

2. Quantitative Disclosures

	2023	2022
(a) Capital Adequacy Ratio	20.88%	16.79%
(b) Common Equity Tier 1/RWA	18.12%	14.10%
(c) Leverage ratio	7.78%	5.80%
(d) Non-Performing Loan (NPL) Ratio	8.88%	7.83%
(e) Liquid Ratio	151.16%	152.48%

3. Qualitative Disclosures

(a) The Bank is exposed to the following risks; Credit risk, Operational risk, Liquidity risk and Market risk.

(b) The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. Under this framework, the Board has established a number of separate independent bodies responsible for managing and monitoring risks. These include, Board sub-committees, Credit Committee of Management (CC), Asset and Liability Management Committee (ALCO), Management Risk and Control Committee (MRCC) and the Risk Management Department, which are responsible for developing and monitoring the Bank's risk management policies in their specified areas. All Board committees report regularly to the Board of Directors on their activities.

4. Defaults in statutory liquidity and accompanying sanctions

	2023	2022
(a) Default in Statutory Liquidity Sanctions	Nil	Nil
(b) Other regulatory breaches Sanctions (GHs'000)	112	Nil

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF FIDELITY BANK GHANA LIMITED AND ITS SUBSIDIARIES

Opinion

The summary Consolidated and Separate Financial Statements, which comprise the Consolidated and Separate Statements of Financial Position as at 31 December 2023, the Consolidated and Separate Statements of Comprehensive Income, the Consolidated and Separate Statements of Changes in Equity, the Consolidated and Separate Cash Flow Statements for the year then ended, and related notes, are derived from the audited Financial Statements of Fidelity Bank Ghana Limited for the year ended 31 December 2023.

In our opinion, the accompanying summary Consolidated and Separate Financial Statements are consistent, in all material respects, with the audited Consolidated and Separate Financial Statements, in accordance with the basis of preparation described in the notes.

Summary financial statements

The summary Consolidated and Separate Financial Statements do not contain all the disclosures required by International Financial Reporting Standards including the IAS 29 Hyperinflation Directive issued by the Institute of Chartered Accountants Ghana and the Companies Act, 2019 (Act 992). 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 summary Consolidated and Separate Financial Statements and the audited Consolidated and Separate 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 27 March 2024. That report also includes the communication of other key 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.

Director's responsibility for the summary financial statements

The Directors are responsible for the preparation of the summary Financial Statements in accordance with the basis of preparation described in the notes.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary Consolidated and Separate Financial Statements are consistent, in all material respects, with the audited Consolidated and Separate Financial Statements based on our procedures, which were conducted in accordance with International Standards on Auditing (ISA) 810 (Revised), Engagement to Report on Summary Financial Statements.

The Engagement Partner on the audit resulting in this independent Auditors' report is Pamela Des Bordes (ICAG/P/1329).

Ernst & Young (ICAG/F/2024/126)  
Chartered Accountants  
Accra, Ghana  
Date: 27 March 2024

