

UNAUDITED SUMMARY SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH, 2020



FIDELITY BANK GHANA LIMITED AND ITS SUBSIDIARIES

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

UNAUDITED SUMMARY STATEMENT OF

COMPREHENSIVE INCOME

	GROUP		BANK	
	2020	2019	2020	2019
Interest income	311,991	237,383	310,755	235,791
Interest expense	(124,382)	(93,849)	(126,256)	(96,184)
Net interest income	187,609	143,534	184,499	139,607
Fee and commission income	43,245	35,231	42,273	35,208
Fee and commission expense	(7,438)	(4,282)	(7,434)	(4,275)
Net fee and commission income	35,807	30,949	34,839	30,933
Other operating income	18,193	26,814	18,077	26,809
Operating income	241,609	201,297	237,415	197,349
Net impairment loss on financial assets	(22,639)	(30,635)	(22,639)	(30,635)
Personnel expenses	(62,187)	(45,549)	(60,902)	(44,497)
Depreciation and amortisation	(11,165)	(6,513)	(11,084)	(6,364)
Other expenses	(53,549)	(52,231)	(52,394)	(51,320)
Profit before income tax	92,069	66,369	90,396	64,533
Income tax expense	(17,208)	(13,337)	(17,010)	(13,192)
National fiscal stabilisation levy	(4,560)	(3,256)	(4,520)	(3,227)
Profit for the period	70,301	49,776	68,866	48,114
Other comprehensive income that may not be reclassified to the income statement:				
Net change in value of available for sale investment securities	(1,470)	1,284	(1,470)	1,284
Other comprehensive income that may be reclassified to the income statement:				
Currency translation differences on foreign subsidiary	(469)	1,143	-	-
Total other comprehensive income	(1,939)	2,427	(1,470)	1,284
Total comprehensive income for the period	68,362	52,203	67,396	49,398
Attributable to owners of Fidelity Bank Ghana Limited	68,362	52,203	67,396	49,398

UNAUDITED SUMMARY STATEMENT OF

FINANCIAL POSITION

	GROUP		BANK	
	2020	2019	2020	2019
Assets				
Cash and cash equivalents	3,923,560	1,861,028	3,949,227	1,876,164
Derivative financial instruments	1,865	-	1,865	-
Investment securities	4,872,801	4,509,078	4,862,413	4,486,115
Loans and advances to customers	2,295,244	1,567,123	2,246,263	1,521,319
Investments (other than securities)	-	-	12,471	12,471
Other assets	190,489	271,974	180,419	271,243
Current tax asset	-	5,093	-	5,166
Deferred tax asset	17,997	-	17,951	-
Property and equipment and right-of-use assets	162,936	109,174	162,682	108,853
Intangible assets	33,987	23,714	33,650	22,972
Non current assets held for sale	15,950	-	15,950	-
Total assets	11,514,829	8,347,184	11,482,891	8,304,303
Liabilities				
Deposits from customers	6,028,424	4,910,919	5,807,069	4,888,625
Deposits from banks and other financial institutions	106,925	453,055	321,125	452,977
Borrowings	4,225,171	2,134,574	4,225,171	2,134,574
Current tax liability	4,059	-	3,818	-
Deferred tax liability	-	7,865	-	7,913
Other liabilities	199,682	100,689	202,446	99,405
Total liabilities	10,564,261	7,607,102	10,559,629	7,583,494
Equity				
Stated capital	404,486	404,486	404,486	404,486
Statutory reserve	309,569	239,148	309,569	239,148
Other reserves	16,896	20,508	3,043	8,301
Credit risk reserve	-	18,687	-	18,687
Retained earnings	219,617	57,253	206,164	50,187
Total equity attributable to equity holders	950,568	740,082	923,262	720,809
Total Liabilities and equity	11,514,829	8,347,184	11,482,891	8,304,303

UNAUDITED SUMMARY STATEMENT OF

CASH FLOWS

	GROUP		BANK	
	2020	2019	2020	2019
Profit before income tax	92,069	66,369	90,396	64,533
Adjustments:				
Depreciation	8,523	4,531	8,501	4,505
Amortisation	2,644	1,982	2,583	1,859
Impairment on financial assets	23,102	30,853	23,102	30,853
Exchange difference on borrowings	(13,508)	35,622	(13,508)	35,622
Fair value loss on derivative financial instruments	429	-	429	-
Operating cash flow before investment in working capital	113,259	139,357	111,503	137,372
Changes in loans and advances to customers	185,628	(135,124)	184,821	(132,700)
Changes in other assets	(29,047)	(76,748)	(28,184)	(74,379)
Changes in deposits from customers	918,135	927,019	951,912	909,497
Changes in deposits from banks and other financial institutions	(5,426)	(24,156)	(40,501)	(24,233)
Changes in other liabilities	(27,404)	(14,385)	(27,116)	(14,425)
Income tax paid	(178)	(157)	-	-
Increase in operating assets and liabilities	1,041,708	676,449	1,040,932	663,760
Net cash flow generated from operating activities	1,154,967	815,806	1,152,435	801,132
Cash flow from investing activities				
Purchase of property and equipment	(7,313)	(3,160)	(7,297)	(3,154)
Purchase of intangible assets	(2,929)	(1,098)	(2,927)	(1,066)
Purchase of investment securities	(572,854)	(1,030,475)	(572,321)	(1,010,546)
Net cash flow used in investing activities	(583,096)	(1,034,733)	(582,545)	(1,014,766)
Cash flow from financing activities				
Dividends paid	(21,182)	(20,194)	(21,182)	(20,194)
Repayment of long term borrowings	(56,580)	(67,812)	(56,580)	(67,812)
Proceeds of short term borrowings	140,667	420,085	140,667	420,085
Net cash flow from financing activities	62,905	332,079	62,905	332,079
Net increase in cash and cash equivalents	634,776	113,152	632,795	118,445
Analysis of changes in cash and cash equivalents				
Cash and cash equivalents at 1 January	3,289,253	1,746,733	3,316,432	1,757,719
Gain/ (loss) on currency translation of foreign subsidiary	(469)	1,143	-	-
Net increase in cash and cash equivalents	634,776	113,152	632,795	118,445
Cash and cash equivalents at 31 March	3,923,560	1,861,028	3,949,227	1,876,164

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let's manage the
growth of your wealth

With our industry leading
specialists, you can rely
on our wealth management
expertise

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UNAUDITED SUMMARY SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH, 2020



FIDELITY BANK GHANA LIMITED AND ITS SUBSIDIARIES

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

UNAUDITED SUMMARY STATEMENT OF CHANGES IN EQUITY

GROUP	Stated capital	Statutory reserve	Other reserves	Retained earnings	Total equity
Period ended 31 March, 2020					
Balance at 1 January 2020	404,486	292,352	18,835	187,715	903,388
Profit for the period	-	-	-	70,301	70,301
Net change in investment securities measured at FVOCI	-	-	(1,470)	-	(1,470)
Foreign currency translation differences on foreign subsidiary	-	-	(469)	-	(469)
Total Comprehensive income	-	-	(1,939)	70,301	68,362
Regulatory and other reserve transfers:					
Transfer to statutory reserve	-	17,217	-	(17,217)	-
Transactions with owners:					
Dividend paid (preference shares)	-	-	-	(21,182)	(21,182)
Net transfer to reserves and transactions with owners	-	17,217	-	(38,399)	(21,182)
Balance at 31 March 2020	404,486	309,569	16,896	219,617	950,568

BANK	Stated capital	Statutory reserve	Other reserves	Retained earnings	Total equity
Period ended 31 March, 2020					
Balance at 1 January 2020	404,486	292,352	4,513	175,697	877,048
Profit for the period	-	-	-	68,866	68,866
Net change in investment securities measured at FVOCI	-	-	(1,470)	-	(1,470)
Total Comprehensive income	-	-	(1,470)	68,866	67,396
Regulatory and other reserve transfers:					
Transfer to statutory reserve	-	17,217	-	(17,217)	-
Transactions with owners:					
Dividend paid (preference shares)	-	-	-	(21,182)	(21,182)
Net transfer to reserves and transactions with owners	-	17,217	-	(38,399)	(21,182)
Balance at 31 March 2020	404,486	309,569	3,043	206,164	923,262

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

1. Significant Accounting Policies

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) and are consistent with those applied in the preparation of the annual consolidated financial statements.

2. Quantitative Disclosures

	March 2020	March 2019
(a) Capital Adequacy Ratio (CRD)	20.07%	23.67%
(b) Non-Performing Loan (NPL) Ratio	2.14%	5.76%
(c) Liquid Ratio	206.03%	191.00%

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

	March 2020	March 2019
Default in Statutory Liquidity Sanctions	Nil	Nil

5. Going Concern Consequences of COVID-19

The Bank's operations may be affected by the outbreak and ongoing spread of the coronavirus disease 2019 (COVID-19) which was declared a pandemic by the World Health Organization in March 2020. Many countries around the world, including Ghana, are implementing measures to control the spread of the virus, including temporary closure of businesses and borders, severe restrictions on travel and movement of people, social distancing and other material limitations on the conduct of business.

The duration and severity of the outbreak and further actions that may be required to contain the coronavirus could adversely impact the operations and workforce, including the marketing and sales activities of our clients, which in turn could have an adverse impact on our business, financial condition and results of operation. However, the extent to which the pandemic may impact our operating results, financial condition, and cash flows will depend on future developments, which are highly uncertain and cannot be predicted as of this time.

Management continues to monitor the situation closely and currently believes that it has adequate liquidity, capital and business plans to continue to operate the business and mitigate the risks associated with COVID-19 for the next 12 months from the date of this report.

The financial statements do not contain any untrue statements, misleading facts or omit material facts to the best of our knowledge.

Edward Effah
Board Chairman

Julian Opuni
Managing Director



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Together,
let's protect
against COVID-19

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