



Summary statement of comprehensive income

(All amounts are in thousands of Ghana Cedis)

For the year ended 31 December

	2023	2022
Interest income	487,993	300,599
Interest expense	(284,479)	(181,837)
Net interest income	203,514	118,762
Fees and commission income	87,947	83,188
Fees and commission expense	(30,608)	(20,943)
Net fees and commission	57,339	62,245
Net trading income	71,478	112,434
Other income	(25,582)	(80,843)
	45,896	31,591
Operating income	306,749	212,598
Net impairment loss on financial assets	(16,622)	(263,159)
Operating income net of impairment	290,127	(50,561)
Personnel expenses	(173,412)	(137,695)
Operating lease expense	(11,960)	(6,208)
Depreciation and amortisation	(23,625)	(85,760)
Other operating expenses	(83,699)	(60,240)
Total operating expenses	(292,696)	(289,903)
Loss before tax	(2,569)	(340,464)
Loss for the year	(2,569)	(340,464)
Total comprehensive income for the year	(2,569)	(340,464)

Summary statement of cash flows

(All amounts are in thousands of Ghana Cedis)

For the year ended 31 December

	2023	2022
Cash flows from operating activities		
Loss for the year	(2,569)	(340,464)
Adjustments for:		
Depreciation and amortisation	23,625	85,760
Impairment of financial assets	16,622	263,159
Net interest income	(203,514)	(118,762)
Foreign currency (gain) loss	25,802	47,706
Change in non-pledged trading assets	(130,700)	108,992
Change in loans and advances	86,333	(44,134)
Change in investment securities	(157,731)	(91,310)
Change in other assets	137,900	(194,046)
Change in deposits from banks	796	(211,487)
Change in deposits from customers	349,094	647,680
Change in other liabilities	(196,145)	136,624
Change in derivative financial assets	30,641	(24,137)
Change in derivative financial liabilities	(13,786)	14,611
Change in restricted balances with Bank of Ghana	68,437	(303,925)
Interest received	482,105	296,244
Interest paid	(323,724)	(185,822)
Net cash generated from operating activities	193,186	86,689
Cash flows from investing activities		
Proceeds from sale of PPE	220	-
Purchases of property and equipment	(7,464)	(18,066)
Purchases of intangible assets	(5,103)	(2,940)
Net cash (used in) investing activities	(12,347)	(21,006)
Cash flows from financing activities		
Proceeds from issue of ordinary shares	106,997	-
Contributions towards capital	-	40,067
Repayment of long-term borrowing	(94,102)	(140,755)
Payment of finance lease liability	(37,543)	(17,529)
Net cash (used in) financing activities	(24,648)	(118,217)
Net increase/(decrease) in cash and cash equivalents	156,191	(52,534)
Cash and cash equivalents at 1 January	533,361	436,612
Effect of exchange rate changes on cash and cash equivalents	100,274	149,283
Cash and cash equivalents at 31 December	789,826	533,361

Summary statement of financial position

(All amounts are in thousands of Ghana Cedis)

as at 31 December 2023

	2023	2022
Assets		
Cash and cash equivalents	1,238,221	1,050,193
Non-pledged trading assets	134,913	4,213
Loans and advances	1,123,222	981,200
Investment securities	1,022,222	683,281
Derivative financial assets	2,650	33,291
Intangible assets	15,492	10,629
Deferred tax assets	797	797
Other assets	118,552	251,662
Investment in subsidiary	10	10
Property and equipment	55,122	53,114
Total assets	3,711,201	3,068,390
Liabilities		
Deposits from other banks	1,915	1,119
Deposits from customers	2,443,929	1,920,381
Derivative financial liabilities	3,599	17,385
Other liabilities	191,795	291,360
Borrowings	719,613	592,223
Total liabilities	3,360,851	2,822,468
Equity		
Stated capital	769,911	622,847
Contribution towards capital	-	40,067
Statutory reserves	1,713	1,713
Retained earnings	(421,274)	(418,705)
Total equity	350,350	245,922
Total liabilities and equity	3,711,201	3,068,390

Cash and cash equivalents in the statement of financial position include restricted cash balance of GHS448,395 (2022:GHS516,832) with Bank of Ghana. But restricted balances are excluded in the cash and cash equivalents for cash flow purposes.

Proud winner



Emmanuel Idun (Chairman)

21 March 2024

Warren Adams (Chief Executive Officer)

21 March 2024



Summary statement of changes in equity for the year ended 31 December 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 year	-	-	-	(2,569)	(2,569)
Total comprehensive income	-	-	-	(2,569)	(2,569)
Contributions towards capital	147,064	(40,067)	-	-	106,997
Total transactions with owners	147,064	(40,067)	-	-	106,997
Balance at 31 December 2023	769,911	-	1,713	(421,274)	350,350

Summary statement of changes in equity for the year ended 31 December 2022

(All amounts are in thousands of Ghana Cedis)

	Stated capital	Contribution towards capital	Statutory reserve	Retained earnings	Total equity
Balance at 1 January 2022	622,847	-	1,713	(78,241)	546,319
Loss for the year	-	-	-	(340,464)	(340,464)
Total comprehensive income	-	-	-	(340,464)	(340,464)
Contributions towards capital	-	40,067	-	-	40,067
Total transactions with owners	-	40,067	-	-	40,067
Balance at 31 December 2022	622,847	40,067	1,713	(418,705)	245,922

Notes to the summary financial statements

(for the year ended 31 December 2023)

1. Reporting entity

First National Bank Ghana Ltd ('the bank') is a private limited liability company incorporated, and domiciled in Ghana, licensed to carry out universal banking activities. The bank is wholly owned by FirstRand EMA Holdings Proprietary Limited, and the ultimate holding company is FirstRand Limited. The holding and ultimate holding companies are all incorporated in the Republic of South Africa.

The address of the bank's registered office is 6th Floor Accra Financial Centre, Corner of Independence Avenue and Liberia Road, Accra.

2. Summary report of the directors

The directors submit their annual report together with the summarised financial statements of First National Bank Ghana Ltd ('the bank') for the year ended 31 December 2023.

Directors' responsibility statement

The directors are responsible for the preparation of the bank's financial statements for each financial year, which gives a true and fair view of the bank's financial position as at 31 December 2023, and of the profit or loss and cash flows for the period then ended in accordance with International Financial Reporting Standards 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 considered the bank's ability to continue as a going concern and have no reason to believe the business will not be a going concern.

3. Summary of material accounting policy information

The principal accounting policies applied in the preparation of these summary financial statements are consistent with the accounting policies applied in the audited financial statements of the bank for the year ended 31 December, 2023. These policies have been consistently applied to all the years presented, unless otherwise stated.

4. Basis of measurement

These summary financial statements have been prepared under the historical cost convention except for the following items:

- non-derivative financial instruments at fair value through profit or loss
- non-pledged trading assets
- derivative financial assets and liabilities which are all measured at fair value.

Functional and presentation currency

These summary financial statements are presented in Ghana cedis, which is the bank's functional currency,

5. Quantitative disclosures

Loan classification by status

	December 2023	December 2022
Gross loans	1,265,474	1,062,670
Performing loans	1,124,238	987,311
Non-performing loans	141,236	75,359
NPL (%)	11.16	7.09%
Capital Adequacy Ratio (CAR)	19.18%	19.82%

Breach of statutory limits

	December 2023	December 2022
Minimum liquidity reserves	Nil	Nil
Penalty for breach limits	Nil	Nil
Sanctions (GHS 000)	384	252



6. Qualitative disclosures

First National Bank Ghana Ltd is generally exposed to:



Credit Risk



Liquidity Risk



Market Risks



Operational Risk

The bank's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the bank's business, and the operational risks are an inevitable consequence of being in business. The bank's aim is therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on its financial performance.

Risk management is carried out by the Risk Management Department under policies approved by the Board of Directors. Risk Management Department identifies, evaluates and manages financial risks in close cooperation with the operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and use of non-derivative financial instruments. The most important types of risk are credit risk, liquidity risk, market risk and other operational risk. Market risk includes currency risk and interest rate 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 limits imposed by its local regulator, Bank of Ghana and the overall liquidity has always been within the regulatory limit of Bank of Ghana. Treasury department monitors compliance of all branches to ensure that the bank maintains optimum liquid assets.

The daily liquidity position is monitored and 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 the Asset, Liability and Capital Committee (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 its Credit Risk Management Committee. The Committee is responsible for the independent monitoring and oversight of the credit risk management process within First National Bank Ghana Ltd as well as the approval of risk procedures, frameworks, policies and methodologies applied in the management of the bank's credit exposures.

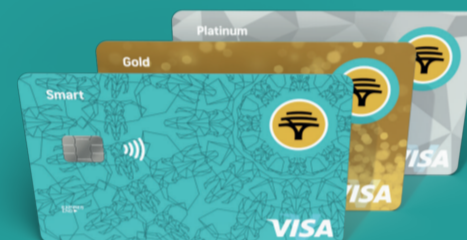
7. Others

There are no other disclosures that are necessary to the understanding of the summary financial statements

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INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF FIRST NATIONAL BANK GHANA LTD

Opinion

The summary financial statements of First National Bank Ghana Ltd, which comprise the summary statement of financial position as at 31 December 2023, the summary statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and related notes, are derived from the audited financial statements of First National Bank Ghana Ltd for the year ended 31 December 2023.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements of First National Bank Ghana Ltd, in accordance with the requirements of the Bank of Ghana Guide for Financial Publication for Banks and Bank of Ghana Licensed Financial Institutions.

The summary financial statements

The summary financial statements do not contain all the disclosures required by the International Financial Reporting Standards and the requirements of the Companies Act, 2019 (Act 992), and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) as applicable to annual financial statements. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements of First National Bank Ghana Ltd and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effect 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 includes the communication of other key audit matters as reported in the auditor's report of the audited financial statements. 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 requirements of the Bank of Ghana Guide for Financial Publication for Banks and Bank of Ghana 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 Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

Report on other legal and regulatory requirements

In accordance with our full audit report, we confirm that:

- The Bank generally complied with the provisions of the Companies Act, 2019 (Act 992).
- The Bank has generally complied with the Bank of Ghana Corporate Governance Disclosure Directives.
- The Bank generally complied with the provisions of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

The engagement partner on the audit resulting in this independent auditor's report is **Emmanuel Martey (ICAG/P/1476)**.

Deloitte & Touche

For and on behalf of **Deloitte & Touche (ICAG/F/2024/129)**
Chartered Accountants
The Deloitte Place, Plot No. 71
Off George Walker Bush Highway
Accra Ghana

27 March 2024