

uniCredit Ghana Limited

(SAVINGS AND LOANS COMPANY)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2017

	2017 GHC	2016 GHC
Interest income	156,071,283	120,498,655
Interest expense	(74,678,740)	(55,837,759)
Net interest income	81,392,543	64,660,896
Fees and commission income	12,031,947	7,821,763
Other operation income	94,937	32,710
Operating income	93,519,427	72,515,369
Net impairment loss on financial assets	(11,352,032)	(3,677,906)
	82,167,395	68,837,463
Personnel expenses	(35,745,647)	(28,826,356)
Operating lease	(2,199,733)	(1,623,912)
Depreciation and Amortisation	(5,159,765)	(3,921,466)
Other expenses	(31,782,108)	(20,686,546)
Total operating expenses	(74,887,254)	(55,058,280)
Profit before income tax	7,280,141	13,779,182
Income tax expense	(953,891)	(2,735,434)
National fiscal stabilization levy	(364,007)	(688,959)
Deferred Tax Charge	(1,070,312)	-
Profit for the period	4,891,931	10,354,789
Other Comprehensive Income		
Revaluation of property, plant and equipment	6,479,444	-
Related tax	(1,432,623)	-
Other comprehensive income-net of tax	5,046,821	-
Total comprehensive income for the period	9,938,752	10,354,789

STATEMENT OF FINANCIAL POSITION

As at 31 December 2017

	2017 GHC	2016 GHC
Asset		
Cash & bank balances	38,004,319	34,863,716
Investments	310,402,846	253,291,673
Loans and advances to customers	95,917,622	94,388,930
Deferred tax asset	-	156,307
Intangible assets	1,935,088	946,928
Other assets	110,879,229	67,904,676
Property, plant and Equipment	62,781,847	36,629,779
Current tax asset	2,222,089	-
National Fiscal stabilization levy	385,864	-
Total assets	622,528,905	488,182,009
Liabilities		
Deposits from customers	433,306,741	355,485,454
Borrowings	46,000,000	23,023,276
Current tax liability	-	903,457
National Fiscal stabilization levy	-	270,985
Deferred tax liabilities	2,346,628	-
Other liabilities	49,648,248	27,210,301
Total liabilities	531,301,617	406,893,474
Stated Capital	55,102,000	55,102,000
Income Surplus	4,258,963	4,083,813
Capital Surplus	10,356,268	5,309,447
Statutory Reserve	14,608,428	12,162,462
Credit Risk Reserve	6,901,629	4,630,814
Total equity attributable to equity holders	91,227,288	81,288,535
Total liabilities and equity	622,528,905	488,182,009

STATEMENT OF CASH FLOWS

For the year ended 31 December 2017

	2017 GHC	2016 GHC
Cash flows from operating activities		
Profit for the period	4,891,931	10,354,790
Adjustment for:		
Depreciation and amortisation	5,159,765	3,921,466
Impairment on financial assets	11,352,032	3,677,906
Income tax expense	2,388,210	3,424,393
Interest in Suspense	15,718,052	6,417,766
Profit/Loss on Disposal of Fixed Assets	(56,393)	(32,710)
Operating profit before working capital changes	39,453,596	27,763,610
Changes in Held to maturity	(57,111,172)	(113,434,318)
Change in loans and advances to customers	(28,598,774)	(2,886,871)
Change in other assets	(42,974,552)	(32,601,858)
Change in Deposits from Customers	77,821,287	112,223,562
Change in other liabilities and provisions	22,437,947	13,649,303
Cash from operating activities	11,028,331	4,713,428
Income tax Paid	(5,100,294)	(2,791,408)
Net Cash used from operating activities	5,928,037	(1,922,020)
Cash flows from investing activities		
Purchase of Property, Plant & Equipment	(24,661,554)	(15,230,997)
Purchase of intangible assets	(1,259,824)	(246,677)
Proceeds from sale of Property & Equipment	157,222	95,897
Net Cash used in Investing Activities	(25,764,157)	(15,381,776)
Cash flows from financing activities		
Changes in debt securities issued	22,976,724	23,023,276
Increase Stated Capital	-	-
Net Cash from Financing Activities	22,976,724	23,023,276
Net Increase/(decrease) in cash and cash equivalents	3,140,603	9,563,521
Cash & cash equivalents at beginning of year	34,863,715	25,300,195
Cash & cash equivalents at end of period	38,004,319	34,863,716
Cash and cash equivalent		
Cash in hand	13,379,454	15,029,459
Bank balance	24,624,865	19,834,257
	38,004,319	34,863,716

DIRECTORS' REPORT

For the year ended 31 December 2017

The Directors have pleasure in submitting to the shareholders, the annual reports together with the financial statements of the company for the year ended 31 December, 2016 in accordance with the Companies Act, 1963 (Act 179) and the relevant sections of the Banking Act, 2004 (Act 673), as amended by the Banking (Amendment) Act, 2007 (Act 738) and the Non-Bank Financial Institution Act, 2008 (Act 774)

1. Results

	2017 GHC	2016 GHC
Total income	156,071,283	120,498,655
Profit before tax	7,280,141	3,779,182
From which is deducted;		
Provision for estimated income tax expense of	(953,891)	(2,735,434)
Provision for national stabilisation levy of	(364,007)	(688,959)
Leaving a profit after tax of	4,891,931	10,354,789
Which is to be added to the surplus brought forward of	4,083,813	6,468,034
Leaving a balance of	8,975,744	16,822,823
From which is deducted transfer to statutory reserve fund	(2,445,966)	(5,177,395)
And a transfer to regulatory credit risk reserve of	-	(2,321,597)
And a transfer to stated capital	-	(5,240,019)
Resulting in a balance to be carried forward on the		
Income surplus account at December 31 of	4,258,963	4,083,813

2. Dividend

The directors do not recommend the payment of dividend for the year ended 31 December 2017 (2016: GHC Nil).

3. Principal activities

The principal activities of the company was in accordance with its regulations and there was no change in the principal activities of the company during the year.

4. Auditors

In accordance with the Companies Act 1963, Act 179 (1963), Section 134(5), Messrs. Deloitte & Touche, Chartered Accountants will continue as auditors of the company.

5. Events after the reporting period

The Directors confirm that no matters have arisen since 31 December 2017, which affect the financial statements of the company for the year ended on that date.



Frank Oppong - Yeboah
Chairman
Date: 30th April 2018



Samuel Sakyi-Hyde
Chief Executive Officer
Date: 30th April 2018

INDEPENDENT AUDITOR'S REPORT

On the summary financial statements
To the members of uniCredit Ghana Limited

Opinion

The summary financial statements of uniCredit Ghana Limited, which comprise the summary statement of financial position as at 31 December 2017, the summary statements of profit or loss, other comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited financial statements of uniCredit Ghana Limited for the year ended 31 December 2017.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the International Financial Reporting Standards, the requirements of the Companies Act, 1963 (Act 179), and the Banks and Specialised Deposit-Taking Institutions Act 2016, (Act 930).

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by the International Financial Reporting Standards, the requirements of the Companies Act, 1963 (Act 179), and the Banks and Specialised Deposit-Taking Institutions Act 2016, (Act 930) as applicable to financial statements. 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 Audited Financial Statements and our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 2nd May 2018

That report also includes:

- The communication of key audit matters. Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the summarised financial statements for the current period.

A "Report on Other Legal and Regulatory Requirements" which comprise reports on:

- Compliance with the provisions of Companies Act, 1963 (Act 179); and
- Compliance with the provisions of the Banks and Specialised Deposit-Taking Institutions Act 2016, (Act 930)

Directors' Responsibility for the Summary Financial Statements

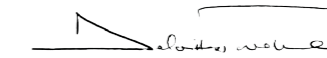
The directors are responsible for the preparation of the summary financial statements in accordance with International Financial Reporting Standards, the requirements of the Companies Act, 1963 (Act 179), and the Banks and Specialised Deposit-Taking Institutions Act 2016, (Act 930), and for such

internal control as the directors determine is necessary to enable the preparation of the summary financial statements that are free from material misstatement, whether due to fraud or error.

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 810 (Revised), Engagements to Report on Summary Financial Statements.

The engagement partner on the audit resulting in this independent auditor's report is Kwame Ampim-Darko (ICAG/P/1453)



For and on behalf Deloitte & Touche (ICAG/F/2018/129)

Chartered Accountants
The Deloitte Place, Plot No. 71
Off George Walker Bush Highway
Accra Ghana
2nd May 2018

1. Reporting Entity

uniCredit Ghana Limited was incorporated as a limited liability company and domiciled in Ghana under the Company's Act of 1963 (Act 179) in 1995. It was granted a license to operate as a financial institution in 1984 in accordance with the Banking Law of 1989 (PNDC Law 225).

uniCredit Ghana Limited is a non-bank financial institution which has been in operation since 1995. The Institution was formerly called Kantamanto Savings and Loans Co. Ltd, but had a change of name in June 2007. The ownership of the Institution changed in April 2005. The Institution is headquartered at No. 3 North Ridge Lane, North Ridge, Accra.

The primary focus of uniCredit is to provide financial services that are specifically tailored to the needs of personal customers and micro, small and medium scale enterprises.

2. Summary of Significant Accounting Policies

The significant accounting policies adopted by uniCredit Ghana Limited under the International Financial Reporting Standards (IFRS) are set out below:

2.1 Statement of Compliance

The financial statements of the Institution have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

2.2 Basis of preparation

The financial statements have been prepared on a historical cost basis, except for the following material items in the statement of financial position:

- Assets and liabilities held for trading are measured at fair value;
- Financial instruments designated at fair value through profit or loss are measured at fair value;
- Investments in equity instruments are measured at fair value;
- Other financial assets not held in a business model whose objective is to hold assets to collect contractual cash flows or whose contractual terms do not give rise solely to payments of principal and interest are measured at fair value; and
- Available-for-sale financial assets are measured at fair value.