

ASA SAVINGS AND LOANS LIMITED

SUMMARY FINANCIAL STATEMENTS PREPARED FROM THE AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE FOR THE YEAR ENDED 31 DECEMBER 2022		
	2022 GH¢	2021 GH¢
Interest income	231,680,189	212,577,135
Interest expense	(16,074,126)	(15,458,753)
Net interest income	215,606,063	197,118,382
Fees and commission income	1,411,661	1,050,754
Total Revenue	217,017,724	198,169,136
Other income	2,933,206	18,907
Operating Income	219,950,930	198,188,043
Credit loss provision	(2,734,985)	(1,096,838)
Personnel expenses	(42,810,379)	(32,542,329)
Other Administrative Expenses	(22,179,369)	(13,285,224)
Depreciation	(4,257,636)	(3,285,726)
Profit before National Stabilization Levy and Tax	147,968,561	147,977,926
National stabilization levy	(7,398,428)	(7,398,896)
Profit before tax	140,570,133	140,579,030
Income tax expense	(37,344,661)	(36,769,152)
Profit after tax	103,225,472	103,809,878
Total comprehensive income for the year	103,225,472	103,809,878
Earnings per share		
Basic earnings per share	6,882	6,921

SUMMARY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022		
	2022 GH¢	2021 GH¢
Assets		
Cash and cash equivalents	53,959,538	165,295,793
Loans and advances	415,348,543	309,287,238
Other assets	1,870,373	414,945
Property and equipment	9,502,732	6,446,733
Deferred tax assets	1,720,379	1,075,636
Total Assets	482,401,565	482,520,345
Liabilities		
Borrowings	-	18,856,844
Due to customers	245,205,680	191,587,756
Current tax liabilities	1,398,331	2,697,664
Other liabilities	10,164,984	66,970,983
Total liabilities	256,768,995	280,113,247
Equity		
Share capital	25,000,000	15,000,000
Retained earnings	129,309,674	128,987,386
Statutory reserve	71,322,896	58,419,712
Shareholders' funds	225,632,570	202,407,098
Total liabilities and shareholders' funds	482,401,565	482,520,345

SUMMARY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022				
In GH¢	Stated Capital	Retained earnings	Statutory reserve	Total
Balance at 1 January 2022	15,000,000	128,987,386	58,419,712	202,407,097
Profit for the year	-	103,225,472	-	103,225,470
Transfer to statutory reserve	-	(12,903,184)	12,903,184	-
Transfer to credit risk reserve	-	-	-	-
Transfer to stated capital	10,000,000	(10,000,000)	-	-
Others	-	-	-	-
Dividend declared	-	(80,000,000)	-	(80,000,000)
Balance at 31 December 2022	25,000,000	129,309,674	71,322,896	225,632,570
Balance at 1 January 2021	15,000,000	98,153,743	45,443,477	158,597,220
Profit for the year	-	103,809,878	-	103,809,878
Transfer to statutory reserve	-	(12,976,235)	12,976,235	-
Transfer to credit risk reserve	-	-	-	-
Dividend declared	-	(60,000,000)	-	(60,000,000)
Balance at 31 December 2021	15,000,000	128,987,386	58,419,712	202,407,098

SUMMARY STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 DECEMBER 2022		
	2022 GH¢	2021 GH¢
Cash flows from operating activities		
Profit before tax	103,225,472	103,809,878
Adjustments for:		
Unrealised exchange differences	1,324,664	251,892
Interest Expense	16,074,126	15,458,753
Tax Expense	44,743,089	44,168,048
Interest Income	(231,680,189)	(212,577,135)
Depreciation of property and equipment	4,257,636	3,285,726
Impairment expense	2,734,985	1,096,838
Out flow before working capital changes	(59,320,217)	(44,506,000)
Changes in :		
Other operating assets	(111,120,340)	(56,586,416)
Other operating liabilities	53,617,924	41,776,038
Interest received	235,347,482	204,703,070
Interest paid on deposit	(13,388,096)	(10,402,978)
Income tax paid	(39,061,573)	(36,906,581)
National stabilisation levy paid	(7,625,591)	(7,102,951)
Net cash generated from operating activities	58,449,589	90,974,182
Cash flows from investing activities		
Purchase of property and equipment	(3,190,516)	(491,717)
Payment of lease	(4,123,118)	(3,667,298)
Net cash used in investing activities	(7,313,634)	(4,159,015)
Cash flows from financing activities		
Dividend paid	(140,000,000)	-
Repayments of borrowings	(18,461,515)	(9,053,261)
Repayment of interest on borrowings	(2,686,031)	(5,203,812)
Net cash generated from financing activities	(161,147,546)	(14,257,073)
Increase in cash and cash equivalents	(110,011,591)	72,558,094
Effect of exchange rate fluctuation on cash held	(1,324,664)	(251,892)
Cash and cash equivalents at 1 January	165,295,793	92,989,591
Cash and cash equivalents at 31 December	53,959,538	165,295,793

NOTES TO THE SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Basis of preparation

The summary financial statements are 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 financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants, Ghana (ICAG).

The accounting policies applied in the preparation of the audited financial statements, from which the summary financial statements were derived, are in accordance with IFRSs and are consistent with the accounting policies applied in the preparation of the previous annual audited financial statements.

The financial statements were authorised for issue by the Board of Directors on 30th April 2023.

2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these condensed financial statements are consistent with the accounting policies applied in the audited financial statements of the company with the exception of IAS 39 which has been replaced by IFRS 9 effective January 1, 2018. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. Additional information required by the Companies Act, 2019 (Act 992) and the Bank and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) have been included where appropriate. The financial statements have been prepared on a historical cost basis except for the following material items: buildings which are carried at revalued amounts and fair value of Equity Investments through Other Comprehensive Income.

3. Functional and presentation currency

These financial statements are presented in Ghana Cedis, which is the company's functional currency.

4. Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

5. Quantitative Disclosures

	2022	2021
Capital Adequacy Ratio	35.24%	38.90%
Non-performing loans to gross loans	0.65%	0.71%
Loan Loss provision	2,734,985	1,096,838
Liquidity ratio	1.85%	1.82%

6. Default in statutory requirements and accompanying sanctions:

	GH¢	GH¢
Sanctions	12,000	-
Default in statutory requirements (Number)	-	-

7. Corporate Social Responsibility


Amount spent on Corporate Social responsibility for December 2022 amounted GHS 868,387 (December 2021: GHS 644,059). These included donation to schools and others of national interest.

8. Risk Management

The Company's activities expose the business to risks. The company has exposure to the following types of risks: credit risk, liquidity risk, market risk and operational risk. It is therefore a fundamental responsibility of management to ensure that all the risks associated with each class of business, each product and each type of transaction as well as the risks associated with the conduct of the company's affairs are identified and managed. These inherent risks are managed through a process of on-going identification, measurement and monitoring, subject to risk limits and controls. This process is critical to the company's continued profitability.

Approval of the Financial Statements

The financial statements of the ASA were approved by the Board of Directors on 30th April 2023 and were signed on their behalf by


Name: **Mrs. Louisa Osei-Wusu**
Director


Name: **Md Aourongjeb**
Chief Executive Officer



**INDEPENDENT AUDITOR'S REPORT
ON THE SUMMARY FINANCIAL STATEMENTS
TO THE MEMBERS OF ASA SAVINGS AND LOANS LIMITED**

Opinion

The summary financial statements, which comprise the summary statements of financial position as at 31 December 2022, and the summary statements of profit or loss and 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 ASA Savings and Loans Limited for the year ended 31 December 2022.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, in accordance with the basis described in the notes.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by 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) applied in the preparation of the audited financial statements of ASA Savings and Loans Limited. Reading the summary financial statements and our report thereon, therefore, is not a substitute for reading the audited financial statements and our 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 2 May 2023. 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 financial statements for 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 basis described in the notes.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of 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*.

The engagement partner on the audit resulting in this independent auditor's report is Labaran Amidu (ICAG/P/1472).



FOR AND ON BEHALF OF:
KPMG: (ICAG/F/2023/038)
CHARTERED ACCOUNTANTS
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2 May 2023

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