



BAYPORT SAVINGS AND LOANS PLC

AUDITED CONDENSED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2019

1. STATEMENT OF FINANCIAL POSITION

	Dec-19	Dec-18
	GHC	GHC
ASSETS		
Cash and cash equivalents	11,297,868	29,539,114
Loans and advances to customers	701,892,127	576,503,573
Other assets	6,969,204	16,113,761
Property and equipment	10,158,805	11,350,566
Intangible Asset	11,569,467	12,809,652
Right of use assets	4,544,625	-
Current tax assets	12,275,998	11,724,479
Deferred tax assets	18,969,213	14,548,207
Total Assets	777,677,307	672,589,352
LIABILITIES		
Deposit from customers	70,561,625	113,421,012
Other Liabilities	48,360,012	52,164,575
Borrowings	358,142,825	293,727,220
Loans from shareholders	175,133,041	73,931,002
Total Liabilities	652,197,503	533,243,809
EQUITY		
Share Capital	29,942,217	29,942,217
Reserves	95,537,587	109,403,326
Total Equity	125,479,804	139,345,543
Total Liabilities and Equity	777,677,307	672,589,352

2. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Dec-19	Dec-18
	GHC	GHC
Interest and other similar income	259,824,535	257,644,749
Interest and other similar expense	(120,063,082)	(97,166,782)
Net interest income	139,761,453	160,477,967
Fees and commission income	4,092,538	2,951,577
Net fees and commission income	4,092,538	2,951,577
Net trading income	143,853,991	163,429,544
Other operating income	187,292	85,801
Other income	2,635,632	5,037,955
Operating income	146,676,915	168,553,300
Net impairment loss on financial asset	(31,340,001)	(30,173,528)
Foreign exchange losses	(6,386,733)	(4,424,034)
Personnel expenses	(50,421,030)	(40,293,400)
Operating lease expenses	-	(4,628,429)
Depreciation and amortisation	(13,578,616)	(8,786,082)
Other expenses	(63,237,280)	(68,798,845)
(Loss)/profit before taxation	(18,286,745)	11,448,982
Income tax credit/(expense)	4,421,006	(3,601,737)
(Loss)/profit for the year	(13,865,739)	7,847,245
Other comprehensive income	-	-
Total Comprehensive (loss)/income for the year	(13,865,739)	7,847,245

Earnings for share

Basic earnings per share (pesewas per share)	(0.0987)	0.0558
Diluted earnings per share (pesewas cedis per share)	(0.0987)	0.0558
Basic weighted average number of shares (thousands)	14,052,240	14,052,240
Diluted weighted average number of shares (thousands)	14,052,240	14,052,240

3. STATEMENT OF CASH FLOWS

	Dec-19	Dec-18
	GHC	GHC
Operating activities		
Profit before tax	(18,286,745)	11,448,982
Adjustments for:		
Depreciation of property and equipment and intangibles	9,002,828	8,786,082
Profits on disposal of property and equipment	(216,012)	(14,126)
Foreign currency losses	6,444,674	4,410,397
Increase in provision for credit impairment	39,348,200	48,666,275
Changes in working capital:		
Increase in gross advances	(166,736,756)	(186,324,638)
Decrease/(increase) in other assets	6,563,438	(2,498,197)
(Decrease)/increase in other liabilities	(4,864,281)	22,875,143
Decrease in deposit from customers	(42,859,386)	(2,483,410)
Cash used in operations	(171,604,040)	(95,133,492)
Income taxes paid	(551,519)	(10,438,469)
Net cash used in operating activities	(172,155,559)	(105,571,961)
Investing activities		
Proceeds on disposal of property and equipment	288,795	3,195
Purchase of property and equipment and intangibles	(6,643,665)	(6,743,862)
Net cash used in investing activities	(6,354,870)	(6,740,667)
Financing activities		
Proceeds from borrowings	84,000,000	89,099,006
Repayment of borrowings	(21,498,475)	(13,360,282)
Proceeds from loans from shareholders	96,224,471	37,176,912
Repayment of loans from shareholders	-	(11,342,622)
Proceeds from issue of bonds	25,667,500	52,168,800
Repayments of bonds	(23,753,420)	(47,540,586)
Net cash generated from financing activities	160,640,076	106,201,228
Net decrease in cash and cash equivalents	(17,870,353)	(6,111,400)
Cash and cash equivalents at the beginning of the year	29,539,114	35,485,139
Effect of exchange rate movement on cash balances	(370,893)	165,375
Cash and cash equivalents at the end of the period	11,297,868	29,539,114

4. STATEMENT OF CHANGES IN EQUITY

	Share Capital	Statutory Reserve	Regulatory Credit Risk Reserve	Other Reserves	Total Reserves	Income Surplus	Total Equity
	GHC	GHC	GHC	GHC	GHC	GHC	GHC
Balance at 1 January 2018	29,942,217	20,008,622	-	(8,969,016)	11,039,606	90,516,475	131,498,298
Profit for the year	-	-	-	-	-	7,847,245	7,847,245
Transfers and transactions							
Movement in share capital	-	-	-	-	-	-	-
Transfer to statutory reserve	-	1,961,813	-	-	1,961,813	(1,961,813)	-
Transfer to credit risk reserve	-	-	28,978,631	-	28,978,631	(28,978,631)	-
Total movements for the year	-	1,961,813	28,978,631	-	30,940,444	(23,093,199)	7,847,245
Balance at 31 December 2018	29,942,217	21,970,435	28,978,631	(8,969,016)	41,980,050	67,423,276	139,345,543
Balance at 1 January 2019	29,942,217	21,970,435	28,978,631	(8,969,016)	41,980,050	67,423,276	139,345,543
Loss for the year	-	-	-	-	-	(13,865,739)	(13,865,739)
Transfers and transactions							
Transfer to statutory reserve	-	-	-	-	-	-	-
Transfer to credit risk reserve	-	-	(18,998,467)	-	(18,998,467)	18,998,467	-
Total movements for the year	-	-	(18,998,467)	-	(18,998,467)	5,132,728	(13,865,739)
Balance as at 31 December 2019	29,942,217	21,970,435	9,980,164	(8,969,016)	22,981,583	72,556,004	125,479,804

5. REPORT OF THE INDEPENDENT AUDITOR ON THE CONDENSED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF BAYPORT SAVINGS AND LOANS PLC

Opinion

The condensed financial statements, which comprise the summary statement of financial position as at 31 December 2019, summary statement of comprehensive income, summary statement cash flows for the year then ended, and related notes, are derived from the audited financial statements of Bayport Savings and Loans PLC for the year ended 31 December 2019.

In our opinion, the accompanying condensed financial statements are consistent, in all material respects, with the audited financial statements, in accordance with International Standards on Auditing (ISA) 810 (Revised), Engagement to Report on Summary Financial Statements.

Condensed financial statements

The condensed financial statements do not contain all the disclosures required by International Financial Reporting Standards, the Companies Act, 2019 (Act 992) and the Banks and Deposit-Taking Institutions Act, 2016 (Act 930). 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 financial statements and the audited 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

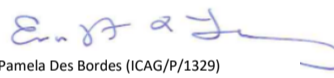
We expressed an unmodified audit opinion on the audited financial statements in our report dated 2 April, 2020. That report also includes the communication of other key matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period.

Directors responsibility for the summary financial statements

The directors are responsible for the preparation of the condensed financial statements in accordance with the Bank of Ghana Guide for financial publication for banks and Bank of Ghana (BOG) 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 Standards on Auditing (ISA) 810 (Revised), Engagement to Report on Summary Financial Statements.


Pamela Des Bordes (ICAG/P/1329)
For and on behalf of Ernst & Young
(ICAG/F/2020/126)
Chartered Accountants
Accra, Ghana



6. NOTES TO THE AUDITED CONDENSED FINANCIAL STATEMENTS

Significant Accounting Policies

The audited consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the International Accounting Standards Board (IASB) as adopted by the Institute of Chartered Accountant Ghana (ICAG) and in a manner required by the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) and the Companies Act, 2019, (Act 992). The financial statements have been prepared on the historical cost basis, except for the measurement of certain financial instruments at fair value.

The company has consistently applied the accounting policies for year ended 31 December 2019 and 31 December 2018.

Basis of preparation

The condensed financial statements have been extracted from the audited financial statements of the company in accordance with the Bank of Ghana Guide for Publication for Banks & Bank of Ghana licensed financial institutions.

Qualitative Disclosures

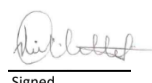
- The company's risk management framework defines the approach to risk management.
- The scope of risks that are directly managed by the Company is as follows:
Credit Risk, Operational Risk, Market and Liquidity Risk, Legal and Compliance Risk, Reputational Risk and Capital Risk.

The risks inherent in the company's activities are managed through an ongoing process of identification, measurement and monitoring, subject to risk limits and other controls. The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. Oversight of risk management is the responsibility of the Audit and Finance Committee and Risk and Compliance Committee. The committees monitor risks associated with financial reporting, accounting policies, internal control and IT governance. The committees are responsible for risk management including setting the risk management framework, setting risk appetite and monitoring the company's management of risk including credit and compliance.

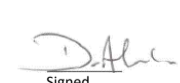
Quantitative Disclosures

	Dec-19	Dec-18
Capital adequacy ratio	11.9%	11.6%
Non performing loans ratio	11.7%	15.7%
Default in statutory liquidity	Nil	Nil
Default in statutory liquidity sanction	Nil	Nil

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


Signed

Director


Signed

Director

your future now

BAYPORT
SAVINGS AND LOANS



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