

STATEMENT OF COMPREHENSIVE INCOME

(All amounts are in Ghana cedis)

	Year ended 31 December	
	2019	2018
Interest income	44,035,895	37,965,883
Interest expenses	(27,471,700)	(21,301,076)
Net interest income	16,564,195	16,664,807
Fees and commission income	1,020,531	700,746
Other income	63,672	3,697,103
Operating income	17,648,398	21,062,656
Personnel expenses	(6,597,724)	(6,131,455)
Depreciation and amortisation	(2,659,701)	(1,949,669)
Operating expenses	(6,124,034)	(2,711,979)
Net operating income before impairment	2,266,939	10,269,553
Impairment release/(charge) on financial assets	2,435,800	(5,968,270)
Profit before tax	4,702,739	4,301,283
National fiscal stabilisation levy	(235,137)	(215,064)
Income tax expense	(354,940)	(2,708,042)
Profit for the year	4,112,662	1,378,177
Other comprehensive income	-	-
Total comprehensive income for the year	4,112,662	1,378,177

STATEMENT OF FINANCIAL POSITION

(All amounts are in Ghana cedis)

	At 31 December	
	2019	2018
Assets		
Cash and bank balances	7,563,650	4,865,297
Investment securities	43,174,626	158,541,255
Loans and advances to customers	65,826,095	35,587,245
Other assets	3,560,809	501,439
Intangible assets	1,118,746	1,498,722
Right-of-use asset	1,342,011	-
Property and equipment	9,980,239	13,631,813
Total assets	132,566,176	214,625,771
Liabilities		
Customer deposits	10,436,568	3,742,686
Other liabilities	1,964,970	2,428,850
Due to related party	37,291,086	129,617,708
Lease liability	1,412,793	-
Current income tax	4,232,379	4,638,538
Deferred income tax	487,186	1,569,457
Total liabilities	55,824,982	141,997,239
Equity		
Stated capital	62,000,000	62,000,000
Retained earnings	8,935,161	7,138,206
Credit risk reserve	259,376	-
Statutory reserve	5,546,657	3,490,326
Total equity	76,741,194	72,628,532
Total liabilities and equity	132,566,176	214,625,771

STATEMENT OF CHANGES IN EQUITY

(All amounts are in Ghana cedis)

	Stated capital	Retained earnings	Credit risk reserve	Statutory reserve	Total
Year ended 31 December 2019					
Balance at 1 January 2019	62,000,000	7,138,206	-	3,490,326	72,628,532
Comprehensive income:					
Profit for the year	-	4,112,662	-	-	4,112,662
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	4,112,662	-	-	4,112,662
Transfer to credit risk reserve	-	(259,376)	259,376	-	-
Transfer to statutory reserve	-	(2,056,331)	-	2,056,331	-
Balance at 31 December 2019	62,000,000	8,935,161	259,376	5,546,657	76,741,194
Year ended 31 December 2018					
Balance at 1 January 2018	62,000,000	6,457,204	-	2,801,237	71,258,441
Change in accounting policy - IFRS 9 adoption	-	(10,782)	-	-	(10,782)
Deferred income tax impact on adoption of IFRS 9	-	2,696	-	-	2,696
Restated balance at 1 January 2018	62,000,000	6,449,118	-	2,801,237	71,250,355
Comprehensive income:					
Profit for the year	-	1,378,177	-	-	1,378,177
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	1,378,177	-	-	1,378,177
Transfer to statutory reserve	-	(689,089)	-	689,089	-
Balance at 31 December 2018	62,000,000	7,138,206	-	3,490,326	72,628,532

STATEMENT OF CASH FLOWS

(All amounts are in Ghana cedis)

	Year ended 31 December	
	2019	2018
Cash flows from operating activities		
Profit before income tax	4,702,739	4,301,283
Adjustments for:		
Depreciation expense	2,279,725	1,571,316
Amortisation charge	379,976	378,353
Write-off of property and equipment	14,654	-
Impairment of prepayment for ATM equipment	2,553,209	-
Decrease/(increase) in investments over 91 days	137,005,537	(34,079,881)
Increase in other assets	(3,059,370)	(501,439)
Increase in loans and advances to customers	(30,238,851)	(34,932,021)
Increase in mandatory reserve	(669,388)	(328,847)
Increase in customer deposits	6,693,882	3,288,470
(Decrease)/increase in due to related party	(92,326,622)	76,788,104
Increase in lease liability	150	-
(Decrease)/increase in other liabilities	(699,016)	364,832
Cash flow from operating activities	26,636,625	16,850,170
Tax paid	(1,843,370)	(9,000)
Net cash flow from operating activities	24,793,255	16,841,170
Cash flows from investing activities		
Purchase of property and equipment	(1,125,382)	(3,133,306)
Purchase of intangible assets	-	(531,482)
Net cash used in investing activities	(1,125,382)	(3,664,788)
Increase in cash and cash equivalents	23,667,873	13,176,382
Cash and cash equivalents at 1 January	26,026,746	12,850,364
Cash and cash equivalents at 31 December	49,694,619	26,026,746

Continued on next page

SERVICES INTEGRITY SAVINGS AND LOANS LIMITED

Summary financial statements for the year ended 31 December 2019

NOTES

1. General information

Services Integrity Savings and Loans Limited provides savings and loans products to personnel of the Ghana Armed Forces and the general public. The Company is a limited liability company incorporated and domiciled in Ghana. The address of the Company's registered office is Block 1 Labadi Villas Business Center, Giffard Road, Burma Camp, Accra.

2. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below and have been consistently applied to all years presented, unless otherwise stated.

2.1. Basis of preparation

a) Compliance with IFRS

The financial statements of Services Integrity Savings and Loans Limited have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS.

b) Historical cost convention

The financial statements have been prepared under the historical cost convention.

3. Summary Report of the Directors

The directors submit their report together with the audited financial statements of Services Integrity Savings and Loans Limited ('the Company') for the year ended 31 December 2019.

Statement of directors' responsibilities

The directors are responsible for the preparation of financial statements for each financial year, which give a true and fair view of the state of affairs of the Company and of the profit or loss and cash flows for that period. In preparing these financial statements, the directors have selected suitable accounting policies

and then applied them consistently, made judgements and estimates that are reasonable and prudent and followed 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).

Approval of the financial statements

The financial statements of the Company were approved by the board of directors on 27 May 2020 and were signed on their behalf by:



Major Amarkai Amarteifio (Rtd)
(Chairman)



Lydia Daddy
(Director)

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

Our opinion

In our opinion, the accompanying summary financial statements of Services Integrity Savings and Loans Limited (the "Company"), are consistent, in all material respects, with the audited financial statements of the Company for the year ended 31 December 2019, on the basis described in the notes.

The summary financial statements

The Company's summary financial statements derived from the audited financial statements for the year ended 31 December, 2019 comprise:

- the summary statement of financial position as at 31 December 2019;
- the summary statement of comprehensive income for the year then ended;
- the summary statement of changes in equity for the year then ended;
- the summary statement of cash flows for the year then ended; and
- the related notes to the summary financial statements.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards and the Companies Act, 2019 (Act 992) and the Banks and Specialised 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 audited financial statements, and the summary 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 28 May 2020. 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 audited financial statements of the current period.

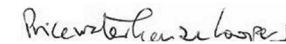
Directors' responsibility for the summary financial statements

The directors are responsible for the preparation of the summary financial statements on the basis described in the notes.

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 Oseini Amui (ICAG/P/1139).



PricewaterhouseCoopers (ICAG/F/2020/028)
Chartered Accountants
Accra, Ghana
28 May 2020