



Pan-african Savings And Loans Limited Company

Summary Financial Statements for the year ended 31 December 2023

SUMMARY STATEMENT OF FINANCIAL POSITION (All amounts are in Ghana cedis)

	2023	2022
Assets		
Cash and balances with banks	20,050,768	53,903,181
Investment securities	41,103,092	5,667,992
Loans and advances to customers	73,577,781	63,803,733
Other assets	24,372,473	2,742,396
Current income tax assets	-	135,681
Deferred income tax assets	5,032,462	4,002,625
Right-of-use assets	9,887,709	9,283,506
Intangible assets	154,988	5,105
Property and equipment	1,635,765	1,879,145
Total assets	175,815,038	141,423,364
Liabilities		
Customer deposits	145,960,055	116,411,476
Other liabilities	3,718,513	1,965,111
Current income tax	427,848	-
Lease liabilities	7,239,635	6,562,028
Total liabilities	157,346,051	124,938,615
Equity		
Stated capital	11,800,000	11,800,000
Statutory reserve	6,340,730	5,348,611
Retained earnings – (deficit)	328,257	(663,862)
Total equity	18,468,987	16,484,749
Total equity and liabilities	175,815,038	141,423,364

SUMMARY STATEMENT OF CASH FLOWS (All amounts are expressed in Ghana cedis)

	At 31 December	
	2023	2022
Profit before tax	3,174,685	711,852
Adjustments for:		
Depreciation and amortisation	3,779,529	2,760,652
Write-offs	-	2,842
Net impairment charge	3,282,349	2,628,167
Gain on disposal of property equipment	(6,690)	-
Finance cost on lease liabilities	1,236,490	957,551
Lease remeasurement	(59,999)	-
Operating cash flow before investment in working capital	11,406,364	7,061,064
<i>Changes in operating assets and liabilities:</i>		
Loans and advances to customers	(13,056,397)	(7,539,054)
Other assets	(21,630,077)	(144,150)
Customer deposits	29,548,579	19,590,448
Other liabilities	1,753,402	(155,573)
	8,012,871	18,812,735
Tax paid	(1,656,755)	(326,949)
Net cash flows from operating activities	6,365,116	18,485,786
Cash flow from investing activities		
Acquisition of property and equipment	(858,853)	(1,129,941)
Proceeds from disposal of property and equipment	6,690	-
Acquisition of intangible assets	(222,852)	-
Net cash flow used in investing activities	(1,074,685)	(1,129,941)
Cash from financing activities		
Payments of lease liabilities	(3,707,744)	(3,316,599)
Net cash used in financing activities	(3,707,744)	(3,316,599)
Net increase in cash and cash equivalents	1,582,687	14,039,246
Cash and cash equivalents at beginning of the year	59,571,173	45,531,927
Cash and cash equivalents at end of year	61,153,860	59,571,173

SUMMARY STATEMENT OF COMPREHENSIVE INCOME (All amounts are expressed in Ghana cedis)

	2023	2022
Interest income	38,369,189	32,297,206
Interest expense	(7,707,766)	(5,775,382)
Net interest income	30,661,423	26,521,824
Fee and commission income	29,675,562	16,080,138
Other operating income	315,628	780,458
Operating income	60,652,613	43,382,420
Impairment charge	(3,282,349)	(2,628,167)
Depreciation and amortization expense	(3,779,529)	(2,760,652)
Personnel expenses	(29,452,264)	(22,822,841)
Other operating expenses	(20,963,786)	(14,458,908)
Profit before tax	3,174,685	711,852
Income tax expense	(1,190,447)	(342,064)
Profit after tax	1,984,238	369,788
Other comprehensive income	-	-
Total comprehensive income for the year	1,984,238	369,788

SUMMARY STATEMENT OF CHANGES IN EQUITY (All amounts are expressed in Ghana cedis)

Year ended 31 December 2023	Stated capital	Statutory reserve	Retained earnings	Total
At 1 January 2023	11,800,000	5,348,611	(663,862)	16,484,749
Profit for the year	-	-	1,984,238	1,984,238
Total comprehensive income	-	-	1,984,238	1,984,238
Regulatory transfers				
Transfer to statutory reserve	-	992,119	(992,119)	-
		992,119	(992,119)	-
At 31 December 2022	11,800,000	6,340,730	328,257	18,468,987
Year ended 31 December 2022	Stated capital	Statutory reserve	Retained earnings	Total
At 1 January 2022	11,800,000	5,163,717	(848,756)	16,114,961
Profit for the year	-	-	369,788	369,788
Total comprehensive income	-	-	369,788	369,788
Regulatory transfers				
Transfer to statutory reserve	-	184,894	(184,894)	-
	-	184,894	(184,894)	-
At 31 December 2022	11,800,000	5,348,611	(663,862)	16,484,749

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

1. Reporting Entity

Pan-African Savings and Loans Limited Company provides micro credit and savings products to the Ghanaian market. The Company is a limited liability company incorporated and domiciled in Ghana. The address of the Company's registered office is No. 19 Mayor Road, Ridge West, Accra.

2. Basis of Presentation

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards with the IAS 29 directive issued by the Institute of Chartered Accountants, Ghana (ICAG), 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 summary financial statements in this publication is an extract from the financial statements for the year ended 31 December 2023. The full set of the financial statements are available for inspection at the Company's Head Office at No. 19 Mayor Road, Ridge West, Accra. The summary financial statements are presented in Ghana Cedis, which is the Company's functional and presentation currency.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period or in the period of revision and future periods, if the revision affects both current and future periods.

Summary Financial Statements for the year ended 31 December 2023

NOTES TO THE SUMMARY FINANCIAL STATEMENTS (CONT')

3. Quantitative Disclosure

	2023	2022
Capital adequacy Ratio	10.10%	10.24%
Non -performing loans ratio	23.43 %	29.21 %

Compliance with statutory liquidity

Default in statutory liquidity (times)	Nil	Nil
Default in statutory liquidity sanction (GHC)	Nil	Nil

4. Qualitative Disclosures

The Company'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 Company's business, and operational risks are an inevitable consequence of being in business. The Company's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on the Company's financial performance.

The Company's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to date information systems. The Company regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

The most important types of risk are credit risk, liquidity risk and market risk. The Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

Signed
Theresa Osei Tutu
Board Chairperson

Signed
Emelia Atta-Fynn
Managing Director

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF PAN-AFRICAN SAVINGS AND LOANS LIMITED COMPANY

Our opinion

In our opinion, the accompanying summary financial statements of Pan-African Savings and Loans Limited Company (the "Company"), are consistent, in all material respects, with the audited financial statements of the Company for the year ended 31 December 2023, 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 2023 comprise:

- the summary statement of financial position as at 31 December 2023;
- 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 statement do not contain all the disclosures required by International Financial Reporting Standards with the IAS 29 directive issued by the Institute of Chartered Accountants, Ghana (ICAG), the Companies Act, 2019 (Act 992) and the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act930). 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 statement.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 15 April 2024. That report also include 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 Michael Asiedu-Antwi (ICAG/P/1138).



PricewaterhouseCoopers (ICAG/F/2024/028)
Chartered Accountants
Accra, Ghana

Date: