

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2022

	30 SEP 2022 GH¢	30 SEP 2021 GH¢
Interest Income	380,504,734	300,604,048
Interest Expense	(230,765,088)	(127,837,572)
Net Interest Income	149,739,646	172,766,476
Fees and Commission Income	55,177,727	44,767,960
Fees and Commission Expense	(4,961,379)	(2,693,226)
Net Fees and Commission Income	50,216,348	42,074,734
Net Trading Income	107,637,016	23,187,768
Other Income	15,502,169	23,881,584
Net Trading and Other Income	123,139,185	47,069,352
Total Operating Income	323,095,179	261,910,562
Impairment Expense	(65,086,791)	(32,193,493)
Personnel Expenses	(98,839,181)	(85,432,491)
Operating Expenses	(91,230,868)	(96,380,864)
Depreciation and Amortization	(13,026,513)	(11,910,921)
Profit Before Income Tax	54,911,826	35,992,793
Income Tax Expense	(19,219,139)	(12,597,478)
Profit After Tax	35,692,687	23,395,315
Other Comprehensive Income		
Other Comprehensive Income Net of Income Tax	-	-
Total Comprehensive Income for the Period	35,692,687	23,395,315
Basic Earnings Per Share	3.17	2.08
Diluted Earnings Per Share	3.17	2.08

UNAUDITED STATEMENT OF CASH FLOWS FOR
THE 3RD QUARTER ENDED 30 SEPTEMBER 2022

	30 SEP 2022 GH¢	30 SEP 2021 GH¢
Operating Activities		
Profit After Tax	35,692,687	23,395,315
Adjustments for:		
Depreciation and Amortization	13,026,513	11,910,921
Impairment on Financial Assets	65,086,791	32,193,493
Net Interest Income	(149,739,646)	(172,766,476)
Income Tax Expense	19,219,139	12,597,478
Profit on Disposal of Fixed Assets	(1,042,702)	(41,038)
	(17,757,218)	(92,710,307)
Changes in:		
Advances to Banks	(34,398,025)	46,034,669
Loans and Advances to Customers	(108,994,655)	(225,193,090)
Other Assets	(53,172,420)	(54,825,005)
Deposits from Customers	304,327,074	589,234,778
Other Liabilities	329,477,470	24,546,956
Cash From Operations	419,482,226	287,087,101
Interest and Dividend Received	335,008,120	264,425,027
Interest Paid	(210,784,302)	(128,873,158)
Income Tax Paid	(30,760,140)	(21,778,819)
Net Cash From Operating Activities	512,945,904	400,860,151
Investing Activities		
Purchase of Property and Equipment	(156,426,831)	(15,256,258)
Purchase of Intangible Assets	(8,441,249)	(269,746)
Proceeds from Sale of Fixed Assets	1,062,401.00	51,089
Purchase of Investment Securities	(521,647,869)	(234,269,957)
Net Cash Used in Investing Activities	(685,453,548)	(249,744,872)
Financing Activities		
Proceeds from Borrowings	701,862,849	35,000,096
Net Cash From Financing Activities	701,862,849	35,000,096
Net Increase in Cash and Cash Equivalents	529,355,205	186,115,375
Cash and Cash Equivalents at 01 January	625,115,091	662,777,046
Effect of Exchange Rate Fluctuations	(86,382)	273,684
Cash and Cash Equivalents at 30 September	1,154,383,914	849,166,105

UNAUDITED STATEMENT OF FINANCIAL POSITION AS
AT 30 SEPTEMBER 2022

	30 SEP 2022 GH¢	30 SEP 2021 GH¢
Assets		
Cash and Cash Equivalents	1,154,383,914	849,166,105
Investment Securities	1,696,082,207	749,372,670
Advances to Banks	276,692,488	274,952,699
Investments in Associates	1,573,440	1,497,131
Loans and Advances to Customers	1,412,541,711	1,393,056,782
Other Equity Investments	2,967,256	4,531,138
Other Assets	437,095,821	472,777,160
Deferred Tax	29,188,691	2,543,565.00
Current Taxation	25,021,347	21,052,795
Investment Property	192,853,060	62,887,300
Property, Equipment and Right of Use of Assets	131,723,663	90,234,806
Intangible Assets	12,212,988	8,384,906
Total Assets	5,372,336,586	3,930,457,057
Liabilities and Shareholders' Funds		
Liabilities		
Deposits from Customers	3,229,489,925	2,859,508,505
Borrowings	1,093,275,701	360,986,282
Other Liabilities	519,022,032	208,685,650
Employee Benefit Obligations	5,663,447	4,947,063
Total Liabilities	4,847,451,105	3,434,127,500
Shareholders' Funds		
Stated Capital	457,514,102	457,514,102
Revaluation Reserve	28,113,234	21,609,359
Credit Risk Reserve	126,159,980	52,174,339
Statutory Reserve	82,339,690	76,814,898
Other Reserves	2,328,878	3,517,453
Income Surplus	(171,570,403)	(115,300,594)
Total Shareholders' Fund	524,885,481	496,329,557
Total Liabilities and Shareholders' Fund	5,372,336,586	3,930,457,057

Signed
Ernest Kwasi Okoh
Director

Signed
George Smith-Graham
Director

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2022

1. Reporting Entity Universal Merchant Bank Limited is a Bank incorporated in Ghana. The Bank operates with a Universal Banking license and undertakes all banking services. The address of the Bank's registered office is SSNIT Emporium, Liberation Road, Airport City, Accra.	2. Significant Accounting Policies The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).									
3. Use of Judgements and Estimates In preparing these financial statements, Management has made judgements, estimates and assumptions that affect the application of the Bank's 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 ongoing basis. Revisions to accounting estimates are recognised prospectively.	4. Quantitative Disclosures									
	<table border="1"> <thead> <tr> <th></th> <th>2022</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>Capital Adequacy Ratio</td> <td>11.54%</td> <td>17.18%</td> </tr> <tr> <td>Gross Non-Performing Loans Ratio</td> <td>19.74%</td> <td>14.56%</td> </tr> </tbody> </table>		2022	2021	Capital Adequacy Ratio	11.54%	17.18%	Gross Non-Performing Loans Ratio	19.74%	14.56%
	2022	2021								
Capital Adequacy Ratio	11.54%	17.18%								
Gross Non-Performing Loans Ratio	19.74%	14.56%								
5. Risk Management The Bank's activities expose it to a variety of operational and 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 Bank's business, and the operational risks are an inevitable consequence of being in business. The Bank's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on its financial performance. The most important types of risk include: • Credit Risk • Liquidity Risk • Market Risk (includes currency, interest rate and other price risk) • Operational Risk The Bank considers its dominant risks to be increasing primarily due to escalating prices and exchange rates across the world due to the Russia-Ukraine war crisis which has limited the supply of oil, gas and grains and significantly impacted economic activities. The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Board has established a Risk Oversight Committee and a Risk Department to assist in the discharge of this responsibility. • In determining significant increase in credit risk, the Bank considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Bank's historical experience, credit assessment and including forward-looking information. Key among them are Ageing analysis, Sectorial Analysis, Early warning signals, etc. • Liquidity risks are measured with reference to statutory liquidity ratios and internal guidelines • Market risks are measured with respect to fluctuations in the following key market prices; Interest rate, foreign exchange rates, equity prices, credit spreads not relating to obligor's credit standing. • Operational risks are measured mainly by frequency of breach of internal policies, procedures, systems, processes and standards.										
6. Other Disclosures										
	<table border="1"> <thead> <tr> <th></th> <th>2022</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>Default in Statutory Liquidity (No. of Times)</td> <td>Nil</td> <td>Nil</td> </tr> <tr> <td>Default in Statutory Liquidity (Sanctions) (GH¢'m)</td> <td>Nil</td> <td>Nil</td> </tr> </tbody> </table>		2022	2021	Default in Statutory Liquidity (No. of Times)	Nil	Nil	Default in Statutory Liquidity (Sanctions) (GH¢'m)	Nil	Nil
	2022	2021								
Default in Statutory Liquidity (No. of Times)	Nil	Nil								
Default in Statutory Liquidity (Sanctions) (GH¢'m)	Nil	Nil								



For more information just ask
SIKA at www.myumbbank.com



Bringing a uniquely Ghanaian
perspective to banking, since 1972