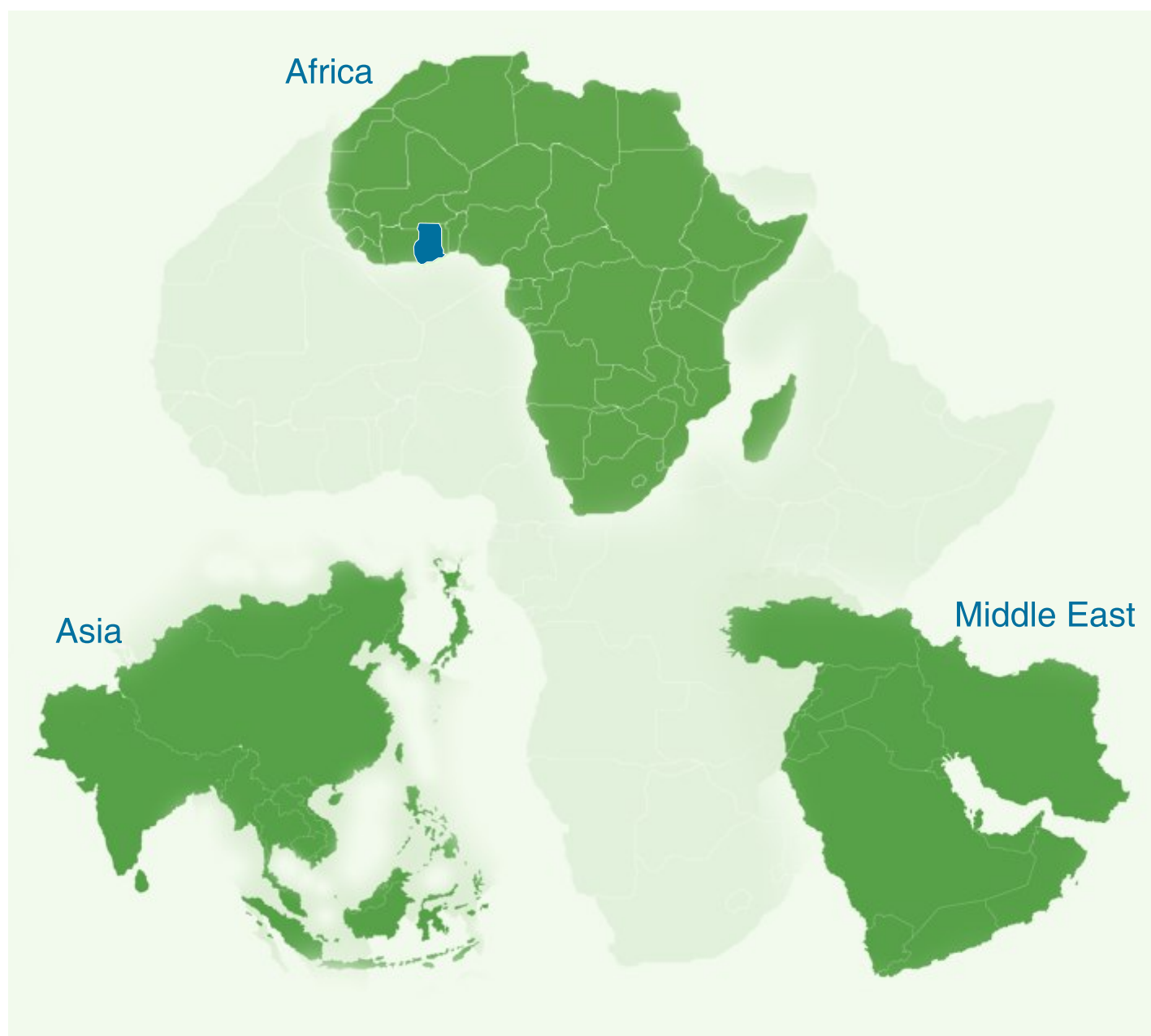


## Our Group

Standard Chartered Bank is the world's best international bank leading the way in Asia, Africa and the Middle East. The Group provides Consumer Banking services to individuals and small to medium size businesses, and offers Wholesale Banking capabilities to corporate and institutional clients.

With 150 years in the emerging markets the Group has unmatched knowledge and understanding of its customers in its markets. Standard Chartered recognises its responsibilities to its staff and to the communities in which it operates.



## Standard Chartered Bank Ghana Limited

Standard Chartered Bank Ghana Limited is a member of the Standard Chartered Group. Consistent with the Group's strategic initiative we have also launched a new strategic intent to be : Ghana's Icon, Leading the Way, Setting the Trend. Our business model is similar. We provide Consumer Banking services to individuals and small to medium size businesses, and offer Wholesale Banking capabilities to corporate and institutional clients.

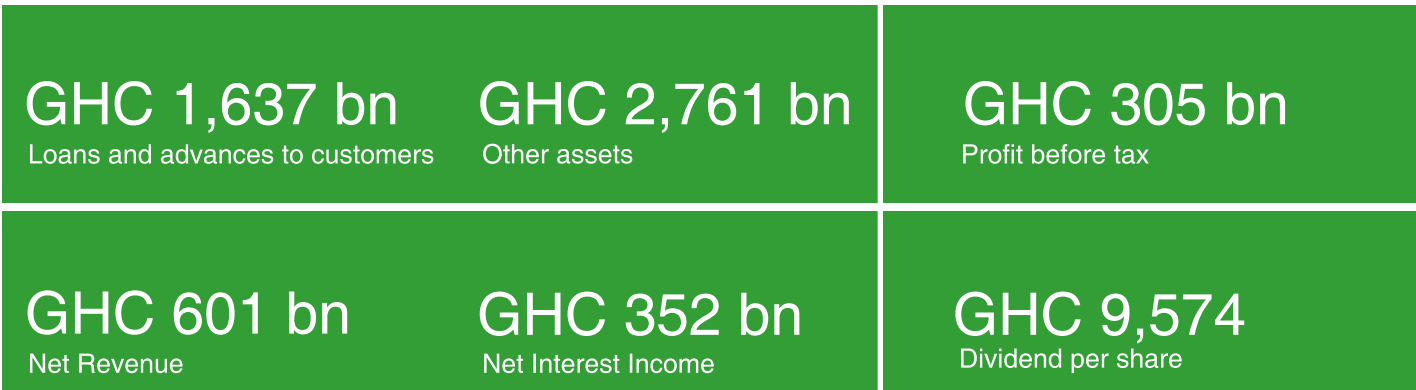
With 108 years in Ghana we have unmatched knowledge and understanding of our customers, communities, people, regulatory environment and continue to deliver outstanding returns to our shareholders.



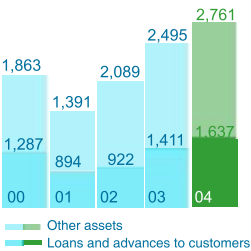
# Strategic Highlights

- Net revenue GHC 601 billion
- Operating profit GHC 305 billion
- Earnings Per Share GHC 10,942
- Return on Equity 43 per cent

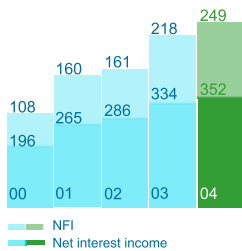
2	Strategic Highlights
3	Notice of Agenda
4	Five Year Financial Summary
5	Chairman's Statement
8	Chief Executive's Review
11	Board of Directors, Officials and Registered Office
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14	Report of the Directors
15	Report of the Auditors
16	Profit and Loss Account
17	Balance Sheet
18	Cash Flow Statement
19	Notes to the Financial Statement
34	Form of Proxy



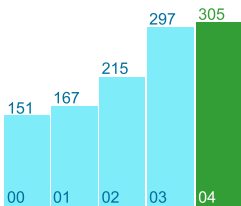
Balance Sheet Growth  
GHC Billion



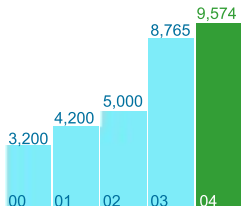
Net Revenue  
GHC Billion



Profit before Taxation  
GHC Billion



Dividends per share  
GHC



# Notice and Agenda

Notice is hereby given that the Annual General Meeting of Standard Chartered Bank Ghana Limited will be held at the Accra International Conference Centre, opposite the State House Building, Osu, Accra on Thursday, 24<sup>th</sup> March, 2005 at 11.00 a.m. for the ordinary business of the Company.

## **Agenda**

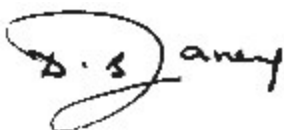
- i. To receive the reports of the Directors and Auditors, the balance sheet as at 31<sup>st</sup> December, 2004 together with the Profit and Loss and Income Surplus Accounts for the year ended on that date.
- ii. To declare a Dividend.
- iii. To pass single resolution appointing all Directors seeking re-election at this meeting.
- iv. To elect Directors in place of those retiring.
- v. To approve Directors' remuneration.
- vi. To approve the remuneration of the Auditors.

A member of the Company entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him/her. A proxy need not be a member.

A form of proxy is attached.

Dated this 11<sup>th</sup> day of February, 2005.

**BY ORDER OF THE BOARD**

A handwritten signature in black ink, appearing to read 'D. S. Aney', is written over a faint, circular embossed stamp.

(Board Secretary)



# Five Year Financial Summary

	2000 GHC'M	2001 GHC'M	2002 GHC'M	2003 GHC'M	2004 GHC'M
Interest income	386,443	445,051	383,314	471,834	479,115
Interest expense	(190,603)	(180,181)	(97,523)	(137,914)	(126,913)
<b>Net interest income</b>	<b>195,840</b>	<b>264,870</b>	<b>285,791</b>	<b>333,920</b>	<b>352,202</b>
Commissions and fees	57,192	74,376	133,751	156,029	184,517
Other operating income	50,736	85,507	27,583	62,276	64,741
<b>Net revenue</b>	<b>303,768</b>	<b>424,753</b>	<b>447,125</b>	<b>552,225</b>	<b>601,460</b>
Total operating expenses	(117,504)	(184,216)	(224,930)	(273,283)	(290,549)
Credit /(charge) for bad and doubtful debts	(90,882)	(73,803)	(6,791)	14,067	(6,098)
<b>Operating Profit</b>	<b>95,382</b>	<b>166,734</b>	<b>215,404</b>	<b>293,009</b>	<b>304,813</b>
Other income	-	-	-	3,760	22
<b>Exceptional Item</b>	<b>56,100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit before taxation</b>	<b>151,482</b>	<b>166,734</b>	<b>215,404</b>	<b>296,769</b>	<b>304,835</b>
Taxation	(36,319)	(58,627)	(84,582)	(120,510)	(112,294)
Profit after taxation	115,163	108,107	130,822	176,259	192,541
Interim Dividend	-	-	-	(47,997)	(51,028)
Transfer to Statutory Reserve Fund	(14,395)	(13,513)	(16,353)	(22,032)	(24,068)
Retained profit	100,768	94,594	114,469	106,230	117,445
<b>Shareholders equity</b>	<b>242,127</b>	<b>281,202</b>	<b>367,177</b>	<b>407,439</b>	<b>442,722</b>
<b>Total assets</b>	<b>3,149,565</b>	<b>2,284,938</b>	<b>3,011,131</b>	<b>3,905,776</b>	<b>4,397,876</b>
<b>Total deposits</b>	<b>1,499,389</b>	<b>1,636,143</b>	<b>2,174,769</b>	<b>2,817,945</b>	<b>3,306,645</b>
<b>Loans &amp; advances</b>	<b>1,286,958</b>	<b>894,445</b>	<b>921,775</b>	<b>1,410,759</b>	<b>1,636,744</b>
	GHC	GHC	GHC	GHC	GHC
Earnings per share	7,270	6,144	7,435	10,017	10,942
Interim Dividend Paid	-	-	-	2,728	2,900
Proposed Final Dividend per share	3,200	4,200	5,000	6,037	6,674
Return on Assets (PBT/Total Assets)	5%	7%	7%	8%	7%
Return on Equity (PAT/Equity)	48%	38%	36%	43%	43%
Capital Adequacy ratio	8%	10%	9%	12%	12%
Cost/Income Ratio	39%	43%	50%	49%	48%

# Chairman's Statement

In 2001, we committed to a transformation process aimed at positioning our bank for sustainable performance. I am pleased to report satisfactory progress in the four pillars of our balanced scorecard: Financial Performance, Franchise Management, Governance, People and Talent.

Our bank remains a significant player in the financial services sector of Ghana and continues to represent a distinct organisational type, which sells expertise and unique value propositions. Our governance initiatives such as anti-money laundering, helped establish and interpret the rules of the game for the industry. Our actions underpin the integrity of the financial services sector, in strengthening the infrastructure for economic exchange.

Net revenue GHC 601 billion

Operating profit GHC 305 billion

Earnings Per Share GHC 10,942

Return on equity 43 per cent

Recommended final dividend per share  
up 11 per cent to GHC 6,674

We traded cautiously in 2003 while exploring the larger strategic challenges. What would be the shape of banking and finance in five to ten years' time? How do we retool and redesign the bank for sustainable performance? How do we win the war for talent by empowering the younger generation of professionals?

2004 performance is evidence of our ability to stay focused on our strategic agenda, which hinges on disciplined incremental organic growth. Balance sheet footings increased by 13%, deposits increased by 17% and advances grew by 16%. This is a satisfactory performance in a year of consolidation and assessment of our aspirations.

## A changing world

Globalisation continues to drive change around the world and is a common theme in

political and economic debates in Ghana. The effects are real and Ghana, like every other country, must compete for limited resources. The question thus is how can the country be managed to realise its full potential (political and economic) within this context?

The 2004 presidential and legislative elections were further evidence of the maturity in the democratisation process of Ghana. Focus should now be on what may well prove to be crucial four years.

Observers have been taking stock of the administration's record of economic and social reforms and there are reports that the President is demanding bolder strategies from his advisors and cabinet. Based on a snapshot of the economy, it is obvious that the country deserves recognition for the commitment it has demonstrated to the reform process. There has been post-election political stability, the administration has remained fiscally prudent and the monetary policy committee remains independent of government intervention.

## *Fiscal discipline programme, progressive monetary policies plus GDP Growth*

The fiscal outlook has been positively helped by an enabling fiscal and monetary policy mix plus real GDP growth of approximately 5.4% in 2004.

Further fiscal improvements are expected to be derived from donor assistance and planned relief of the government's foreign debt under the HIPC initiative. GDP growth, it is estimated, would hover around 5.0% in 2005 and 5.2% in 2006. Foreign exchange reserves have been replenished, the currency has been relatively stable and short-term debt and interest rates have been manageable.

## *Over-shadowed risks*

This positive outlook overshadows the external factor causing most concern at the moment. The risks posed by the fuel price hike.

## *Impact of fuel price hike on inflation and rates*

The impact of the 50% fuel price hike will be a function of the prevailing international fuel prices, and market observers maintain it will result in inflationary pressures, while price adjustments to other utilities will further







**We strive**  
**you thrive**

# Chairman's Statement

## Continued

increase inflation to 18% in 2005. This is however, expected to be a one-time rise and we expect inflation to stabilise and fall by year-end.

What is essential now is a continuing commitment to reform. We believe the administration's search for a bolder strategy should involve early implementation of reforms in all priority sectors of the economy.

### Positioned for growth

During the year, we completed the revalidation of our long-term business goals. Our strategic intent was revalidated and the tactical imperatives better defined and understood.

We will remain a very focused commercial bank in Ghana and are best placed to demonstrate superior quality in marketing and delivery of our products and services. All banks can, and often do, make excessive claims about their abilities. It is their right. We will nonetheless continue to set the standards. Our value propositions and expertise will be communicated more effectively to differentiate ourselves and for clients to see and feel the difference.

In an increasingly competitive market, we will continue to zero in on the need to cultivate tailored approaches to all stakeholders.

### Corporate governance

Our organisational and procedural measures ensure the accuracy, completeness, authenticity and timeliness of information disclosed to all stakeholders.

During the year we continued to embed the regulations on the protection of personal data, focusing on all related activities and responsibilities, which had been formalised with all the bank's operating functions in line with the Group Code of Conduct. To ensure the effective handling of activities relating to anti-money laundering, our legal and compliance function has been allocated coordination responsibilities for the monitoring and controlling of procedures affecting this area.

Our Board Audit Risk Committee is made up of ex-practitioners and professionals from a range of sectors who bring to bear invaluable experiences.

During the year under review, Peter Sullivan resigned as Director and Chairman of the Board following his transfer to Hong Kong as Chief Executive Officer of Standard Chartered Bank Hong Kong. Steve Williams also resigned to take an executive position in our group subsidiary in Zimbabwe, while Ousman Lamin joined as executive director assuming the responsibilities previously held by Steve Williams. James Villiers Legge Phillips also resigned after over 18 years of loyal service. We very much appreciate their valuable contribution and wish them well in their new endeavours.

In February 2005 I had the privilege to be appointed to serve on the Board as Director and Chairman. This is a responsibility I take seriously and commit to execute to the best of my ability.

### Corporate Social Responsibility

In 2004 we continued to effectively leverage our community partnership programmes and were recognised at the Annual Banking Awards as The Most Socially Responsible Bank.

Civil society needs are many and vary significantly across populations, regions, demographics, etc. The challenge is collective and individual. I would like to particularly thank the staff and management of our bank for their individual contributions that complemented the corporate spend for community programmes.

A key to success, however, is the focus, relevance, timeliness and quality of the programmes. We consequently continue to champion our sanitation and hygiene initiatives with our award winning water project, whilst actively supporting other programmes in Education, Sports, Health, environmental upgrades and leadership development.

### The way ahead

Ghana's economic recovery in 2005 is expected to gain more momentum. These are exciting times in the country. To cope with the rapidly changing environment, we will focus on our tactical imperatives and continue to build on the operational, financial and infrastructural gains of the past. We are well positioned and will lead by example.



**Ishmael Yamson**  
Chairman



# Chief Executive's Review

## What we have achieved

- Sustained financial performance by rationalising our customer base and in some cases trading revenue for risk reduction.
- Raised the bar on stakeholder engagement by effectively establishing strong partnerships with all of them:
  - Customers:** By being more innovative in service delivery.
  - Regulators:** By implementing world-class initiatives in areas such as corporate governance i.e. international accounting standards, technology & operations i.e. platforms and processes that become industry norms and facilitate the work of various supervisory bodies.
  - Communities:** By a focused rollout of our *Key Water for Better Sanitation and Hygiene* community partnership programme.
  - Investors:** By providing returns that mirror their investment profile. The performance of our stock and our dividend policy reflect this.
- Maintained strategic clarity while continually assessing the environment for opportunities. We continue to win various domestic and international awards with both the Banker Magazine and Euromoney crowning us as "*Ghana's bank of the year*". We will continue to lead by example.

## Our Challenges

Our challenges evolve around making the changes that matter and leveraging on the opportunities that make a difference. In our industry trends have a different importance. For instance customer sophistication impose an innovation challenge; margin compression represents a productivity challenge; regulatory imperatives require managerial discipline and leadership abilities. All trends must be continually assessed for their impact on strategy. However, survival will depend on an ability to identify and act on the critical trends that will have a lasting effect on performance.

In 2004 we focused on our performance on a strategic scorecard of four pillars: Managing and Driving Financial Performance, Customer and Franchise Management, Corporate Governance and Risks, and Talent Development and Improving Management.

## Managing and Driving Financial Performance

We experienced another year of focused growth. Demand for business finance, particularly from the small to medium size business sector was high; this was largely driven by positive trends in macroeconomic indicators that led to a decline in interest rates and margin compression. Volume growth and trading-up customers to more premium value propositions and delivery platforms were the two growth drivers during the year. In this context, our core objective was to drive returns. Effective capital management was thus the core priority and difficult trade-offs had to be made when revenue was traded for risk reduction. Our risk-based approach reflects the future conditions of our customers, and we offered advisory services to better prepare them for an increasing challenging world.

The balance sheet remains strong: Year-end capital adequacy ratio was 12%; total assets stood at GHC 4.4 trillion, up 13%; total deposits stood at GHC 3.3 trillion, up 17% and total loans and advances were up 16% at GHC 1.6 trillion.

Our efficiency initiatives yielded desired returns, reflected in a year-on-year cost growth, which was below the lowest inflation rate point for the period.

Our policy to continue to return profits to shareholders in the form of dividend payments remains unchanged. We are proposing a total dividend for 2004 of GHC 9,574 per share.

## Customer and Franchise Management

Some analysts have labeled competition in the industry as "cut-throat". This is obvious as banks continue to aggressively chase market share. Financial institutions are all faced with a big dilemma when assessing the attractiveness of customer segments. Many are being exposed to the challenges of competing in an unfamiliar territory for lower margins coupled with the inability to use their traditional leverage. We have however remained focused and loyal to our chosen market segments. We have a well-defined participation strategy that hinges around structuring all deals to reflect the "appropriate" risk/reward profile.

Our brand is well embedded in the marketplace. The invigorated brand clearly differentiates us and has been well received. The current brand campaign is a period of triumph for us and has heralded the start of a new focus on the power of effective branding



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your import and export needs



# Chief Executive's Review

and brand equity. We have a strong franchise and will continue to leverage it.

## Corporate Governance and Risks

We apply a zero-tolerance approach to all governance issues and our processes were reviewed during the year providing us with a framework of rules for the conduct of the bank's business. Our people have a clear understanding of the risks involved and of the principles guiding operational policies. The objective is twofold: to reduce the risk of abrupt changes in market sentiment through further transparency, and to enhance the resilience of the business should sentiments change, for example, as a result of external shocks; a phenomena which must always be monitored in our markets.

## Talent Development and Improving Management

Our Human Resource policies continue to offer a competitive advantage. We remain a net supplier of talent to the industry largely due to our unique approach of identifying, developing and leveraging talent. At the core of our development process is a strength-based approach of differentiating talent and potential, and creating high performing teams. This enables us retain our best people and allows for an inevitable low level of attrition. We continue to offer cross-functional and cross-border developmental opportunities to our "high potential" cadres, who now run sizeable businesses in other geographies within our global network. What is certain is the fact that today we all work in environments different from those of our professional colleagues a generation ago. The current compensation policy includes performance-related pay, rather than just regular salary. We operate in specialist terms, rather than generalist practices.

We remain proactive, anticipating moves in external factors such as increased competition, deregulation, and the demands of increasingly sophisticated customers. The bottom line is that the environment demands flexibility, creativity and nifty movers, and we spare no energy and/or resources to groom teams for this profile.

## 2005 Priorities

Our strategic intent remains unchanged: "Ghana's Icon, Leading The Way, Setting The

Trend". For 2005 our top priorities will include:

- Leveraging our Consumer Banking business by introducing and/or re-launching new value propositions to our chosen customer segments.
- Improving returns in Wholesale Banking by pricing appropriately for risk and expanding our customer base and product offerings.
- Maximising returns on prior year investments in technology.
- Embedding a customer-focused service culture with our "outserve" initiatives.

## Consumer Banking

The transformation of our Consumer Banking business has been very satisfactory. We have effectively leveraged our brand to diversify earnings. Our value centers are all performing well: for instance in Shared Distribution we have successfully reduced costs, improved productivity, and introduced alternate channels; in Unsecured Lending we have significantly scaled up volumes and expanded our customer segments; and in Wealth Management our value propositions (i.e. cards) remain the most innovative, and our Excel platforms represent a new paradigm, a lifestyle experience that has revolutionised the orthodox service platforms.

## Wholesale Banking

Our Wholesale Banking business exceeded all its performance targets. Risks were well managed within a very aggressive origination approach, which placed us at the center of all major corporate deals in Ghana in 2004. Examples include: (arranger) USD 15million multi-product facility, (arranger) USD 7.2 million medium term loan, and (lead arranger) USD 170 million receivables-backed syndicated loan. These facilities were crucial for infrastructural development and capacity enhancement in the manufacturing sector of the economy.

## Delivering Technology Benefits

Investments in our technology infrastructure continue to improve efficiencies and reduce costs as reflected by the delta in our year-on-year cost trends. Furthermore our platforms have facilitated exchanges with our regulators. Our current focus to maximise benefits on the investments is to introduce a world-class data warehouse strategy. The objective is to make use of statistical analysis, modeling techniques and database technology to anticipate customer behaviour. Our data mining initiative

will be about predicting and understanding customer behaviour.

## Outserve

Our Outserve initiative launched last year is progressing well. It is about exceeding customer expectations. Its four key components are: the voice of the customer, process improvements, metrics and measurements, change management and communication. This initiative, which requires a change of thinking, is about the growing demands of our customers. We are determined to offer integrated service solutions that provide faster response to their demands.

## Outlook

Analysts remain reasonably optimistic about the next twelve months. Macro-economic stability is expected to continue as the authorities promise to maintain fiscal and monetary policies that have so far yielded desired results.

Private sector activity is expected to increase though some analysts are factoring into their 2005 forecast the probability that consumer spending will soften because of the fuel price increase. We note the observation, but do not anticipate a collapse.

In our industry, we anticipate intensifying competition necessitating a new era of regulatory scrutiny. Our industry however strives on competition and we are further motivated by the fact that the output gap in Ghana is negative (i.e. the difference between the level of actual output and potential output). Our ambition is to continue to contribute to the realisation of the country's full potential by facilitating the flow of investments into the productive sectors of the economy and deliver performance trends that will further attract foreign direct investments into Ghana.



**Ebenezer N. Essoka**  
Chief Executive Officer

## Board Of Directors, Officials And Registered Office

### BOARD OF DIRECTORS

Ishmael Yamson (Chairman, Appointed 1/2/2005)  
Ebenezer Essoka (Chief Executive Officer)  
Samuel Daisie  
Norbert Kwasivi Kudjawu  
Henry Gilbert Dei  
Gavin Laws  
Albert Saltson  
Alexander Kofi Mensah Mould  
Michael Robertson  
Felix Gyekye  
Ousman Lamin (Appointed 11/2/2005)  
Peter Sullivan (Resigned 9/8/2004)  
James Villiers Legge Phillips (Resigned 31/5/2004)  
Steve Williams (Resigned 16/7/2004)

### SECRETARY

Dawn Kwesi Zaney

### AUDITORS

KPMG  
Chartered Accountants  
25 Liberia Road  
P. O. Box 242  
Accra

### SOLICITORS

Kudjawu & Co.  
Texaco House  
Derby Avenue  
P. O. Box 294  
Accra

### REGISTRARS

NTHC Limited  
Martco House  
P.O. Box 9563  
Airport - Accra

### REGISTERED OFFICE

Standard Chartered Bank Building  
High Street  
P. O. Box 768  
Accra  
Telephone No: 664591



## Board of Directors



1



**1. Ishmael Yamson**

Chairman, Standard Chartered Bank, Ghana Limited - appointed to the Board on 1st February 2005. Also chairman for Unilever Ghana Limited.

**3. Alex Mould**

Executive Director, Client Relationships. Appointed to the Board on 24th March, 2003

**6. Ousman Lamin**

Executive Director, Global Markets. Appointed to the board on 11th February 2005.

**2. Ebenezer Essoka**

Chief Executive Officer (CEO) of Standard Chartered Bank, Ghana Limited and also CEO Central and West Africa. Appointed to the Board on 31st July 2001.

**4. Dawn Zaney**

Legal advisor and Board Secretary. Appointed in October, 1997.

**7. Gavin Laws**

Regional Head, Consumer Banking, Africa. Appointed to the Board in October, 2000.

**5. Henry Gilbert Dei**

Appointed to the Board in July 1998. A former Director General of SSNIT

**8. Albert Saltson**

Executive Director, Consumer Banking.  
Appointed to the Board on 24th January  
2002.

**10. Felix Gyekye**

Executive Director, Finance  
Appointed to the Board on 13th October,  
2003.

**12. Norbert Kwasivi Kudjawu**

Appointed to the Board in November, 1975.  
A Senior Partner of Kudjawu & Co, a legal  
firm.

**9. Michael Robertson**

Chief Operating Officer for Africa based in  
London. Appointed to the Board 31st July,  
2003.

**11. Samuel Daisie**

Economic Consultant. Appointed to the  
Board in November, 1990.

**Audit and Risk Committee**

- 5. Henry Gilbert Dei
- 11. Samuel Daisie
- 12. Norbert Kwasivi Kudjawu



8



9



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11



12

# Report Of The Directors

## to the members of Standard Chartered Bank Ghana Limited

The Directors in submitting to the shareholders the financial statements of the Bank for the year ended 31st December, 2004 report as follows:

	¢m	¢m
Profit for the year ended 31st December, 2004 before taxation is		304,835
from which is deducted taxation of		(112,294)
giving a profit for the year after taxation of		192,541
<b>Less:</b> Transfer to Statutory Reserve Fund of		(24,068)
Leaving a balance of		168,473
to which is added balance on Income Surplus Account brought forward (excluding balance on Statutory Reserve Fund) of		207,917
giving a cumulative amount available for distribution of		376,390
out of which a: final dividend for 2003 of ¢6,037 per share and an interim dividend for 2004 of ¢2,900 per share	(106,230) (51,028)	
amounting to was paid		(157,258)
leaving a balance on Income Surplus Account carried forward of		219,132

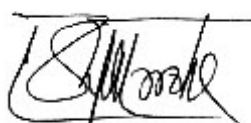
Directors are recommending a final dividend of ¢6,674 per share amounting to ¢117,445 million.

In accordance with Section 29(c) of the Banking Act, 2004 (Act 673), a cumulative amount of ¢122,915 million has been set aside to a Reserve Fund from the Income Surplus Account.

The Bank is a subsidiary of the Standard Chartered Holdings (Africa) B.V., a company incorporated in The Netherlands.



**Felix Gyekye**  
Director



**Ebenezer N. Essoka**  
Director

Accra,

11th February, 2005

# Report of the Auditors

## to the members of Standard Chartered Bank Ghana Limited

We have audited the financial statements of Standard Chartered Bank Ghana Limited for the year ended 31 December 2004 set out on pages 16 to 33, and we have obtained all the information and explanations we required.

### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing these financial statements. Our responsibility is to express an independent opinion on these financial statements based on our audit.

### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing. These standards require that we plan and perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. It also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

### **Opinion**

In our opinion, proper books have been kept and the financial statements, which are in agreement therewith, and prepared in accordance with the Ghana Accounting Standards, comply with the Companies Code, 1963 (Act 179) and the Banking Act, 2004 (Act 673) and give a true and fair view of the financial position of the Bank at 31st December, 2004 and of the results of its operations and cash flows for the year then ended.



**CHARTERED ACCOUNTANTS**  
**25 LIBERIA ROAD**  
**P. O. BOX 242**  
**ACCRA, GHANA**

11th February, 2005

# Profit and Loss Account

## for the year ended 31st December 2004

	Note	2004 €m	2003 €m
Interest income	5	479,115	471,834
Interest expense	6	(126,913)	(137,914)
<b>Net interest income</b>		<b>352,202</b>	<b>333,920</b>
Fees and Commissions income		184,517	156,029
Other operating income	7	64,741	62,276
<b>Operating Income</b>		<b>601,460</b>	<b>552,225</b>
Operating expenses	9	(290,549)	(273,283)
<b>Operating profit before provision for bad and doubtful debts and taxation</b>		<b>310,911</b>	<b>278,942</b>
(Charge)/Release for bad and doubtful debts	11	(6,098)	14,067
Operating Profit		304,813	293,009
Other Income	8	22	3,760
<b>Profit before taxation</b>		<b>304,835</b>	<b>296,769</b>
Taxation - Corporate Tax	12(i)	(81,810)	(90,833)
- National Reconstruction Levy	12(i)	(30,484)	(29,677)
<b>Profit after taxation transferred to Income Surplus Account</b>		<b>192,541</b>	<b>176,259</b>

### INCOME SURPLUS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 2004

Balance as at 1st January		207,917	101,319
Prior year adjustments: Proposed Dividend	22(i)	-	88,000
Balance as at 1st January re-stated		207,917	189,319
Revaluation surplus released on disposal		-	368
Net profit transferred from profit and loss account		192,541	176,259
Transfer to Statutory Reserve Fund	27	400,458	365,946
Final Dividend paid for 2003 of €6,037 (2002: €5,000) per share		(24,068)	(22,032)
Interim Dividend paid for 2004 of €2,900 (2003: €2,728) per share		(106,230)	(88,000)
		(51,028)	(47,997)
Balance as at 31st December		219,132	207,917
Earnings per share (cedis per share)	35	€10,942	€10,017
Interim Dividend Paid (cedis per share)	35	€2,900	€2,728
Proposed Final Dividend per share (cedis per share)	35	€6,674	€6,037

# Balance Sheet

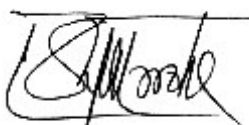
at 31st December 2004

	Note	2004 ¢m	2003 ¢m
<b>Assets</b>			
Cash and Balances with Bank of Ghana	14	418,222	776,686
Short-Term Government Securities	15(i)	555,466	573,526
Due from other banks and financial institutions	16	699,893	331,927
Loans and advances	17	1,636,744	1,410,759
Other asset	19	337,665	221,854
Taxation	12(ii)	50,717	13,962
		3,698,707	3,328,714
Medium-term investments in other securities	15(ii)	557,566	410,110
Property, Plant and Equipment	18	141,603	166,952
<b>Total assets</b>		<b>4,397,876</b>	<b>3,905,776</b>
<b>Liabilities</b>			
Customer deposits	20	3,306,645	2,817,945
Due to banks and other financial institutions	21	138,871	164,587
Interest payable and other liabilities	23	347,969	324,392
Deferred Taxation	13	21,695	8,100
Borrowing	24	94,629	139,078
<b>Total current liabilities</b>		<b>3,909,809</b>	<b>3,454,102</b>
<b>Medium-Term Borrowing</b>	24	<b>45,345</b>	<b>44,235</b>
<b>Total liabilities</b>		<b>3,955,154</b>	<b>3,498,337</b>
<b>Shareholders' funds</b>			
Stated capital	25	40,405	40,405
Capital surplus	26	60,270	60,270
Income surplus		219,132	207,917
Statutory Reserve Fund	27	122,915	98,847
<b>Total shareholders' funds</b>		<b>442,722</b>	<b>407,439</b>
<b>Total liabilities and shareholders' funds</b>		<b>4,397,876</b>	<b>3,905,776</b>
Net assets value per share (cedis per share)	35	¢25,160	¢23,155

The Board of Directors approved the financial statements set out on pages 16 to 33 on 11 February, 2005.



**Felix Gyekye**  
Director



**Ebenezer N. Essoka**  
Director

# Cash Flow Statement

## for the year ended 31st December 2004

	Note	2004 €m	2003 €m
<b>Net cash inflow from operating activities</b>	28(a)	308,186	539,566
<b>Returns on investments and servicing of finance:</b>			
Dividends paid		(157,258)	(135,997)
<b>Taxation:</b>			
Taxes paid		(135,454)	(126,746)
<b>Investing activities:</b>			
Purchase of Property, plant and equipment	(6,256)	(27,342)	
Proceeds from sale of Property, plant and equipment	-	8,624	
Amount released	284	-	
<b>Net cash (outflow) from investing activities</b>		(5,972)	(18,718)
<b>Increase in cash and cash equivalents</b>	28(b)	9,502	258,105

# Notes to the Financial Statements

## for the year ended 31st December 2004

### 1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Bank's financial statements.

#### a. Basis of Accounting

The Bank prepares its financial statements under the historical cost convention as modified by the revaluation of leasehold properties and in accordance with Ghana Accounting Standards.

#### b. Foreign Currency

Assets and liabilities denominated in foreign currencies are translated into cedis at rates of exchange ruling at the balance sheet date. Any profits or losses on translation are dealt with in arriving at the operating profit.

#### c. Interest Income

The recognition of interest income ceases when the payment of interest or principal is in doubt. Thereafter, interest is included in income only when it is received. Loans are returned to the accruals basis only when doubt about collectibility is removed and when the outstanding arrears of interest and principal are received.

#### d. Fee Income

Loan fees are credited to income when the loans are granted.

#### e. Investments

Investment in securities redeemable at fixed dates which are purchased with the intention of being held to maturity are initially recognised at cost and subsequently adjusted to give effect to amortisation of premiums and discounts on purchase over the period to redemption. Trade investments are stated at cost.

Gains or losses arising from sale of investments or adjustments to the values of held to maturity investments, are recognised in the profit and loss accounts.

#### f. Loans and advances

Advances are stated in the balance sheet at the amount of principal and interest outstanding less any provision for bad and doubtful debts and interest held in suspense.

#### g. Bad and doubtful debts

Provisions against loans and advances are based on an appraisal of the loan portfolio and are made having regard to both specific and general risks.

The specific element of the provisions relates to those advances that have been individually reviewed and specifically identified as bad or doubtful. The general element of the provisions relates to those existing losses that, although not yet specifically identified, are known from experience to be present at any year end in the Bank's portfolio of advances. In determining the level of the provisions required, management considers numerous factors including, but not limited to, domestic economic conditions, the composition and performance of the advances portfolio and prior bad debts experience.

Provisions made during the year (less amounts released and recoveries of advances previously written off) are charged as a separate amount in the profit and loss account. Advances are written off when the extent of any loss has been confirmed.

A general provision is made on net current contingent liabilities (off balance sheet items).



# Notes to the Financial Statements

## for the year ended 31st December 2004

### **h. Property, Plant and Equipment**

Premises and equipment owned by the Bank are stated at cost or revaluation less accumulated depreciation. Equipment is depreciated on a straight-line basis over its expected useful life principally between 3 to 5 years. Leasehold properties are depreciated over the unexpired period of the lease.

Maintenance and repairs are charged to the profit and loss account when incurred, and improvements are capitalised.

### **i. Taxation**

The Bank provides for income taxes at the current tax rates on the taxable profits of the Bank.

### **j. Deferred Taxation**

Provision is made for deferred tax liabilities using the liability method on temporary differences. Deferred tax assets are recognised to the extent that there is reasonable certainty of realisation.

### **k. Post Balance Sheet Events**

Events subsequent to the balance sheet date are reflected only to the extent that they relate to the accounts and the effect is material.

### **l. Dividend**

Dividends are recognised as a liability in the period in which they are declared.

### **2. Non Performing Loans Ratio**

Percentage of gross non-performing loans ("substandard to loss") to total credit/advances portfolio (gross) is 15% (2003: 17%).

### **3. Unsecured Contingent Liabilities and Commitments**

Unsecured contingent liabilities and commitments amounted to ¢ 442,787million (2003: ¢340,848 million).

### **4. Social Responsibility Cost**

An amount of ¢678 million (2003: ¢1,010 million) was spent on fulfilling social responsibility of the bank. This includes direct finance by the holding company of identified social responsibility projects in Ghana.

# Notes to the Financial Statements

## for the year ended 31st December 2004

<b>5. Interest Income</b>		
	<b>2004</b>	<b>2003</b>
	<b>€m</b>	<b>€m</b>
Placements, Special deposits	15,232	1,683
Investment securities	196,867	231,963
Loans and advances	267,016	238,188
	479,115	471,834
<b>6. Interest Expense</b>		
Current accounts	1,256	1,863
Time and other deposit	94,822	97,713
Overnight and call account	26,725	33,241
Borrowings	4,110	5,097
	126,913	137,914
<b>7. Other Operating Income</b>		
Gains on foreign exchange	64,741	62,276
	64,741	62,276
<b>8. Other income</b>		
Profit on disposal of property, plant and equipment	-	3,750
Rent receivable	22	10
	22	3,760
<b>9. Operating Expenses</b>		
Staff Cost (Note 10)	116,014	108,673
Advertising and marketing	6,140	3,755
Administrative expenses	109,711	95,470
Training	1,840	2,520
Depreciation	31,321	39,694
Directors' emoluments	11,329	10,249
Auditors' remuneration	300	252
Donations and sponsorship	578	1,010
Others	13,316	11,660
	290,549	273,283
<b>10. Staff Cost</b>		
Wages, salaries, bonus and allowances	96,559	76,351
Social security cost	8,902	6,372
Pension and retirement benefit	651	1,449
Other staff cost	8,602	7,872
Severance Pay	1,300	16,629
	116,014	108,673

The average number of persons employed by the bank during the year was 593 (2003: 592). Included in this figure is staff of 188 (2003: 199) who work at the Shared Service Centre (SSC) for processing transactions of six (6) countries in West Africa. For the purpose of analysis, about 54% of transactions processed are for the Ghana Office.

# Notes to the Financial Statements

## for the year ended 31st December 2004

	2004 €m	2004 €m	2003 €m	2003 €m
<b>11. Bad and Doubtful Debts Expense</b>				
Net Specific credit risk provision	314		(20,110)	
General provision for bad and doubtful debts - On-Balance Sheet	4,764		4,935	
Total On-Balance Sheet provision		5,078		(15,175)
General provision on Off-Balance Items		1,020		1,108
Charge/(Release) for bad and doubtful debts		6,098		(14,067)
<b>12. Taxation</b>			<b>2004 €m</b>	<b>2003 €m</b>
<b>12(i). Corporate Tax</b>				
Current tax [Note 12(ii)]			68,215	92,689
Deferred tax [Note 13]			13,595	(1,856)
			81,810	90,833
National Reconstruction Levy [Note 12(ii)]			30,484	29,677
<b>12(ii). Taxation Payable</b>				
	<b>Balance at 1/1/04 €m</b>	<b>Payments during the year €m</b>	<b>Charge for the year €m</b>	<b>Balance at 31/12/04 €m</b>
<b>Income tax</b>				
1992 - 2002	(10,338)	-	(2,490)	(12,828)
2003	(1,884)	-	(16,204)	(18,088)
2004	-	(92,813)	77,518	(15,295)
<b>Capital gains tax</b>				
1989 - 1996	43	-	-	43
2004	-	-	9,391	9,391
	(12,179)	(92,813)	68,215	(36,777)
<b>National reconstruction levy</b>				
2001-2002	713	-	-	713
2003	(2,496)	-	-	(2,496)
2004	-	(42,641)	30,484	(12,157)
	(13,962)	(135,454)	98,699	(50,717)

The income tax for the year is based on a tax rate of 30% and the national reconstruction levy is based on a rate of 10% of profit before tax.

The tax liabilities up to 2002 have been agreed with the Internal Revenue Service. The tax position for 2003 and 2004 are subject to agreement of the Internal Revenue Service.

# Notes to the Financial Statements

## for the year ended 31st December 2004

### 13. Deferred Taxation

	2004 €m	2003 €m
Balance at 1st January	8,100	9,956
Charged / (Released) for the year	13,595	(1,856)
	21,695	8,100

### 14. Cash and Balances with Bank of Ghana

Cash on hand	65,568	79,403
Balance with Bank of Ghana	352,654	697,283
	418,222	776,686

### 15. Government Securities

#### 15(i) Short-Term Government Securities

Treasury Bills	10,008	165,662
Ghana Government Index-Linked Bonds	252,986	215,196
Government Bonds	203,744	192,668
Other Government Bills	88,728	-
	555,466	573,526

The Government Bonds consist of Ghana Government/Tema Oil Refinery Registered Bonds maturing on 4 August 2005 priced at 182-day Treasury Bill rate/one-year Government Bond rate.

	2004 €m	2003 €m
<b>15(ii) Medium-Term Government Securities</b>		
Ghana Government Index-Linked Bonds	-	194,979
Government Bonds	557,566	215,131
	557,566	410,110

The Government Bonds consist of Ghana Government/Tema Oil Refinery Registered Bonds maturing on 4 August 2006 priced at 182-day Treasury Bill rate/ 2-3 years Government Bond rate.

### 16. Due from other banks

	2004 €m	2003 €m
Nostro account balances	8,579	11,989
Items in course of collection	97,015	93,576
Placement with other banks	594,299	226,362
	699,893	331,927

# Notes to the Financial Statements

## for the year ended 31st December 2004

### 17. Loans and Advances to customers

	2004 €m	2003 €m
<b>(i) Analysis by type</b>		
Overdrafts	803,027	725,378
Term loans	1,088,815	935,456
Gross loans and advances	1,891,842	1,660,834
Provision for bad and doubtful debts	(118,990)	(129,279)
Interest in suspense	(136,108)	(120,796)
Net Loans and advances	1,636,744	1,410,759
<b>(ii) Key ratios on Loans and Advances</b>		
a. The above constitutes loans and advances (including credit bills negotiated) to customers and staff.		
b. Loan loss provision ratio is 6% (2003: 8%)		
c. Gross non-performing loan ratio is 15% (2003: 17%).		
d. Ratio of fifty (50) largest exposure (gross funded and non-funded) to total exposures is 75% (2003: 83%).		
<b>(iii) Analysis by business segments</b>		
	2004 €m	2003 €m
Agriculture, forestry and fishing	83,630	174,776
Mining and quarrying	24,198	46,343
Manufacturing	707,778	623,403
Construction	63,616	41,997
Electricity, gas and water	112,168	201,429
Commerce and finance	394,871	211,421
Transport, storage and communication	68,675	53,648
Services	75,527	68,826
Miscellaneous	361,379	238,991
Provision for bad and doubtful debts	(118,990)	(129,279)
Interest in suspense	(136,108)	(120,796)
	1,636,744	1,410,759
<b>(iv) Analysis by type of customer</b>		
Individuals	340,482	116,630
Private enterprises	1,313,352	1,229,760
Joint private and state enterprises	34,376	42,481
Public institutions	134,297	225,547
Staff	68,393	45,474
Co-operatives	942	942
Provision for bad and doubtful debts	(118,990)	(129,279)
Interest in suspense	(136,108)	(120,796)
	1,636,744	1,410,759

# Notes to the Financial Statements

## for the year ended 31st December 2004

**(v) Movement in the Bank's provision for bad and doubtful debts are as follows:**

	2004 €m	2003 €m
Balance at 1st January	129,279	152,270
Increase/(Decrease) in provision	5,078	(15,175)
Debts written off	(15,367)	(7,816)
Balance at 31st December	118,990	129,279

**18. Property, Plant and Equipment**

	Assets in course of construction €m	Leasehold Land and Buildings €m	Computers €m	Furniture & Equipment €m	Motor Vehicles €m	Total €m
Cost or valuation						
At 1st January	5,739	121,071	111,208	30,506	744	269,268
Additions	1,978	66	2,090	1,090	1,032	6,256
Transfers	(6,321)	-	836	5,485	-	-
Write-off	(242)	-	-	(50)	-	(292)
At 31st December	1,154	121,137	114,134	37,031	1,776	275,232
Depreciation						
At 1st January	-	8,342	78,856	14,472	646	102,316
Charge for the year	-	6,248	19,505	5,131	437	31,321
Write-off	-	-	-	(8)	-	(8)
At 31st December	-	14,590	98,361	19,595	1,083	133,629
Net book value						
At 31/12/04	1,154	106,547	15,773	17,436	693	141,603
At 31/12/03	5,739	112,729	32,352	16,034	98	166,952

Certain leasehold land and buildings were revalued in September 2002 on the basis of open market value by Messrs. Owusu-Adjapong and Company, a firm of professional valuers, and were incorporated in the books of the bank at 31st December 2002.

**18(i) (Profit)/Loss on disposal of Property, Plant and Equipment arose as follows:**

	2004 €m	2003 €m
Gross value	-	6,424
Accumulated depreciation	-	(1,550)
Net book value	-	4,874
Proceeds of sale	-	(8,624)
Profit on disposal	-	(3,750)

# Notes to the Financial Statements

## for the year ended 31st December 2004

<b>19. Other Assets</b>	<b>2004</b>	<b>2003</b>
	<b>€m</b>	<b>€m</b>
Accounts receivable and prepayments	34,569	38,339
Accrued interest receivable	58,031	61,102
Impersonal accounts	245,065	122,413
	<b>337,665</b>	<b>221,854</b>
<b>20. Customer Deposit and Current Accounts</b>		
Current accounts	1,687,051	1,470,320
Time deposit	551,868	502,208
Savings deposit	811,160	678,742
Call deposit	256,566	166,675
	<b>3,306,645</b>	<b>2,817,945</b>
<b>20(i). Analysis by type of depositors</b>		
Individuals and other private enterprises	3,004,546	2,816,709
Public enterprises	302,099	1,236
	<b>3,306,645</b>	<b>2,817,945</b>
Ratio of twenty largest depositors to total deposit is 26% (2003: 25%).		
<b>21. Due to other banks and financial institutions</b>		
Inter bank Balance	30,000	88,000
Nostro account balances	108,871	76,587
	<b>138,871</b>	<b>164,587</b>

# Notes to the Financial Statements

## for the year ended 31st December 2004

### 22. Dividends

	2004 €m	2003 €m
Final Dividend (2003)	106,230	88,000
Interim dividend (2004)	51,028	47,997
	157,258	135,997
Payments during the year	(157,258)	(135,997)
Balance at 31st December	-	-

The Directors are recommending a final dividend of €6,674 per share (2003: €6,037 per share) amounting to €117,445 million (2003: €106,230 million).

#### 22(i) Prior Year Adjustment

This represents the effect of a change in accounting policy during prior year in relation to post balance sheet events (proposed dividend). Previously, proposed dividend was treated as an appropriation from the income surplus account and shown as a liability in the balance sheet.

### 23. Interest Payable and other liabilities

	2004 €m	2003 €m
Accrued interest payable	10,595	10,503
Other creditors and accruals	337,374	313,889
	347,969	324,392

### 24. Borrowing

#### 24(i) Current borrowing

Inter-bank market	49,284	94,843
Subordinated Loan [Short Term Portion ]	45,345	44,235
	94,629	139,078

Subordinated loan represents a foreign currency denominated loan of US\$ 5 million (€45,345m) repayable by 31st March 2005. Interest is at LIBOR plus 0.75% per annum.

#### 24(ii) Medium-Term Borrowing

This represents a subordinated foreign currency denominated loan of US\$ 5 million (€45,345m) repayable by 31 December 2009. Interest is at LIBOR plus 0.75% per annum.



# Notes to the Financial Statements

## for the year ended 31st December 2004

### 25. Stated Capital

	2004		2003	
	No of Shares '000	Proceeds €m	No of Shares '000	Proceeds €m
<u>Authorised</u>				
No. of ordinary shares of no par value	100,000		100,000	
<u>Issued and fully paid</u>				
Issued for cash consideration	4,000	4	4,000	4
Transferred from income surplus account	13,596	40,401	13,596	40,401
	17,596	40,405	17,596	40,405

There is no share in treasury and no call or installment unpaid on any share.

### 26. Capital Surplus

	2004 €m	2003 €m
Balance as at 1st January	60,270	60,638
Released on disposal	-	(368)
Balance at 31st December	60,270	60,270

### 27. Statutory Reserve Fund

Balance at 1st January	98,847	76,815
Transfer from Income Surplus	24,068	22,032
Balance at 31st December	122,915	98,847

### 28. Cash Flow Statement

#### a) Reconciliation between trading profit and net cash inflow from operating activities

Trading Profit	304,835	296,769
<b>Items not involving cash flow:</b>		
Depreciation	31,321	39,694
Exchange Loss - subordinated loan	2,220	4,950
Charge/(Release) for bad and doubtful debts	6,098	(14,067)
Profit on sale of property, plant and equipment	-	(3,750)
<b>Net cash inflow from trading activities</b>	<b>344,474</b>	<b>323,596</b>

# Notes to the Financial Statements

## for the year ended 31st December 2004

### 28. Cash Flow Statement Cont'd

#### a) Reconciliation between trading profit and net cash inflow from operating activities

	2004 €m	2003 €m
<b>Net cash inflow from trading activities</b>	344,474	323,596
Net increase in investment other than those held for the purpose of trade	(129,396)	(74,360)
Net increase in loans and advances	(231,063)	(473,809)
Net increase in other asset accounts	(115,811)	(86,042)
Net increase in customer deposits	488,700	643,176
(Decrease)/Increase in amounts due to other banks	(25,716)	164,587
Net increase in interest payable and other liabilities	22,557	35,005
Decrease/(increase) in borrowing	(45,559)	7,413
<b>Net cash inflow from operating activities</b>	<b>308,186</b>	<b>539,566</b>

#### b) Analysis of changes in cash and cash equivalents during the year

Balance at 1st January	1,108,613	850,508
Net cash inflow	9,502	258,105
<b>Balance at 31st December</b>	<b>1,118,115</b>	<b>1,108,613</b>

#### c) Analysis of cash and cash equivalents during the year

Cash and Balance with Bank of Ghana	418,222	776,686
Nostro account balance	8,579	11,989
Items in course of collection	97,015	93,576
Placement with other banks	594,299	226,362
	<b>1,118,115</b>	<b>1,108,613</b>

### 29. Contingent Liabilities and Commitments

#### (i) Contingent Liabilities

Guarantees and irrevocable letters of credit	481,486	385,871
Pending legal suits	1,373	89

#### (ii) Commitments for capital expenditure

Under contract	278	-
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# Notes to the Financial Statements

## for the year ended 31st December 2004

### 30. Related Party Transactions

#### 30(i) Directors, Officers and other Employees:

This relates to loan balances due from the following related parties:

	2004 €m	2003 €m
Directors	4,354	2,712
Officer and other employees	64,039	42,762
	68,393	45,474

#### 30(ii) Holding Company - Standard Chartered Holdings(Africa) B.V.

This relates to amount due to the Holding company,  
Standard Chartered Holdings (Africa) B.V. (Principal Shareholder):

Due to SCB Head Office	9,816	25,522
Subordinated loan (US\$ 10 million)	90,690	88,470
	100,506	113,992

The bank has three agreements with the SCB group registered under the Technology Transfer Agreement (LI 1547). The total amount charged to the profit and loss account under this agreement is €18,094m (2003: €21,514m).

### 31. Concentration of cedi equivalent of foreign currency denominated assets, liabilities and off balance sheet items

	USD €m	GBP €m	EUR €m	Others €m	2004 €m	2003 €m
<b>Assets</b>						
Cash and balances with Bank of Ghana	131,195	8,885	21,692	2,670	164,442	600,533
Due from other banks and financial institutions	535,736	59,228	-	8,579	603,543	226,362
Loans and advances to customers	290,060	23,778	153,423	-	467,261	564,424
Other assets	31,286	1,212	331	449	33,278	7,376
Total assets	988,277	93,103	175,446	11,698	1,268,524	1,398,695
<b>Liabilities</b>						
Customer deposits	898,441	86,864	99,005	1,186	1,085,496	1,013,983
Due to other banks and financial institutions	95,822	1,912	10,850	287	108,871	76,587
Other borrowed funds	90,690	-	49,284	-	139,974	183,313
Interest Payable and other liabilities	66,560	4,305	16,929	3,120	90,914	201,360
Total Liabilities	1,151,513	93,081	176,068	4,593	1,425,255	1,475,243
Net on balance sheet position	(163,236)	22	(622)	7,105	(156,731)	(76,548)
Off Balance Sheet Credit Commitments	381,120	1,077	53,478	10,987	446,662	385,871

#### At 31st December 2003

Total assets	1,092,212	93,354	200,787	12,342		1,398,695
Total Liabilities	(1,180,122)	(85,641)	(198,840)	(10,640)		(1,475,243)
Net balance sheet position	(87,910)	7,713	1,947	1,702		(76,548)
Off-balance sheet Credit Commitments	184,786	1,631	175,623	23,831		385,871

# Notes to the Financial Statements

## for the year ended 31st December 2004

### 32. Maturities of assets and liabilities

	0-3 months €m	3-6 months €m	6-12months €m	over 1 year €m	2004 €m	2003 €m
<b>Assets</b>						
Cash and balances with Bank of Ghana	418,222	-	-	-	418,222	776,686
Short Term Government Securities	8,316	90,420	203,744	252,986	555,466	573,526
Due from other banks and financial institutions	699,893	-	-	-	699,893	331,927
Loans and Advances	1,012,374	74,419	80,414	469,537	1,636,744	1,410,759
Other assets	101,300	236,365	-	-	337,665	221,854
Taxation	3,053	41,558	6,106	-	50,717	13,962
Medium Term Investment	-	-	-	557,566	557,566	410,110
Property, Plant and equipment	-	-	-	141,603	141,603	166,952
	2,243,158	442,762	290,264	1,421,692	4,397,876	3,905,776
<b>Liabilities</b>						
Customer deposits	2,944,858	350,461	11,250	76	3,306,645	2,817,945
Due to other banks and financial institutions	70,072	68,799	-	-	138,871	164,587
Interest payables and other liabilities	104,391	243,578	-	-	347,969	324,392
Deferred Taxation	-	-	21,695	-	21,695	8,100
Borrowings	49,284	-	45,345	-	94,629	139,078
Total Current Liabilities	3,168,605	662,838	78,290	76	3,909,809	3,454,102
Medium term borrowing	-	-	-	45,345	45,345	44,235
	3,168,605	662,838	78,290	45,421	3,955,154	3,498,337
<b>Net liquidity gap</b>						
Total Assets	2,243,158	442,762	290,264	1,421,692	4,397,876	3,905,776
Total Liabilities	(3,168,605)	(662,838)	(78,290)	(45,421)	(3,955,154)	(3,498,337)
<b>Net Liquidity Gap (2004)</b>	(925,447)	(220,076)	211,974	1,376,271	442,722	
<b>Net Liquidity Gap (2003)</b>	(482,482)	18,739	171,628	699,554		407,439

# Notes to the Financial Statements

## for the year ended 31st December 2004

### 33. Reclassifications

2003 comparative information where necessary has been restated to make them consistent with current year's presentation.

### 34. Directors' Shareholding

The Directors named below held the following number of shares in the Bank as at 31st December, 2004:

	2004	2003
Norbert Kwasivi Kudjau	17,175	17,175
Henry Gilbert Dei	274	274
Albert Saltson	119	119
	17,568	17,568

### 35. Number of Shares in Issue

Earnings, dividend and net assets per share are based on 17,596,042 (2003: 17,596,042) ordinary shares in issue during the year.

### 36. Number of shareholders

The company had 4,383 ordinary shareholders at 31st December, 2004 distributed as follows:

Range of shares	Number of Shareholders	Holding	Percentage
1 - 1,000	4,057	882,738	5.02
1,001 - 5,000	260	534,416	3.04
5,001 - 10,000	38	292,551	1.66
Over 10,000	28	15,886,337	90.28
	4,383	17,596,042	100.00

# Notes to the Financial Statements

## for the year ended 31st December 2004

### 37. Details of the 20 Largest Shareholders at 31st December, 2004

Name of Shareholder	Number of Shares held	Percentage (%) holding
Std. Chartered Hold.(Africa) BV	11,700,644	66.50
Social Security & Nat. Ins. Trust	2,523,708	14.34
DM Ventures ITF Goldwyn Trading Company Limited	320,420	1.82
BBG Nom/Chase Manhattan Onshore	277,738	1.58
BBG Noms/Africa	175,985	1.00
BBGN/Royal Trust Corporation of Canada	165,000	0.94
BBGN Re EPACK Investment Fund Limited	122,868	0.70
BBGN/Databank Financial Services	66,750	0.38
Ghana Union Assurance Company Limited	66,234	0.38
Council For University of Ghana Endowment	60,390	0.34
BBG/Unilever Ghana Managers Pension Fund	56,167	0.32
BBGN/SSB TST X71 AX71	50,000	0.28
BBG NOM/Unilever Ghana Provident Fund	34,672	0.20
BBGN/Serra Choa Management Limited	29,700	0.17
Estate of Mr. Francis K. Poku	28,710	0.16
ECOBANK Stockbrokers Limited	28,285	0.16
University of Science and Technology	24,750	0.14
National Investment Bank	21,780	0.12
Government of Ghana	21,102	0.12
Norbert Kwasivi Kudjawu	17,175	0.10
	15,792,078	89.75



# Form of Proxy

I.....

(Block Capitals Please)

Of

.....  
Being Member/Members of **STANDARD CHARTERED BANK GHANA LIMITED** hereby appoint

.....  
Of

.....  
or failing him the duly appointed Chairman of the Meeting, as my / our Proxy to vote for me / us on my / our behalf at the Annual General Meeting of the Company to be held at 11.00 am on Thursday, 24th day of March, 2005 and at every adjournment thereof.

Please indicate with an X in the spaces below how you wish your votes to be cast.

RESOLUTION	FOR	AGAINST
1. Approval of the Accounts and Reports of the Directors and Auditors		
2. Declaring a dividend		
3. Re - electing the following Directors - Mr. Ousman Z. Lamin		
- Mr. Ishmael Yamson		
- Mr. Alexander Mould		
- Mr. Norbert Kudjawu		
4. Approving Directors' remuneration		
5. Approving the remuneration of the Auditors		

Signed this..... day of .....2005

Signature.....



CUT HERE

CUT HERE

**IMPORTANT:** Before posting the Form of Proxy above, please tear off this part and retain it - see over. If you wish to insert in the blank space on the form the name of any person, whether a Member of the company or not, who will attend the meeting and vote on your behalf, you may do so; if you do not insert a name, the Chairman of the Meeting will vote on your behalf. If this Form is returned without any indication as to how the person appointed a proxy shall vote, he will exercise his discretion as to how he votes or whether he abstains from voting. To be valid, this Form must be completed and must reach the Registered Office of the Company not less than 48 hours before the time fixed for holding the Meeting or adjourned Meeting.

***This Form is only to be completed if you will NOT attend the Meeting***



FIRST FOLD HERE

PLEASE  
AFFIX  
STAMP  
HERE

SECOND FOLD HERE

The Secretary  
Standard Chartered Bank, Ghana Limited  
Head Office  
P. O. Box 768, Accra

THIRD FOLD HERE



CUT HERE

CUT HERE

**IMPORTANT: A person attending the meeting should not produce this form**