

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

Year ended 31 December

	Note	2013	2012
Interest income	7	99,546,591	81,501,655
Interest expense	7	(30,088,780)	(20,690,613)
Net interest income		69,457,811	60,811,042
Fee and commission income	8	35,653,716	30,922,682
Trading income	9	18,526,448	11,144,604
Other operating income	10	5,478,357	3,232,549
Operating income		129,116,332	106,110,877
Loan impairment charges	19	(1,338,023)	(10,496,150)
Personnel expenses	11	(22,846,678)	(20,002,680)
Operating lease expense	12, 32	(1,896,287)	(1,584,166)
Depreciation and amortisation	23	(4,080,710)	(3,534,128)
Other operating expenses	13	(24,117,692)	(20,472,148)
Profit before income tax and national fiscal stabilization levy		74,836,942	50,021,605
National fiscal stabilization levy	14	(1,870,924)	-
Income tax expense	14	(20,293,138)	(11,053,947)
Profit after income tax		52,672,880	38,967,658
Other comprehensive income		-	-
Total comprehensive income for the year		52,672,880	38,967,658
Earnings per share for profit attributable to equity holders			
- basic and diluted (Ghana cedis per share)	15	0.0072	0.0056

The notes on pages 15 to 64 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

(All amounts are expressed in Ghana Cedis)

		2013	2012
Assets			
Cash and bank balances	6, 16	78,510,029	66,654,977
Due from banks and financial institutions	3, 6	193,154,102	171,495,063
Investment securities	3, 6, 20	325,864,043	168,224,591
Loans and advances to customers	3, 6, 18	296,848,166	243,209,397
Property and equipment	21	21,723,773	19,420,787
Intangible assets	22	1,608,336	1,489,671
Deferred tax assets	24	-	408,044
Other assets	25	20,101,921	12,064,843
Total assets		937,810,370	682,967,373
Liabilities			
Deposits from customers	3, 6, 26	661,124,685	476,122,180
Due to banks		50,019,265	40,241,375
Guarantee contract liabilities	27	1,007,960	1,090,096
Current income tax liabilities	14	1,993,632	340,183
Deferred income tax liabilities	24	1,070,844	-
Other liabilities	28	11,111,419	9,950,019
Borrowings	34	25,201,190	11,641,791
Total liabilities		751,528,995	539,385,644
Equity			
Stated capital	29	82,655,378	81,692,322
Credit risk reserve	30	11,753,986	10,779,276
Statutory reserve	30	66,510,281	40,173,841
Income surplus		25,361,730	10,936,290
Total		186,281,375	143,581,729
Total liabilities and equity		937,810,370	682,967,373

The financial statements were approved by the Board on 24th February 2014 and signed on its behalf by

Signed
Alhaji Yusif Ibrahim
Chairman

Signed
Olalekan Sanusi
Managing Director

The notes on pages 15 to 64 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

(All amounts are expressed in Ghana Cedis)

For the year ended 31 December 2013

	Stated Capital	Credit Risk Reserve	Statutory Reserve	Income Surplus	Total
Balance as at 1 January 2013	81,692,322	10,779,276	40,173,841	10,936,290	143,581,729
Profit for the year				52,672,880	52,672,880
Total comprehensive income for the year	-	-	-	52,672,880	52,672,880
Transactions with owners:					
Dividend paid for 2012	-	-	-	(10,936,290)	(10,936,290)
Rights issued during the year	963,056	-	-	-	963,056
Transfer to statutory reserve	-	-	26,336,440	(26,336,440)	-
Transfer to credit risk reserve	-	974,710	-	(974,710)	-
Total Transaction with owners	963,056	974,710	26,336,440	(38,247,440)	(9,973,234)
Balance at 31 December 2013	82,655,378	11,753,986	66,510,281	25,361,730	186,281,375

For the year ended 31 December 2012

Balance as at 1 January 2012	76,228,261	2,217,801	20,690,012	5,213,936	104,350,010
Profit for the year			38,967,658	38,967,658	
Total comprehensive income for the year	-	-	-	38,967,658	38,967,658
Transactions with owners:					
Dividend paid for 2011	-	-	-	(5,200,000)	(5,200,000)
Rights issued during the year	5,464,061	-	-	-	5,464,061
Transfer to statutory reserve	-	-	19,483,829	(19,483,829)	-
Transfer to credit risk reserve	-	8,561,475	-	(8,561,475)	-
Total transaction with owners	5,464,061	8,561,475	19,483,829	33,245,304	264,061
Balance at 31 December 2012	81,692,322	10,779,276	40,173,841	10,936,290	143,581,729

The notes on pages 15 to 64 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

(All amounts are expressed in Ghana Cedis)

For the year ended 31 December

	<i>Note</i>	2013	2012
Cash flows from operating activities			
Profit before tax		74,836,942	50,021,605
Adjustments for:			
Depreciation and amortisation	23	4,080,710	3,534,128
Impairment on loans and advances	19	1,338,023	10,496,150
Exchange difference on borrowing	34	906,959	2,273,298
Profit on disposal of property and equipment		(187,232)	(85,173)
Change in loans and advances		(53,638,769)	(129,587,559)
Change in investment securities		(6,637,950)	82,187,362
Change in other assets		(8,037,078)	261,185
Change in deposits from customers		185,002,505	210,115,327
Change in other liabilities		1,161,400	1,053,341
Change in guarantee contract liabilities		(82,136)	189,946
Change in mandatory reserve deposits		(16,650,226)	(18,996,543)
Income tax paid	14	(17,160,801)	(11,788,577)
National Fiscal Stabilization Levy	14	(1,721,630)	-
Net cash generated from operating activities		163,210,717	199,674,490
Cash flows from investing activities			
Purchase of property and equipment	21	(6,162,079)	(4,030,528)
Purchase of intangible assets	22	(547,936)	(1,198,370)
Proceeds from sale of property and equipment	22	252,794	147,905
Net cash used in investing activities		(6,457,221)	(5,080,993)
Cash flows from financing activities			
Proceeds from rights issue	29	963,056	5,464,061
Draw down on borrowings	34	22,398,190	-
Principal payment of borrowings	34	(9,745,750)	(9,105,500)
Dividend paid		(10,936,290)	(5,200,000)
Net cash used in financing activities		2,679,206	(8,841,439)
Net increase in cash and cash equivalents		159,432,702	185,752,058
Cash and cash equivalents at 1 January		242,268,963	56,516,905
Cash and cash equivalents at 31 December	16	401,701,665	242,268,963

The notes on pages 15 to 64 are an integral part of these financial statements.

**REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF GUARANTY TRUST BANK (GHANA) LIMITED**

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Guaranty Trust Bank (Ghana) Limited (the Bank) as set out on pages 11 to 64. These financial statements comprise the statement of financial position as at 31 December 2013, statement of comprehensive income, statement of changes in equity and statement of cash flow for the year then ended and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and with the requirements of the Companies Act, 1963 (Act 179) and the Banking Act, 2004 (Act 673) as amended by the Banking (Amendment) Act, 2007 (Act 738) and for such internal control, as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF GUARANTY TRUST BANK (GHANA) LIMITED (CONTINUED)**

Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Bank as at 31 December 2013 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 1963 (Act 179) and the Banking Act, 2004 (Act 673) as amended by the Banking (Amendment) Act, 2007 (Act 738).

REPORT ON OTHER LEGAL REQUIREMENTS

The Companies Act, 1963 (Act 179) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) in our opinion, proper books of account have been kept by the Bank, so far as appears from our examination of those books; and
- iii) The balance sheet (statement of financial position) and profit and loss account (included in the statement of comprehensive income) are in agreement with the books of account.

In accordance with section 78(2) of the Banking Act, 2004 (Act 673), we hereby confirm that;

- i) We were able to obtain all the information and explanations required for the efficient performance of our duties as auditors;
- ii) In our opinion, the accounts give a true and fair view of the state of the Bank's affairs and its results for the year under review;
- iii) In our opinion, the Bank's transactions were within its powers; and
- iv) The Bank in all material respects complied with the requirements of the Banking Act, 2004 (Act 673) as amended.

PricewaterhouseCoopers

**Signed by: Oseini Amui (ICAG/P/1139)
For and on behalf of:
PricewaterhouseCoopers (ICAG/F/028)
Chartered Accountants
Accra, Ghana**

21 March 2014

