

# GUARANTY TRUST BANK (GHANA) LIMITED UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2020

GTBank

## CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2020

(All amounts in thousands of Ghana cedis)	March 2020	March 2019
Interest income calculated using the effective interest method	86,107	71,068
Interest expense	(16,685)	(23,528)
Net interest income	69,422	47,540
Fee and commission income	21,796	16,562
Net trading income	30,573	28,778
Net income from other financial instruments carried at fair value through profit or loss	8,840	12,795
Operating income	130,631	105,675
Other operating income	60	54
Net impairment (loss)/reversal on financial assets	(151)	2,414
Personnel expenses	(13,708)	(12,659)
Amortisation of prepaid operating lease	(409)	(1,898)
Depreciation and amortisation	(4,438)	(2,480)
Other operating expenses	(16,353)	(10,265)
Profit before income tax	95,632	80,841
National fiscal stabilisation levy	(4,782)	(4,042)
Income tax expense	(23,908)	(20,210)
Profit for the year and total comprehensive income	66,942	56,589

## CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

(All amounts in thousands of Ghana cedis)	March 2020	December 2019
<b>Assets</b>		
Cash and cash equivalents	447,872	423,746
Non-pledged trading assets	406,839	436,739
Derivative assets under swap	7,790	10,387
Loans and advances to customers	519,137	569,536
Investment securities	1,393,487	1,591,460
Current tax assets	-	5,911
Property and equipment	115,149	116,183
Intangible assets	3,650	3,861
Deferred tax assets	1,404	1,404
Other assets	132,233	93,955
<b>Total Assets</b>	<b>3,027,561</b>	<b>3,253,181</b>
<b>Liabilities</b>		
Deposits from customers	2,096,410	2,149,049
Deposits from banks	-	241,346
Current tax liabilities	423	-
Deferred tax liabilities	3,696	3,696
Provision on off balance sheet items	166	138
Other liabilities	71,652	70,680
<b>Total liabilities</b>	<b>2,172,347</b>	<b>2,464,909</b>
<b>Equity</b>		
Stated capital	404,895	404,895
Credit risk reserve	13,520	13,520
Statutory reserve	274,403	257,667
Income surplus	162,396	112,190
<b>Total shareholders funds</b>	<b>855,214</b>	<b>788,272</b>
<b>Total Liabilities and Equity</b>	<b>3,027,561</b>	<b>3,253,181</b>

## CONDENSED STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 31 MARCH 2020

(All amounts in thousands of Ghana cedis)	March 2020	December 2019
<b>Cash flows from Operating Activities</b>		
Profit for the year	66,942	207,801
Adjustments for:		
Depreciation and amortization	1,485	16,628
Impairment on financial assets	151	8,666
Foreign exchange difference on borrowings	-	476
Profit on disposal of property and equipment	-	(402)
Gain/ (loss) on derivative assets	2,597	(10,387)
Fair value gains on mark to market	-	(15,725)
Foreign exchange gains or loss	2,556	(33,700)
Net interest income	(69,422)	(268,210)
Income tax expense	28,690	92,343
Lease liability finance charges	848	3,087
Change in loans and advances to customers	50,276	(153,664)
Change in investment securities	231,271	(1,110,464)
Change in other assets	(38,278)	(33,606)
Change in deposit from banks	(241,346)	241,346
Change in deposits from customers	(52,639)	484,750
Change in other liabilities	42,211	(1,872)
Interest income received	86,107	359,218
Interest expense paid	(16,685)	(91,008)
Interest paid on lease liability	(848)	(3,087)
Income tax paid	(18,578)	(82,518)
National fiscal stabilisation levy paid	(3,779)	(16,035)
<b>Net cash used in operating activities</b>	<b>33,253</b>	<b>(406,363)</b>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(1,895)	(29,409)
Purchase of intangible assets	(116)	(1,522)
Proceeds from sale of property and equipment	-	566
<b>Net cash used in investing activities</b>	<b>(2,011)</b>	<b>(30,365)</b>
<b>Cash flows from financing activities</b>		
Repayment of borrowings	-	(6,525)
Lease liability payments	(3,447)	(9,864)
<b>Net cash used in financing activities</b>	<b>(3,447)</b>	<b>(16,389)</b>
Net (decrease)/increase in cash and cash equivalents	27,795	(453,117)
Cash and cash equivalents at 1 January	423,746	832,690
Effect of exchange rate fluctuations	(3,669)	44,173
Cash and cash equivalents at 31 March	447,872	423,746

## CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 MARCH 2020

(All amounts in thousands of Ghana cedis)

	Stated Capital	Statutory Reserve Fund	Credit Risk Reserve	Income Surplus	Total
Balance at 1 January 2020	404,895	257,667	13,520	112,190	788,272
Profit for the quarter	-	-	-	66,942	66,942
<b>Total comprehensive income</b>	-	-	-	66,942	66,942
<b>Transfers</b>					
Transfer from credit risk reserve	-	-	-	-	-
Transfer to statutory reserve	-	16,736	-	(16,736)	-
Total transfers	-	16,736	-	(16,736)	-
<b>Total transactions recognized directly in equity</b>	-	16,736	-	50,206	66,942
<b>Balance at 31 March 2020</b>	<b>404,895</b>	<b>274,403</b>	<b>13,520</b>	<b>162,396</b>	<b>855,214</b>

## CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

(All amounts in thousands of Ghana cedis)

	Stated Capital	Statutory Reserve Fund	Credit Risk Reserve	Income Surplus	Total
Balance at 1 January 2019	404,895	153,767	16,812	4,997	580,471
Profit for the year	-	-	-	207,801	207,801
<b>Total comprehensive income</b>	-	-	-	207,801	207,801
<b>Transfers</b>					
Transfer from credit risk reserve	-	-	(3,292)	3,292	-
Transfer to statutory reserve	-	103,900	-	(103,900)	-
Total transfers	-	103,900	(3,292)	(100,609)	-
<b>Total transactions recognized directly in equity</b>	-	103,900	(3,292)	(100,609)	-
<b>Balance at 31 December 2019</b>	<b>404,895</b>	<b>257,667</b>	<b>13,520</b>	<b>112,190</b>	<b>788,272</b>

### Significant Accounting Policies

The Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants, Ghana (ICAG) in the preparation of the Financial Statements for the quarter ended 31 March 2020. All December 2019 figures are audited.

### Going Concern

We have no plans or intentions, for example to dispose of the business or cease operations that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

### Quantitative Disclosures

	March 2020	December 2019
i. Capital adequacy ratio	59.89%	62.84%
ii. Common equity tier 1 ratio	50.33%	47.71%
iii. Non-performing loan (NPL) to gross loan (BOG basis)	3.52%	2.66%
iv. Loan loss provision ratio	0.81%	0.71%
v. Liquidity ratio	94.41%	89.80%
vi. Tier 1 leverage ratio	23.67%	23.82%
vii. Contingents (GHS'000)	131,148	158,814

### Qualitative Disclosures

The Bank's dominant risks are: credit risk, liquidity risk, market risk, operational risk and foreign exchange risk. The processes followed in risk measurement and their management for the quarter ended 31 March 2020 are consistent with those followed for the period ended 31 December 2019.

### Defaults in statutory liquidity and accompanying sanctions

	2020	2019
Default in statutory liquidity (No. of times)	nil	nil
Sanctions for statutory liquidity default (GHS'000)	nil	nil

### Risk Management Framework

As a Bank, risk is at the core of our operations. To manage it, we have designed a Risk Management Framework covering the strategic framework, organisational structure, risk appetite, operational framework and risk monitoring and reporting.

### Nature of Business

The Bank is licensed to carry out Universal Banking business in Ghana. There was no change in the nature of the Bank's business for the quarter ended 31 March 2020.

### Holding Company

The Bank is a subsidiary of Guaranty Trust Bank Plc, a company incorporated in the Federal Republic of Nigeria and licensed to carry out universal banking business.

The financial statements do not contain untrue statements, misleading facts or omit material facts to the best of our knowledge.

Signed: Kwasi M. Tagbor  
Board Chairman

Signed: Thomas Attah John  
Managing Director



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