

GUARANTY TRUST BANK (GHANA) LIMITED
UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2021

The Board of Directors of Guaranty Trust Bank (Ghana) Limited is pleased to present the summary financial information of the Bank's interim unaudited results for the period ended 30 June, 2021.

	June 2021	June 2020
	GH¢'000	GH¢'000
CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2021		
Interest income calculated using the effective interest method	214,239	153,110
Other interest income	19,016	12,522
Interest expense	(65,337)	(33,849)
Net interest income	167,918	131,783
Fee and commission income	75,411	56,524
Net trading income	61,710	50,682
Net income from other financial instruments carried at fair value through profit or loss	24,514	26,415
Revenue	329,553	265,404
Other income	570	157
Net impairment on financial assets	(1,402)	(562)
Personnel expenses	(29,656)	(26,776)
Amortisation of prepaid leases	(1,129)	(808)
Depreciation and amortisation	(9,529)	(9,039)
Finance charge	(2,111)	(1,743)
Other operating expenses	(49,893)	(34,714)
Profit before income tax expense and national fiscal stabilisation levy	236,403	191,919
National fiscal stabilisation levy	(11,820)	(9,866)
Financial sector clean-up levy	(5,966)	-
Income tax expense	(64,955)	(47,710)
Profit after income tax expense and national fiscal stabilisation levy	153,662	134,343
Other comprehensive income:		
Items that are or may be reclassified subsequently to profit or loss		
Changes in fair value of instruments at FVOCI - net of tax	473	-
Profit for the period and total comprehensive income	154,135	134,343

	June 2021	December 2020
	GH¢'000	GH¢'000
CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021		
Assets		
Cash and cash equivalents	742,192	598,073
Non-pledged trading assets	1,019,508	439,593
Loans and advances to customers	1,414,792	1,057,580
Investment securities	997,280	1,647,945
Pledged assets	361,330	-
Property and equipment	108,819	104,652
Intangible assets	3,139	3,603
Deferred tax assets	2,195	2,195
Other assets	234,868	227,448
Total Assets	4,884,123	4,081,089
Liabilities		
Deposits from customers	3,479,439	2,995,393
Deposits from banks	240,083	-
Current tax liabilities	14,600	6,507
Deferred tax liabilities	3,435	3,277
Provision on off-balance sheet items	396	460
Other liabilities	85,614	68,032
Total liabilities	3,823,567	3,073,669
Equity		
Stated capital	404,895	404,895
Credit risk reserve	16,245	16,245
Statutory reserve	363,415	325,000
Other reserves	473	-
Income surplus	275,528	261,280
Total shareholders' funds	1,060,556	1,007,420
Total Liabilities and Equity	4,884,123	4,081,089

	June 2021	June 2020
	GH¢'000	GH¢'000
CONDENSED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2021		
Cash flows from Operating Activities		
Profit for the period	154,135	134,343
Adjustments for:		
Depreciation and amortization	9,529	9,039
Impairment on financial assets	1,401	562
Profit on disposal of property and equipment	(274)	(17)
Loss on derivative assets	-	10,387
Fair value gains on non-pledged trading assets	(473)	(9,252)
Foreign exchange loss/ (gains)	1,666	(11,842)

Quantitative Disclosures	June 2021	June 2020
i. Capital adequacy ratio (per CRD)	33.31%	42.61%
ii. Non-performing loan (NPL) to gross loan (BOG basis)	0.96%	2.97%
iii. Loan loss provision ratio	0.40%	0.72%
iv. Liquidity ratio	67.42%	82.13%
v. Leverage ratio	16.74%	19.78%
vi. Contingents (GHS'000)	306,625	112,755

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 period ended 30 June 2021 are consistent with those followed for the year ended 31 December 2020.

Defaults in statutory liquidity and accompanying sanctions	June 2021	June 2020
Default in statutory liquidity (No. of times)	nil	nil
Sanctions for statutory liquidity default (GHS'000)	nil	nil
Other Regulatory breaches		
Number of breaches	nil	1
Total sanctions (GHS'000)	nil	26

	June 2021	June 2020
	GH¢'000	GH¢'000
CONDENSED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2021 - continued		
Net interest income	(167,918)	(131,783)
Income tax expense	82,741	57,576
Lease liability finance charges	2,111	1,743
Change in loans and advances to customers	(358,677)	(63,450)
Change in trading assets and investment securities	(198,060)	610,948
Change in other assets	(7,420)	(91,030)
Change in deposit from banks	240,083	(241,346)
Change in deposits from customers	484,046	419,940
Change in other liabilities	18,095	11,433
Interest income received	233,255	165,632
Interest expense paid	(65,337)	(33,849)
Interest paid on lease liability	(2,111)	(1,743)
Income tax paid	(57,422)	(37,155)
Financial sector clean-up levy paid	(5,252)	-
National fiscal stabilisation levy paid	(11,975)	(7,557)
Net cash generated from operating activities	352,106	792,579
Cash flows from investing activities		
Purchase of property and equipment	(7,965)	(2,188)
Purchase of intangible assets	(161)	(166)
Proceeds from sale of property and equipment	666	17
Net cash used in investing activities	(7,460)	(2,337)
Cash flows from financing activities		
Lease liability payments	(5,974)	(2,988)
Dividends paid	(100,999)	-
Net cash used in financing activities	(106,973)	(2,988)
Net increase in cash and cash equivalents	237,674	787,254
Cash and cash equivalents at 1 January	612,255	423,746
Effect of exchange rate fluctuations	(1,102)	20,329
Cash and cash equivalents at 30 June/ 31 December	848,827	1,231,329

NB: Cash and cash equivalents at period end for the purpose of cash flows is inclusive of Treasury Bills of 91 days or less contractual maturities.

	Stated Capital	Statutory Reserve Fund	Credit Risk Reserve	Other Reserves	Income Surplus	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2021						
Balance at 1 January 2021	404,895	325,000	16,245	-	261,280	1,007,420
Profit / other comprehensive income for the period	-	-	-	473	153,661	154,134
Total comprehensive income	-	-	-	473	153,661	154,134
Transfers						
Transfer from credit risk reserve	-	-	-	-	-	-
Transfer to statutory reserve	-	38,415	-	-	(38,415)	-
Total transfers	-	38,415	-	-	(38,415)	-
Balance at 30 June 2021	404,895	363,415	16,245	473	376,526	1,161,554
Balance at 1 January 2020	404,895	257,667	13,520	-	112,190	788,272
Profit for the year	-	-	-	-	269,331	269,331
Total comprehensive income	-	-	-	-	269,331	269,331
Transfers						
Transfer from credit risk reserve	-	-	2,725	-	(2,725)	-
Transfer to statutory reserve	-	67,333	-	-	(67,333)	-
Total transfers	-	67,333	2,725	-	(70,058)	-
Transaction with shareholders						
Dividends paid	-	67,333	2,725	-	(70,058)	-
Balance at 31 December 2020	404,895	325,000	16,245	-	261,280	1,007,420

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 period ended 30 June 2021. All December 2020 figures are audited.

Going Concern

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

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 period ended 30 June 2021.

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