

GUARANTY TRUST BANK (GHANA) LIMITED

UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 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 September, 2021.

CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2021	September 2021	September 2020
	GH¢'000	GH¢'000
Interest income calculated using the effective interest method	321,172	240,831
Other interest income	30,589	14,837
Interest expense	(100,784)	(55,938)
Net interest income	250,977	199,730
Fee and commission income	119,097	77,621
Fee and commission expense	(21,799)	(14,913)
Net fee and commission income	97,298	62,708
Net trading income	93,507	88,790
Net income from other financial instruments carried at fair value through profit or loss	37,359	42,132
Revenue	479,141	393,360
Other income	665	244
Net impairment on financial assets	(1,777)	(7,762)
Personnel expenses	(45,198)	(40,499)
Amortisation of prepaid leases	(1,483)	(1,039)
Depreciation and amortisation	(14,332)	(13,693)
Finance charge	(3,128)	(2,916)
Other operating expenses	(53,744)	(44,074)
Profit before income tax expense and national fiscal stabilisation levy	360,144	283,621
National fiscal stabilisation levy	(18,007)	(14,181)
Financial sector clean-up levy	(18,007)	-
Income tax expense	(90,036)	(70,905)
Profit after income tax expense and national fiscal stabilisation levy	234,094	198,535
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	234,567	198,535

CONDENSED STATEMENT OF FINANCIAL POSITIONAS AT 30 SEPTEMBER 2021	September 2021	December 2020
	GH¢'000	GH¢'000
Assets		
Cash and cash equivalents	757,574	598,073
Non-pledged trading assets	854,079	439,593
Loans and advances to customers	1,636,160	1,057,580
Investment securities	1,072,086	1,647,945
Pledged assets	286,282	-
Property and equipment	112,888	104,652
Intangible assets	3,067	3,603
Deferred tax assets	2,195	2,195
Other assets	363,423	227,448
Total Assets	5,087,754	4,081,089
Liabilities		
Deposits from customers	3,680,937	2,995,393
Deposits from banks	170,131	-
Current tax liabilities	21,376	6,507
Deferred tax liabilities	3,277	3,277
Provision on off-balance sheet items	396	460
Other liabilities	70,649	68,032
Total liabilities	3,946,766	3,073,669
Equity		
Stated capital	404,895	404,895
Credit risk reserve	16,245	16,245
Statutory reserve	383,523	325,000
Other reserves	473	-
Income surplus	335,852	261,280
Total shareholders' funds	1,140,988	1,007,420
Total Liabilities and Equity	5,087,754	4,081,089

CONDENSED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2021	September 2021	September 2020
	GH¢'000	GH¢'000
Cash flows from Operating Activities		
Profit for the period	234,567	198,535
Adjustments for:		
Depreciation and amortization	14,332	13,693

CONDENSED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2021 - continued	September 2021	September 2020
	GH¢'000	GH¢'000
Impairment on financial assets	1,776	7,762
Profit on disposal of property and equipment	(354)	(69)
Loss on derivative assets	-	10,387
Fair value gains on non-pledged trading assets	(473)	(9,252)
Foreign exchange loss/ (gains)	(4,277)	(17,752)
Net interest income	(250,977)	(199,730)
Income tax expense	126,050	85,086
Lease liability finance charges	3,128	2,916
Change in loans and advances to customers	(580,420)	(226,311)
Change in trading assets and investment securities	(96,372)	217,223
Change in other assets	(135,975)	(53,106)
Change in deposit from banks	170,131	(241,346)
Change in deposits from customers	685,544	476,886
Change in other liabilities	2,115	13,481
Interest income received	351,761	255,668
Interest expense paid	(100,784)	(55,938)
Interest paid on lease liability	(3,128)	(2,916)
Income tax paid	(83,608)	(55,733)
Financial sector clean-up levy paid	(10,505)	-
National fiscal stabilisation levy paid	(17,227)	(11,336)
Net cash generated from operating activities	305,304	408,148
Cash flows from investing activities		
Purchase of property and equipment	(16,095)	(3,714)
Purchase of intangible assets	(388)	(270)
Proceeds from sale of property and equipment	305	73
Net cash used in investing activities	(16,178)	(3,911)
Cash flows from financing activities		
Repayment of borrowings	-	-
Lease liability payments	(4,997)	(3,847)
Dividends paid	(100,999)	(50,183)
Net cash used in financing activities	(105,996)	(54,030)
Net increase in cash and cash equivalents	183,130	350,207
Cash and cash equivalents at 1 January	612,255	423,746
Effect of exchange rate fluctuations	5,188	9,137
Cash and cash equivalents at 30 September	800,573	783,090

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.

CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2021	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
Balance at 1 January 2021	404,895	325,000	16,245	-	261,280	1,007,420
Profit / other comprehensive income for the period	-	-	-	473	234,094	234,567
Total comprehensive income	-	-	-	473	234,094	234,567
Transfers						
Transfer to statutory reserve	-	58,524	-	-	(58,524)	-
Total transfers	-	58,524	-	-	(58,524)	-
Transaction with shareholders						
Dividends paid	-	-	-	-	(100,999)	(100,999)
Balance at 30 September 2021	404,895	383,524	16,245	473	335,852	1,140,988
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 September 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.

Quantitative Disclosures	September 2021	September 2020
i. Capital adequacy ratio (per CRD)	33.85%	43.85%
ii. Non-performing loan (NPL) to gross loan (BOG basis)	1.60%	0.98%
iii. Loan loss provision ratio	0.35%	0.40%
iv. Liquidity ratio	59.99%	64.20%
v. Leverage ratio	15.95%	23.50%
vi. Contingents (GHS'000)	321,783	100,158

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 September 2021 are consistent with those followed for the year ended 31 December 2020.

Defaults in statutory liquidity and accompanying sanctions	September 2021	September 2020
Default in statutory liquidity (No. of times)	1	nil
Sanctions for statutory liquidity default (GHS'000)	366	nil

Other Regulatory breaches		
Number of breaches	nil	1
Total sanctions (GHS'000)	nil	26

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 September 2021.

Holding Company
The Bank is a subsidiary of Guaranty Trust Bank Limited, 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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