

**GUARANTY TRUST BANK (GHANA) LTD**
**Summary Financial Statements prepared from the Audited Financial Statements for the year ended 31 December 2023**

The Board of Directors of Guaranty Trust Bank (Ghana) Ltd is pleased to present the summary financial statements of the Bank's final audited financial statements for the year ended 31 December 2023.

SUMMARY STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023	December 2023	December 2022
	GH¢'000	GH¢'000
Interest income calculated using the effective interest method	1,341,301	649,145
Interest expense	(309,186)	(176,232)
Net interest income	1,032,115	472,913
Fee and commission income	281,228	244,472
Fee and commission expense	(85,993)	(57,464)
Net fee and commission income	195,235	187,008
Net trading income	297,364	304,813
Net income from other financial instruments carried at fair value	(433)	1,771
Revenue	1,524,281	966,505
Other income	2,133	269
Net impairment on financial instruments	(115,364)	(557,020)
Personnel expenses	(87,279)	(81,809)
Amortisation of prepaid leases	(2,284)	(1,676)
Depreciation and amortisation	(23,314)	(20,885)
Finance charge	(3,927)	(3,776)
Other operating expenses	(175,748)	(110,570)
Profit before tax	1,118,498	191,038
National fiscal stabilisation levy	(13,997)	(9,552)
Financial sector recovery levy	(55,925)	(9,552)
Growth & Sustainability levy	(41,928)	-
Income tax expense	(280,862)	(56,954)
Profit for the period	725,786	114,980
Other comprehensive income		
Items that are or may be subsequently reclassified to profit or loss: Movement in fair value of FVOCI debt instruments. Debt instruments at FVOCI - net change in fair value	(13)	(1,265)
Impairment loss/(reversal) on investment securities at FVOCI	-	1,484
Debt instruments at FVOCI - reclassified to profit or loss	1,646	-
Related tax	(408)	(55)
Total Other comprehensive income	1,225	164
Total comprehensive income	727,012	115,145

SUMMARY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023	December 2023	December 2022
	GH¢'000	GH¢'000
<b>Assets</b>		
Cash and cash equivalents	3,094,740	1,779,276
Non-pledged trading assets	60,897	142,756
Pledged assets	156,831	158,628
Loans and advances to customers	1,790,422	2,026,345
Investment securities	5,516,067	2,134,382
Property and equipment	144,070	138,662
Current tax assets	11,892	44,370
Intangible assets	5,186	4,981
Deferred tax assets	166,671	137,422
Other assets	277,577	560,523
<b>Total assets</b>	<b>11,224,353</b>	<b>7,127,345</b>
<b>Liabilities</b>		
Deposits from customers	9,011,566	5,629,807
Provision on off balance sheet items	1,025	521
Other liabilities	149,127	161,395
<b>Total liabilities</b>	<b>9,161,718</b>	<b>5,791,723</b>
<b>Equity</b>		
Stated capital	404,895	404,895
Credit risk reserve	46,687	26,233
Statutory reserve fund	614,053	432,606
Other reserves	-	(1,225)
Income surplus	997,000	473,113
<b>Total equity</b>	<b>2,062,635</b>	<b>1,335,622</b>
<b>Total liabilities and equity</b>	<b>11,224,353</b>	<b>7,127,345</b>

SUMMARY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023	December 2023	December 2022
	GH¢'000	GH¢'000
<b>Cash flows from Operating Activities</b>		
<b>Total Comprehensive Income</b>	<b>727,012</b>	<b>115,145</b>
Adjustments for:		
Depreciation and amortization	23,314	20,885
Impairment on financial instruments	117,085	558,182
Profit on disposal of property and equipment	(499)	(269)
Write-off of item in capital work-in-progress	404	181
Net trading income	(297,364)	(304,813)
Net income from other financial instruments carried at fair value	433	(1,771)
Net interest income	(1,032,115)	(472,913)
Income tax expense	392,712	76,112
Lease liability finance charges	3,927	3,776
Change in loans and advances to customers	146,323	(288,698)
Change in trading assets and investment securities	(3,318,438)	(1,047,363)
Change in pledged assets	1,797	1,493
Change in other assets	282,946	(135,552)
Change in deposits from customers	2,961,380	1,902,878
Change in other liabilities	(10,436)	82,586
Interest received	1,328,592	507,075
Interest paid	(278,504)	(174,731)
Income received from trading assets	224,959	253,610
Income received from other financial instruments carried at fair value	9,267	70,235
Finance charges on lease liability paid	(1,806)	(1,743)
Income tax paid	(280,661)	(188,702)
National fiscal stabilisation levy paid	(54,411)	(35,227)
Financial sector recovery levy paid	(54,411)	(35,300)
<b>Net cash generated from operating activities</b>	<b>891,506</b>	<b>903,593</b>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(28,547)	(36,100)
Purchase of intangible assets	(1,825)	(2,202)
Proceeds from sale of property and equipment	1,541	320
<b>Net cash used in investing activities</b>	<b>(28,831)</b>	<b>(37,982)</b>
<b>Cash flows from financing activities</b>		
Lease liability payments	(3,951)	(5,919)
Net cash used in financing activities	(3,951)	(5,919)
<b>Net increase in cash and cash equivalents</b>	<b>858,724</b>	<b>859,692</b>
Cash and cash equivalents at 1 January	1,784,922	894,167
Effect of exchange rate fluctuations	462,099	31,063
<b>Cash and cash equivalents at 31 December 2023</b>	<b>3,105,745</b>	<b>1,784,922</b>

SUMMARY STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2023	Stated Capital	Statutory Reserve Fund	Credit Risk Reserve	Income Surplus	Other Reserves	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Balance at 1 January 2023	404,895	432,606	26,233	473,113	(1,225)	1,335,622
Profit for the period	-	-	-	725,786	-	725,786
<b>Other comprehensive income</b>						
Financial assets at FVOCI- Reclassified to profit or loss-net of tax	-	-	-	-	1,235	1,235
Net change in Fair Value on financial assets at FVOCI net of tax	-	-	-	-	(10)	(10)
<b>Total comprehensive income</b>	-	-	-	725,786	1,225	727,012
<b>Transfers</b>						
Transfer from credit risk reserve	-	-	20,454	(20,454)	-	-
Transfer to statutory reserve fund	-	181,447	-	(181,447)	-	-
<b>Total transfers</b>	-	181,447	20,454	(201,900)	-	-
Dividends paid	-	-	-	-	-	-
<b>Total transactions recognized directly in equity</b>	-	181,447	20,454	(201,900)	-	-
<b>Balance at 31 December 2023</b>	<b>404,895</b>	<b>614,053</b>	<b>46,687</b>	<b>997,000</b>	<b>-</b>	<b>2,062,635</b>

SUMMARY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022	Stated Capital	Statutory Reserve Fund	Credit Risk Reserve	Income Surplus	Other Reserves	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Balance at 1 January 2022	404,895	403,861	37,241	375,870	(1,389)	1,220,478
Profit for the year	-	-	-	114,981	-	114,981
<b>Other comprehensive income</b>						
ECL on investments at FVOCI	-	-	-	-	1,113	1,113
Fair Value loss on financial assets at FVOCI	-	-	-	-	(949)	(949)
<b>Total comprehensive income</b>	-	-	-	114,981	164	115,145
<b>Transfers</b>						
Transfer to credit risk reserve	-	-	(11,008)	11,008	-	-
Transfer to statutory reserve fund	-	28,745	-	(28,745)	-	-
<b>Total transfers</b>	-	28,745	(11,008)	(17,737)	-	-
Dividends paid	-	-	-	-	-	-
<b>Total transactions recognized directly in equity</b>	-	28,745	(11,008)	(17,737)	-	-
<b>Balance at 31 December 2022</b>	<b>404,895</b>	<b>432,606</b>	<b>26,233</b>	<b>473,113</b>	<b>(1,225)</b>	<b>1,335,622</b>

The summary financial statements presented in this publication are extracts from the audited financial statements for the year ended 31 December 2023, which are available for inspection at the Head Office of Guaranty Trust Bank (Ghana) Ltd located at the 25A Castle Road, Ambassadorial Area, Ridge, Accra.

including the Hyperinflation Directive issued by Institute of Chartered Accountants, Ghana and are consistent with the accounting policies applied in the preparation of the previous annual audited financial statements. The annual audited financial statements were authorised for issue on the 27 March 2024.

## INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS

To the Members of Guaranty Trust Bank (Ghana) Ltd.

### REPORT OF THE DIRECTORS TO THE MEMBERS OF GUARANTY TRUST BANK (GHANA) LTD

#### Directors' responsibility statement

The Directors are responsible for the preparation of the summary financial statements comprising the summary statements of financial position as at 31 December 2023 and the summary statements of comprehensive income, changes in equity and cash flows and related notes to the summary financial statements for each financial year which gives a true and fair view of the state of affairs of the Bank. The Directors have prepared these summary financial statements in accordance with the requirements of the Guide for Financial Publication for Banks and Bank of Ghana Licensed Financial Institutions. The Guide requires the summary financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirement of IFRS Accounting Standards including the hyperinflation directive issued by the Institute of Chartered Accountants, Ghana (ICAG).

The accounting policies applied in the preparation of the audited financial statements, from which the summary financial statements were derived, are in accordance with IFRS including the hyperinflation directive issued by the Institute of Chartered Accountants, Ghana (ICAG) and are consistent with the accounting policies applied in the preparation of the previous annual audited financial statements.

The Directors are responsible for ensuring that the Bank keep proper accounting records that disclose with reasonable accuracy at any time the financial position of the Bank. The Directors are also responsible for safeguarding the assets of the Bank and taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Going Concern

The Directors have made an assessment of the ability of the Bank to continue as a going concern having regard of the business impact of the Government of Ghana's Domestic Debt Exchange (DDE) programme and have no reason to believe that business will not be a going concern.

### NOTES TO THE SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### 1. Basis of Preparation

The summary financial statements have been prepared in accordance with the requirements of the guide for Financial Publications for Banks and Bank of Ghana Licensed Financial Institutions. The Guide requires the summary financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS Accounting Standards including the Hyperinflation Directive issued by the Institute of Chartered Accountants, Ghana (ICAG).

The ICAG issued a directive in November 2023 to accountants in business and accountants in practice, together with an update during January 2024 in terms of which the ICAG concluded that based on its analysis and interpretation, IAS 29 will not be applicable for December 2023 financial reporting period since Ghana is not considered to be operating in a hyperinflationary economy. In this regard, the financial statements of the Bank, including the corresponding figures for the comparative period have not been stated in terms of the measuring unit current at the end of the reporting period.

The accounting policies applied in the preparation of the audited financial statements, from which the summary financial statements were derived, are in accordance with IFRS Accounting Standards

#### 2. Quantitative Disclosures

	December 2023	December 2022
i. Capital adequacy ratio (per CRD)	41.84%	33.42%
ii. Non-performing loan (NPL) to gross loan (BOG basis)	3.96%	2.42%
iii. Loan loss provision ratio	2.20%	0.86%
iv. Liquidity ratio	73.18%	57.51%
v. Tier 1 leverage ratio	18.03%	21.83%
vi. Contingent liabilities (GHS'000)	145,483	179,099

Assumptions and estimation uncertainties that have the most significant risk of resulting in a material adjustment in the year ended 31 December 2023 relates to impairment of financial instruments. Impairment allowance for the current year was GHS115 million as compared to the prior year of GHS557 million. The significant movement is largely due to the successful exchange of investment securities under the Domestic Debt Exchange programme.

#### 3. Qualitative Disclosures

The Bank's dominant risks are: credit risk, liquidity risk, market risk, and operational risk. The processes followed in risk measurement and their management for the year ended 31 December 2023 are consistent with those followed for the year ended 31 December 2022.

#### 4. Defaults in statutory liquidity and accompanying sanctions

	2023	2022
Default in statutory liquidity (No. of times)	nil	nil
Sanctions for statutory liquidity default (GHS'000)	nil	366

#### Other Regulatory breaches

	2023	2022
Number of breaches	nil	2
Total sanctions (GHS'000)	nil	198

#### 5. 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. The Bank's dominant risks include credit, market, liquidity and operational risks and have remained stable over the last 3 years and will continue to remain stable.

#### 6. 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 year ended 31 December 2023.

#### 7. Holding Company

The Bank is a subsidiary of Guaranty Trust Bank Nigeria 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

Joseph K. Amoa-Awuah  
Board Chairman

#### Signed

Thomas Attah John  
Managing Director

#### Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 December 2023, and the summary statements of comprehensive income, changes in equity and cash flows for the year then ended and related notes, are derived from the audited financial statements of Guaranty Trust Bank (Ghana) Ltd for the year ended 31 December 2023.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements in accordance In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements in accordance with Note 1.

#### Summary Financial Statements

The summary financial statements do not contain all the disclosures required by IFRS Accounting Standards including the Hyperinflation Directive issued by the Institute of Chartered Accountants and in the manner required by the Companies Act 2019, (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). Reading the summary financial statements and our report thereon, therefore, is not a substitute for reading the audited financial statements and our report thereon.

#### The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 27 March 2024. That report also includes the communication of key audit matters. Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the financial statements for the current year.

#### Directors' Responsibility for the Summary Financial Statements

The Directors are responsible for the preparation of the summary financial statements in accordance with the basis described in Note 1.

#### Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised) *Engagements to Report on Summary Financial Statements*. The engagement partner on the audit resulting in this independent auditor's report is Labaran Amidu (ICAG/P/1472).

*KPMG*

For and on behalf of:

KPMG: (ICAG/F/2024/038),  
CHARTERED ACCOUNTANTS  
13 YIYIWA DRIVE, ABELANKPE,  
P O BOX GP 242, ACCRA  
27 March 2024

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