

GUARANTY TRUST BANK (GHANA) LTD

UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023

The Board of Directors of Guaranty Trust Bank (Ghana) Limited is pleased to present the condensed financial information of the Bank's interim unaudited results for the period ended 30 June, 2023.

CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2023

	June 2023	June 2022
	GH¢'000	GH¢'000
Interest income calculated using the effective interest method	529,508	243,836
Interest expense	(119,264)	(76,715)
Net interest income	410,244	167,121
Fee and commission income	132,471	119,241
Fee and commission expense	(41,113)	(23,417)
Net fee and commission income	91,358	95,824
Net trading income	187,871	114,198
Net income from other financial instruments carried at fair value	2,388	50,651
Revenue	691,861	427,794
Other income	1,145	381
Net impairment on financial instruments	(11,590)	(4,400)
Personnel expenses	(42,913)	(37,891)
Amortisation of prepaid leases	(1,074)	(595)
Depreciation and amortisation	(11,176)	(10,203)
Finance charge	(2,019)	(2,117)
Other operating expenses	(70,424)	(52,357)
Profit before tax	553,810	320,612
National fiscal stabilisation levy	(18,669)	(16,031)
Financial sector recovery levy	(27,690)	(16,031)
Growth and Sustainability levy	(9,022)	-
Income tax expense	(146,991)	(80,153)
Profit for the period	351,438	208,397

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	June 2023	June 2022	December 2022
	GH¢'000	GH¢'000	GH¢'000
Assets			
Cash and cash equivalents	2,228,171	1,804,010	1,779,276
Non-pledged trading assets	32,712	431,012	142,756
Pledged assets	168,310	234,418	158,628
Loans and advances to customers	1,538,453	1,774,059	2,026,345
Investment securities	3,885,801	1,466,506	2,134,382
Property and equipment	142,476	129,383	138,662
Intangible assets	3,597	8,640	4,981
Current tax assets	-	-	44,370
Deferred tax assets	142,864	4,132	142,864
Other assets	553,335	324,370	560,523
Total assets	8,695,718	6,176,530	7,132,787
Liabilities			
Deposits from customers	6,825,508	4,637,271	5,629,807
Current tax liabilities	58,236	13,988	-
Deferred tax liabilities	5,442	2,705	5,442
Provision on off balance sheet items	630	1,396	521
Other liabilities	118,841	92,296	161,395
Total liabilities	7,008,657	4,747,656	5,797,165
Equity			
Stated capital	404,895	404,895	404,895
Credit risk reserve	26,233	37,241	26,233
Statutory reserve fund	520,466	455,960	432,606
Other reserves	(1,225)	(1,389)	(1,225)
Income surplus	736,692	532,167	473,113
Total equity	1,687,061	1,428,874	1,335,622
Total liabilities and equity	8,695,718	6,176,530	7,132,787

CONDENSED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2023

	June 2023	June 2022
	GH¢'000	GH¢'000
Cash flows from Operating Activities		
Profit for the period	351,438	208,397
Adjustments for:		
Depreciation and amortization	11,176	10,203
Impairment on financial instruments	11,590	4,400
Profit on disposal of property and equipment	(301)	(42)
Foreign exchange loss/ (gains)	(52,747)	(26,045)

CONDENSED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2023 - Continued

	June 2023	June 2022
	GH¢'000	GH¢'000
Net income from other financial instruments carried at fair value	(2,388)	26,000
Net interest income	(410,243)	(218,808)
Income tax expense	202,372	112,214
Lease liability finance charges	2,019	2,117
Change in loans and advances to customers	481,302	(130,818)
Change in trading assets and investment securities	(1,659,057)	(219,852)
Change in other assets	7,189	100,602
Change in deposits from customers	927,541	824,327
Change in other liabilities	(41,310)	15,780
Interest received	529,508	295,523
Interest paid	(119,264)	(76,715)
Income received from other financial instruments carried at fair value	5,388	-
Finance charges on lease liability paid	(313)	(1,496)
Income tax paid	(71,122)	(72,952)
National fiscal stabilisation levy paid	(14,327)	(13,977)
Financial sector recovery levy paid	(9,551)	(14,050)
Growth and sustainability levy paid	(4,776)	-
Net cash generated from operating activities	144,122	824,807
Cash flows from investing activities		
Purchase of property and equipment	(13,237)	(21,898)
Purchase of intangible assets	(369)	-
Proceeds from sale of property and equipment	301	171
Net cash used in investing activities	(13,305)	(21,727)
Cash flows from financing activities		
Lease liability payments	(2,829)	(6,799)
Net cash used in financing activities	(2,829)	(6,799)
Net increase in cash and cash equivalents	127,988	796,281
Cash and cash equivalents at 1 January	(1,779,276)	894,167
Effect of exchange rate fluctuations	320,907	113,562
Cash and cash equivalents at 30 June	2,228,171	1,804,010

CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 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	-	-	-	351,438	-	351,438
Total comprehensive income	-	-	-	351,438	-	351,438
Transfers						
Transfer to statutory reserve fund	-	87,860	-	(87,860)	-	-
Total transfers	-	87,860	-	(87,860)	-	-
Total transactions recognized directly in equity	-	87,860	-	(87,860)	-	-
Balance at 30 June 2023	404,895	520,466	26,233	736,692	(1,225)	1,687,061

CONDENSED 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	37,5870	(1,389)	1,220,478
Profit for the year	-	-	-	315,446	-	114,981
Other comprehensive income	-	-	-	-	-	-
ECL on investments at FVOCI	-	-	-	-	1,113	1,113
Fair Value loss on financial assets at FVOCI	-	-	-	-	(949)	(949)
Total comprehensive income	-	-	-	114,981	164	115,145
Transfers						
Transfer from credit risk reserve	-	-	(11,008)	11,008	-	-
Transfer to statutory reserve fund	-	28,745	-	(28,745)	-	-
Total transfers	-	28,745	(11,008)	(17,737)	-	-
Dividends paid	-	-	-	-	-	-
Total transactions recognized directly in equity	-	28,745	(11,008)	(17,737)	-	-
Balance at 31 December 2022	404,895	432,606	26,233	473,113	(1,225)	1,335,622

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) for the period ended 30 June 2023. All December 2022 figures are audited.

Other Regulatory breaches

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

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 2023.

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. Amoah-Awuah
Board Chairman

Signed:

Thomas Attah John
Managing Director

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

	June 2023	Dec 2022
i. Capital adequacy ratio (per CRD)	35.91%	33.42%
ii. Non-performing loan (NPL) to gross loan (BOG basis)	2.95%	2.42%
iii. Loan loss provision ratio	1.55%	0.86%
iv. Liquidity ratio	60.43%	57.51%
v. Leverage ratio	15.69%	15.32%
vi. Contingents (GHS'000)	69,953	179,099

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 2023 are consistent with those followed for the year ended 31 December 2022.

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	nil

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