

GUARANTY TRUST BANK (GHANA) LIMITED
UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020

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, 2020.

CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2020

	June 2020	June 2019
	GH¢'000	GH¢'000
Interest income calculated using the effective interest method	165,632	165,025
Interest expense	(33,849)	(51,545)
Net interest income	131,783	113,480
Fee and commission income	56,524	35,624
Net trading income	50,682	44,184
Net income from other financial instruments carried at fair value through profit or loss	26,415	40,320
Operating income	265,404	233,608
Other operating income	157	317
Net impairment (loss)/reversal on financial assets	(562)	2,886
Personnel expenses	(26,776)	(26,358)
Amortisation of prepaid operating lease	(808)	(261)
Depreciation and amortisation	(9,039)	(5,318)
Other operating expenses	(36,457)	(31,206)
Profit before income tax	191,919	173,668
National fiscal stabilisation levy	(9,866)	(8,834)
Income tax expense	(47,710)	(45,438)
Profit for the year and total comprehensive income	134,343	119,396

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	June 2020	December 2019
	GH¢'000	GH¢'000
Assets		
Cash and cash equivalents	1,231,329	423,746
Non-pledged trading assets	415,576	436,739
Derivative assets under swap	-	10,387
Loans and advances to customers	632,471	569,536
Investment securities	1,002,439	1,591,460
Current tax assets	-	5,911
Property and equipment	112,060	116,182
Intangible assets	3,573	3,861
Deferred tax assets	1,404	1,404
Other assets	184,985	93,955
Total Assets	3,583,837	3,253,181
Liabilities		
Deposits from customers	2,568,989	2,149,049
Deposits from banks	-	241,346
Current tax liabilities	6,953	-
Deferred tax liabilities	3,696	3,696
Provision on off balance sheet items	185	138
Other liabilities	81,399	70,680
Total liabilities	2,661,222	2,464,909
Equity		
Stated capital	404,895	404,895
Credit risk reserve	17,253	13,520
Statutory reserve	291,253	257,667
Income surplus	209,214	112,190
Total shareholders' funds	922,615	788,272
Total Liabilities and Equity	3,583,837	3,253,181

CONDENSED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2020

	June 2020	December 2019
	GH¢'000	GH¢'000
Cash flows from Operating Activities		
Profit for the period	134,343	207,801
Adjustments for:		
Depreciation and amortization	9,039	16,628
Impairment on financial assets	562	8,666
Foreign exchange difference on borrowings	-	476
Profit on disposal of property and equipment	(17)	(402)
Gain/ (loss) on derivative assets	10,387	(10,387)
Fair value gains on mark to market	(9,252)	(15,725)
Foreign exchange gains or loss	(11,842)	(33,700)

Net interest income	(131,783)	(268,210)
Income tax expense	57,576	92,343
Lease liability finance charges	1,743	3,087
Change in loans and advances to customers	(63,450)	(153,664)
Change in investment securities	610,948	(1,110,464)
Change in other assets	(91,030)	(33,606)
Change in deposit from banks	(241,346)	241,346
Change in deposits from customers	419,940	484,750
Change in other liabilities	11,433	(1,872)
Interest income received	165,632	359,218
Interest expense paid	(33,849)	(91,008)
Interest paid on lease liability	(1,743)	(3,087)
Income tax paid	(37,155)	(82,518)
National fiscal stabilisation levy paid	(7,557)	(16,035)
Net cash generated from operating activities	792,579	(406,363)
Cash flows from investing activities		
Purchase of property and equipment	(2,188)	(29,409)
Purchase of intangible assets	(166)	(1,522)
Proceeds from sale of property and equipment	17	566
Net cash used in investing activities	(2,337)	(30,365)
Cash flows from financing activities		
Repayment of borrowings	-	(6,525)
Lease liability payments	(2,988)	(9,864)
Net cash used in financing activities	(2,988)	(16,389)
Net (decrease)/increase in cash and cash equivalents	787,254	(453,117)
Cash and cash equivalents at 1 January	423,746	832,690
Effect of exchange rate fluctuations	20,329	44,173
Cash and cash equivalents at 30 June	1,231,329	423,746

CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2020

	Stated Capital	Statutory Reserve Fund	Credit Risk Reserve	Income Surplus	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Balance at 1 January 2020	404,895	257,667	13,520	112,190	788,272
Profit for the period	-	-	-	134,343	134,343
Total comprehensive income	-	-	-	134,343	134,343
Transfers					
Transfer from credit risk reserve	-	-	3,733	(3,733)	-
Transfer to statutory reserve	-	33,586	-	(33,586)	-
Total transfers	-	33,586	3,733	(37,319)	-
Total transactions recognized directly in equity	-	33,586	3,733	(37,319)	-
Balance at 30 June 2020	404,895	291,253	17,253	209,214	922,615

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

	Stated Capital	Statutory Reserve	Credit Risk Fund	Income Surplus Reserve	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Balance at 1 January 2019	404,895	153,767	16,812	4,997	580,471
Profit for the year	-	-	-	207,801	207,801
Total comprehensive income	-	-	-	207,801	207,801
Transfers					
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)	-
Total transactions recognized directly in equity	-	103,900	(3,292)	(100,609)	-
Balance at 30 June 2019	404,895	257,667	13,520	112,190	788,272

Significant Accounting Policies
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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 periods ended 30 June 2020. All December 2019 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

	June 2020	December 2019
i. Capital adequacy ratio (per CRD)	42.61%	43.57%
ii. Non-performing loan (NPL) to gross loan (BOG basis)	2.97%	2.66%
iii. Loan loss provision ratio	0.72%	0.71%
iv. Liquidity ratio	82.13%	89.80%
v. Tier 1 leverage ratio	19.78%	23.82%
vi. Contingents (GHS'000)	112,755	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 period ended 30 June 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 period ended 30 June 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:

Thomas Attah John
Managing Director

Signed:

Calleb Osei
Chief Finance Officer