

GCB Bank Limited

Summary consolidated and separate financial statements
for the period ended 30 June 2021 (unaudited)



All amounts are in thousands of Ghana cedis unless otherwise stated

Statements of comprehensive income for the period ended 30 June 2021

	2021		2020	
	Bank	Group	Bank	Group
Interest income	1,145,808	1,150,389	876,058	879,450
Interest expense	(230,113)	(230,113)	(205,523)	(205,523)
Net interest income	915,695	920,276	670,535	673,927
Fee and commission income	176,418	184,299	150,108	150,108
Fee and commission expense	(24,894)	(24,894)	(30,528)	(30,528)
Net fee and commission income	151,524	159,405	119,580	119,580
Net trading income	77,526	77,526	110,794	110,794
Other operating income	4,504	4,554	5,552	9,090
Operating income	1,149,249	1,161,761	906,461	913,391
Net impairment loss on financial assets	(190,000)	(190,000)	(69,099)	(69,099)
Personnel expenses	(341,563)	(342,779)	(316,274)	(317,093)
Depreciation and amortisation	(73,184)	(73,318)	(70,308)	(70,400)
Other expenses	(203,659)	(204,100)	(199,355)	(199,893)
Profit before income tax	340,843	351,564	251,425	256,906
Income tax expense	(113,036)	(115,721)	(68,886)	(70,049)
Profit for the period	227,807	235,843	182,539	186,857
Other Comprehensive Income:				
Items that will not be reclassified to profit or loss				
FVTOCI financial assets - net changes in fair value	(671)	(160)	(394)	(474)
Related tax	168	40	98	118
Total items that will not be reclassified to profit or loss	(503)	(120)	(296)	(356)
Total comprehensive income	227,304	235,723	182,243	186,501
Profit attributable to:				
Owners of the parent	227,807	235,843	182,539	186,857
Profit for the period	227,807	235,843	182,539	186,857
Total comprehensive income attributable to:				
Owners of the parent	227,304	235,723	182,243	186,501
Total comprehensive income for the period	227,304	235,723	182,243	186,501

Basic and diluted earnings per share (in GH¢)	1.72	1.78	1.38	1.41
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Statements of cash flows for the period ended 30 June 2021

	2021		2020	
	Bank	Group	Bank	Group
Cash flows from operating activities				
Profit for the period	227,807	235,843	182,539	186,857
Adjustments for:				
Depreciation and amortisation	73,184	73,318	70,308	70,400
Net impairment loss on financial assets	190,000	190,000	69,099	69,099
Employee benefit expense	48,032	48,032	38,000	38,000
Net Interest income	(915,695)	(920,276)	(670,535)	(673,927)
Dividend income	(372)	(422)	(406)	(3,943)
Profit on sale of property and equipment	(88)	(88)	198	
Income tax expense	113,036	115,721	68,886	70,049
	(264,096)	(257,872)	(241,911)	(243,267)
Changes in :				
Non-pledged trading assets	(23,550)	(23,550)	(121,251)	(121,251)
Advances to banks	196	196	(17,879)	(17,879)
Loans and advances to customers	(136,971)	(136,971)	(21,137)	(21,137)
Other assets	(44,371)	(49,542)	(179,442)	(179,442)
Deposits from banks and other financial institutions	(5,154)	(5,154)	(194,787)	(194,787)
Deposits from customers	1,161,589	1,168,867	1,462,970	1,462,970
Borrowings	(391,643)	(391,643)	98,367	98,367
Other liabilities	70,000	69,920	136,976	151,249
Employee benefit paid	(8,881)	(8,881)	(6,844)	(6,844)
Cash (used in)/generated from operations	357,119	365,370	915,081	927,979
Interest received	1,234,267	1,238,847	936,793	940,185
Dividend received	373	423	406	3,943
Interest paid	(251,959)	(251,959)	(199,726)	(199,726)
Net income tax paid	(83,775)	(85,214)	(87,453)	(88,389)
Net cash from operating activities	1,256,025	1,267,467	1,565,101	1,583,992
Cash flows from investing activities				
Purchase of investments (other than securities)	-	(2,394)	-	-
Purchase of investment securities	(424,408)	(428,418)	(890,920)	(898,057)
Purchase of property, equipment & right-of-use-assets	(32,450)	(32,938)	(38,564)	(38,570)
Proceeds from sale of property, equipment & right-of-use assets	407	407	177	177
Purchase of intangible assets	(17,217)	(17,263)	(13,654)	(13,677)
Net cash used in investing activities	(473,668)	(480,606)	(942,961)	(950,127)
Cash flows from financing activities				
Dividends paid	(66,250)	(66,250)	-	-
Net Cash used in financing activities	(66,250)	(66,250)	-	-
Net (decrease)/increase in cash and cash equivalents	716,107	720,611	622,140	633,865
Cash and cash equivalents at 1 January	1,567,241	1,567,241	1,572,538	1,572,538
Cash and cash equivalents at 30 June	2,283,348	2,287,852	2,194,678	2,206,403

Statements of financial position as at 30 June 2021

	2021		2020	
	Bank	Group	Bank	Group
Assets				
Cash and cash equivalents	2,283,348	2,287,852	2,194,678	2,206,403
Non-pledged trading assets	244,888	244,888	264,040	264,040
Investments (other than securities)	1,663	20,768	21,833	41,820
Loans and advances to customers	3,559,559	3,559,559	3,536,863	3,536,863
Advances to banks	200,708	200,708	235,465	235,465
Investment securities	8,933,697	8,984,652	6,826,673	6,860,284
Investment in associates	28,274	91,682	28,274	100,392
Investment in subsidiaries	1,000	-	1,000	-
Deferred tax asset	229,312	230,138	138,351	144,862
Intangible assets	167,297	167,551	180,711	180,734
Other assets	504,803	512,243	459,965	459,998
Property, equipment & right-of-use-assets	279,802	280,802	269,293	269,905
Total assets	16,434,351	16,580,843	14,157,146	14,300,766
Liabilities				
Deposits from banks & other financial institutions	610,264	610,264	307,124	307,124
Deposits from customers	12,514,107	12,514,107	10,800,014	10,800,014
Borrowings	380,882	380,882	565,307	565,307
Current tax liabilities	74,863	76,500	16,675	17,468
Employee benefit obligation	152,473	152,473	149,819	149,819
Other liabilities	491,582	491,314	483,598	480,909
Total liabilities	14,224,171	14,225,540	12,322,537	12,320,641
Equity				
Stated capital	500,000	500,000	500,000	500,000
Retained earnings	1,175,062	1,280,980	919,417	1,015,730
Statutory reserve	569,971	569,971	460,096	460,096
Fair value reserve	(2,424)	5,107	(2,173)	14,145
Other reserves	(32,429)	(755)	(42,731)	(9,846)
Total shareholders' equity	2,210,180	2,355,303	1,834,609	1,980,125
Total liabilities and shareholders' equity	16,434,351	16,580,843	14,157,146	14,300,766

Statements of changes in equity for the period ended 30 June 2021

	Stated capital	Fair value reserve	Other Reserves	Statutory reserve	Total Reserves	Retained earnings	Total equity
The Bank							
Balance at 1 January 2021	500,000	(1,754)	(32,429)	569,971	1,035,788	1,013,504	2,049,292
Profit for the period	-	-	-	-	-	227,807	227,807
Other comprehensive income, net of tax	-	-	-	-	-	-	-
FVTOCI financial assets - net changes in fair value	-	(670)	-	-	(670)	-	(670)
Dividend Paid	-	-	-	-	-	(66,250)	(66,250)
Balance at 30 June 2021	500,000	(2,424)	(32,429)	569,971	1,035,118	1,175,061	2,210,179
The Group							
Balance at 1 January 2021	500,000	5,395	(755)	569,971	1,074,611	1,111,387	2,185,998
Profit for the period	-	-	-	-	-	235,843	235,843
Other comprehensive income, net of tax	-	-	-	-	-	-	-
FVTOCI financial assets - net changes in fair value	-	(160)	-	-	(160)	-	(160)
Deferred tax	-	(128)	-	-	(128)	-	(128)
Dividend Paid	-	-	-	-	-	(66,250)	(66,250)
Balance at 30 June 2021	500,000	5,107	(755)	569,971	1,074,323	1,280,980	2,355,303

Disclosures

1. Reporting entity - GCB Bank Limited is a limited liability company incorporated and domiciled in Ghana. These consolidated financial statements as at and for the period ended 30 June 2021 comprise the Bank and its subsidiary, (together referred to as the 'Group') and the Group's interest in associates. The separate financial statements as at and for the period ended 30 June 2021 comprise the financial statements of the Bank. The Bank is listed on the Ghana Stock Exchange.

2. Significant accounting policies - The consolidated and separate 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). The accounting policies applied in the preparation of these financial statements were consistent with those applied in the preparation of the annual consolidated and separate financial statements at 31 December 2020.

3. Quantitative disclosures

	June 2021	June 2020
Capital adequacy ratio (capital requirements directive)	20.9%	19.1%
Common equity tier 1 ratio	18.9%	17.3%
Leverage ratio	9.8%	9.0%
Non-performing loan ratio	20.7%	7.8%
Liquid ratio	64%	69%
Statutory liquidity breach (times)	Nil	1
Sanctions for statutory liquidity breach (GH¢'000')	Nil	183

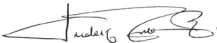
4. Qualitative disclosures

4.1 The Bank has exposure to the following risks from its use of financial instruments and from operations:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

5. Sworn statement

The financial statements do not contain any untrue statements, misleading facts or omit material facts to the best of our knowledge.



Jude Arthur
Board Chairman



John Kofi Adomakoh
Managing Director