

All amounts are in thousands of Ghana cedis unless otherwise stated

### Statement of profit or loss and other comprehensive income for the year ended 31 December 2021

	2021		2020	
	Bank	Group	Bank	Group
Interest income	2,369,457	2,379,370	1,930,141	1,938,908
Interest expense	(484,620)	(484,527)	(430,255)	(430,210)
<b>Net interest income</b>	<b>1,884,837</b>	<b>1,894,843</b>	<b>1,499,886</b>	<b>1,508,698</b>
Fee and commission income	390,408	410,277	315,716	329,702
Fee and commission expense	(50,749)	(50,749)	(51,722)	(51,722)
<b>Net fee and commission income</b>	<b>339,659</b>	<b>359,528</b>	<b>263,994</b>	<b>277,980</b>
Net trading income	157,540	157,540	166,628	166,628
Other operating income	9,576	15,582	7,600	14,374
<b>Operating income</b>	<b>2,391,612</b>	<b>2,427,493</b>	<b>1,938,108</b>	<b>1,967,680</b>
Net impairment loss on financial assets	(324,800)	(324,800)	(219,647)	(219,647)
Personnel expenses	(637,316)	(641,555)	(559,950)	(561,933)
Depreciation and amortisation	(148,171)	(148,466)	(142,467)	(142,660)
Other expenses	(471,520)	(473,725)	(414,155)	(425,048)
<b>Operating profit</b>	<b>809,805</b>	<b>838,947</b>	<b>601,889</b>	<b>618,392</b>
Share of profit of associates, net of tax	-	(6,972)	-	(7,566)
<b>Profit before income tax</b>	<b>809,805</b>	<b>831,975</b>	<b>601,889</b>	<b>610,826</b>
Income tax expense	(253,138)	(259,694)	(162,388)	(165,437)
<b>Profit for the year</b>	<b>556,667</b>	<b>572,281</b>	<b>439,501</b>	<b>445,389</b>
<b>Other Comprehensive Income:</b>				
<b>Items that will not be reclassified to profit or loss</b>				
Remeasurements on net defined benefit liability/asset	4,540	4,540	14,192	14,192
Fair value of equity instruments	1,446	284	106	(4,113)
Income tax relating to items that will not be reclassified	1,337	629	(3,563)	3,977
<b>Total items that will not be reclassified to profit or loss</b>	<b>7,323</b>	<b>5,453</b>	<b>10,735</b>	<b>14,056</b>
<b>Items that may be reclassified to profit or loss</b>				
Exchange differences on translating foreign operations	-	(8,836)	-	(1,211)
Share of comprehensive income of associates	-	(4,314)	-	401
Net gain on equity investments	-	14,139	-	-
<b>Total items that may be reclassified to profit or loss</b>	<b>-</b>	<b>989</b>	<b>-</b>	<b>(810)</b>
<b>Other Comprehensive Income for the year, net of taxation</b>	<b>7,323</b>	<b>6,442</b>	<b>10,735</b>	<b>13,246</b>
<b>Total comprehensive income for the year</b>	<b>563,990</b>	<b>578,723</b>	<b>450,236</b>	<b>458,635</b>
<b>Profit attributable to:</b>				
Owners of the parent	556,667	572,281	439,501	445,389
<b>Profit for the period</b>	<b>556,667</b>	<b>572,281</b>	<b>439,501</b>	<b>445,389</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	563,990	578,723	450,236	458,635
<b>Total comprehensive income for the period</b>	<b>563,990</b>	<b>578,723</b>	<b>450,236</b>	<b>458,635</b>
Basic earnings per share (in GHP)	210	216	166	168
Diluted earnings per share (in GHP)	210	216	166	168

### Statements of financial position as at 31 December 2021

	2021		2020	
	Bank	Group	Bank	Group
<b>Assets</b>				
Cash and cash equivalents	2,301,092	2,301,092	1,567,241	1,567,241
Non-pledged trading assets	477,658	477,658	221,339	221,339
Investments (other than securities)	3,779	26,366	2,333	18,534
Loans and advances to customers	4,306,380	4,306,380	3,612,588	3,612,588
Advances to banks	201,030	201,030	200,904	200,904
Investment securities	9,707,421	9,765,840	8,575,901	8,622,846
Investment in associates	28,274	82,280	28,274	91,681
Investment in subsidiary	1,000	-	1,000	-
Deferred tax asset	237,927	238,171	157,455	158,465
Current tax asset	-	-	26,255	25,808
Intangible assets	167,999	168,226	190,921	191,136
Other assets	527,263	536,552	460,432	462,701
Property, equipment and right-of-use assets	300,458	301,332	280,013	280,654
<b>Total assets</b>	<b>18,260,281</b>	<b>18,404,927</b>	<b>15,324,656</b>	<b>15,453,897</b>
<b>Liabilities</b>				
Deposits from banks & other financial institutions	747,589	747,589	615,418	615,418
Deposits from customers	13,165,666	13,154,527	11,352,518	11,345,240
Borrowings	988,073	988,073	772,525	772,525
Current tax liabilities	54,580	56,247	-	-
Employee benefit obligation	113,464	113,464	113,322	113,322
Other liabilities	643,877	646,556	421,581	421,394
<b>Total liabilities</b>	<b>15,713,249</b>	<b>15,706,456</b>	<b>13,275,364</b>	<b>13,267,899</b>
<b>Equity</b>				
Stated capital	500,000	500,000	500,000	500,000
Retained earnings	1,434,337	1,547,835	1,013,504	1,111,387
Statutory reserve	639,555	639,555	569,971	569,971
Fair value reserve	(106)	14,997	(1,754)	5,395
Other reserves	(26,754)	(3,916)	(32,429)	(755)
<b>Total shareholders' equity</b>	<b>2,547,032</b>	<b>2,698,471</b>	<b>2,049,292</b>	<b>2,185,998</b>
<b>Total liabilities and shareholders' equity</b>	<b>18,260,281</b>	<b>18,404,927</b>	<b>15,324,656</b>	<b>15,453,897</b>

### Statements of cash flows for the year ended 31 December 2021

	2021		2020	
	Bank	Group	Bank	Group
<b>Cash flows from operating activities</b>				
Profit for the year	556,667	572,281	439,501	445,389
<b>Adjustments for:</b>				
Depreciation and amortization	148,171	148,466	142,467	142,660
Net impairment loss on financial assets	324,800	324,800	219,647	219,647
Employee benefit expense	20,995	20,995	24,240	24,240
Share of profit of associates	-	6,972	-	7,566
PPE written off	-	-	413	413
Net Interest income	(1,884,837)	(1,894,843)	(1,499,886)	(1,508,698)
Dividend income	(571)	(6,578)	(702)	(7,476)
Profit/(loss) on sale of property and equipment	(461)	(461)	435	435
Foreign exchange gain	-	-	(95,835)	(95,835)
Income tax expense	253,138	259,694	162,388	165,437
	<b>(582,098)</b>	<b>(568,674)</b>	<b>(607,332)</b>	<b>(606,222)</b>
<b>Changes in:</b>				
Non-pledged trading assets	(256,319)	(256,319)	(78,549)	(78,549)
Derivative assets	-	-	236	236
Advances to banks	(126)	(126)	8,710	8,710
Loans and advances to customers	(1,018,592)	(1,018,592)	(244,582)	(244,582)
Other assets	(66,830)	(73,852)	(159,891)	(162,146)
Deposits from banks and other financial institutions	132,171	132,171	113,507	113,507
Deposits from customers	1,813,148	1,809,287	2,011,910	2,024,362
Borrowings	215,548	215,548	314,947	314,947
Other liabilities	222,296	225,161	85,348	85,720
Employee benefits paid	(16,312)	(16,312)	(15,119)	(15,119)
<b>Cash generated from (used in) operations</b>	<b>442,886</b>	<b>448,292</b>	<b>1,429,185</b>	<b>1,440,864</b>
Interest received	2,389,139	2,399,061	1,910,782	1,919,976
Dividend received	571	10,086	702	7,476
Interest paid	(478,184)	(478,277)	(314,330)	(314,330)
Income tax paid	(251,439)	(256,715)	(257,544)	(259,426)
<b>Net cash from operating activities</b>	<b>2,102,973</b>	<b>2,122,447</b>	<b>2,768,795</b>	<b>2,794,560</b>
<b>Cash flows from investing activities</b>				
Purchase/sale of investment securities	(1,157,639)	(1,169,024)	(2,579,308)	(2,597,464)
Purchase of investments (other than securities)	-	(7,549)	-	(7,207)
Purchase of property and equipment	(88,088)	(88,582)	(82,039)	(82,221)
Proceeds from sale of property and equipment	137	137	456	456
Purchase of intangible assets	(57,282)	(57,328)	(60,201)	(60,421)
<b>Net cash used in investing activities</b>	<b>(1,302,872)</b>	<b>(1,322,346)</b>	<b>(2,721,092)</b>	<b>(2,746,857)</b>
<b>Cash flows from financing activities</b>				
Dividend paid	(66,250)	(66,250)	(53,000)	(53,000)
<b>Net cash from financing activities</b>	<b>(66,250)</b>	<b>(66,250)</b>	<b>(53,000)</b>	<b>(53,000)</b>
<b>Total cash movement for the year</b>	<b>733,851</b>	<b>733,851</b>	<b>(5,297)</b>	<b>(5,297)</b>
Cash and cash equivalents at 1 January	1,567,241	1,567,241	1,572,538	1,572,538
<b>Cash and cash equivalents at 31 December</b>	<b>2,301,092</b>	<b>2,301,092</b>	<b>1,567,241</b>	<b>1,567,241</b>

### Statements of changes in equity for the year ended 31 December 2021

	Stated capital	Fair value reserve	Other reserves	Statutory reserve	Total reserves	Retained earnings	Total equity
<b>Bank</b>							
Balance at 1 January 2021	500,000	(1,754)	(32,429)	569,971	535,788	1,013,504	2,049,292
<b>Profit for the year</b>	-	-	-	-	-	556,667	556,667
<b>Other comprehensive income, net of tax</b>							
Fair value change in equity instruments	-	1,648	-	-	1,648	-	1,648
Remeasurement of defined benefit liability	-	-	5,675	-	5,675	-	5,675
<b>Total comprehensive income for the year</b>	-	1,648	5,675	-	7,323	556,667	563,990
<b>Transfer to/from reserves</b>							
Statutory reserve	-	-	-	69,583	69,583	(69,583)	-
<b>Total transfer to/from reserves</b>	-	-	-	69,583	69,583	(69,583)	-
<b>Transactions with owners</b>							
Dividends	-	-	-	-	-	(66,250)	(66,250)
<b>Total transactions with owners</b>	-	-	-	-	-	(66,250)	(66,250)
<b>Balance at 31 December 2021</b>	<b>500,000</b>	<b>(106)</b>	<b>(26,754)</b>	<b>639,554</b>	<b>612,694</b>	<b>1,434,338</b>	<b>2,547,032</b>
<b>Bank</b>							
Balance at 1 January 2020	500,000	(1,845)	(43,073)	460,096	415,178	736,878	1,652,056
<b>Profit for the year</b>	-	-	-	-	-	439,501	439,501
<b>Other comprehensive income, net of tax</b>							
Fair value change in equity instruments	-	91	-	-	91	-	91
Remeasurement of defined benefit liability	-	-	10,644	-	10,644	-	10,644
<b>Total comprehensive income for the year</b>	-	91	10,644	-	10,735	439,501	450,236
<b>Transfer to/from reserves</b>							
Statutory reserve	-	-	-	109,875	109,875	(109,875)	-
<b>Total transfer to/from reserves</b>	-	-	-	109,875	109,875	(109,875)	-
<b>Transactions with owners</b>							
Dividends	-	-	-	-	-	(53,000)	(53,000)
<b>Total transactions with owners</b>	-	-	-	-	-	(53,000)	(53,000)
<b>Balance at 31 December 2020</b>	<b>500,000</b>	<b>(1,754)</b>	<b>(32,429)</b>	<b>569,971</b>	<b>535,788</b>	<b>1,013,504</b>	<b>2,049,292</b>

All amounts are in thousands of Ghana cedis unless otherwise stated

### Statements of changes in equity for the year ended 31 December 2021 cont'd

	Stated capital	Fair value reserve	Other reserves	Statutory reserve	Total reserves	Retained earnings	Total equity
<b>Group</b>							
Balance at 1 January 2021	500,000	5,395	(755)	569,971	574,611	1,111,387	2,185,998
Profit for the year	-	-	-	-	-	572,281	572,281
<b>Other comprehensive income, net of tax</b>							
Fair value change in equity instruments	-	(222)	-	-	(222)	-	(222)
Remeasurement of defined benefit liability	-	-	5,675	-	5,675	-	5,675
Share of associate OCI	-	(4,314)	-	-	(4,314)	-	(4,314)
Net gain on equity investments	-	14,139	-	-	14,139	-	14,139
Foreign currency translation differences for foreign operations	-	-	(8,836)	-	(8,836)	-	(8,836)
<b>Total comprehensive income for the year</b>	-	9,603	(3,161)	-	6,442	572,281	578,723
<b>Transfer to/from reserves</b>							
Statutory reserve	-	-	-	69,583	69,583	(69,583)	-
<b>Total transfer to/from reserves</b>	-	-	-	69,583	69,583	(69,583)	-
<b>Transactions with owners</b>							
Dividends	-	-	-	-	-	(66,250)	(66,250)
<b>Total transactions with owners</b>	-	-	-	-	-	(66,250)	(66,250)
<b>Balance at 31 December 2021</b>	<b>500,000</b>	<b>14,998</b>	<b>(3,916)</b>	<b>639,554</b>	<b>650,636</b>	<b>1,547,835</b>	<b>2,698,471</b>
<b>Group</b>							
Balance at 1 January 2020	500,000	1,582	(10,188)	460,096	451,490	828,873	1,780,363
Profit for the year	-	-	-	-	-	445,389	445,389
<b>Other comprehensive income, net of tax</b>							
Fair value change in equity instruments	-	3,412	-	-	3,412	-	3,412
Remeasurement of defined benefit liability	-	-	10,644	-	10,644	-	10,644
Share of associate OCI	-	401	-	-	401	-	401
Foreign currency translation differences for foreign operations	-	-	(1,211)	-	(1,211)	-	(1,211)
<b>Total comprehensive income for the year</b>	-	3,813	9,433	-	13,246	445,389	458,635
<b>Transfer to/from reserves</b>							
Statutory reserve	-	-	-	109,875	109,875	(109,875)	-
<b>Total transfer to/from reserves</b>	-	-	-	109,875	109,875	(109,875)	-
<b>Transactions with owners</b>							
Dividends	-	-	-	-	-	(53,000)	(53,000)
<b>Total transactions with owners</b>	-	-	-	-	-	(53,000)	(53,000)
<b>Balance at 31 December 2020</b>	<b>500,000</b>	<b>5,395</b>	<b>(755)</b>	<b>569,971</b>	<b>574,611</b>	<b>1,111,387</b>	<b>2,185,998</b>

### Extract of notes to the audited financial statements for the year ended 31 December 2021

#### Reporting entity

GCB Bank Plc is a limited liability company incorporated and domiciled in Ghana. The address of its registered office is GCB Bank Building, Thorpe Road, Accra. The Bank operates with a universal banking License. The Group is primarily involved in retail, corporate, commercial banking and treasury activities. It also engages in investment banking activities through its subsidiary. The Bank is listed on the Ghana Stock Exchange. The consolidated financial statements as at and for the year ended 31 December 2021 comprise the Bank and its subsidiary, (together referred to as the "Group" and individually as "Group entities") and the Group's interest in associates.

The separate financial statements as at and for the year ended 31 December 2021 comprise the financial statements of the Bank. The financial statements in this publication is an extract from the financial statements for the year ended 31 December 2021. The final set of the financial statements are available for inspection at the Bank's Head Office at Thorpe Road, Accra.

#### Significant accounting policies

The principal accounting policies of the Group have been applied consistently to all periods in these financial statements. The consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standards Board (IASB) and adopted by Institute of Chartered Accountants, Ghana (ICAG). Additional information required under the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposits-Taking Institutions Act 2016 (Act 930) have been included, where appropriate. The financial statements are presented in Ghana cedis, which is the Group's functional currency. Except otherwise indicated, financial information presented in Ghana cedis has been rounded to the nearest thousand.

The financial statements of the subsidiary used to prepare the consolidated financial statements were prepared as of the Bank's reporting date. The consolidation principles are unchanged as against the previous year.

#### Quantitative disclosure

1. Capital Adequacy Ratio (CRD)
2. Common Equity Tier 1 Ratio
3. Leverage Ratio
4. Non-performing loans ratio
5. Non-performing loans ratio (less loss category)
6. Liquid ratio
7. Statutory Liquidity breach (times)
8. Sanctions for statutory liquidity breach (GHC'000)

	2021	2020
1. Capital Adequacy Ratio (CRD)	20.9%	20.7%
2. Common Equity Tier 1 Ratio	21.2%	21.1%
3. Leverage Ratio	11%	11%
4. Non-performing loans ratio	15.98%	8.71%
5. Non-performing loans ratio (less loss category)	3.14%	3.44%
6. Liquid ratio	64%	64%
7. Statutory Liquidity breach (times)	1	1
8. Sanctions for statutory liquidity breach (GHC'000)	220	183

#### Quantitative disclosure

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

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

#### Risk management framework

The risk management framework consists of a comprehensive set of policies, standards, procedures and processes designed to identify, measure, monitor, mitigate and report significant risk exposure in a consistent and effective manner across the Bank. Through the framework, risk is managed at enterprise-wide level, with the objective of maximizing risk-adjusted returns within the context of the Bank's risk appetite.

The Board of Directors have overall responsibility for the establishment and oversight of the Bank's risk management framework. The Board's commitment to good risk management is supported by their continuing professional development in the field of risk management and their support for the implementation and continued improvement of the risk management framework within the Bank.

In addition, there are in place the Risk and Cyber Security Committee, the Board Audit Committee, the Executive Credit Committee, the Operational Risk and Control Committee and Assets and Liability Committee (ALCO), which are responsible for developing and monitoring risk management policies in their specified areas.

#### Approval of financial statements

The consolidated and separate financial statements were authorised for issue by the Board of Directors on 24 February 2022 and signed on their behalf by:

  
**Jude Arthur**  
 Board Chairman

  
**John Kofi Adomah**  
 Managing Director

## Deloitte. Independent Auditor's Report on the summary financial statements to the members of GCB Bank Plc

#### Our opinion

The summary financial statements of GCB Bank Limited, which comprise:

- the summary consolidated and separate statements of profit or loss and other comprehensive income;
- the summary consolidated and separate statements of financial position as at 31 December 2021;
- the summary consolidated and separate changes in equity;
- the summary consolidated and separate cash flow for the year then ended; and
- the related notes to the summary consolidated and separate financial statements 2021.

In our opinion, the accompanying summary financial statements of GCB Bank Limited ("Bank") and its subsidiary ("Group") present fairly, in all material respects, with the audited financial statements of the Bank and the Group.

#### Summary financial statements

The summary consolidated and separated financial statements do not contain all the disclosures required by the International Financial Reporting Standards, the requirements of the Companies Act, 2019 (Act 992), and the Banks and Specialised Deposit-Taking Institutions Act 2016, (Act 930). Reading the summary consolidated and separate financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

#### The audited consolidated and separate financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated and separate financial statements in our report dated 28 February 2022. 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 consolidated and separate financial statements for the current period.

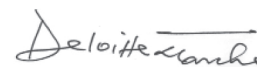
#### Directors' responsibility for the summary financial statements

The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards, the requirements of the Companies Act, 2019 (Act 992) and Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

#### Auditor's responsibility

Our responsibility is to express an opinion on whether the condensed consolidated and separate financial statements are consistent, in all material respects, with the audited consolidated and separate 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 Daniel Kwadwo Owusu (ICAG/P/1327).



#### For and on behalf of:



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