

GCB Bank Limited

Consolidated financial statements for the period ended March 31, 2015 (unaudited)

Statements of comprehensive income

for the period ended March 31, 2015

	THE GROUP		THE BANK	
	Mar 2015 GH¢'000	Mar 2014 GH¢'000	Mar 2015 GH¢'000	Mar 2014 GH¢'000
Interest income	195,650	159,590	195,361	159,383
Interest expense	(23,634)	(22,998)	(23,634)	(22,998)
Net interest income	172,016	136,592	171,727	136,385
Fee and commission income	28,254	25,663	28,254	25,663
Fee and commission expense	(5,344)	(5,412)	(5,344)	(5,412)
Net fee and commission income	22,910	20,251	22,910	20,251
Net trading income	5,324	1,907	5,324	1,907
Other income	9,597	6,455	9,597	6,455
Revenue	209,847	165,205	209,558	164,998
Impairment charge on loans and advances	(3,923)	(5,375)	(3,923)	(5,375)
Operating expenses	(91,685)	(73,511)	(91,676)	(73,495)
Profit before tax	114,239	86,319	113,959	86,128
Income tax expense	(27,713)	(23,557)	(27,643)	(23,509)
National fiscal stabilization levy	(5,698)	(4,316)	(5,698)	(4,306)
Profit for the period	80,828	58,446	80,618	58,313
Other Comprehensive Income (OCI)				
Items that may be reclassified to profit or loss				
Available-for-sale financial assets - net changes in fair value	(776)	1,300	(774)	1,532
Related tax	194	(325)	194	(383)
Other comprehensive income, net of tax	(582)	975	(580)	1,149
Total comprehensive income	80,246	59,421	80,038	59,462
Basic and diluted earnings per share (in GH¢)	1.22	0.88	1.22	0.88

Statements of financial position

at March 31, 2015

	THE GROUP		THE BANK	
	Mar 2015 GH¢'000	Mar 2014 GH¢'000	Mar 2015 GH¢'000	Mar 2014 GH¢'000
Assets				
Cash and cash equivalents	621,561	497,577	618,696	496,320
Government securities	2,042,871	1,776,306	2,037,633	1,771,128
Advances to banks	91,503	75,833	91,503	75,833
Loans and advances to customers	1,331,280	1,009,186	1,330,761	1,009,186
Investment securities: available-for-sale	7,834	7,555	6,038	6,027
Investment in subsidiary	-	-	-	-
Investment in associates	49,468	41,152	30,126	30,126
Investment in other equity securities	524	247	390	114
Deferred tax asset	28,754	11,953	28,805	11,936
Property and equipment	122,765	76,947	122,765	76,947
Intangible assets	10,679	3,360	10,679	3,360
Other assets	199,343	170,837	199,343	170,837
Income tax asset	1,603	-	1,809	-
Total assets	4,508,185	3,670,953	4,478,548	3,651,814
Liabilities				
Deposits from customers	3,085,124	2,769,296	3,085,124	2,769,296
Other liabilities	391,572	169,574	391,618	169,509
Borrowings	191,350	134,584	191,350	134,584
Income tax liabilities	-	12,900	-	12,694
Employee benefit obligations	70,716	58,729	70,716	58,729
Total liabilities	3,738,762	3,145,083	3,738,808	3,144,812
Equity				
Stated capital	100,000	100,000	100,000	100,000
Retained earnings	482,277	268,551	452,032	250,474
Fair value reserve	1,214	3,440	1,776	2,649
Statutory reserve	179,505	145,748	179,505	145,748
Credit risk reserve	28,900	27,503	28,900	27,503
Other reserves	(22,473)	(19,372)	(22,473)	(19,372)
Total equity	769,423	525,870	739,740	507,002
Total liabilities and equity	4,508,185	3,670,953	4,478,548	3,651,814

Statements of cash flows

for the period ended March 31, 2015

	THE GROUP		THE BANK	
	Mar 2015 GH¢'000	Mar 2014 GH¢'000	Mar 2015 GH¢'000	Mar 2014 GH¢'000
Cash flows from operating activities				
Profit before tax	114,239	86,319	113,959	86,128
Adjustments for:				
Depreciation and amortization	9,196	5,019	9,196	5,019
Impairment charge on loans and advances	3,923	5,375	3,923	5,375
Allowance for employee benefit obligations	4,500	-	4,500	-
Interest income	(195,650)	(159,590)	(195,361)	(159,383)
Interest expense	23,634	22,997	23,634	22,997
Dividend income	(8,527)	(5,822)	(8,527)	(5,822)
Profit on sale of property and equipment	(18)	(22)	(18)	(22)
	(48,703)	(45,724)	(48,694)	(45,708)
Change in :				
Loans and advances to customers	(68,487)	(53,855)	(67,969)	(53,855)
Advances to banks	15,904	94,489	15,904	94,489
Other assets	(135,741)	(97,497)	(135,741)	(97,497)
Deposits from customers	7,054	139,017	7,054	139,017
Borrowings	28,142	26,435	28,142	26,435
Other liabilities	39,974	42,629	31,813	36,311
Employee benefits paid	(1,116)	(2,948)	(1,116)	(2,948)
Government securities	(177,854)	(10,360)	(172,855)	(5,361)
	(340,827)	92,186	(343,462)	90,883
Interest received	258,320	104,943	258,091	104,914
Dividend received	8,527	5,822	8,527	5,822
Interest paid	(24,452)	(16,560)	(24,452)	(16,625)
Income tax paid	(31,288)	(24,222)	(31,288)	(24,222)
Net cash flow from operating activities	(129,720)	162,169	(132,584)	160,772
Cash flows from investing activities				
Acquisition of property and equipment	(6,427)	(3,591)	(6,427)	(3,591)
Proceeds from sale of property and equipment	18	22	18	22
Investment in equity securities	(276)	265	(277)	405
Acquisition of intangible assets	(115)	(85)	(115)	(85)
Net cash used in investing activities	(6,800)	(3,389)	(6,801)	(3,249)
Net (decrease)/increase in cash and cash equivalents	(136,520)	158,780	(139,385)	157,523
Cash and cash equivalents at 1 January	758,081	338,797	758,081	338,797
Cash and cash equivalents at March 31	621,561	497,577	618,696	496,320

Disclosures

- The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board
- The accounting policies applied in the preparation of these financial statements were consistent with those applied in the preparation of the annual consolidated statements of December 31, 2014
- For the period under review the Bank did not record any statutory breaches and therefore did not incur regulatory sanctions

4. Social Responsibility	Mar 2015 GH¢'000	Mar 2014 GH¢'000
Amount spent on corporate social responsibility	156	206
5. Contingent Liabilities	Mar 2015 GH¢'000	Mar 2014 GH¢'000
Letters of credit	76,679	65,917
Guarantees and Indemnities	397,381	207,286
	474,060	273,203
6. Capital Adequacy Ratio	Mar 2015	Mar 2014
	24%	21%
7. Non-performing loan ratio	Mar 2015	Mar 2014
	12%	14%

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


Daniel Owiredu
Board Chairman


Simon Dornoo
Managing Director