



# GCB Bank Limited

Consolidated financial statements for the period ended June 30, 2015 ( un-audited)

## Statements of comprehensive income for the period ended June 30, 2015

	The Group		The Bank	
	Jun-15 GH¢'000	Jun-14 GH¢'000	Jun-15 GH¢'000	Jun-14 GH¢'000
Interest income	402,433	312,284	401,834	311,864
Interest expense	(51,013)	(48,210)	(51,013)	(48,210)
<b>Net interest income</b>	<b>351,420</b>	<b>264,074</b>	<b>350,821</b>	<b>263,654</b>
Fee and commission income	57,565	55,180	57,565	55,180
Fee and commission expense	(11,557)	(9,898)	(11,557)	(9,898)
<b>Net fee and commission income</b>	<b>46,008</b>	<b>45,282</b>	<b>46,008</b>	<b>45,282</b>
Net trading income	16,042	14,508	16,042	14,508
Other income	12,264	10,974	10,584	9,262
<b>Revenue</b>	<b>425,734</b>	<b>334,838</b>	<b>423,455</b>	<b>332,706</b>
Impairment charge on loans and advances	(11,405)	(11,627)	(11,405)	(11,627)
Operating expenses	(197,862)	(159,137)	(197,846)	(159,112)
<b>Profit before tax</b>	<b>216,467</b>	<b>164,074</b>	<b>214,204</b>	<b>161,967</b>
Income tax expense	(54,585)	(38,584)	(54,326)	(38,349)
National fiscal stabilization levy	(10,710)	(8,204)	(10,710)	(8,098)
<b>Profit for the period</b>	<b>151,172</b>	<b>117,286</b>	<b>149,168</b>	<b>115,520</b>
<b>Other comprehensive income (OCI):</b>				
<b>Items that may be reclassified to profit or loss</b>				
Available-for-sale financial assets - net changes in fair value	1,530	1,579	1,591	1,597
Related tax	(383)	(237)	(398)	(240)
<b>Other comprehensive income, net of tax</b>	<b>1,147</b>	<b>1,342</b>	<b>1,193</b>	<b>1,357</b>
<b>Total comprehensive income</b>	<b>152,319</b>	<b>118,628</b>	<b>150,361</b>	<b>116,877</b>
Basic and diluted earnings per share (in GH¢)	1.14	0.89	1.13	0.87

## Statements of financial position at June 30, 2015

	The Group		The Bank	
	Jun-15 GH¢'000	Jun-14 GH¢'000	Jun-15 GH¢'000	Jun-14 GH¢'000
<b>Assets</b>				
Cash and cash equivalents	779,189	534,186	774,903	531,343
Government securities	2,049,209	1,528,621	2,043,690	1,523,231
Advances to banks	80,534	112,740	80,534	112,740
Loans and advances to customers	1,516,373	1,189,826	1,515,827	1,189,826
Investment securities: available-for-sale	10,121	8,232	8,403	6,497
Investment in subsidiary	-	-	1	1
Investment in associates	49,468	41,152	30,126	30,126
Investment in other equity securities	524	247	390	113
Deferred tax asset	28,611	18,368	28,642	18,403
Property and equipment	123,747	103,630	123,747	103,630
Intangible assets	13,281	2,810	13,281	2,810
Other assets	214,041	295,221	214,041	295,221
Income tax asset	1,497	-	1,642	-
<b>Total assets</b>	<b>4,866,595</b>	<b>3,835,033</b>	<b>4,835,227</b>	<b>3,813,941</b>
<b>Liabilities</b>				
Deposits from customers	3,197,906	2,692,773	3,197,906	2,692,773
Other liabilities	352,096	399,321	352,124	399,249
Borrowings	486,948	151,502	486,948	151,502
Income tax liabilities	-	1,276	-	912
Employee benefit obligations	72,392	60,881	72,392	60,881
<b>Total liabilities</b>	<b>4,109,342</b>	<b>3,305,753</b>	<b>4,109,370</b>	<b>3,305,317</b>
<b>Equity</b>				
Stated capital	100,000	100,000	100,000	100,000
Retained earnings	480,504	264,140	448,466	244,431
Fair value reserve	3,500	3,661	4,142	2,714
Statutory reserve	179,505	145,748	179,505	145,748
Credit risk reserve	16,217	35,104	16,217	35,104
Other reserves	(22,473)	(19,373)	(22,473)	(19,373)
<b>Total equity</b>	<b>757,253</b>	<b>529,280</b>	<b>725,857</b>	<b>508,624</b>
<b>Total liabilities and equity</b>	<b>4,866,595</b>	<b>3,835,033</b>	<b>4,835,227</b>	<b>3,813,941</b>

## Statements of cash flows for the period ended June 30, 2015

	The Group		The Bank	
	Jun-15 GH¢'000	Jun-14 GH¢'000	Jun-15 GH¢'000	Jun-14 GH¢'000
<b>Cash flows from operating activities</b>				
Profit for the period	216,467	164,074	214,204	161,967
<b>Adjustments for:</b>				
Depreciation and amortization	18,611	10,175	18,611	10,175
Impairment charge on loans and advances	11,405	11,627	11,405	11,627
Allowance for employee benefit obligations	9,000	4,500	9,000	4,500
Interest income	(402,433)	(312,284)	(401,834)	(311,864)
Interest expense	51,013	48,210	51,013	48,210
Dividend income	(10,336)	(7,599)	(8,655)	(5,887)
Profit on sale of property and equipment	(26)	(22)	(26)	(22)
<b>Net cash flow from operating activities</b>	<b>(106,299)</b>	<b>(81,319)</b>	<b>(106,282)</b>	<b>(81,294)</b>
<b>Change in :</b>				
Loans and advances to customers	(265,751)	(240,746)	(265,205)	(240,746)
Advances to banks	26,872	57,582	26,872	57,582
Other assets	(150,439)	(221,881)	(150,439)	(221,881)
Deposits from customers	119,836	62,493	119,836	62,493
Borrowings	323,740	43,353	323,740	43,353
Other liabilities	52,665	279,467	54,204	273,149
Employee benefits paid	(4,969)	(5,296)	(4,969)	(5,296)
Government securities	(165,650)	188,045	(165,650)	193,044
<b>Net cash flow from operating activities</b>	<b>(169,995)</b>	<b>81,698</b>	<b>(167,893)</b>	<b>80,404</b>
Interest received	394,227	306,917	393,827	306,887
Dividend received	10,336	7,599	8,655	5,887
Interest paid	(45,976)	(57,927)	(50,523)	(58,000)
Income tax paid	(62,914)	(59,728)	(62,653)	(59,601)
<b>Net cash flow from operating activities</b>	<b>125,678</b>	<b>278,559</b>	<b>121,413</b>	<b>275,577</b>
<b>Cash flows from investing activities</b>				
Acquisition of property and equipment	(15,102)	(27,318)	(15,102)	(27,318)
Proceeds from sale of property and equipment	26	22	26	22
Investment in equity securities	(256)	(139)	(277)	-
Acquisition of intangible assets	(4,438)	(85)	(4,438)	(85)
<b>Net cash used in investing activities</b>	<b>(19,770)</b>	<b>(27,520)</b>	<b>(19,791)</b>	<b>(27,381)</b>
<b>Cash flows from financing activities</b>				
Dividend paid	(84,800)	(55,650)	(84,800)	(55,650)
<b>Net cash used in financing activities</b>	<b>(84,800)</b>	<b>(55,650)</b>	<b>(84,800)</b>	<b>(55,650)</b>
Net increase in cash and cash equivalents	21,108	195,389	16,822	192,546
Cash and cash equivalents at January 1	758,081	338,797	758,081	338,797
<b>Cash and cash equivalents at June 30</b>	<b>779,189</b>	<b>534,186</b>	<b>774,903</b>	<b>531,343</b>

## Disclosures

- The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB)
- The accounting policies applied in the preparation of these financial statements were consistent with those applied in the preparation of the annual consolidated financial 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
- Social Responsibility  
Amount spent on corporate social responsibility
- Contingent Liabilities
- Capital Adequacy Ratio
- Non-performing loan ratio
- 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

	June 2015 GH¢'000	June 2014 GH¢'000
Amount spent on corporate social responsibility	844	831
Letters of credit	83,248	62,735
Guarantees and Indemnities	271,956	127,789
<b>Total</b>	<b>355,204</b>	<b>190,524</b>
Capital Adequacy Ratio	20.4%	18.9%
Non-performing loan ratio	9.0%	14.5%

Samuel Sarpong  
Acting Managing Director