

GCB Bank Limited

Consolidated financial statements for the period ended March 31, 2017 (un-audited)



All amounts are in thousands of Ghana cedis unless otherwise stated

Statements of comprehensive income

For the period ended March 31, 2017

	March 2017		March 2016	
	The Bank	The Group	The Bank	The Group
Interest income	276,205	276,435	224,938	225,258
Interest expense	(55,488)	(55,489)	(27,781)	(27,781)
Net interest income	220,717	220,946	197,157	197,477
Fee and commission income	41,613	41,613	39,447	39,447
Fee and commission expense	(7,908)	(7,908)	(5,840)	(5,840)
Net fee and commission income	33,705	33,705	33,607	33,607
Net trading income	8,804	8,804	9,681	9,681
Other operating income	5,641	9,891	6,748	6,748
Other income	1,017	1,017	225	225
Operating income	269,884	274,363	247,418	247,738
Impairment loss on loans and advances	(10,392)	(10,392)	(418)	(418)
Personnel expenses	(82,606)	(82,607)	(69,593)	(69,594)
Depreciation and amortisation	(13,875)	(13,875)	(10,100)	(10,100)
Other expenses	(75,547)	(75,556)	(40,445)	(40,454)
Profit before income tax	87,464	91,933	126,862	127,172
Income tax expense	(24,776)	(25,171)	(29,022)	(29,099)
Profit for the period	62,688	66,762	97,840	98,073
Other Comprehensive Income (OCI)				
Items that may be reclassified to profit or loss				
Available-for-sale financial assets - net changes in fair value	2,903	2,680	(1,891)	(1,915)
Related tax	(726)	(670)	472	478
Other comprehensive income, net of tax	2,177	2,010	(1,419)	(1,437)
Total comprehensive income	64,865	68,772	96,421	96,636
Basic and diluted earnings per share (in GHC)	0.95	1.01	1.48	1.48

Statements of financial position

at March 31, 2017

	March 2017		March 2016	
	The Bank	The Group	The Bank	The Group
Assets				
Cash and cash equivalents	886,947	911,115	989,319	996,923
Investment securities	2,810,683	2,816,627	2,135,759	2,141,687
Advances to banks	363,208	363,208	-	-
Loans and advances to customers	1,426,377	1,426,377	1,479,949	1,480,579
Investments (other than securities)	3,823	5,352	4,633	6,239
Investment in subsidiary	1,000	-	1,000	-
Investment in associates	28,274	47,616	30,126	49,468
Deferred tax asset	36,168	36,191	49,639	49,595
Property and equipment	196,320	196,320	150,307	150,307
Intangible assets	37,797	37,797	15,965	15,965
Other assets	154,900	154,624	192,151	192,151
National fiscal stabilisation levy asset	2,288	2,143	1,485	1,340
Total assets	5,947,785	5,997,370	5,050,333	5,084,254
Liabilities				
Deposits from customers	4,122,011	4,122,011	3,498,725	3,498,725
Other liabilities	291,480	286,825	349,722	345,929
Borrowings	321,042	321,042	204,712	204,712
Income tax liabilities	2,108	2,105	4,660	4,817
Employee benefit obligations	99,703	99,703	79,949	79,949
Total liabilities	4,836,344	4,831,686	4,137,768	4,134,132
Equity				
Stated capital	100,000	100,000	100,000	100,000
Retained earnings	814,115	871,298	595,850	636,025
Fair value reserve	549	(2,391)	151	(2,467)
Statutory reserve	250,232	250,232	210,097	210,097
Credit risk reserve	(28,274)	(28,274)	31,648	31,648
Other reserves	(25,181)	(25,181)	(25,181)	(25,181)
Total equity	1,111,441	1,165,684	912,565	950,122
Total liabilities and equity	5,947,785	5,997,370	5,050,333	5,084,254

Statements of cash flows

for the period ended March 31, 2017

	March 2017		March 2016	
	The Bank	The Group	The Bank	The Group
Cash flows from operating activities				
Profit for the period	87,464	91,933	126,862	127,172
Adjustments for:				
Depreciation and amortization	13,875	13,875	10,100	10,100
Impairment on loans and advances	10,392	10,392	418	418
Allowance for employee benefit obligations	8,000	8,000	6,000	6,000
Net Interest income	(220,717)	(220,946)	(197,157)	(197,477)
Dividend income	(5,641)	(9,891)	(6,745)	(6,745)
Profit on sale of property and equipment	(271)	(271)	-	-
	(106,898)	(106,908)	(60,522)	(60,532)
Change in :				
Change in loans and advances to customers	(23,792)	(23,792)	15,219	14,590
Change in loans and advances to banks	70,945	70,945	(7,982)	(7,982)
Change in other assets	(18,463)	(18,188)	(94,377)	(93,887)
Change in deposits from customers	(157,765)	(137,923)	130,319	130,319
Change in other liabilities and provisions	(68,116)	(70,982)	205,642	214,490
Employee benefits paid	(3,529)	(3,529)	(1,908)	(1,908)
	(200,720)	(183,469)	246,913	255,622
Interest received	273,660	273,707	193,973	194,030
Dividend received	5,641	9,891	6,745	6,745
Interest paid	(44,369)	(44,369)	(26,846)	(26,846)
Tax paid	(27,473)	(27,850)	(29,068)	(28,967)
Net cash flow from operating activities	(100,159)	(78,998)	331,195	340,052
Cash flows from investing activities				
Purchase of property and equipment	(16,960)	(16,960)	(15,720)	(15,720)
Proceeds from sale of property and equipment	776	776	-	-
Purchase of investment securities	(177,762)	(183,706)	(88,311)	(94,240)
Purchase of intangible assets	(983)	(983)	-	-
Investments (other than securities)	2,060	11,011	(1,000)	3,676
Net cash used in investing activities	(192,869)	(189,862)	(105,031)	(106,284)
Change in cash and cash equivalents	(293,028)	(268,860)	226,164	233,768
Cash and cash equivalents at January 1	1,179,975	1,179,975	763,155	763,155
Cash and cash equivalents at March 31	886,947	911,115	989,319	996,923

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, 2016

- Corporate Social Responsibility Spend (GHC,000)
- Contingencies and Commitments (GHC'000)
- Capital Adequacy Ratio
- Non-performing loan ratio
- Statutory liquidity breach (times)
- Sanctions for statutory liquidity breach (GHC'000)

	Mar 2017	Mar 2016
1.	1,204	415
2.	375,100	363,696
3.	30%	25%
4.	12%	14%
5.	Nil	Nil
6.	Nil	Nil

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

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

SIGNED
Jude Arthur
Board Chairman

SIGNED
Anselm Ray Sowah
Managing Director