



PRESS RELEASE

PR. No 278/2019

**GHL BANK
UNAUDITED FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDING 30 JUNE 2019**

GHL Bank has released its unaudited Financial Statements for the second quarter ending June 30, 2019 as per the attached.

Issued in Accra, this 31st
day of July, 2019

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att'd.

Distribution:

1. All LDMs
2. General Public
3. Listed Companies
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GHL BANK LIMITED

UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER ENDED JUNE 30, 2019

(All amounts are expressed in Ghana Cedis)

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE		
	2019	2018
Assets		
Cash and cash equivalent	36,178,736	14,732,001
Placement with other banks	5,006,247	12,936,092
Investment securities	46,753,361	41,403,476
Loan and advances to customers	588,108,789	525,353,971
Prepaid expenses	7,176,092	7,790,140
Other assets	5,002,615	8,837,958
Property and equipment	45,642,845	40,182,435
Total Assets	733,868,685	651,236,073
Liabilities		
Deposit from customer accounts	72,052,875	37,788,489
Deposits from banks & other FI	20,337,103	4,984,416
Mortgage retainers	23,823,971	23,470,246
Tax liabilities	389,411	110,814
Provisions and other liabilities	21,147,991	28,609,391
Long term borrowing	376,225,247	343,233,564
Total Liabilities	513,976,598	438,196,920
Shareholders' Fund		
Ordinary share capital	127,080,093	127,080,093
Income surplus	21,333,197	33,612,246
Statutory reserves	26,666,450	18,576,796
Statutory credit risk reserve	44,812,347	33,770,018
Shareholders' Fund	219,892,087	213,039,153
Total Liabilities and Shareholders' Fund	733,868,685	651,236,073

Cash flow from financing activities		
Dividend paid	-	-
Movement in long term loans	34,470,755	(13,095,116)
Net cash used in financing activities	34,470,755	(13,095,116)
Net increase in cash and cash equivalent	21,446,737	(13,586,054)
Cash and cash equivalent at beginning of period	14,731,999	28,318,053
Cash and cash equivalent at end of period	36,178,736	14,731,999

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2019

1 Reporting Entity

GHL Bank Limited is incorporated in Ghana

2 Registered Office

The address of the Bank's registered office is No 1 Kofi Annan Street, Airport Residential Area, PMB CT 470, Cantonments, Accra.

3 Significant Accounting Policies

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standard Board (IASB) and adopted by the Institute of Chartered Accountants, Ghana (ICAG), and in the manner required by the Bank's Specialised Deposit-Taking Institutions Act, 2016, ACT 930 and the Companies ACT 1963 (ACT 179).

The principal accounting policies applied in the preparation of these financial statements are consistent with the accounting policies applied in the financial statements for the year ended December 31, 2018. These policies have been consistently applied to all the periods presented unless stated otherwise.

4 Functional and Presentation Currency

These financial statements are presented in Ghana Cedis, which is the Bank's functional currency.

5 Use of Judgements and Estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Bank's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

6 Quantitative Disclosures:

	Jun-19	Jun-18
Capital Adequacy Ratio	24.36%	43.40%
Non Performing Loans (NPL) Ratio	11.31%	7.21%

7 Risk Management

The Bank's activities expose the business to the following types of risks:

Credit Risk	Liquidity Risk
Market Risk	Operational Risk

The risks inherent in the Bank's activities are managed through an ongoing process of identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Bank's continuing profitability and each individual within the Bank is accountable for the risk exposures relating to his or her responsibilities.

The Board of Directors is responsible for the overall risk management approach and for approving the risk management strategies and principles. In addition, the Board's Risk Committee has responsibility for the development of risk strategy and implementing principles, frameworks, policies and limits.

The Bank has Risk Management and Compliance Department which is guided by the Anti Money Laundering Act 2008 (Act 749 as amended), Anti-Terrorism Act 2008 (Act 762), all regulations under the enactments and of policies and procedure manuals which have been instituted by the Board of Directors and Management.

Risk management policies and systems, when implemented, are reviewed regularly to reflect changes in market conditions, products and services offered by the bank.

8 Defaults in statutory Liquidity and accompanying sanctions

	Jun-19	Jun-18
a) Default in statutory liquidity	Nil	Nil
b) Sanctions	Nil	Nil

Signed
Dominic Adu
(Chief Executive Officer)

Signed
Albert K. Essien
(Board Chairman)

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 JUNE		
	2019	2,018
Interest income	42,686,735	37,602,818
Interest expense	(15,876,526)	(12,144,072)
Net Interest Income	26,810,209	25,458,746
Fee and Commission Revenue		
Fee and commission revenue	2,231,078	1,666,504
Fee and commission expense	(792,467)	(1,933,987)
Net Fee and Commission Revenue	1,438,611	(267,483)
Net trading revenue	1,783,079	1,366,744
Other income	87,883	-
Unrealised exchange gain	13,571,299	1,694,072
	15,442,261	3,060,816
Total Income	43,691,081	28,252,079
Credit impairment charges	(903,605)	(1,244,500)
Income after Impairment Charges	42,787,476	27,007,579
Operating Expenses		
Staff cost	(16,815,882)	(11,027,299)
Depreciation and amortisation	(4,801,421)	(2,535,679)
Other operating expenses	(10,482,494)	(8,145,640)
Total Operating Expenses	(32,099,797)	(21,708,618)
Net Income Before Taxes	10,687,679	5,298,961
Income tax expense	(2,885,674)	(1,386,601)
Profit for the Period	7,802,005	3,912,360

UNAUDITED STATEMENT OF CASHFLOW FOR THE QUARTER ENDED 30 JUNE		
	2019	2018
Cashflow from operating activities		
Profit after tax	7,802,005	3,912,360
Adjustment for:		
Depreciation	4,801,421	2,535,679
Net interest income	(26,810,209)	(25,458,746)
Impairment loss	903,605	1,244,500
Income tax expense	2,885,674	1,386,601
	(10,417,504)	(16,379,606)
Changes in:		
Loans and advances	(62,754,818)	(17,302,765)
Receivables and other assets	4,449,391	(10,922,997)
Customer deposits	34,264,386	37,788,489
Mortgage retainers and other liabilities	(6,829,078)	11,503,332
Deposits from banks & other FI	15,352,687	-
	(25,934,936)	4,686,453
Interest received	42,686,735	37,602,818
Interest paid	(15,876,526)	(12,144,072)
Income tax paid	(1,942,895)	(587,526)
Net cash generated from operating activities	(1,067,622)	29,557,673
Cash flow from investing activities		
Purchase of software, property and equipment	(14,536,356)	(33,608,531)
Sales of securities	2,579,960	3,559,920
Net Cash used in investing activities	(11,956,396)	(30,048,611)