

FINANCIAL STATEMENTS 2015 FOR THE YEAR ENDED 31 DECEMBER 2015

Guaranty Trust Bank (Ghana) Limited



STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 GHS'000	2014 GHS'000
Interest Income	157,395	130,554
Interest Expense	(58,418)	(38,743)
Net Interest Income	98,977	91,811
Fees and Commission	42,533	38,826
Trading Income	26,787	32,831
Other Operating Income	3,500	1,248
Operating Income	171,797	164,716
Loan Impairment	(1,456)	(4,899)
Personnel Expenses	(25,432)	(25,570)
Operating Lease Expense	(4,361)	(3,065)
Depreciation and Amortisation	(5,515)	(4,651)
Other Operating Expenses	(45,986)	(35,313)
Profit before Taxation	89,047	91,218
National Fiscal Stabilization Levy	(4,452)	(4,654)
Income Tax Expense	(22,691)	(23,382)
Profit for the Year	61,904	63,182
Basic & Diluted (Ghana Cedi Per Share)	0.0084	0.0086

Change in deposits from customers	165,239	127,454
Change in other liabilities	295	13,600
Change in guarantee contract liabilities	(364)	524
Change in mandatory reserve deposits	(8,638)	(27,242)
Income tax paid	(25,920)	(25,369)
National Fiscal Stabilization Levy	(5,069)	(4,702)
Net cash generated from operating activities	5,550	35,618
Cash flows from investing activities		
Purchase of property and equipment	(8,021)	(8,450)
Purchase of intangible assets	(239)	(439)
Proceeds from sale of property and equipment	271	271
Net cash used in investing activities	(7,989)	(8,618)
Cash flows from financing activities		
Draw down on borrowings	34,258	114,031
Principal payment of borrowings	(74,583)	(49,207)
Dividend paid	(29,873)	(44,994)
Net cash used in financing activities	(70,198)	19,830
Net decrease in cash and cash equivalents	(72,637)	46,829
Cash and cash equivalents at 1 January	448,531	401,702
Cash and cash equivalents at 31 December	375,894	448,531

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation of financial statements for each financial year, which gives a true and fair view of the state of affairs of the Bank and the profit or loss and cash flows for that period. In preparing these financial statements, the directors have selected suitable accounting policies and applied them consistently, made judgements and estimates that are reasonable and prudent and followed International Financial Reporting Standards and complied with the requirements of the Companies Act 1963 (Act 179) and the Banking Act, 2004 (Act 673) as amended by the Banking (Amendment) Act, 2007 (Act 738).

The directors are responsible for ensuring that the Bank keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the Bank. The directors are also responsible for safeguarding the assets of the Bank and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Nature of Business

The Bank is licensed to carry out Universal Banking business in Ghana. There was no change in the nature of the Bank's business during the year.

Parent Company

The Bank is a subsidiary of Guaranty Trust Bank PLC in the Federal Republic of Nigeria.

Approval of the Financial Statements

The financial statements of the Bank were approved by the Board of Directors on 4 March 2016 and were signed on their behalf by:

Signed	Signed
Alhaji Yusif Ibrahim	Olalekan Sanusi
Chairman	Managing Director

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	2015 GHS'000	2014 GHS'000
Assets		
Cash and Bank Balances	142,823	123,117
Due from Banks and Financial Institutions	283,569	312,697
Investment Securities	254,423	202,888
Loans and Advances to Customers	637,880	475,164
Property and Equipment	28,182	25,756
Intangible Assets	2,036	1,820
Current Income Tax Assets	2,930	108
Deferred Tax Assets	2,115	1,163
Other Assets	26,001	19,534
Total Assets	1,379,959	1,162,247
Liabilities		
Deposits from Customers	953,818	788,579
Due to Banks	99,276	51,631
Guarantee Contract Liabilities	120	484
Deferred Income Tax Liabilities	2,892	2,348
Other Liabilities	25,005	24,711
Borrowings	62,348	90,026
	1,143,459	957,779
Equity		
Stated capital	82,655	82,655
Credit risk reserve	35,864	8,817
Statutory reserve	90,861	83,123
Income surplus	27,120	29,873
Total Shareholders Fund	236,500	204,468
Total Liabilities and Equity	1,379,959	1,162,247

The financial information presented in this publication is an extract from the annual report for the year ended 31 December 2015. The annual report is available for inspection at the Bank's Head Office at 25A Castle Road, Ambassadorial Area, Ridge.

NOTES TO THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

Significant Accounting Policies

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The detailed accounting policies which formed part of the annual report and have been consistently applied can be found in the annual financial statements which are available for inspection at the Bank's Head Office at 25A Castle Road, Ambassadorial Area, Ridge.

Quantitative Disclosures

	2015	2014
i. Capital Adequacy Ratio	17.03%	21.04%
ii. Non - Performing Loan (NPL) Ratio	23.53%	13.27%

Qualitative Disclosures

The Bank's dominant risks are: credit risk, liquidity risk, market risk, operational risk and foreign exchange risk. The processes followed in risk measurement and their management for the period ended 31 December 2015 are consistent with those followed for the period ended 31 December 2014.

Risk Management Framework

As a Bank, risk is at the core of our operations. To manage it, we have designed a Risk Management Framework covering the strategic framework, organizational structure, risk appetite, operational framework and risk monitoring and reporting.

The financial statements were approved by the Board of Directors on 4 March 2016 and signed on its behalf by:

Signed	Signed
Alhaji Yusif Ibrahim	Olalekan Sanusi
Chairman	Managing Director

REPORT OF THE DIRECTORS TO THE MEMBERS OF GUARANTY TRUST BANK (GHANA) LIMITED

The directors present their report together with the audited financial statements for the year ended 31 December 2015 in accordance with the Companies Act 1963 (Act 179) and the Banking Act, 2004 (Act 673) as amended by the Banking (Amendment) Act, 2007 (Act 738) which discloses the state of affairs of the Bank.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GUARANTY TRUST BANK (GHANA) LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Guaranty Trust Bank (Ghana) Limited (the Bank) as set out on pages 11 to 64. These financial statements comprise the statement of financial position as at 31 December 2015, statement of comprehensive income, statement of changes in equity and statement of cash flow for the year then ended and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and with the requirements of the Companies Act, 1963 (Act 179), and the Banking Act, 2004 (Act 673) as amended by the Banking (Amendment) Act, 2007 (Act 738) and for such internal control, as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Bank as at 31 December 2015 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 1963 (Act 179) and the Banking Act, 2004 (Act 673) as amended by the Banking (Amendment) Act, 2007 (Act 738).

REPORT ON OTHER LEGAL REQUIREMENTS

The Companies Act, 1963 (Act 179) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- in our opinion, proper books of account have been kept by the Bank, so far as appears from our examination of those books; and
- the balance sheet (statement of financial position) and profit and loss account (included in the statement of comprehensive income) are in agreement with the books of account.

In accordance with section 78(2) of the Banking Act 673, 2004 (Act 673) we hereby confirm that:

- we were able to obtain all the information and explanations required for the efficient performance of our duties as auditors;
- in our opinion, the accounts give a true and fair view of the state of the Bank's affairs and its results for the year under review;
- in our opinion, the Bank's transactions were within its powers; and
- the Bank in all material respects complied with the requirements of the Banking Act, 2004 (Act 673) as amended.

PricewaterhouseCoopers
PricewaterhouseCoopers (ICAG/F/2016/028)
Chartered Accountants
Signed by: Oseini Amui (ICAG/P/1139)
Accra, Ghana
24 March 2016



Just dial *737# on any network to buy credit



... wouldn't you rather bank with us? | www.gtghana.com