

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED 31 MARCH 2017

(All amounts are in thousands of Ghana cedis)

	2018	2017
Interest income	64,947	57,751
Interest expense	(28,315)	(22,470)
Net interest income	36,632	35,281
Fee and commission income	12,304	11,876
Net trading income	7,696	8,590
Net income from other financial instruments carried at fair value	10,504	2,608
Other operating income	544	63
Operating income	67,680	58,418
Net impairment loss on financial assets	286	(933)
Personnel expenses	(12,398)	(9,138)
Amortisation of prepaid operating lease	(2,041)	(1,517)
Depreciation and amortisation	(1,777)	(1,658)
Other operating expenses	(14,466)	(15,190)
Profit before income tax	37,284	29,982
National fiscal stabilisation levy	(1,864)	(1,499)
Income tax expense	(9,321)	(10,460)
Profit for the year after income tax and national fiscal stabilisation levy	26,099	18,023
Basic & Diluted (Ghana cedi per share)	0.0035	0.0024

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018

(All amounts are in thousands of Ghana cedis)

	2018	2017
Assets		
Cash and cash equivalents	517,982	491,340
Non-pledged trading assets	186,372	43,670
Loans and advances to customers	341,039	612,171
Investment securities	962,099	481,264
Deferred income tax assets	1,679	-
Current Income tax assets	1,794	-
Intangible assets	1,939	2,644
Other assets	35,377	31,354
Property and equipment	26,373	30,276
Total Assets	2,074,654	1,692,719
Liabilities		
Deposits from banks	-	-
Deposits from customers	1,637,264	1,258,843
Borrowings	22,093	43,301
Current income tax liabilities	-	816
Deferred income tax liabilities	1,763	777
Other liabilities	50,740	87,839
Total Liabilities	1,711,860	1,391,576
Equity		
Stated capital	162,328	82,655
Credit risk reserve	47,769	62,211
Statutory reserve	117,627	102,331
Income surplus	35,070	53,946
Total shareholders funds	362,794	301,143
Total Liabilities and Equity	2,074,654	1,692,719

UNAUDITED STATEMENT OF CASH FLOWS FOR THE THREE MONTHS ENDED 31 MARCH 2018

(All amounts are in thousands of Ghana cedis)

	2018	2017
Cash flows from operating activities		
Profit after tax for the period	26,098	18,023
Adjustments for:		
Depreciation and amortisation	1,777	1,658
Impairment on financial assets	(286)	933
Fair value adjustment on non-pledged trading assets	(7,367)	(30)
Foreign exchange difference on borrowings	(1,597)	2,119
Profit on disposal of property and equipment	(179)	(42)
Net Interest Income	(36,632)	(35,281)
Income tax expense	11,185	11,959
	(7,001)	(660)
Change in non- trading assets	(82,304)	24,687
Change in loans and advances to customers	55,426	14,392
Change in investment securities	(105,512)	(73,363)
Change in other assets	5,805	(7,998)
Change in deposits from bank	-	(57,492)
Change in deposits from customers	170,143	147,732
Change in other liabilities	10,193	43,449
	53,751	91,405
Interest Received	64,947	57,751
Interest paid	(28,315)	(22,470)
Income tax paid	(1,781)	(6,714)
National fiscal stabilisation Levy paid	(8,981)	(1,358)
Net cash generated from operating activities	72,620	117,954
Cash flows from investing activities		
Purchase of property and equipment	(1,937)	(1,545)
Purchase of intangible assets	-	(38)

Proceeds from sale of property and equipment	185	164
Net cash used in investing activities	(1,752)	(1,419)
Cash flows from financing activities		
Drawdown on borrowings	-	-
Net Repayment of borrowings	(5,523)	(6,349)
Dividend paid	-	-
Net cash used in financing activities	(5,523)	(6,349)
Net increase/(decrease) in cash and cash equivalents	65,345	110,186
Cash and cash equivalents at 1 January	452,637	381,154
Cash and cash equivalents at 31 March	517,982	491,340

STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 31 MARCH 2018

(All amounts in thousands of Ghana cedis)

	Stated Capital	Statutory Reserve	Credit Risk Reserve	Retained Earnings	Total
Balance at 1 January 2018	82,655	111,103	63,265	-	257,023
Profit for the three months	-	-	-	26,098	26,098
Total comprehensive income for the three months	-	-	-	26,098	26,098
Transactions with owners:					
Transaction with equity holders recorded directly in equity	79,673	-	-	-	79,673
Transfer to statutory reserve fund	-	6,524	-	(6,524)	-
Transfer to credit risk reserve	-	-	(15,496)	15,496	-
Total transactions with owners	79,673	6,524	(15,496)	8,971	79,673
Balance at 31 March 2018	162,328	117,627	47,769	35,070	362,794
Balance at 1 January 2017	82,655	100,078	62,211	38,176	283,120
Profit for the three months	-	-	-	18,023	18,023
Total Comprehensive income for the three months	-	-	-	18,023	18,023
Transactions with owners:					
Transaction with equity holders recorded directly in equity	-	-	-	-	-
Transfer to statutory reserve fund	-	2,253	-	(2,253)	-
Transfer to credit risk reserve	-	-	-	-	-
Total transactions with owners	-	2,253	-	(2,253)	-
Balance at 31 March 2017	82,655	102,331	62,211	53,946	301,143

Significant Accounting Policies

The Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants, Ghana (ICAG) with special mention of the adoption of IFRS 9 in the preparation of the Financial Statements for the three months ended 31 March 2018.

Quantitative Disclosure

	2018	2017
i. Capital Adequacy Ratio	37.43%	16.99%
ii. Non-performing loan (NPL) to gross loss (BoG basis)	15.33%	30.33%
iii. Loan Loss Provision ratio	4.58%	3.94%
iv. Liquid Ratio	89.05%	73.00%

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 three months ended 31 March 2018 are consistent with those followed for the period ended 31 December 2017.

Defaults in statutory liquidity and accompanying sanctions

	2018	2017
i. Default in statutory Liquidity (No. of times)	nil	nil
ii. Sanctions for statutory Liquidity default (GHS'000)	nil	nil

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.

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 for the three months ended 31 March 2018.

Holding company

The Bank is a subsidiary of Guaranty Trust Bank Plc, a company incorporated in the Federal Republic of Nigeria and licensed to carry out universal banking business. The financial statements do not contain untrue statements, misleading facts or omit material facts to the best of our knowledge.

 Signed: **Alhaji Yusif Ibrahim**
Chairman

 Signed: **Thomas Attah John**
Managing Director

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