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**Ghana  
Commercial  
Bank Ltd.**



*8th Annual Report 2001*



# RESEARCH



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## ***Corporate Mission***

"To be the established leader in commercial banking in Ghana, satisfying the expectations of customers and shareholders, providing a full range of cost efficient and high quality services nation-wide, through the optimization of information technology and efficient branch network".

For the achievement of this mission, the Bank is committed to:

- \* **The provision of first class customer service**
- \* **Focussing on our core business/competencies - commercial banking.**
- \* **Constant improvements in the use of information technology**
- \* **Ensuring that staff are well motivated and have a conducive work environment.**
- \* **Recruiting and retaining the best human resource to carry out the bank's mandate.**
- \* **Applying best practices in internal policies, procedures, processes and service delivery.**
- \* **Constant improvement in shareholder value.**



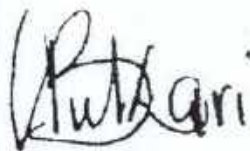
# ***Notice of Annual General Meeting***

Notice is hereby given that the eighth Annual General Meeting of **Ghana Commercial Bank Limited** will be held at the Accra International Conference Centre on Tuesday March 26, 2002 at 10.00 a.m. to transact the following business:

1. To receive and consider the Accounts for the year ended December 31, 2001 with the Reports of the Directors and Auditors thereon.
2. To declare a dividend for the year ended December 31, 2001
3. To re-elect the following directors retiring by rotation:  
  
Mr. Franklin Kwabena Asamoah  
Mr. Kwabena Gyima Osei-Bonsu  
Dr. Ebenezer Moses Debrah  
Dr. Samuel Nii-Noi Ashong  
Mr. Joe Ofori
- 4.. To approve the remuneration of Directors
5. To authorise the Directors to fix the remuneration of the Auditors.

Dated this 19<sup>th</sup> Day of February, 2002.

BY ORDER OF THE BOARD



AKANBANGBIEM BUKARI (MS)  
THE SECRETARY

## **Board of Directors, Officials and Registered Office**

Chairman	Kwabena Gyima Osei-Bonsu (Appointed On 5/9/01)	
Managing Director	William Panford Bray	
Members	Matilda Obeng-Ansong (Mrs) Kwabena Dapaah-Siakwan Augustine Kwame Addo (Resigned on 21/3/2001) Franklin Kwabena Asamoah Dr. Ebenezer Moses Debrah (Appointed on 5/9/2001) Dintie Suleman Mahama Dr. Samuel Nii Noi-Ashong (Appointed On 5/9/2001) Felix Ntrakwah Peter Augustus Ocran Joe Ofori (Appointed On 5/9/2001) Eric Okai (Resigned On 21/3/2001) George Victor Okoh (Resigned on 19/4/2001) John Sey (Resigned On 21/3/2001) Esi Sutherland-Addy (Mrs)	
Secretary	Ms. Akanbangbiem Bukari	
Management	William Panford Bray Matilda Obeng-Ansong (Mrs) Kwabena Dapaah-Siakwan	- Managing Director - Deputy Managing Director (Operations) - Deputy Managing Director (Finance & Administration)
Auditors	Pannell Kerr Forster Chartered Accountant Farrar Avenue P.O. Box 1219 Accra	
Registered Office	Ghana Commercial Bank Building Thorpe Road/High Street Accra	
Address	Ghana Commercial Bank Limited Head Office P. O. Box 134 Accra  Tel: 672852-4, 664910-9 Fax: 662168, 664889 E-Mail: gcbmail@gcb.com.gh Website: wwwgcb.com.gh	

# Profile of Directors

## Mr. Kwabena Gyima Osei-Bonsu

Non-Executive Director Mr. Osei-Bonsu joined the Board in September, 2001 and was subsequently appointed Chairman of the Board of Directors. He has a Bachelor of Laws Degree, LLB (Hons) and is a Barrister at Law, having been called to the British Bar in 1962. He is currently an experienced private legal practitioner. He has served the country in several capacities. He was a Director of Ghana Commercial Bank from 1966 to 1967, Commissioner for Information, in the Government of the National Liberation Council in 1967 and Minister of State for National Security and Chief of State Protocol in the Second Republic (1969-1972).

## Mr. William Panford Bray

Managing Director - Mr. Bray joined the Board in February 1999 as the Acting Managing Director and was confirmed Managing Director in July, 1999. He is a Fellow of the Chartered Institute of Bankers (FCIB) and Life Fellow, International Biographical Association (Cambridge), England (LFIBA). He is an experienced and seasoned Banker having worked with Barclays Bank of Ghana Limited for over forty years. Between 1987 and 31<sup>st</sup> December, 1998 when he retired, he was the Deputy Managing Director of Barclays Bank of Ghana Limited. He is currently the Chairman of the Enyan Denkyira Rural Bank Limited. He also serves on the Boards of Mondex Ghana Limited, Ghana (Mondex) Origination Limited, Opportunities Industrialisation Centre, Ghana International Bank plc U.K., Ghana Textile Manufacturing Co. Ltd., Ghana Airways Ltd., Development Finance and Holdings Limited, a subsidiary of the Bank and Chairman of the Council of the Ghana Stock Exchange.

## Mrs. Matilda Obeng-Ansong

Deputy Managing Director (Operations) Mrs. Obeng-Ansong joined the Board in September, 1999 having previously held various positions in the Bank. She holds a B.Sc. Degree in Economics and a post graduate diploma in Agricultural Economics. She also serves on the Boards of Accra City Hotels Ltd. (NOVOTEL), Kwahu Rural Bank, Afrika Women Bank (Ghana) Ltd., Exim Guaranty Co. (Gh) Ltd., Development Finance & Holdings Ltd., Mondex Ghana Ltd., Ghana (Mondex) Origination Ltd. She is also an alternate director of Ghana International Bank, plc U.K.

## Mr. Kwabena Dapaah-Siakwan

Deputy Managing Director (Finance & Administration) Mr. Dapaah-Siakwan joined the Board in September, 1999 and was until then the General Manager, Foreign Operations Division after five years as both Deputy Head of the Accounts and Treasury Divisions between 1991 and 1996. Before joining the Bank in 1991, he worked for several years at Ghana Cocoa Board (COCOBOD) where he left as the Deputy Chief Accountant and was at one time the Head of Accounts of the Cocoa Research Institute, Tafo, one of the Divisions of the COCOBOD.

Mr. Dapaah-Siakwan, a product of the University of Ghana, is a fellow of the Association of Chartered Certified Accountants (FCCA) and a member of the Institute of Chartered Accountants, Ghana. He serves on the Boards of Shell (Ghana) Ltd. and the Development Finance and Holdings Limited and was until June, 2001, a director of Ghana Water Company Ltd.

## Mrs. Esi Sutherland-Addy

Non-Executive Director Mrs. Sutherland-Addy joined the Board in May 1997. She has a Masters Degree in African Studies and is a Senior Research Fellow at the Institute of African Studies, University of Ghana. She has served on several National and International Boards and Commissions and was at different times the Deputy Secretary for Culture and Tourism and Deputy Secretary for Education. In October 1998 she was awarded an Honorary Charter Fellowship of the College of Teachers of the United Kingdom for outstanding contributions to the field of Education and in June, 2000 was given a recognition award by the Ghana Civil Service for meritorious service.

## Mr. Felix Ntrakwah

Non- Executive Director Mr. Ntrakwah joined the Board in 1998. He has a Bachelor of Laws Degree LLB (Hons), MCI Arb. and is a bilingual lawyer with specialisation in corporate law practice. He also holds a Postgraduate Diploma in International Tax Law and Postgraduate certificates in Industrial Property Law and Legislative Drafting. He is a member of the following international organisations: Chartered Institute of Arbitrators, Centre for International Legal Studies and the International Bar Association and is currently the head of Ntrakwah & Co., Legal Practitioners and Consultants. He is the chairman of the Boards of Mondex Ghana Ltd. and Ghana (Mondex) Originator Ltd. and serves on other boards.



### **Mr. Peter Augustus Ocran**

Non-Executive Director - Mr. Ocran joined the Board in March, 1999. He holds a B.Sc. Degree and Masters Degree in Economics. He was, between 1981-1984, a Chief Manager of the Bank and was at different times the Head of the Credit Management, Development and Agricultural Finance, and the Research Departments of the Bank. He has also held various positions in other organisations in Ghana and abroad and worked for several years as UNDP Chief Technical Advisor to the Uganda Commercial Bank. He is currently an Executive Director of City Savings & Loans Company Limited.

### **Mr. Dintie Suleman Mahama**

Non-Executive Director - Mr. Mahama joined the Board in March, 1999. He has a Bachelor of Laws Degree (LL.B) and is an Associate of the Institute of Bankers (AIB). He was at one time an Executive Director of Banque Commerciale du Ghana, Lome, a subsidiary of the Bank now fully liquidated. He also held several other responsible positions in the Bank between 1970 and August 24, 1995 when he retired from the Bank after a committed and dedicated service.

### **Mr. Franklin Kwabena Asamoah**

Non-Executive Director - Mr. Asamoah joined the Board in March, 1999. He has a Bachelor of Laws Degree (LL.B Hons) as well as a Masters Degree in Law (LL.M). He is presently a private legal practitioner and consultant and the Head of Asamoah Legal Services, a Kumasi based law firm. He acts as a Consultant/Solicitor for a number of agencies, both local and foreign. He is also the Diocesan Solicitor/Consultant as well as the Chairman of the Diocesan Development Committee of the Roman Catholic Diocese of Obuasi in the Ashanti Region.

### **Dr. Samuel Nii-Noi Ashong**

Non-Executive Director - Dr. Ashong joined the Board in September, 2001. He has a Ph.D. degree in Economics and is presently, a core research fellow at the Centre for Economic and Policy Analysis (CEPA). Prior to joining CEPA he had held several positions including visiting Professor at the National Urban League, New York, Marketing Operations Manager/Lead Analyst of AT&T Consumer Communications Services, New Jersey, U.S.A. He has demonstrated competence in policy oriented modelling, forecasting and market analysis with proven results and is able to conceptualise and bring effective solutions to complex problems. He is also a director of the National Board for Small-Scale Industries.

### **Dr. Ebenezer Moses Debrah**

Non-Executive Director - Dr. Debrah joined the Board in September, 2001. He has a Bachelor of Arts Degree in History B.A.(Hons) and Doctor of Laws, Honoris Causa from three Universities in the United States of America.

He has served the country in several capacities including High Commissioner of Ghana to the United Kingdom, Australia, Malaysia and Papua New Guinea and Ambassador of Ghana to Ethiopia and the United States of America between 1963 and 1980. He was Secretary to the Cabinet and Head of the Ghana Civil Service between 1973 to 1977. He has also served as a Commonwealth and UNDP Consultant in Diplomatic Service Training and Management for a number of countries including Papua New Guinea, Zimbabwe, the Kingdom of Lesotho, Namibia and Liberia. He has received a number of awards including Member of the Order of the Volta (MV), a national award for meritorious service to Ghana and the Ghana Civil Service Certificate of Merit and Badge in 2002. He is currently the Chairman of the Eastern Region Lands Commission and is a director of Hopeland Pharma Ltd.

### **Mr. Joe Ofori**

Non-Executive Director - Mr. Ofori joined the Board in September, 2001. He has a Bachelor of Laws Degree LLB (Hons) and a Master of Laws Degree (LL.M) with specialising in corporate and commercial law.

He was a Deputy Registrar (Legal Duties) at the West African Examination Council between 1992 and 1993 and is currently a private legal consultant to a number of companies and firms. He is also a director of Cosmos Forex Bureau Ltd.

## *Financial Highlights*

	2001 c'million	2000 c'million
Profit Before Tax	296,962	179,537
Total Assets	3,808,470	2,269,513
Stated Capital	20,000	20,000
Total Reserves & Income Surplus	343,670	240,311
Deposits & Current Accounts	1,720,419	1,227,088
Total Loans & Advances	2,119,830	1,186,506
Number of Branch Offices	130	130
Number of Employees	1,996	2,032

# Chairman's Statement

## Distinguished Ladies and Gentlemen,

I am very pleased to welcome you to the 8th Annual General Meeting of Ghana Commercial Bank Limited (GCB) at which your directors will present to you the Annual Report and your Bank's Statement of Accounts for the financial year ended December 31, 2001. Before presenting details of the Bank's operations, I would like to give a brief overview of the economic and financial environment in which your bank operated.

On the international level, world output generally grew less than expected. The US experienced a marked slowdown in its economy while recovery in Japan delayed. The economies of Europe and a number of emerging markets had a moderating growth.

The trend in commodity prices in international markets generally favoured developing countries including Ghana.

The price of crude oil dropped from US\$27.24 per barrel in December, 2000 to US\$18.25 per barrel in December, 2001. During the same period, the price of gold improved from US\$272 an ounce to US\$277.27 an ounce. The price of cocoa also increased from US\$995.93 per ton to US\$1247.31 per tonne. These developments improved the country's foreign net exchange receipts.

On the Domestic scene, there was a marked stability in the parity rate of the Cedi to foreign currencies during 2001 compared to 2000. Cedi to US dollar depreciation was under 4 per cent in 2001 compared to 92 per cent in 2000.

The economic stabilisation policies of the Government slowed the growth of money supply and reduced the broad budget deficit. These measures helped to reduce inflation from 40.5 per cent in December, 2000 to 21.3 per cent in December, 2001.

## Strategy Overview

The Bank launched a 2-year Corporate Plan in the year 2000 to re-align its operations for effective competition. The strategic themes adopted in that plan have all been implemented and your Bank today has made considerable progress in its programmes. We are also focused on our core business and are able to serve customers better.



*K. G. Osei Bonsu - Chairman*



*Dr. Ebenezer Moses Debrah - Board Member*



*Dr. Samuel Nii-Noi Ashong - Board Member*

## Operating Results

During the period under review there was a fall in the level of interest rates in the economy and this led to a decline in the borrowing and lending rates of the Bank. Consequently, the Bank re-structured and intensified its activities in respect of savings mobilisation and credit extension to the private sector. Considerable credit support was also extended to key state institutions and programmes, particularly crude oil imports.

These prudent measures and other initiatives undertaken in pursuance of the Bank's Strategic Plan yielded positive results.

The Bank recorded a pre-tax profit of €296.9 billion as compared to €179.5 billion, a growth of 65 per cent over the previous year.

After making provision of €83.1 billion for Corporate Tax, €14.8 billion for Deferred Tax and €29.7 billion for the Reconstruction Levy, a net profit of €169.3 billion was realised. Earnings per share was thus €1,026.34 compared to €850.02 in year 2000.

## Dividend

The Board has proposed a dividend of €400.00 per share amounting to €66 billion and inclusive of the interim dividend of €100.00 per share already paid. This represents an increase of 60 per cent over the previous year's dividend.

## Outlook For 2002

As a corporate citizen, our key responsibilities are to manage our business well so that we provide quality products and services to our customers, offer rewarding careers to employees, increase value for our shareholders, generate tax revenues for government and contribute to the communities in which we do our business.

Your Bank will put in place appropriate strategic interventions for the achievement of the above stated goals.



*Mr. Felix Ntrakwah - Board Member*



*Mrs. Esi Sutherland-Addy - Board Member*



*Mr. Peter Augustus Ocran - Board Member*

## Board Appointments

During the course of the year under review, four additional directors were appointed to the Board namely Dr. E.M. Debrah, Dr. S.N. Ashong, Mr. Joe Ofori and myself - K.G. Osei-Bonsu.

I am delighted that after serving as a director of the Bank in 1966-1967, I have the honour to serve once again, but now as the Chairman of the Board.

Distinguished Ladies and Gentlemen, may I take this opportunity to express my sincere appreciation to you shareholders, our numerous customers and correspondent banks for your continued support, co-operation and patronage. I also extend my profound gratitude to my colleagues on the Board, the Management and Staff of the Bank who have spared no effort to implement the Bank's strategy to attain the desired results.

Thank you.



**K. G. Osei-Bonsu**



*Mr. Franklin Kwabena Asamoah - Board Member*



*Mr. Dintie Suleman Mahama - Board Member*



*Mr. Joe Ofori - Board Member*

## ***Managing Director's Review of Operations***

The year 2001 was yet another successful story in our march towards attaining the objectives and targets set out in the Corporate Plan (2000-2001). I am pleased to announce that the strategic themes in the plan have all been implemented. The results of the Bank reflect the fruits of those strategic actions.

### **Performance Review**

The outcome of the operations under review indicate growth in our business. There was considerable increase in mobilised funds as well as a marked growth in loans and advances. With the fast declining interest rates of treasury instruments, the obvious choice was a restructuring of assets in favour of loans and advances and overnight money market operations. As a result net interest income increased by 151 per cent compared to 95 per cent the previous year.

Other operating income, particularly Exchange Gain which had been considerable in the past due to the depreciating Cedi was however much smaller in 2001 as a result of a more stable Cedi. That notwithstanding, our total income improved from €472.8 billion in 2000 to €692.7 billion in 2001.

With prudence, loan loss was provided for in accordance with regulatory requirements in relation to the total stock of loans and advances. Operating expenses went up to €211.5 billion in 2001 from €143.9 billion in 2000, a rise of 47 per cent compared to 52 per cent recorded in the previous year.

Above all, a pre-tax profit of €296.9 billion was recorded in 2001 registering a growth of 65 per cent which compared favourably with the 69 per cent achieved in 2000. Shareholders' funds increased by 43 per cent from €240.3 billion in 2000 to €343.7 billion in 2001.

### **Technology**

We stepped up the provision and use of Information Technology in the year under review. Our computerised branches were increased from seventy-two (72) in December, 2000 to eighty-three (83) in December, 2001. Twenty-five (25) branches continued to remain on the Wide Area Network driven by Finware because preparatory work had to be carried out prior to the migration from Finware to a superior software called FLEXCUBE.

We installed Fundsnet which is yet another technological innovation that is designed to enhance the efficiency and faster operation of International Money Transfer. Total transfers amounted to \$104 million in 2001 compared to \$53 million the previous year, a growth of almost 100 per cent.



*Mr. William Panford Bray - Managing Director*

## Product Development

Four new products were added to our product basket. The products Flexsave, Fodem, Save & Prosper and Kudi Nkosuo were savings mobilizing instruments which together with some key customers won in the year, helped contribute to the marked increase in total mobilized funds.

We also delivered on our promise to increase the spread of Automated Teller Machines (ATMs) to help bring convenient banking to our customers. In this direction, additional eight (8) ATMs were installed, bringing the total to twelve (12).

Other products and packages received increased customer patronage, as a result of our marketing strategies. They include Commernet, Premix Fuel Facility Scheme and Distributor's Facility Scheme.

Mondex was tested, as scheduled, by staff of the two participating banks, GCB and ADB, throughout the review year. We also increased the merchants or outlets in Accra metropolis where Mondex facilities are available. We are implementing the product on a live pilot basis by some selected merchants and staff of the two banks with official launch during the second half of the year.

## Branch Development

During the year, we embarked on two major branch development projects. These were the re-modelling of BHC property on Harper Road purchased to accommodate the Kumasi Main Branch and the construction of the new Aflao branch premises.

## Human Resource Development

Management did not overlook the need to maintain a highly skilled and motivated work-force. Staff training both in-house and out-of-house (both locally and overseas) was intensified.

Staff motivation was also enhanced through a number of measures including improved remuneration, and the introduction of staff appraisals through Assessment Centres.

## Awards And Donations

For the second time running, GCB won the Bank of the Year Award for Ghana. This is an award by The Banker, an international banking magazine of the prestigious Financial Times Group, London.

The Bank discharged its social responsibilities towards the community by donating to Educational, Environmental and Health programmes as well as to the Physically Challenged and Disadvantaged, totalling €446 million.



*Mrs. Matilda Obeng-Ansong - Deputy Managing Director*



*Mr. Kwabena Dapaah-Siakwan - Deputy Managing Director*

## Outlook

Your Bank is undergoing significant cultural and organisational changes. Our efforts will concentrate on the customer and customer satisfaction as well as improving shareholder value as enshrined in our mission statement. We hope to consolidate and enhance our current competitive edge through improvements in our service delivery and active product development.

To this end we shall continue to:

- \* Re-engineer our processes through the increased usage of state-of-the-art Information Technology. Specifically, the 25 branches on Wide Area Network, currently being driven by Finware will migrate to FLEXCUBE to take advantage of the enhanced attributes the latter provides and roll out twenty-five (25) more branches by the end of 2002.
- \* Provide more Automated Teller Machines this year.
- \* Enhance capabilities through training and development and the institution of appropriate and meaningful reward systems.

I would like to conclude by expressing my sincere and profound gratitude to the Board, Management and staff of the Bank. It is even more appropriate to do so as I come to the end of my tenure of service with GCB. For the past three years I have received solid support and cooperation from all the stakeholders of this great Bank, Shareholders, Board, Staff and Customers.

I am deeply grateful for your enormous and genuine advice, guidance and understanding. Furthermore, the patronage of our customers as well as the hard work and dedication of staff are very much appreciated. Without them my vision of GCB regaining its lost leadership position could not have been achieved.

On that note, I am pleased to advise that your Bank has regained its position as the most profitable bank in the country. Let us continue to brave the future with commitment and team spirit.

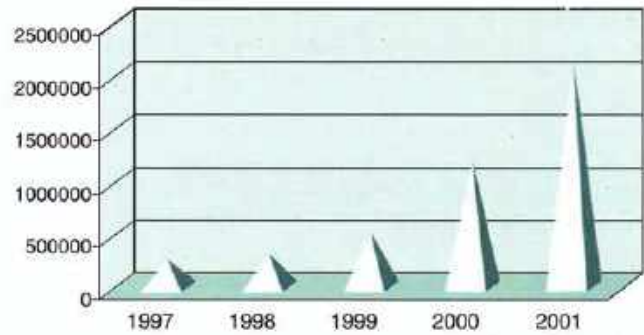


W. P. Bray

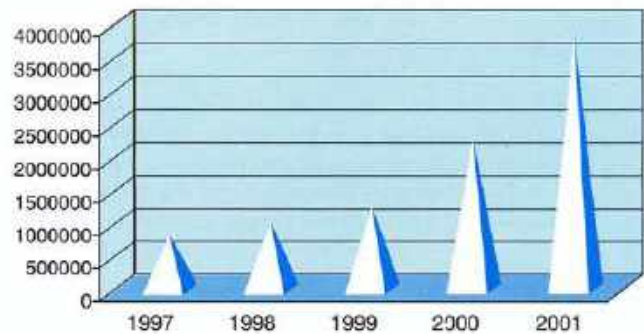


# Performance at a Glance

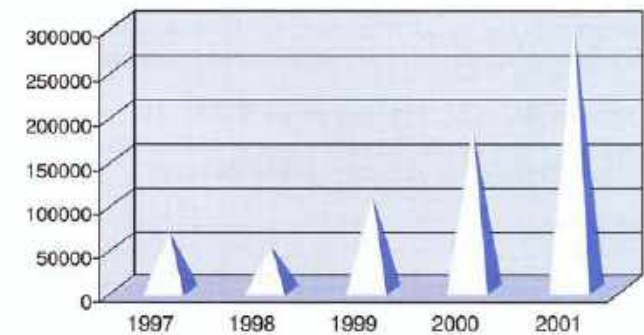
### Total Loans & Advances



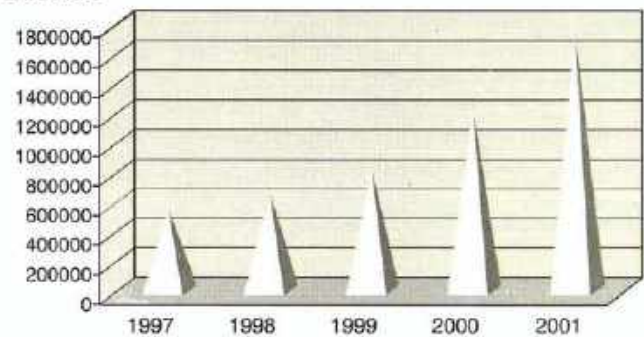
### Total Assets



### Profit Before Tax



### Total Deposits & Current Accounts



# Report of the Directors

The Directors in submitting to the shareholders the Consolidated Financial Statements of the Bank and its subsidiary for the year ended 31<sup>st</sup> December, 2001 report as follows:

	<b>¢ Million</b>
Profit for the year ended 31 <sup>st</sup> December, 2001	296,962
From which is deducted Taxation and Reconstruction Levy of	<u>127,616</u>
Giving a Profit for the year after taxation of	169,346
A Dividend of ¢400.00 per share totalling	66,000
from which an interim dividend of ¢100.00 per share has been paid is proposed, leaving a retained profit of	103,346
Less: Transfer to Statutory Reserve	<u>21,168</u>
Giving Profit for the year after Taxation, Dividend and transfer to Income Surplus	<u>82,178</u>

There has been no change in the nature of business of the Bank. On 7<sup>th</sup> September, 1994, the Bank was incorporated as a public limited liability company under the Companies Code, 1963. The Bank is listed on the Ghana Stock Exchange. 53.2% of its shares are currently held by the public whilst the Government owns 46.8% of the bank's shares.

## Technology

As at 31<sup>st</sup> December, 2001 eighty-three (83) branches had been computerised out of which twenty-five (25) are on Wide Area Network and fifty-eight on stand-alone. Eight (8) additional Automated Teller Machines (ATMs) were also installed to bring the total ATMs in the bank to twelve (12).

In line with the bank's mission to render cost efficient services through Information Technology to our esteemed customers, we have acquired a Universal Banking Solution known as FLEXCUBE.

The benefits to be derived from the FLEXCUBE include real time processing, an efficient delivery system, the ability to introduce new products rapidly and also provide support for multiple delivery channels like telephone and internet banking.

## Subsidiary

Development Finance and Holdings Limited, a company incorporated in Ghana to undertake investments, is a wholly owned subsidiary of the Bank.

## Board Changes

Following the retirement of Mr. John Sey, Mr. Eric Okai and the resignations of Mr. Augustine Kwame Addo and Mr. George Victor Okoh, Messrs. Kwabena Gyima Osei-Bonsu, Joe Ofori, Dr. Ebenezer Moses Debrah and Dr. Samuel Nii-Noi Ashong were appointed in September, 2001 to fill the vacancies created in the Directorate.

The Board wishes to thank the retired directors for the services rendered during their tenure of office and also welcome the newly appointed directors who are being recommended for re-election.

## Retirement and Re-Election of Directors

Mrs. Esi Sutherland-Addy and Mr. Dintie Suleman Mahama who will be retiring by rotation at the AGM will not offer themselves for re-election.

In accordance with the Regulations of the Bank, Messrs. Kwabena Gyima Osei-Bonsu, Joe Ofori, Franklin Kwabena Asamoah, Dr. Ebenezer Moses Debrah and Dr. Samuel Nii-Noi Ashong are to retire by rotation at the Annual General Meeting, and being eligible will be offering themselves for Re-election.

#### **Auditors**

Pannell Kerr Forster will continue in office as Auditors of the Bank in accordance with Section 134(5) of the Companies Code 1963 (Act 179).

#### **Acknowledgements**

The Board of Directors will like to express its sincere thanks to the customers of the Bank for their loyalty, shareholders for your support and to Management and Staff for their dedicated service in 2001.

Dated February 19, 2002

By Order of the Board



CHAIRMAN



DIRECTOR

## ***Statement of Directors' Responsibilities***

The Companies Code 1963, (Act 179) and the Banking Law 1989 (PNDCL 225) require the Directors to cause to be prepared financial statements for each financial period which give a true and fair view of the state of affairs of the Bank and the Group and of the Profit and Loss of the Group for that period. In preparing those financial statements the Directors are required to:

- \* select suitable accounting policies and apply them consistently;
- \* make judgements and estimates that are reasonable and prudent;
- \* state whether applicable accounting standards have been followed, subject to any material departures disclosed
- \* and explained in the financial statements; and
- \* to ensure that the financial statements are prepared on the going concern basis unless it is inappropriate to
- \* presume that the Bank and Group will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Bank and the Group which enable them to ensure that the financial statements comply with the Companies Code 1963, (Act 179) and the Banking Law 1989, (PNDCL 225). They are also responsible for safeguarding the assets of the Bank and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

The above statement which should be read in conjunction with statement of the Auditors responsibilities set out on page 18 is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and the Auditors in relation to the financial statements.

# ***Report of the Auditors***

We have audited the financial statements on pages 19 to 31 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on pages 22 to 23.

## **Respective responsibilities of directors and auditors**

The financial statements are the responsibility of the Bank's Directors. Our responsibility is to express an independent opinion on these financial statements based on our audit.

## **Basis of opinion**

We conducted our audit in accordance with generally accepted auditing standards. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanation which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## **Opinion**

The Bank and its subsidiary have kept proper books of accounts with which the financial statements are in agreement. The Bank's transactions were within its powers and it has complied with minimum paid up capital required under the Banking Law, 1989 (PNDCL 225).

In our opinion the financial statements give a true and fair view of the state of affairs of the Bank and its subsidiary as at 31 December 2001 and of the Profit of the Group and cashflows for the year then ended and comply with the Companies Code, 1963 (Act 179) and the Banking Law 1989, (PNDCL 225).

FARRAR AVENUE  
ACCRA



**PANNELL KERR FORSTER**  
CHARTERED ACCOUNTANTS

February 19, 2002

# Profit and Loss Account

For the year ended 31 December

	Notes	THE GROUP		THE BANK	
		2001 ¢m	2000 ¢m	2001 ¢m	2000 ¢m
INTEREST INCOME	2	731,469	362,073	731,469	361,138
INTEREST EXPENSE	3	(144,676)	(128,813)	(144,676)	(128,813)
NET INTEREST INCOME		586,793	233,260	586,793	232,325
COMMISSIONS AND FEES		86,183	129,046	86,183	129,046
OTHER OPERATING INCOME	4	19,767	110,537	17,310	109,437
TOTAL INCOME		692,743	472,843	690,286	470,808
PROVISION FOR BAD AND DOUBTFUL DEBTS		(178,628)	(98,884)	(178,628)	(98,884)
PROVISION FOR CONTINGENT LIABILITIES		(515)	(13,729)	(515)	(13,729)
OPERATING EXPENSES	5	(211,492)	(143,980)	(210,876)	(143,858)
NET OPERATING PROFIT		302,108	216,250	300,267	214,337
OTHER INCOME	6	2,240	17,343	2,240	17,343
PROFIT BEFORE EXCEPTIONAL ITEM		304,348	233,593	302,507	231,680
EXCEPTIONAL ITEM	7	(7,386)	(54,056)	(7,386)	(54,056)
PROFIT BEFORE TAXATION		296,962	179,537	295,121	177,624
RECONSTRUCTION LEVY		(29,696)	0	(29,512)	0
TAXATION	8	(97,920)	(39,284)	(97,635)	(39,000)
PROFIT AFTER TAXATION		169,346	140,253	167,974	138,624
DIVIDEND	9	(66,000)	(41,230)	(66,000)	(41,230)
TRANSFER TO STATUTORY RESERVE FUND	22	(21,168)	(17,532)	(20,997)	(17,328)
TRANSFER TO INCOME SURPLUS	22	82,178	81,491	80,977	80,066

# Balance Sheet

As at 31 December

	Notes	THE GROUP		THE BANK	
		2001 €m	2000 €m	2001 €m	2000 €m
<b>ASSETS</b>					
Cash & Short Term Funds	10	756,602	438,730	754,577	438,709
Investments	11	349,103	706,007	337,376	692,816
Advances	12	1,826,198	1,020,169	1,826,198	1,020,169
Other Assets Accounts		122,400	50,067	122,115	50,035
		<u>3,054,303</u>	<u>2,214,973</u>	<u>3,040,266</u>	<u>2,201,729</u>
Investments in Subsidiary	13	0	0	1	1
Investments in Special Gov't. Bonds		686,733	0	686,733	0
Fixed Assets	14	<u>67,434</u>	<u>54,540</u>	<u>67,288</u>	<u>54,540</u>
<b>TOTAL ASSETS</b>		<u><b>3,808,470</b></u>	<u><b>2,269,513</b></u>	<u><b>3,794,288</b></u>	<u><b>2,256,270</b></u>
<b>LIABILITIES AND SHAREHOLDERS FUNDS</b>					
Deposits & Current Accounts		1,720,419	1,227,088	1,720,419	1,227,088
Creditors & Accruals	15	1,437,918	746,420	1,438,410	746,249
Proposed Dividend		52,770	41,230	52,770	41,230
Taxation	8	49,693	14,464	49,494	14,538
Borrowings		<u>204,000</u>	<u>0</u>	<u>204,000</u>	<u>0</u>
<b>TOTAL LIABILITIES</b>		<u><b>3,464,800</b></u>	<u><b>2,029,202</b></u>	<u><b>3,465,093</b></u>	<u><b>2,029,105</b></u>
Stated Capital	16	20,000	20,000	20,000	20,000
Capital Surplus	20	11,932	11,975	3,731	3,731
Share Deals	21	167	111	167	111
Income Surplus	22	<u>311,571</u>	<u>208,225</u>	<u>305,297</u>	<u>203,323</u>
<b>SHAREHOLDERS' FUNDS</b>		<u><b>343,670</b></u>	<u><b>240,311</b></u>	<u><b>329,195</b></u>	<u><b>227,165</b></u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>		<u><b>3,808,470</b></u>	<u><b>2,269,513</b></u>	<u><b>3,794,288</b></u>	<u><b>2,256,270</b></u>

Approved by the Board on February 19, 2002



DIRECTOR



DIRECTOR

# Cash Flow Statement

For the year ended 31 December

	THE GROUP		THE BANK	
	2001 c'm	2000 c'm	2001 c'm	2000 c'm
<b>Cash flows from operating activities</b>				
Net profit before tax	296,962	179,537	295,121	177,624
Dividend received	(3,992)	(1,935)	(1,535)	(835)
Depreciation charge	15,935	10,379	15,923	10,379
Provision for bad and doubtful debts	178,628	98,884	178,628	98,884
Profit on sale of fixed assets	(2,210)	(1,926)	(2,210)	(1,926)
Provision for contingent liabilities	515	13,729	515	13,729
<b>Operating profit before working capital changes</b>	<b>485,838</b>	<b>298,668</b>	<b>486,442</b>	<b>297,855</b>
Decrease/(Increase) in investments	356,904	(181,932)	355,440	(180,225)
Increase in advances	(984,657)	(680,451)	(984,657)	(680,451)
Increase in other assets accounts	(72,333)	(26,880)	(72,080)	(26,896)
Increase in deposits & current accounts	493,331	405,514	493,331	405,514
Increase in Creditors and Accruals	682,384	612,442	683,266	611,829
Increase in Borrowing	204,000	(115,239)	204,000	(115,239)
<b>Cash generated from operations</b>	<b>1,165,467</b>	<b>312,122</b>	<b>1,165,742</b>	<b>312,387</b>
Tax paid	(62,691)	(43,082)	(62,679)	(42,140)
Reconstruction Levy	(21,140)	0	(21,132)	0
<b>Net cash inflow from operating activities</b>	<b>1,081,636</b>	<b>269,040</b>	<b>1,081,931</b>	<b>270,247</b>
<b>Cash flows from investing activities</b>				
Purchase of fixed assets	(28,920)	(27,280)	(28,762)	(27,280)
Investment in Bonds	(686,733)	0	(686,733)	0
Proceeds of sale of tangible fixed assets	2,301	1,926	2,301	1,926
Dividends received from investments	3,992	1,935	1,535	835
Dividends paid	(54,460)	(26,734)	(54,460)	(26,734)
<b>Net cash outflow from investing activities</b>	<b>(763,820)</b>	<b>(50,153)</b>	<b>(766,119)</b>	<b>(51,253)</b>
<b>Financing Activities</b>				
Purchase of own shares	(294)	(248)	(294)	(248)
Sale of own shares	350	312	350	312
<b>Net cashflow from financing activities</b>	<b>56</b>	<b>64</b>	<b>56</b>	<b>64</b>
<b>Net increase in cash and cash equivalents</b>	<b>317,872</b>	<b>218,951</b>	<b>315,868</b>	<b>219,058</b>
<b>Cash and cash equivalent at beginning of the year</b>	<b>438,730</b>	<b>219,779</b>	<b>438,709</b>	<b>219,651</b>
<b>Cash and cash equivalent at end of the year</b>	<b>756,602</b>	<b>438,730</b>	<b>754,577</b>	<b>438,709</b>



# Notes to the Financial statements

## 1. ACCOUNTING POLICIES

The significant accounting policies adopted by the Bank and which have been used in preparing these financial statements are as follows:

### (a) Basis of accounting

The Bank and its subsidiaries ("The Group") prepare the financial statements under the historical cost convention as modified by the revaluation of fixed assets.

### (b) Consolidation

The consolidated financial statements of the Group comprise the financial statements of Ghana Commercial Bank Ltd and its subsidiaries.

The Group accounts for its subsidiaries by consolidating fully their assets, liabilities and results for the period.

### (c) Foreign Currency

Assets and liabilities denominated in foreign currencies are translated into cedis at exchange rates ruling at the end of the period. Gains and losses resulting from foreign currency translation or exchange are included in the profit and loss for the period except those relating to non-performing foreign currency-denominated advances. In this case, the gains and losses are transferred to exchange suspense account.

### (d) Re-purchase of own shares

In July 1997 the Bank put in place a share re-purchase programme under which it intends to spend maximum of one billion cedis to purchase its own shares.

All transactions relating to the purchase and resale of own shares are dealt with through the Share Deals account.

The shares purchased are held in treasury until resold.

### (e) Interest Income

The recognition of interest income ceases when the payment of interest or principal is in doubt, and does so automatically if principal or interest payment are 90 or more days late. Any interest previously accrued but not received on a loan placed on non-accrual basis is reversed. Interest is included in income thereafter only when it is received. Loans are returned to the accrual basis only when doubt about collectibility is removed and when the outstanding arrears of interest and principal are received.

### (f) Fee Income

Loan fees are credited to income.

### (g) Investments

Investments are held for purposes of both trading and investments. Investments are included in the balance sheet at the lower of cost and net realisable value. Gains and losses on the sale of investment securities are shown separately in other operating income or expenses when applicable.

Bills discounted and securities with a fixed redemption date which are purchased with the intention of being held to maturity are stated at amortised cost. The premium or discount is amortised over the period to redemption and disclosed separately in interest income.

#### **(h) Advances**

Advances are stated in the balance sheet at the amount of principal and interest outstanding less any provision for bad and doubtful debts and interest held in suspense.

Advances are analysed between the total amount outstanding and provision in a note to the financial statements.

#### **(i) Provisions for bad and doubtful debts.**

Provisions for bad and doubtful debts are made, having regard to both specific and general risks.

The specific element of the provisions relates to those loans that have been individually reviewed and specifically identified as bad or doubtful. The general element of the provisions relates to those existing losses that, although not yet specifically identified, are known from experience to be present at any year-end in the Bank's portfolio of loans and advances.

In determining the level of the provisions required, management considers numerous factors including, but not limited to domestic economic conditions, the compositions of the loan portfolio and prior bad debts experience.

Provisions made during the year (less amounts released and recoveries of loans previously written off) are charged as separate amount in the profit and loss account. Loans are written off when the extent of the loss has been confirmed.

#### **(j) Fixed Assets.**

These are stated at cost or valuation less accumulated depreciation. Depreciation is computed using the straight-line method so as to write off the cost or valuation over the estimated useful lives at the following rates:

Office & Residential Buildings	5%
Printing Machines	20%
Safes & Strong Room Doors	20%
Computers	25%
Furniture and equipment	33.3%
Other Motor Vehicles	33.3%
Bullion Vans	25%

#### **(k) Taxation**

(i) The Bank provides for income taxes at the current rates on its taxable profits.

(ii) Provision is made for deferred taxation only to the extent that it is probable that a liability or asset will crystallise in the foreseeable future.

#### **(l) Provident Fund**

There is a defined contributory provident fund scheme for all employees who have completed a full year's service with the Bank. The contribution of the employee is 10% of his basic salary while the Bank's contribution is 12.5%.

# Notes to the Financial Statements

For the year ended 31 December

	THE GROUP		THE BANK	
	2001 cm	2000 cm	2001 cm	2000 cm
<b>2. INTEREST INCOME</b>				
Investments	258,625	190,878	258,625	189,943
Advances	416,468	149,218	416,468	149,218
Short Term Funds	56,376	21,977	56,376	21,977
	<u>731,469</u>	<u>362,073</u>	<u>731,469</u>	<u>361,138</u>
<b>3. INTEREST EXPENSE</b>				
Savings accounts	84,764	24,627	84,764	24,627
Borrowings	59,912	104,186	59,912	104,186
	<u>144,676</u>	<u>128,813</u>	<u>144,676</u>	<u>128,813</u>
<b>4. OTHER OPERATING INCOME</b>				
Profits on exchange (net)	13,680	106,319	13,680	106,319
Dividends from Investments	3,992	1,935	1,535	835
Rent receivable	1,874	337	1,874	337
Others	221	1,946	221	1,946
	<u>19,767</u>	<u>110,537</u>	<u>17,310</u>	<u>109,437</u>
<b>5. OPERATING EXPENSES</b>				
Operating Expenses include:				
Directors Emoluments	808	497	808	497
Donations	446	184	446	184
Auditors Remuneration	190	126	175	115
Depreciation	15,935	10,379	15,923	10,378

## Notes to the Financial Statements (Continued)

	THE GROUP		THE BANK	
	2001 cm	2000 cm	2001 cm	2000 cm
6. OTHER INCOME				
Disposal of Fixed Assets	2,210	1,926	2,210	1,926
Debt Recovery	30	15,316	30	15,316
Other	0	101	0	101
	<u>2,240</u>	<u>17,343</u>	<u>2,240</u>	<u>17,343</u>

### 7. EXCEPTIONAL ITEM

This represents amount paid on the staff rationalisation exercise carried out by the bank.

### 8. TAXATION

	Balance 1-1-01 cm	Payments During the Year cm	Charge for the year cm	Balance 31-12-01 cm
(i) The Bank				
Corporate Tax				
1994-2000	13,822	0	0	13,822
2001	0	(62,679)	82,767	20,088
	<u>13,822</u>	<u>(62,679)</u>	<u>82,767</u>	<u>33,910</u>
Deferred Tax				
2001	0	0	14,868	14,868
Capital Gains Tax				
2000	716	0	0	716
	<u>14,538</u>	<u>(62,679)</u>	<u>97,635</u>	<u>49,494</u>
(ii) The Group				
Corporate Tax				
1994-2000	13,748	0	0	13,748
2001	0	(62,691)	83,052	20,361
Deferred Tax	0	0	14,868	14,868
Capital Gain Tax	716	0	0	716
Total	<u>14,464</u>	<u>(62,691)</u>	<u>97,920</u>	<u>49,693</u>

### B. Reconstruction levy

(i) The Bank				
2001	0	(21,132)	29,512	8,380
(ii) The Group				
2001	0	(21,140)	29,696	8,556

### 9. DIVIDEND

Dividend of €400.00(2000 - €250.00) per share on 165,000,000 (2000 - 164,920,426) ordinary shares amounting to €66,000,000.000 (2000 - €41,230,106,500)

## Notes to the Financial Statements (Continued)

10. CASH AND SHORT TERM FUNDS	THE GROUP		THE BANK	
	2001	2000	2001	2000
	¢m	¢m	¢m	¢m
Cash on Hand	40,305	28,112	38,280	28,091
Balances with BOG	451,977	23,447	451,977	23,447
Balances with other banks	264,320	387,171	264,320	387,171
	<u>756,602</u>	<u>438,730</u>	<u>754,577</u>	<u>438,709</u>

Balances with other banks include current accounts and loans at call maturing on the next banking day.

11. INVESTMENTS	THE GROUP		THE BANK	
	2001	2000	2001	2000
	¢m	¢m	¢m	¢m
Government Securities	313,688	674,142	311,066	671,142
Unlisted Securities	33,219	29,901	26,310	21,674
Listed Securities	2,196	1,964	0	0
	<u>349,103</u>	<u>706,007</u>	<u>337,376</u>	<u>692,816</u>

12. ADVANCES	THE GROUP		THE BANK	
Advances	2,119,830	1,186,506	2,119,830	1,186,506
Provisions for bad & doubtful debts	(258,274)	(115,041)	(258,274)	(115,041)
Interest suspense	(35,358)	(51,296)	(35,358)	(51,296)
	<u>1,826,198</u>	<u>1,020,169</u>	<u>1,826,198</u>	<u>1,020,169</u>

13. INVESTMENT IN SUBSIDIARY	THE GROUP		THE BANK	
Investment in subsidiary	0	0	1	1

	Nature of Business	Country of Incorporation	Percentage Interest
Development Finance & Holdings Limited	Investments	GHANA	100%

## Notes to the Financial Statements (Continued)

### 14. FIXED ASSETS

THE BANK	Land and Buildings ¢m	Computers ¢m	Furniture and Equipment ¢m	Motor Vehicles ¢m	Assets	Total ¢m
					in Course of Const. ¢m	
<b>COST OR VALUATION</b>						
Balance at 1-1-2001	35,472	31,776	24,468	11,805	2	103,523
Additions	3,502	12,278	12,959	3	20	28,762
Disposals	(132)	0	(193)	(507)	0	(832)
<b>Balance at 31-12-2001</b>	<b>38,842</b>	<b>44,054</b>	<b>37,234</b>	<b>11,301</b>	<b>22</b>	<b>131,453</b>
<b>DEPRECIATION</b>						
Balance at 1-1-2001	9,250	15,985	15,528	8,220	0	48,983
Charge for the year	1,822	7,571	5,275	1,255	0	15,923
Disposals	(91)	0	(143)	(507)	0	(741)
<b>Balance at 31-12-2001</b>	<b>10,981</b>	<b>23,556</b>	<b>20,660</b>	<b>8,968</b>	<b>0</b>	<b>64,165</b>
<b>NET BOOK VALUE</b>						
31-12-2001	27,861	20,498	16,574	2,333	22	67,288
31-12-2000	26,222	15,791	8,940	3,585	2	54,540

THE GROUP	Land and Buildings ¢m	Computers ¢m	Furniture and Equipments ¢m	Motor Vehicles ¢m	Assets	Total ¢m
					in Course of Const. ¢m	
<b>COST OR VALUATION</b>						
Balance at 1-1-2001	35,472	31,776	24,468	11,805	2	103,523
Additions	3,502	12,302	12,959	137	20	28,920
Disposals	(132)	0	(193)	(507)	0	(832)
<b>Balance at 31-12-2001</b>	<b>38,842</b>	<b>44,078</b>	<b>37,234</b>	<b>11,435</b>	<b>22</b>	<b>131,611</b>
<b>DEPRECIATION</b>						
Balance at 1-1-2001	9,250	15,985	15,528	8,220	0	48,983
Charge for the year	1,822	7,577	5,275	1,261	0	15,935
Disposals	(91)	0	(143)	(507)	0	(741)
<b>Balance at 31-12-2001</b>	<b>10,981</b>	<b>23,562</b>	<b>20,660</b>	<b>8,974</b>	<b>0</b>	<b>64,177</b>
<b>NET BOOK VALUE</b>						
31-12-2001	27,861	20,516	16,574	2,461	22	67,434
31-12-2000	26,222	15,791	8,940	3,585	2	54,540

The fixed assets were revalued at open market value after a physical inspection of the assets in Ghana between the dates 15 December 1993 and 10 January 1994 by a consortium of Valuers, Surveyors and Appraisers led by Owusu Adjapong and Company.

## Notes to the Financial Statements (Continued)

	2001 ¢m	2000 ¢m	2001 ¢m	2000 ¢m
15. CREDITORS AND ACCRUALS				
Accrued interest not yet credited	8,701	25,640	8,701	25,640
Items in the course of collection	147,515	103,158	147,515	103,158
Other Creditors	1,281,702	617,622	1,282,194	617,451
	<u>1,437,918</u>	<u>746,420</u>	<u>1,438,410</u>	<u>746,249</u>

### 16. STATED CAPITAL

	2001 Number Million	2001 Amount million ¢	2000 Number million	2000 Amount million ¢
a. Authorised Ordinary shares: Number of Ordinary shares of no par value	1,500		1,500	
b. Issued Ordinary Shares				
Issued Ordinary Shares for Cash	15.0	301	15.0	301
Transfer from Income Surplus	86.5	3,430	86.5	3,430
Capitalization of Reserves	1.0	19	1.0	
Transfer from Capital Surplus	62.5	16,250	62.5	16,250
	<u>165.0</u>	<u>20,000</u>	<u>165.0</u>	<u>20,000</u>

Shares in treasury as at 31 December 2001 794,267(2000 79,574).

### 17. NUMBER OF SHAREHOLDERS

CATEGORIES OF SHAREHOLDERS	NO. OF SHARE- HOLDERS	NO. OF SHARES	% HOLDINGS
1 - 1000	73,805	16,979,293	10%
1001 - 5000	4,895	10,142,748	6%
5001 - 10000	313	2,487,302	2%
10001 - OVER	178	135,390,657	82%
	<u>79,191</u>	<u>165,000,000</u>	<u>100%</u>

### 18. DIRECTORS' SHAREHOLDINGS

DIRECTORS	SHAREHOLDINGS
WILLIAM PANFORD BRAY	15,000
MATILDA OBENG-ANSONG (MRS)	12,560
KWABENA DAPAAH-SIAKWAN	12,000
KWABENA GYIMA OSEI-BONSU	-
DR SAMUEL NII NOI-ASHONG	1,000
ESI SUTHERLAND-ADDY(MRS)	1,000
JOE OFORI	-
PETER AUGUSTUS OCRAN	4,000
FELIX NTRAKWAH	500
FRANKLIN KWABENA ASAMOAH	500
DR EBENEZER MOSES DEBRAH	1,000
DINTIE SULEMAN MAHAMA	200
	<u>47,760</u>

## Notes to the Financial Statements (Continued)

### 19. TWENTY LARGEST SHAREHOLDERS

NO.	NAME	ADDRESS	SHARE-HOLDING	PERCENTAGE HOLDING
1	GH/GV Act. by Min. of Fin. & Eco. Plann.	P. O. Box M40 Ministries	77,233,613	46.8%
2	SSNIT	P. O. Box M.149, Ministries	28,381,665	17.2%
3	Gh. Cocoa/Cof/Sheanut Far. Association.	P. O. Box C729 Cantoments	6,000,000	3.6%
4	Barclays Bank Gh.Noms. Ltd/Morgan Stanley Trust Co.	Barclays Bank Gh. Nom. Ltd.	5,394,580	3.3%
5	GCB Staff Provident Fund.	P. O. Box 134 Accra	1,528,142	0.9%
6	Ghana Reinsurance Co. Ltd.	P. O. Box 7509 Accra	1,237,260	0.7%
7	State Ins. Corp. Gh.	P. O. Box 2363 Accra	1,229,733	0.7%
8	Ghana Cocoa Board	P. O. Box 933 Accra	1,100,000	0.7%
9	Daniel Ofori	P. O. Box 16409 Accra	1,000,000	0.6%
10	Tema Oil Refinery Ltd.	P. O. Box 599 Tema	1,000,000	0.6%
11	Ghana Libya Arab Hold. Co.	P. O. Box 7281 Accra	580,000	0.4%
12	Produce Buying Co. Ltd.	P.M.B. Acc-North	500,000	0.3%
13	African Tiger Mut Fd. Ltd.	47 Ind. Ave. Accra	400,000	0.2%
14	Alhaji Salia Ent. Ltd.	P. O. Box 9175 Airport Accra	400,000	0.2%
15	Wienco Ghana Limited	P. O. Box 7593 ,Accra	282,600	0.2%
16	Kasap Ltd.	P. O. Box 8948 Accra	226,000	0.1%
17	KE& Sons Ltd	P. O.Box 190 Agona-Swedru	210,000	0.1%
18	Graphic Corporation	P. O Box 742 Accra	200,000	0.1%
19	Francis Johnny	P. O.Box 882 Accra	162,100	0.1%
20	Ziga Investment Limited	C/O Fugar &Co, Wesley House	140,000	0.1%
	TOTALS		<u>127,205,693</u>	<u>77.1%</u>



## Notes to the Financial Statements (Continued)

### 20. CAPITAL SURPLUS

	THE GROUP		THE BANK	
	2001 c'm	2000 c'm	2001 c'm	2000 c'm
Balance at 1-1-2001	11,975	11,370	3,731	3,731
Additions/Revaluation	0	605	0	0
	11,975	11,975	3,731	3,731
Deductions	(43)	0	0	0
Balance at 31-12-2001	11,932	11,975	3,731	3,731

The Capital Surplus arose as a result of the revaluation of the fixed assets at open market value after a physical inspection of the assets in Ghana between the dates 15 December 1993 and 10 January 1994. It also includes the revaluation of both listed and unlisted securities based on year end market values. In the current year no revaluation has been carried out for the unlisted securities.

### 21. SHARE DEALS

Transfer from Income Surplus	111	47	111	47
Purchase of Own Shares	(294)	(248)	(294)	(248)
Sale of Own shares	350	312	350	312
	167	111	167	111

The movement on the share deals account is the net result of sums expended and received by the Bank on the purchase and sale of shares in compliance with Section 63 (2) of the Ghana Companies Code 1963, (Act 179).

### 22. INCOME SURPLUS

	Income Surplus c'm	Reserve Fund c'm	2001 Total c'm
<b>THE BANK</b>			
Balance at 1-1-2001	132,711	70,612	203,323
Retained Profit	80,977	20,997	101,974
Balance at 31-12-2001	213,688	91,609	305,297
<b>THE GROUP</b>			
Balance at 1-1-2001	136,916	71,309	208,225
Retained Profit	82,178	21,168	103,346
Balance at 31-12-2001	219,094	92,477	311,571

## Notes to the Financial Statements (Continued)

### 23. CONTINGENCIES AND COMMITMENTS

The Bank entered into various commitments in the normal course of banking business which are reflected in the accompanying balance sheet.

	THE GROUP		THE BANK	
	2001 €m	2000 €m	2001 €m	2000 €m
Letters of Credit	266,109	751,818	266,109	751,818
Guarantees and Indemnities	196,321	243,733	196,321	243,733
	<u>462,430</u>	<u>995,551</u>	<u>462,430</u>	<u>995,551</u>

Commitments for capital expenditure at the balance sheet date not provided for in the account amounted to €75.69 billion (2000 €6.8 million).

### 24. RELATED PARTY TRANSACTIONS

Advances included the following amounts lent to related parties:

	THE GROUP		THE BANK	
	2001 €m	2000 €m	2001 €m	2000 €m
Employees and Officers	28,073	18,835	28,073	18,835

# Head Office & List of Branches

## Telephone No.

**HEAD OFFICE: P. O. BOX 134, ACCRA.**

672852-4, 672860-5, 664911-9, 663524, 663529, 663480

### Greater Accra Region

Accra High Street, P.O. Box 2971	664911-9, 663524, 663529, 663480, & 662337
Accra New Town, P.O. Box K96, Accra New Town	225928, 222641, 236935
Ada Foah, P.O. Box 55, Ada Foah	0968-22222
Ashaiman, Private Post Bag	(02230)-6606, (027-540343)
Boundary Road, P.O. Box 891, Accra	220747, 221789, 222309
Burma Camp, P.P. Bag, Burma Camp, Accra	775462, 776111 Ext.2691
Circle Branch	246034
Derby Avenue, P.O. Box 4832, Accra	024-319825, 664191-4
Dome (Sub Branch), c/o P.O. Box 5550, Accra-North	664191-4
Global Transfer Unit	246039
International Trade Finance	246031
Kaneshie Market, c/o P.O. Box 171, Kaneshie, Accra	229005
Kaneshie Industrial Area, Private Mail Bag, Accra-North	220551, 220591
Korle Bu, P.O. Box 3852, Accra	666521, 666522, 666524
Kotoka Int.Airport (Sub-Branch), c/o P.O. Box 2971, Accra	776171 Ext. 448
Legon, P.O. Box 17, Legon	500644, 500854
Liberty House, P.O. Box 4443, Accra	665027, 666631-6, 663556, 665339
Madina, c/o P.O. Box 17, Legon	501240 & 501241
Ministries, P.O. Box M.8, Accra	662170, 665421, Ext.4326, 4328
Osui, P.O. Box 0212, Osui, Accra	774456, 774124, 774125
Republic House, P.O. Box 5550, Accra-North	221167, 221137, 221112, 227890, 221187
Ring Road West, P.O. 171, Kaneshie, Accra	224703, 225270, 225805
Tema Customs (Sub-Branch), c/o P.O. Box 152, Tema	(02220)-4768
Tema Industrial Area, c/o P.O. Box 173, Tema	(02230)-6082, 2818
Tema Fishing Harbour, c/o P.O. Box 152, Tema	(02220)-2413, 2344
Tema Market, P.O. Box 173, Tema	(02220)-4763, 2861-2
Tema Main Branch Office, P.O. Box 152, Tema	(02220)-4346, 2768-9
Trade Fair Site, P.P. Bag, Trade Fair Site, Accra	778274, 778275 & 774270
Diamond House (Sub-branch) c/o P.O. Box 2971, Accra	664931, 665769, 662094
31 <sup>st</sup> December Market, c/o P.O. Box 4832, Accra	027-554816, 660370
Tetteh Quarshie Circle, Private Mail Bag, Legon	506195-9, 506204, 506221, 506198/9

### Central Region

Abura-Dunkwa, P.O. Box 29, Abura-Dunkwa	042-33787
Agona Swedru, P.O. Box 186, Agona Swedru	(041) 414, 291
Assin Fosu, P.O. Box 76, Assin Fosu	(020) 2018667
Breman-asikuma, P.O. Box 60, Breman-Asikuma	Nil
Cape Coast Main Branch, P.O. Box 55, Cape Coast	(0423) 2812, 2813, 2354, 2549, 23072
Dunkwa-On-Offin, P.O. Box 228, Dunkwa-On-Offin	(0372) 236
Mankessim, P.O. Box 78, Mankessim	(042) - 33762
Saltpond, P.O. Box 96, Saltpond	(042) - 33787
Twifo Praso, Private Post Bag, Twifo Praso	Nil
University of Cape Coast, P.O. Box 046, Cape Coast	(0423) 2287
Winneba, P.O. Box 128, Winneba	(0432) 22133

### Ashanti Region

Agogo, Private Post Bag, Agogo	(051) 20207
Agona Ashanti, Private Post Bag, Agona Ashanti	(051) 20288
Ahinsan, Private Post Bag, Kumasi	(0512)4129, 8255, 31964, 32155
Asafo Market, P.O. 3696, Kumasi	(051) 24898, 23514
Akumadan, P.O. Box 33, Akumadan	Nil
Bekwai, P.O. Box 127, Bekwai	(0572) 204
Effiduase, P.O. Box 42, Effiduase	(051) 20245
Ejisu, P.O. Box 49, Ejisu	(051) 20183

Ejura, Private Post Bag, Ejura	(0565) 22006
Juaso, P.O. Box 51, Juaso	(0803) 610149
Jubilee House, c/o P.O. Box 852, Kumasi	(0521) 5070, 6366 & 7588
Kejetia, P.O. 1630, Kejetia, Kumasi	(0512) 2692
Konongo, P.O. Box 137, Konongo	(0531) 209, 336,229
Kumasi Main, P.O. Box 852, Kumasi	(0512) 5291-3, 4569, 3512
KNUST, Private Post Bag, University Post Office, Kumasi	(051) 60153
Mampong-Ashanti, P.O. 94, Mampong-Ashanti	(0561) 22329, 22327
New Edubiase, P.O. Box 42, New Edubiase	Nil
Offinso, P.O. Box 60, New Offinso	(051) 20328
Nkawie, Private Post Bag, Nkawia	(051) 20132
Obuasi, P.O. Box 290, Obuasi	(0582) 255
Tepa, P.O. Box 103, Tepa	(051) - 20900

#### Brong Ahafo Region

Bechem, P.O. Box 69, Bechem	(0632) 22302
Berekum, P.O. Box 115, Berekum	(0642) 22042
Dormaa-Ahenkro, Private Post Bag, Dormaa Ahenkro	(0648) 22033, 22047
Duayaw-Nkwanta, P.O. Box 66, Duayaw-Nkwanta	Nil
Goaso, P.O. Box 83, Goaso	Nil
Hwidiem, P.O. Box 11, Hwidiem	Nil
Japekrom, Private Post Bag, Japekrom	Nil
Kintampo, P.O. Box 31, Kintampo	(061) 27306
Mim, Private Post Bag, Mim	Nil
Nkoranza, P.O. Box 44, Nkoranza	(061) 27305
Sankore, Private Post Bag, Sankore	Nil
Sunyani, P.O. Box 34, Sunyani	(061) 27324, 27087, 27255, 27162 & 27157
Techiman, P.O. Box 196, Techiman	(0653) 22048
Wenchi, P.O. Box 49, Wenchi	(0651) 22233

#### Northern Region

Bimbilla, P.O. Box 27, Bimbilla	(071) 23434
Bole, P.O. Box 24, Bole	(0746) 22006
Damongo, P.O. Box 40, Damongo	(0717) 22020
Salaga, P.O. Box 7, Salaga	(0752) 22021
Tamale Main, P.O. Box 228, Tamale	(071) 22765, 22455, 22755, 22999 & 22827, 23216
Tamale Market, P.O. Box 43, (ER) Tamale	(071) 22608
Yendi, P.O. Box 32, Yendi	(0744) 22192
Kete-Krachi, Private Post Bag, Kete-Krachi	(0953) 22034, 22035

#### Upper East Region

Bawku, P.O. Box 38, Bawku	(0743) 22225, 22346
Bolgatanga, P.O. Box 12, Bolgatanga	(072) 22445, 23455, 23462
Navrongo, P.O. Box 28, Navrongo	(0742) 22318, 22390

#### Upper West Region

Lawra, P.O. Box 92, Lawra	(0756) 22409
Tumu, P.O. Box 2, Tumu	(0756) 22420
Wa, P.O. Box 66, Wa	(0756) 22025, 22039

#### Eastern Region

Aburi, Private Post Bag, Aburi	(0876) 22045
Akosombo, P.O. Box 24, Akosombo	(0251) 472, 530
Akuse, Private Post Bag, Akuse	(0251) 225
Anyinam, P.O. Box 46, Anyinam	(081) 24113
Akim Oda, P.O. Box 364, Akim Oda	(0882) 2124, 2697
Asamankese, P.O. Box 167, Asamankese	(081) 24392
Akropong-Akwapim, P.O. Box 54, Akropong-Akwapim	(0912) 4261
Donkorkrom, Private Post Bag, Donkorkrom	(0848) 22040, 22039
Kade, P.O. Box 62, Kade	(0804) 710213
Kibi, P.O. Box 97, Kibi	(0812) 4112
Koforidua, P.O. Box 286, Koforidua	(0812) 3049, 3059, 3069, 2258, 2257, 3653, 3652, 23042
Mampong-Akwapim, P.O. Box 54, Mampong-kwapim	(0872) 22049
Mpraeso, P.O. Box 56, Mpraeso	(0846) 22057, 22040

New Tafo, P.O. Box 42, New Tafo	(081) 24278
Nkawkaw, P.O. Box 272, Nkawkaw	(0842) 22126, 22105
Nsawam, P.O. Box 280, Nsawam	(0832) 22062
Somanya, P.O. Box 78, Somanya	Nil
Suhum, P.O. Box 155, Suhum	(0858) 22370, 22121

**Volta Region**

Abor, P.O. Box 48, Abor	(0902) 210109
Aflao, P.O. Box 12, Aflao	(0962) 30207
Akatsi, Private Post Bag, Akatsi	(091) 8401
Anloga, P.O. Box 31, Anloga	(0902) 210131
Ho, P.O. Box 164, Ho	(091) 26436, 28251, 28396, 28395, 27597
Hohoe, P.O. Box 178, Hohoe	(0935) 2070, 2133
Jasikan, P.O. Box 85, Jasikan	Nil
Kadjebi, P.O. Box 27, Kadjebi	Nil
Keta, P.O. Box 133, Keta	(0902) 210113
Kpando, P.O. Box 70, Kpando	(0931) 22017
Krachi-Nkwanta, Private Post Bag, Nkwanta	Nil
Peki, P.O. Box 12, Peki	Nil
Sogakope, P.O. Box 8, Sogakope	(0902) 210304

**Western Region**

Axim, P.O. Box 55, Axim	(0342) 22256
Bogoso, Private Post Bag, Bogoso (Sub-Branch)	(Res) (0362) 22352
Dadieso, Private Post Bag, Dadieso	Nil
Enchi, P.O. Box 15, Enchi	(0395) 22020
Half Assini, P.O. Box 54, Half Assini	(031) 20253
Prestea, P.O. Box 102, Prestea	(0362) 2472
Samreboi, P.O. Box 40, Samreboi	(0394) 22008
Sefwi-wiawso, P.O. Box 59, sefwi-Wiawso	(0392) 22061
Sekondi, P.O. Box 101, Sekondi	(0314) 6511, 6745
Takoradi Main, P.O. Box 475, Takoradi	(0314) 6511, 6745
Takoradi Harbour, c/o P.O. Box 707, Takoradi	(0312) 2351-4, 3540
Takoradi Market Circle, Private Post Bag, T'di Mkt. Circle, T'di	(0312) 3569
Tarkwa, P.O. Box 90, Tarkwa	(0362) 20374, 20394



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