GHANA
STOCK
EXCHANGE

PRESS RELEASE

PR. No 198/2014

GCB BANK LIMITED (GCB)
UN-AUDITED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDING JUNE 2014

GCB has released its unaudited Financial Statements for the half year ending June 30, 2014 as per the attached.

Issued in Accra, this 30th
day of July, 2014.

- **E N D -**

att'd.

Distribution:
1. All LDMs
2. General Public
3. Company Secretary, GCB
4. GCB Registrars, (Registrars for GCB shares)
5. SEC
6. Central Securities Depository
7. GSE Council Members
8. GSE Notice Board

For enquiries, contact:
General Manager/Head of Listings, GSE on 0302 669908, 669914, 669935
**JEB*

GCB Bank Limited

Consolidated Financial Statements for the period ended 30 June 2014 (Un-audited)

Statements of Comprehensive Income
For the period ended 30 June 2014

	The Group		The Bank	
	Jun-14	Jun-13	Jun-14	Jun-13
		GH¢'000		GH¢'000
Interest Income	312,284	256,764	311,864	256,764
Interest Expense	(48,210)	(44,722)	(48,210)	(44,722)
Net Interest Income	**264,074**	**212,042**	**263,654**	**212,042**
Fees and Commission Income	55,180	40,669	55,180	40,669
Fees and Commission Expense	(9,898)	(1,294)	(9,898)	(1,294)
Net Fees and Commission Income	**45,282**	**39,375**	**45,282**	**39,375**
Net Trading Income	14,508	3,804	14,508	3,804
Other Income	10,974	6,006	9,262	5,956
Net Trading and Other Income	**25,482**	**9,810**	**23,770**	**9,760**
Total Income	**334,838**	**261,227**	**332,706**	**261,177**
Impairment Charge on Loans and Advances	(11,627)	(4,605)	(11,627)	(4,605)
Net Income	**323,211**	**256,622**	**321,079**	**256,572**
Operating Expenses	(159,137)	(134,247)	(159,112)	(134,234)
Profit Before Tax	**164,074**	**122,375**	**161,967**	**122,338**
Taxation	(46,788)	(31,950)	(46,447)	(31,943)
Profit After Tax for the Period	**117,286**	**90,425**	**115,520**	**90,395**
OTHER COMPREHENSIVE INCOME				
Net Change in Fair Value of Other Securities	1,579	1,455	1,597	1,698
Deferred Tax on changes in Fair Value	(237)	-	(240)	-
Total Comprehensive Income for the Period	**118,628**	**91,880**	**116,877**	**92,093**
Basic and Diluted Earnings Per Share - GHS (Annualised)	0.89	0.68	0.87	0.68

Statements of Financial Position
As at 30 June 2014

	The Group		The Bank	
	Jun-14	Jun-13	Jun-14	Jun-13
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Assets				
Cash and Cash Equivalents	534,186	305,921	531,343	302,461
Government Securities	1,528,621	1,475,990	1,523,231	1,475,062
Advances to Banks	112,740	16,925	112,740	16,925
Loans and Advances to Customers	1,189,826	935,168	1,189,826	935,168
Investment Securities: Available-for-Sale	8,232	6,571	6,497	4,980
Investment in Subsidiary	0	0	1	1
Investment in Associates	41,152	37,242	30,126	30,126
Investment in other Equity Securities	247	247	113	113
Deferred Tax Asset	18,368	12,854	18,403	12,853
Property and Equipment	103,630	87,284	103,630	87,284
Intangible Assets	2,810	7,321	2,810	7,321
Other Assets	295,221	125,902	295,221	125,894
Total Assets	**3,835,033**	**3,011,425**	**3,813,941**	**2,998,188**
Liabilities				
Deposits from Customers	2,692,773	2,305,248	2,692,773	2,305,248
Other Liabilities	399,321	177,930	399,249	177,869
Borrowings	151,502	129,415	151,502	129,415
Income Tax Liabilities	1,276	10,579	912	10,525
Employee Benefit Obligations	60,881	48,192	60,881	48,192
Total Liabilities	**3,305,753**	**2,671,364**	**3,305,317**	**2,671,249**
Equity				
Stated Capital	100,000	72,000	100,000	72,000
Retained Earnings	264,140	155,386	244,431	143,103
Fair Value Reserve	3,661	2,440	2,714	1,601
Statutory Reserve	145,748	89,870	145,748	89,870
Credit Risk Reserve	35,104	28,463	35,104	28,463
Other Reserves	(19,373)	(8,098)	(19,373)	(8,098)
Total Equity	**529,280**	**340,061**	**508,624**	**326,939**
Total Liabilities and Equity	**3,835,033**	**3,011,425**	**3,813,941**	**2,998,188**

Statements of Cash Flows
For the period ended 30 June 2014

	The Group		The Bank	
	Jun-14	Jun-13	Jun-14	Jun-13
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Cash Flows from Operating Activities				
Profit Before Tax	164,074	122,375	161,967	122,338
Adjustments for:				
Depreciation and Amortization	10,175	8,790	10,175	8,790
Impairment Charge on Loans and Advances	11,627	4,605	11,627	4,605
Allowance for Employee Benefit Obligations	4,500	6,000	4,500	6,000
Interest Income	(312,284)	(256,764)	(311,864)	(256,764)
Interest Expense	48,210	44,722	48,210	44,722
Dividend Income	(7,599)	(4,986)	(5,887)	(4,974)
Profit/(Loss) On Sale Of Property & Equip.	(22)	0	(22)	0
	(81,319)	**(75,258)**	**(81,294)**	**(75,283)**
Change in Loans and Advances to Customers	(240,746)	(91,901)	(240,746)	(91,901)
Change in Advances to Banks	57,582	21,052	57,582	21,052
Change in Other Assets	(221,881)	(32,791)	(221,881)	(32,763)
Change in Deposits from Customers	62,493	(29,361)	62,493	(29,361)
Change in Borrowings	43,353	(44,710)	43,353	(44,710)
Change in Other Liabilities	279,467	67,637	273,149	63,410
Employee Benefits Paid	(5,296)	(3,958)	(5,296)	(3,958)
	(25,028)	**(114,032)**	**(31,346)**	**(118,231)**
Interest Received	306,917	248,125	306,887	248,125
Interest Paid	(57,927)	(39,052)	(58,000)	(39,113)
Income Tax Paid	(59,728)	(39,715)	(59,601)	(39,714)
Net Cash Flow from Operating Activities	**82,915**	**(19,932)**	**76,646**	**(24,216)**
Cash Flows from Investing Activities				
Government Securities	188,045	34,392	193,044	35,311
Dividend Income	7,599	4,986	5,887	4,974
Investment in Equity Securities	(139)	81	0	0
Acquisition of Property and Equipment	(27,318)	(8,492)	(27,318)	(8,492)
Proceeds from Sale of Property and Equipment	22	0	22	0
Acquisition of Intangible Assets	(85)	(17,437)	(85)	(17,437)
Net Cash used in Investing Activities	**168,124**	**13,530**	**171,550**	**14,356**
Cash Flows from Financing Activities				
Dividend Paid	(55,650)	(47,700)	(55,650)	(47,700)
Net Cash used in Financing Activities	**(55,650)**	**(47,700)**	**(55,650)**	**(47,700)**
Net Increase/ (Decrease) in Cash & Cash Equivalents	195,389	(54,102)	192,546	(57,562)
Cash and Cash Equivalents at 1 January	338,797	360,023	338,797	360,023
Cash and Cash Equivalents at 30 June	**534,186**	**305,921**	**531,343**	**302,461**

Disclosures

1. The Consolidated financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) as issued by the International Accounting Standards Board.
2. The Bank is exposed to the following risks from its use of financial instruments and from operations.
   (i) Credit risk (ii) Market risk (iii) Liquidity risk (iv) Operational risk
   The Board of Directors of the Bank oversee the conduct of the Bank's business and is primarily responsible for providing effective governance over the Bank's key affairs, including the appointment of Executive Management, approval of business strategies, evaluation of performance and the assessment of major risks facing the Bank.
3. For the period under review, the Bank did not record any statutory breaches and therefore did not incur regulatory sanctions.
4. The accounting policies applied in the preparation of these financial statements were consistent with those applied in the preparation of the consolidated financial statements as at 31 December, 2013

	2014	2013
5. Capital Adequacy Ratio	18.9%	18.0%
6. Non-Performing Loan (NPL) Ratio	14.5%	15.0%
7. Contingent Liabilities (GHS'000)	77,186	89,207
8. Default in Statutory Liquidity Requirement	Nil	Nil
9. Statutory Liquidity Sanction	Nil	Nil

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

Mr. Simon Dornoo
Managing Director

Mr. John Awuah
Finance Director