GHANA STOCK EXCHANGE

PRESS RELEASE

PR. No. 229/2018

GCB BANK LIMITED (GCB)
FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 2017

Reference PR. No. 194/2018.

GCB has released the Financial Statements for the year ended December 31, 2017 per the attached.

Issued in Accra, this 30th day of May, 2018.

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att'd.

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

For enquiries, contact:
Listing Department, GSE on 0302 669908, 669914, 669935
**JEB*

GCB Bank Limited

Consolidated and separate financial statements for the period ended March 31, 2018 (un-audited)

All amounts are in thousands of Ghana cedis unless otherwise stated

Statements of comprehensive income for the period ended March 31, 2018

	The Group		The Bank	
	2018	**2017**	**2018**	**2017**
Interest income	315,197	276,435	315,037	276,205
Interest expense	(116,105)	(55,489)	(116,105)	(55,488)
Net interest income	**199,092**	**220,946**	**198,932**	**220,717**
Fee and commission income	57,927	41,613	57,927	41,613
Fee and commission expense	(11,954)	(7,908)	(11,954)	(7,908)
Net fee and commission income	**45,973**	**33,705**	**45,973**	**33,705**
Net trading income	13,979	8,804	13,979	8,804
Other operating income	2,002	9,891	2	5,641
Other income	654	1,017	654	1,017
Operating income	**261,700**	**274,363**	**259,540**	**269,884**
Impairment loss on loans and advances	(25,979)	(10,392)	(25,979)	(10,392)
Personnel expenses	(107,848)	(82,607)	(108,493)	(82,606)
Depreciation and amortisation	(15,833)	(13,875)	(15,833)	(13,875)
Other expenses	(58,933)	(75,556)	(58,194)	(75,547)
Profit before income tax expense	**53,107**	**91,933**	**51,041**	**87,464**
Income tax expense	(14,573)	(25,171)	(14,396)	(24,776)
Profit for the period	**38,534**	**66,762**	**36,645**	**62,688**
Other Comprehensive Income (OCI)				
Items that may be reclassified to profit or loss				
Available-for-sale financial assets - net changes in fair value	1,193	2,680	1,211	2,903
Related tax	(298)	(670)	(303)	(726)
Other comprehensive income, net of tax	**895**	**2,010**	**908**	**2,177**
Total comprehensive income	**39,429**	**68,772**	**37,553**	**64,865**
Basic and diluted earnings per share (in GH¢)	**0.58**	1.01	**0.55**	**0.95**

Statements of financial position at March 31, 2018

	The Group		The Bank	
	2018	**2017**	**2018**	**2017**
Assets				
Cash and cash equivalents	1,122,715	911,115	1,086,489	886,947
Trading assets	70,597	-	70,597	-
Investment securities	5,075,200	2,816,627	5,071,273	2,810,683
Advances to banks	268,610	363,208	268,610	363,208
Loans and advances to customers	2,192,272	1,426,377	2,192,272	1,426,377
Investments (other than securities)	8,115	5,352	4,993	3,823
Investment in subsidiary	-	-	1,000	1,000
Investment in associates	88,460	47,616	28,274	28,274
Deferred tax asset	49,978	36,191	49,904	36,168
National fiscal stabilisation levy asset	-	2,143	-	2,288
Intangible assets	59,998	37,797	59,998	37,797
Other assets	489,823	154,624	494,159	154,900
Property and equipment	220,486	196,320	220,486	196,320
Total assets	**9,646,254**	**5,997,370**	**9,548,055**	**5,947,785**
Liabilities				
Deposits from customers	6,906,775	4,122,011	6,906,775	4,122,011
Other liabilities and provisions	293,483	286,825	298,148	291,480
Borrowings	1,058,597	321,042	1,058,597	321,042
Income tax liabilities	2,354	2,105	2,512	2,108
National fiscal stabilisation levy liability	1,879	-	1,734	-
Employee benefit obligations	129,284	99,703	129,284	99,703
Total liabilities	**8,392,372**	**4,831,686**	**8,397,050**	**4,836,344**
Equity				
Stated capital	100,000	100,000	100,000	100,000
Retained earnings	908,733	871,298	825,908	814,115
Fair value reserve	3,193	(2,391)	1,405	549
Statutory reserve	274,062	250,232	274,062	250,232
Credit risk reserve	-	(28,274)	-	(28,274)
Other reserves	(32,106)	(25,181)	(50,370)	(25,181)
Total equity	**1,253,882**	**1,165,684**	**1,151,005**	**1,111,441**
Total liabilities and equity	**9,646,254**	**5,997,370**	**9,548,055**	**5,947,785**

Statements of cash flows for the period ended March 31, 2018

	The Group		The Bank	
	2018	**2017**	**2018**	**2017**
Cash flows from operating activities				
Profit for the period	38,534	66,762	36,645	62,688
Adjustments for:				
Depreciation and amortisation	15,833	13,875	15,833	13,875
Impairment on loans and advances	25,979	10,392	25,979	10,392
Allowance for employee benefit obligations	14,722	8,000	14,722	8,000
Net Interest income	(199,092)	(220,946)	(198,932)	(220,717)
Dividend income	(2,000)	(9,891)	-	(5,641)
Profit on sale of property and equipment	73	(271)	73	(271)
Income tax expense	14,573	25,171	14,396	24,776
	(91,378)	**(106,908)**	**(91,284)**	**(106,898)**
Change in :				
Loans and advances to customers	(21,508)	(23,792)	(21,508)	(23,792)
Advances to banks	(43,660)	70,945	(43,660)	70,945
Trading assets	(60,518)	-	(60,518)	-
Other assets	324,585	(18,188)	284,031	(18,463)
Investment securities	(139,939)	(183,706)	(135,708)	(177,762)
Deposits from customers	(49,415)	(137,923)	(49,415)	(157,765)
Borrowings	99,491	-	99,491	-
Other liabilities and provisions	(113,364)	(70,982)	(111,198)	(68,116)
Employee benefits paid	(4,063)	(3,529)	(4,063)	(3,529)
	(8,391)	**(367,175)**	**(42,548)**	**(378,482)**
Interest received	257,988	273,707	257,628	273,660
Interest paid	(30,185)	(44,369)	(30,185)	(44,369)
Dividend received	2,000	9,891	-	**5,641**
Tax paid	(20,297)	(27,850)	(20,100)	(27,473)
Net cash flow from operating activities	**109,737**	**(262,704)**	**74,511**	**(277,921)**
Cash flows from investing activities				
Acquisition of property and equipment	(9,706)	(16,960)	(9,706)	(16,960)
Acquisition of intangible assets	-	(983)	-	(983)
Proceeds from sale of property and equipment	-	776	-	776
Investments (other than securities)	-	11,011	-	2,060
Net cash used in investing activities	**(9,706)**	**(6,156)**	**(9,706)**	**(15,107)**
Net increase/(decrease) in cash and cash equivalents	**100,031**	**(268,860)**	**63,805**	**(293,028)**
Cash and cash equivalents at January 1	1,022,684	1,179,975	1,022,684	1,179,975
Cash and cash equivalents at March 31	**1,122,715**	**911,115**	**1,086,489**	**886,947**

Disclosures

1. The consolidated 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).

2. The accounting policies applied in the preparation of these financial statements were consistent with those applied in the preparation of the annual consolidated statements of December 31, 2017

	Mar 2018	Mar 2017
3. Corporate Social Responsibility Spend (GH¢,000)	1,808	1,204
4. Contingencies and Commitments (GH¢'000)	536,035	375,100
5. Capital Adequacy Ratio	21%	30%
6. Non-performing loan ratio	8%	12%
7. Statutory liquidity breach (times)	Nil	Nil
8. Sanctions for statutory liquidity breach (GH¢'000)	Nil	Nil

9. The Bank has exposure to the following risks from its use of financial instruments and from operations:
   - Credit risk
   - Liquidity risk
   - Market risk
   - Operational risk

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

Jude Arthur
Board Chairman

Anselm Ransford Adzete Sowah
Managing Director