

Ghana International Bank plc

Financial Statements for the year
ended 31 December 2019



Statement of Comprehensive Income

For the year ended 31 December 2019

	2019	2018
	£	£
Interest receivable and similar income	20,127,664	21,900,313
Debt and other fixed income securities	2,326,696	1,648,018
Total interest income	22,454,360	23,548,331
Interest expense and similar charges	(7,178,683)	(5,286,671)
Net interest income	15,275,677	18,261,660
Fees and commission income	3,639,850	4,176,337
Foreign currency gains	2,561,547	3,146,148
Investment gains	653,640	-
Other income	87,069	129,270
Total non-interest income	6,942,106	7,451,755
Operating income	22,217,783	25,713,415
Staff costs	(12,133,494)	(9,475,677)
Other administrative expenses	(8,347,885)	(10,479,324)
Depreciation and amortisation	(1,253,581)	(759,302)
Total Operating expenses	(21,734,960)	(20,714,303)
Recovery of loan impairment losses	320,650	252,085
Profit before taxation	803,473	5,251,197
Taxation	(164,122)	(1,027,623)
Profit for the year	639,351	4,223,574
Other comprehensive income		
Will be reclassified subsequently to profit or loss:		
Gains/losses on FVOCI financial instruments	1,476,640	(1,432,631)
Current taxation on FVOCI financial instruments	(61,839)	(95,951)
Deferred taxation credit/(charge) on FVOCI financial instruments	312,867	(147,596)
Total other comprehensive income	1,727,668	(1,676,178)
Total comprehensive income attributable to equity holders	2,367,019	2,547,396

Statement of Cash flow

For the year ended 31 December 2019

	2019	2018
	£	£
Cash flows from operating activities		
Net profit before taxation	803,473	5,251,197
Adjustments for:		
Foreign currency gains - Translation of assets and liabilities	(515,013)	(363,870)
Depreciation and amortisation	1,253,581	759,302
Lease finance charge	191,087	-
(Recovery of loan impairment losses)	(320,650)	(252,085)
Decrease/(increase) in:		
Loans and advances to banks and customers	(11,745,843)	44,317,415
Government and other securities	(3,068,231)	(30,370,495)
Prepayments and other receivables	(825,241)	(301,179)
(Decrease)/increase in:		
Deposits by banks and customers	(29,253,211)	(75,918,799)
Other liabilities	2,564,032	(902,032)
Accruals and deferred income	830,724	(476,428)
Cash (used in)/generated from operations	(40,085,292)	(58,256,974)
Income taxes paid	(694,064)	(1,669,639)
Net cash (used in)/from operating activities	(40,779,356)	(59,926,613)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(732,434)	(911,788)
Net cash used in investing activities	(732,434)	(911,788)
Cash flows from financing activities:		
Dividends paid	(2,111,787)	(5,023,441)
Repayment of lease liabilities	(133,396)	-
Net cash used in financing activities	(2,245,183)	(5,023,441)
Increase/(decrease) in cash and cash equivalents	(43,756,973)	(65,861,842)
Effect of exchange rate changes on cash and cash equivalents	76,737	72,718
Net (decrease)/increase in cash and cash equivalents	(43,680,236)	(65,789,124)
Cash and cash equivalents at the beginning of the year	365,444,225	431,233,349
Cash and cash equivalents at the end of the year	321,763,989	365,444,225

Statement of Financial Position

As at 31 December 2019

	2019	2018
	£	£
Assets		
Cash and balances at banks including items in course of collection	82,248,890	86,479,417
Placements with and loans and advances to banks	453,894,935	456,011,865
Loans and advances to customers	80,109,596	105,261,803
Government and other securities	54,352,460	49,746,048
Prepayments and accrued income	2,186,294	1,361,053
Property, plant and equipment	3,514,433	1,454,908
Deferred tax asset	254,870	2,369
Total assets	676,561,478	700,317,463
Liabilities		
Deposits by banks	297,598,719	316,800,650
Amounts owed to depositors	219,743,960	230,049,141
Provision for corporation tax	43,541	572,010
Other liabilities	18,914,366	13,720,726
Accruals and deferred income	3,258,801	2,428,077
Total liabilities	539,559,387	563,570,604
Equity		
Ordinary shares	45,000,000	45,000,000
Share premium	30,000,000	30,000,000
FVOCI revaluation reserve	1,000,468	(727,200)
Profit and loss account	61,001,623	62,474,059
Total Equity	137,002,091	136,746,859
Total liabilities and equity	676,561,478	700,317,463

Statement of Changes in Equity

For the year ended 31 December 2019

	Ordinary shares	Share Premium	Retained Earnings	AFS Reserves	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 31 December 2017	45,000	30,000	64,047	913	139,960
Restated for adoption of IFRS 9	-	-	(774)	36	(738)
Profit for the year	-	-	4,224	-	4,224
Other comprehensive income	-	-	-	(1,676)	(1,676)
Total comprehensive income	-	-	4,224	(1,676)	2,548
Dividend paid	-	-	(5,023)	-	(5,023)
Balance at 31 December 2018	45,000	30,000	62,474	(727)	136,747
Profit for the year	-	-	639	-	639
Other comprehensive income	-	-	-	1,728	1,728
Total comprehensive income	-	-	639	1,728	2,367
Dividend paid	-	-	(2,112)	-	(2,112)
Balance at 31 December 2019	45,000	30,000	61,002	(1,000)	137,002

Key Disclosures

For the year ended 31 December 2019

- The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) as adopted by the European Union.
- The Bank has a strong capital and liquidity position and its business remains profitable with a competitive return on equity and good business franchise. The directors therefore have a reasonable expectation that the Bank has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

3. Key Performance Indicators:

KPI	2019	2018
Profit before Tax	£0.8m	£5.3m
Post-tax Return on Equity	0.5%	3.1%
Post-tax Return on Assets	0.1%	0.6%
Cost / Income Ratio	97.8%	80.6%
Total Assets	£676.6m	£700.3m
Loan to deposit ratio	38.5%	45.5%