

Ghana International Bank plc

Financial Statements for the year
ended 31 December 2020



Statement of Comprehensive Income

For the year ended 31 December 2020

	2020 £'000	2019 £'000
Interest receivable and similar income	12,054	20,128
Other interest income arising from debt and other fixed income securities	2,245	2,327
Total interest income	14,299	22,454
Interest expense and similar charges	(5,219)	(7,179)
Net interest income	9,081	15,276
Fees and commission income	4,007	3,640
Foreign currency gains	3,011	2,562
Investment gains	1,356	654
Other income	92	87
Total non-interest income	8,467	6,942
Operating income	17,547	22,218
Staff costs	(14,149)	(12,133)
Other administrative expenses	(7,465)	(8,348)
Depreciation and amortisation	(1,300)	(1,254)
Total Operating expenses	(22,915)	(21,735)
Recovery of loan impairment losses	(966)	321
(Loss)/Profit before taxation	(6,334)	803
Taxation	1,181	(164)
(Loss)/Profit for the year	(5,153)	639
Other comprehensive income		
Items that may be reclassified to profit or loss:		
Gains/(losses) on FVOCI financial instruments	217	1,477
Taxation on FVOCI financial instruments	59	251
Total other comprehensive income	276	1,728
Total comprehensive income	(4,876)	2,367

Statement of Cash flow

For the year ended 31 December 2020

	2020 £'000	2019 £'000
Cash flows from operating activities		
Net profit before taxation	(6,334)	803
Adjustments for:		
FX gains -Translation of assets and liabilities	(445)	(515)
Depreciation and amortisation	1,300	1,254
Lease finance charge	177	191
Loan Impairment loss/(recovery)	966	(321)
Decrease/(increase) in:		
Loans and advances to banks and customers	62,263	(11,746)
Government and other securities	(18,706)	(3,068)
Prepayments and other receivables	(62)	(670)
(Decrease)/increase in:		
Deposits by banks and customers	75,807	(29,253)
Other liabilities	(292)	2,564
Accruals and deferred income	198	831
Cash generated from/(used in) operations	114,872	(39,930)
Income taxes paid	(43)	(694)
Net cash generated from/(used in) operating activities	114,830	(40,624)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(1,730)	(277)
Purchase of Intangible assets	(238)	(610)
Net cash used in investing activities	(1,967)	(887)
Cash flows from financing activities:		
Dividends paid	(320)	(2,112)
Repayment of lease liabilities	(501)	(133)
Net cash used in financing activities	(821)	(2,245)
Increase/(decrease) in cash and cash equivalents	112,041	(43,757)
Effect of exchange rate changes on cash and cash equivalents	113	77
Net Increase/(decrease) in cash and cash equivalents	112,154	(43,680)
Cash and cash equivalents at the beginning of the year	321,764	365,444
Cash and cash equivalents at the end of the year	433,918	321,764

Statement of Financial Position

As at 31 December 2020

	2020 £'000	2019 £'000
Assets		
Cash and balances at banks including items in course of collection	75,241	82,249
Placements with and loans and advances to banks	517,900	453,895
Loans and advances to customers	72,139	80,110
Government and other securities	73,284	54,352
Prepayments and accrued income	1,940	1,879
Property, plant and equipment	3,566	2,622
Intangible assets	909	1,201
Current tax asset	166	-
Deferred tax asset	1,328	255
Total assets	746,474	676,561
Liabilities		
Deposits by banks	316,857	297,599
Amounts owed to depositors	276,077	219,744
Provision for corporation tax	-	44
Other liabilities	18,277	18,914
Accruals and deferred income	3,456	3,259
Total liabilities	614,667	539,559
Equity		
Ordinary shares	45,000	45,000
Share premium	30,000	30,000
FVOCI revaluation reserve	1,277	1,000
Profit and loss account	55,529	61,002
Total Equity	131,806	137,002
Total liabilities and equity	746,474	676,561

Statement of Changes in Equity

For the year ended 31 December 2020

	Ordinary shares £'000	Share Premium £'000	Retained Earnings £'000	FVOCI Reserves £'000	Total £'000
Balance at 31 Dec 2018	45,000	30,000	62,474	(727)	136,747
Profit for the year	-	-	639	-	639
Fair value gains on FVOCI financial instruments net of tax	-	-	-	2,381	2,381
Gains on FVOCI transferred to Income statement	-	-	-	(654)	(654)
Total comprehensive loss for the year	-	-	639	1,728	2,367
Dividend paid	-	-	(2,112)	-	(2,112)
Balance at 31 Dec 2019	45,000	30,000	61,002	(1,000)	137,002
Loss for the year	-	-	(5,153)	-	(5,153)
Fair value gains on FVOCI financial instruments net of tax	-	-	-	1,632	1,632
Gains on FVOCI transferred to Income statement	-	-	-	(1,356)	(1,356)
Total comprehensive loss for the year	-	-	(5,153)	276	(4,876)
Dividend paid	-	-	(320)	-	(320)
Balance at 31 Dec 2020	45,000	30,000	55,529	1,277	131,806

Key Disclosures

For the year ended 31 December 2020

- 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. 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.
- Key Performance Indicators:

KPI	2020	2019
(Loss)/Profit before Tax	(£5.3m)	£0.8m
Post-tax Return on Equity	(3.9%)	0.5%
Post-tax Return on Assets	(0.7%)	0.1%
Cost / Income Ratio	130.6%	97.8%
Total Assets	£746.5m	£676.6m
Loan to deposit ratio	34.6%	38.5%
Net Interest Margin	1.4%	2.5%