

# Ghana International Bank plc

Financial Statements for the year ended 31 December 2022



**GHIB**  
GHANA INTERNATIONAL BANK

## Statement of Comprehensive Income

For the year ended 31 December 2022

	2022 £'000	2021 £'000
<b>Continuing operations</b>		
Interest receivable and similar income	20,785	11,403
Other interest income arising from debt and other fixed income securities	3,178	1,335
<b>Total interest income</b>	<b>23,963</b>	<b>12,738</b>
Interest expense and similar charges	(4,638)	(2,642)
<b>Net interest income</b>	<b>19,325</b>	<b>10,096</b>
Fees and commission income	5,475	4,496
Net foreign currency income	2,218	1,447
Investments gains from sale of government and other securities	-	228
Other income	4	10
<b>Total non-interest income</b>	<b>7,697</b>	<b>6,181</b>
<b>Operating income</b>	<b>27,022</b>	<b>16,277</b>
Staff costs	(18,937)	(16,723)
Other administrative expenses	(14,536)	(9,675)
Depreciation and amortisation	(1,683)	(1,258)
<b>Total Operating expenses</b>	<b>(35,156)</b>	<b>(27,656)</b>
Provision for credit losses	(1,986)	(1,091)
<b>Loss before taxation</b>	<b>(10,120)</b>	<b>(12,470)</b>
Taxation	1,077	3,427
<b>Loss for the year</b>	<b>(9,043)</b>	<b>(9,043)</b>
<b>Other comprehensive income</b>		
That may be reclassified to profit or loss:		
Losses on fair value through other comprehensive income (FVOCI) financial instruments	(4,168)	(2,965)
Taxation on FVOCI financial instruments	1,042	268
<b>Total other comprehensive Loss</b>	<b>(3,126)</b>	<b>(2,698)</b>
<b>Total comprehensive Loss the year attributable to equity holders</b>	<b>(12,169)</b>	<b>(11,741)</b>

## Statement of Cash flow

For the year ended 31 December 2022

	2022 £'000	2021 £'000
Net (loss) before taxation	(10,120)	(12,470)
Adjustments for:		
Net Foreign currency income - Translation of assets and liabilities	(661)	(298)
Depreciation and amortisation	1,682	1,258
Lease finance charge	159	169
Provision for credit losses	1,986	1,091
Gain on Disposal of Fixed Asset	(4)	(8)
Decrease/(increase) in:		
Loans and advances to banks and customers	37,517	(40,250)
Government and other securities	(82,184)	(23,355)
Prepayments and other receivables	44	(919)
Increase/(Decrease) in:		
Deposits by banks and customers	79,813	43,176
Other liabilities	867	252
Accruals and deferred income	955	(649)
<b>Cash generated / (used in) from operations</b>	<b>30,054</b>	<b>(32,003)</b>
Income taxes paid	-	-
<b>Net cash generated / (used in) from operating activities</b>	<b>30,054</b>	<b>(32,003)</b>
<b>Cash flows from investing activities:</b>		
Purchase of Property, plant and equipment	(786)	(801)
Purchase of Intangible assets	(3,456)	(1,585)
Proceeds from sale of Fixed Asset	4	8
<b>Net cash used in investing activities</b>	<b>(4,238)</b>	<b>(2,378)</b>
<b>Cash flows from financing activities:</b>		
Dividends paid	-	-
Repayment of lease liabilities	(915)	(849)
Proceeds from an equity share issue (net of issuance cost)	49,953	-
<b>Net cash used in financing activities</b>	<b>49,038</b>	<b>(849)</b>
<b>Increase / (Decrease) in cash and cash equivalents</b>	<b>74,854</b>	<b>(35,230)</b>
Effect of exchange rate changes on cash and cash equivalents	162	71
<b>Net Increase / (Decrease) in cash and cash equivalents</b>	<b>75,016</b>	<b>(35,159)</b>
Cash and cash equivalents at the beginning of the year	398,760	433,918
Cash and cash equivalents at the end of the year	473,776	398,760

## Statement of Financial Position As at 31 December 2022

	2022 £'000	2021 £'000
<b>Assets</b>		
Cash and balances at banks including items in course of collection	135,433	69,522
Placements with and loans and advances to banks	510,390	499,654
Loans and advances to customers	65,038	89,440
Government and other securities	170,000	93,657
Prepayments and other receivables	2,289	2,333
Property, plant and equipment	4,140	4,304
Intangible assets	5,252	2,529
Current tax asset	945	-
Deferred tax asset	6,363	5,189
<b>Total assets</b>	<b>899,850</b>	<b>766,628</b>
<b>Liabilities</b>		
Deposits by banks	368,415	377,412
Amounts owed to depositors	347,038	258,550
Other liabilities	22,784	7,791
Accruals and deferred income	3,764	2,809
<b>Total liabilities</b>	<b>742,001</b>	<b>646,562</b>
<b>Equity</b>		
Ordinary shares	63,740	45,000
Share premium	61,213	30,000
FVOCI revaluation reserve	(4,547)	(1,421)
<b>Profit and loss account</b>	<b>37,443</b>	<b>46,487</b>
Total Equity	157,849	120,066
<b>Total liabilities and equity</b>	<b>899,850</b>	<b>766,628</b>

## Statement of Changes in Equity

For the year ended 31 December 2022

	Ordinary Shares £'000	Share Premium £'000	Retained Earnings £'000	FVOCI Reserves £'000	Total £'000
<b>Balance at 31 December 2020</b>	<b>45,000</b>	<b>30,000</b>	<b>55,529</b>	<b>1,277</b>	<b>131,806</b>
Loss for the year	-	-	(9,043)	-	(9,043)
Fair value gains on FVOCI financial instruments net of tax	-	-	-	(2,469)	(2,469)
Gains on FVOCI financial instruments transferred to Income statement	-	-	-	(228)	(228)
<b>Total comprehensive Loss for the year</b>	<b>-</b>	<b>-</b>	<b>(9,043)</b>	<b>(2,698)</b>	<b>(11,741)</b>
Dividend paid	-	-	-	-	-
<b>Balance at 31 December 2021</b>	<b>45,000</b>	<b>30,000</b>	<b>46,486</b>	<b>(1,421)</b>	<b>120,065</b>
Loss for the year	-	-	(9,043)	-	(9,043)
Fair value losses on FVOCI financial instruments net of tax	-	-	-	(3,126)	(3,126)
Gains on FVOCI financial instruments transferred to Income statement	-	-	-	-	-
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>-</b>	<b>(9,043)</b>	<b>(3,126)</b>	<b>(12,169)</b>
Dividend paid	-	-	-	-	-
Issue of share capital	18,740	31,213	-	-	49,953
<b>Balance at 31 December 2022</b>	<b>63,740</b>	<b>61,213</b>	<b>37,443</b>	<b>(4,547)</b>	<b>157,849</b>

## Key Disclosures

For the year ended 31 December 2022

- 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 UK.
- 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.
- The Bank's KPI's have been set out in the table and analysed below on an underlying business performance basis, which excludes a financial penalty of £5.8m relating to historic matters and is one-off and therefore the directors believe should be excluded in assessing underlying performance. The one-off cost pertains to the settlement of a financial penalty reached with the FCA in June 2022 regarding its investigation into GHIB's anti-money laundering controls over its correspondent banking activities between 2012 and 2016. Further information is published on GHIB's website
- Key Performance Indicators:

KPI	Underlying Business Performance based KPI's		Accounting Profit based KPI's	
	2022	2021	2022	2021
Loss before Tax	(£4.3m)	(£12.5m)	(£10.1m)	(£12.5m)
Post-tax Return on Equity	(2.0%)	(7.2%)	(5.8%)	(7.2%)
Post-tax Return on Assets	(0.4%)	(1.2%)	(1.0%)	(1.2%)
Cost / Income Ratio	108.5%	169.9%	130.1%	169.9%
Total Assets	£899.9m	£766.6m	£899.9m	£766.6m
Loan to deposit ratio	34.4%	34.7%	34.4%	34.7%
Net Interest Margin	2.5%	1.4%	2.5%	1.4%