

# Ghana International Bank plc

Financial Statements for the year ended 31 December 2023



**GHIB**  
GHANA INTERNATIONAL BANK

## Statement of comprehensive income For the year ended 31 December 2023

	2023 £'000	2022 £'000
<b>Continuing operations</b>		
Interest receivable and similar income	35,055	20,785
Other interest income arising from debt and other fixed income securities	9,075	3,178
<b>Total interest income</b>	<b>44,130</b>	<b>23,963</b>
Interest expense and similar charges	(12,823)	(4,638)
<b>Net interest income</b>	<b>31,307</b>	<b>19,325</b>
Fees and commission income	6,491	5,475
Net foreign currency income	1,989	2,218
Investments gains from sale of government and other securities	80	-
Other income	89	4
<b>Total non-interest income</b>	<b>8,649</b>	<b>7,697</b>
<b>Operating income</b>	<b>39,956</b>	<b>27,022</b>
Staff costs	(23,423)	(18,937)
Other administrative expenses	(11,022)	(14,536)
Depreciation and amortisation	(2,277)	(1,683)
<b>Total operating expenses</b>	<b>(36,722)</b>	<b>(35,156)</b>
Provision for credit losses	1,024	(1,986)
<b>Profit / (loss) before taxation</b>	<b>4,258</b>	<b>(10,120)</b>
Taxation	(1,146)	1,077
<b>Profit / (loss) for the year</b>	<b>3,112</b>	<b>(9,043)</b>
<b>Other comprehensive income</b>		
That may be reclassified to profit or loss:		
Gains / (losses) on fair value through other comprehensive income (FVOCI) financial instruments	1,821	(4,168)
Taxation on FVOCI financial instruments	(454)	1,042
<b>Total other comprehensive income / (loss)</b>	<b>1,367</b>	<b>(3,126)</b>
<b>Total comprehensive income / (loss) the year attributable to equity holders</b>	<b>4,479</b>	<b>(12,169)</b>

## Statement of cash flow For the year ended 31 December 2023

	2023 £'000	2022 £'000
<b>Cash flows from operating activities:</b>		
Net profit / (loss) before taxation	4,258	(10,120)
Adjustments for:		
Foreign currency income - Translation of assets and liabilities	(526)	(661)
Depreciation and amortisation	2,277	1,682
Lease finance charge	141	159
Provision for credit losses	(1,024)	1,986
Gain on disposal of fixed asset	-	(4)
Net interest income and other non-cash items	(791)	2,708
Decrease / (increase) in:		
Loans and advances to banks and customers	(8,318)	38,005
Government and other securities	52,729	(82,617)
Prepayments and other receivables	(489)	44
Increase / (decrease) in:		
Deposits by banks and customers	(90,181)	77,236
Other liabilities	(323)	867
Accruals and deferred income	1,817	769
<b>Cash (used in) / generated from operations</b>	<b>(40,430)</b>	<b>30,054</b>
Income taxes paid	-	-
<b>Net cash (used in) / generated from operating activities</b>	<b>(40,430)</b>	<b>30,054</b>
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(303)	(786)
Purchase of intangible assets	(1,915)	(3,456)
Proceeds from sale of fixed asset	-	4
<b>Net cash used in investing activities</b>	<b>(2,218)</b>	<b>(4,238)</b>
<b>Cash flows from financing activities:</b>		
Dividends paid	-	-
Repayment of lease liabilities	(875)	(915)
Proceeds from an equity share issue (net of issuance cost)	-	49,953
<b>Net cash (used in) / generated from financing activities</b>	<b>(875)</b>	<b>49,038</b>
<b>(Decrease) / increase in cash and cash equivalents</b>	<b>(43,523)</b>	<b>74,854</b>
Effect of exchange rate changes on cash and cash equivalents	113	162
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(43,410)</b>	<b>75,016</b>
Cash and cash equivalents at the beginning of the year	473,776	398,760
Cash and cash equivalents at the end of the year	430,366	473,776

## Statement of financial position As at 31 December 2023

	2023 £'000	2022 <sup>1</sup> £'000	2021 <sup>1</sup> £'000
<b>Assets</b>			
Cash and balances at central banks	256,692	293,209	230,541
Placements with and loans and advances to banks	353,387	352,614	338,635
Loans and advances to customers	53,067	65,038	89,440
Government and other securities	119,321	170,000	93,657
Prepayments and other receivables	2,778	2,289	2,333
Property, plant and equipment	1,879	2,149	2,171
Right of use assets	1,606	1,991	2,133
Intangible assets	6,131	5,252	2,528
Current tax asset	945	945	-
Deferred tax asset	4,843	6,363	5,189
<b>Total assets</b>	<b>800,649</b>	<b>899,850</b>	<b>766,627</b>
<b>Liabilities</b>			
Deposits by banks	355,750	368,415	377,412
Amounts owed to depositors	270,972	347,038	258,550
Other liabilities	6,287	22,784	7,791
Accruals and deferred income	5,312	3,764	2,809
<b>Total liabilities</b>	<b>638,321</b>	<b>742,001</b>	<b>646,562</b>
<b>Equity</b>			
Ordinary shares	63,740	63,740	45,000
Share premium	61,213	61,213	30,000
FVOCI revaluation reserve	(3,180)	(4,547)	(1,421)
<b>Profit and loss account</b>	<b>40,555</b>	<b>37,443</b>	<b>46,486</b>
<b>Total Equity</b>	<b>162,328</b>	<b>157,849</b>	<b>120,065</b>
<b>Total liabilities and equity</b>	<b>800,649</b>	<b>899,850</b>	<b>766,627</b>

<sup>1</sup> The Bank has reclassified the financial statement line 'Cash and balances at banks including items in the course of collection' to 'Cash and balances at central banks' in the current period. The comparative periods for 2022 and 2021 have also been reclassified. See Notes 10 and 26 in the Annual Report and Financial Statements 2023 for details.

## Statement of changes in equity For the year ended 31 December 2023

	Ordinary Shares £'000	Share Premium £'000	Retained Earnings £'000	FVOCI Reserves £'000	Total £'000
<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 gains 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>
Profit for the year	-	-	3,112	-	3,112
Fair value losses on FVOCI financial instruments net of tax	-	-	-	1,447	1,447
Gains on FVOCI financial instruments transferred to Income statement	-	-	-	(80)	(80)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>3,112</b>	<b>1,367</b>	<b>4,479</b>
Dividend paid	-	-	-	-	-
<b>Balance at 31 December 2023</b>	<b>63,740</b>	<b>61,213</b>	<b>40,555</b>	<b>(3,180)</b>	<b>162,328</b>

## Key disclosures For the year ended 31 December 2023

- 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. In the prior period, 2022, the KPI's excluded a one-off financial penalty of £5.8m relating to historic matters in assessing underlying performance. The one-off cost from 2022 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. No financial penalty has been charged in 2023. Alongside the underlying business performance based KPI's, the KPI's calculated on an accounting basis in 2022, without exclusion of the financial penalty, is also presented in the table below for reference.
- Key Performance Indicators:

KPI	Underlying Business Performance based KPI's		
	Statutory Accounting	Profit based KPI's	KPI's
	2023	2022	2022
Profit / (loss) before Tax	£4.3m	(£10.1m)	(£4.3m)
Post-tax return on Equity	1.9%	(5.8%)	(2.1%)
Post-tax return on Assets	0.4%	(1.0%)	(0.4%)
Cost / income Ratio	91.9%	130.1%	108.5%
Total assets	£800.6m	£899.9m	£899.9m
Loan to deposit ratio	27.5%	34.4%	34.4%
Net interest margin	4.4%	2.5%	2.5%