

AHANTAMAN RURAL BANK PLC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST DECEMBER, 2022

asamoah bonsu & co.

(Chartered Accountants)



otb169, odum
near kataban house,
ak 038-0355
post office box ks-7909
tel: 032-202-4914
Kumasi

73 (e146/10) orgle road,
kaneshie
ga 2559-3883
post office box an-7751
tel: 030-222-4787
accra

AHANTAMAN RURAL BANK PLC
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER, 2022
TABLE OF CONTENTS

<u>Contents</u>	<u>Page</u>
TABLE OF CONTENTS	1
BASIC INFORMATION	2
DIRECTORS' REPORT TO THE MEMBERS	3-4
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS	5-6
STATEMENT OF FINANCIAL POSITION	7
STATEMENT OF COMPREHENSIVE INCOME	8
STATEMENT OF CHANGES IN EQUITY	9
STATEMENT OF CASH FLOWS	10
NOTES TO THE FINANCIAL STATEMENTS	12

AHANTAMAN RURAL BANK PLC

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31ST DECEMBER, 2022

BASIC INFORMATION

DATE OF INCORPORATION:	03-Oct-83
DATE OF COMMENCEMENT	23-Nov-84
OLD REGISTRATION NUMBER:	C-23,018
NEW REGISTRATION NUMBER:	PL000322017
DATE LICENCE WAS ISSUED:	12-Mar-85
BANK OF GHANA LICENCE NUMBER	110
OLD TIN	365B000002
NEW TIN	C0009043063

BOARD OF DIRECTORS:

		From	To
VICE CHAIRMAN:	MR. ERIC DANING	1-Jan-22	31-Dec-22
VICE CHAIRMAN:	MS. ELIZABETH OBENG	1-Jan-22	31-Dec-22
MEMBER/SECRETARY:	HON. EBENEZER KOJO KUM	1-Jan-22	31-Dec-22
MEMBER:	DR. DOLF KOFI BADU SUTHERLAND	1-Jan-22	31-Dec-22
MEMBER:	MR. VINCENT BLAYCHIE ESSIEN	1-Jan-22	31-Dec-22
MEMBER:	HON. SAMUEL JOHNFIAH	1-Jan-22	28-Mar-22
MEMBER:	MR. ANTHONY PETER AMISSAH	1-Jan-22	31-Dec-22
MEMBER:	MR. JOHN PAPA EKOW MENSAH-WOODE	1-Jan-22	31-Dec-22
MEMBER:	RT. REV. DANIEL DEGRAFT BRACE	1-Jan-22	31-Dec-22

CHIEF EXECUTIVE OFFICER

MR. BENJAMIN AFFUL-ESHUN 1-Jan-22 31-Dec-22

BRANCH NETWORK

AGONA MARKET	KOJOKROM	AGONA	DABOASE
ACCRA STATION (TKDI)	HOLY CHILD	ABURA	EFFIA
GWIRA BANSO	NSUAEM	APOWA	AIYINASE
ADUM BANSO	SEKONDI	ANAJI	AXIM
TWIFO PRASO	TAKORADI	NMTC - SEKONDI	
KWESIMINTSIM	TARKWA	TAKORADI MARKET	

CLEARING BANK:

ARB APEX BANK, TAKORADI

REGISTERED OFFICE:

AHANTAMAN RURAL BANK PLC PREMISES
WH-0003-4456
P. O. BOX AA 41
AGONA AHANTA-TAKORADI ROAD

EMAIL ADDRESS

info@ahantamanbank.com.gh

WEBSITE

www.ahantamanbank.com.gh

AUDITORS:

ASAMOA BONSU & CO,
CHARTERED ACCOUNTANTS,
HOUSE NO. OTB 169,
(NEAR KATABAN HOUSE) ODUM,
P.O. BOX KS-7909,
KUMASI.

SOLICITORS:

KENDICKS LAW FIRM (LAWYERS, CONSULTANTS & NOTARY PUBLIC)
22/8 OLD JOHN SARBAH ROAD
P. O. BOX 1656, TAKORADI

AHANTAMAN RURAL BANK PLC
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER, 2022
DIRECTORS' REPORT TO THE MEMBERS

The Directors present herewith the audited Financial Statements of the Bank for the year ended 31st December, 2022 and report thereon as follows:

DIRECTORS' RESPONSIBILITY STATEMENT

The Bank's Directors are responsible for the preparation and fair presentation of the Financial Statements, comprising the Statement of Financial Position as at 31st December, 2022, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended and the Notes to the Financial Statements, which include a summary of significant accounting policies and other explanatory notes in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies' Act, 2019, (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016, (Act 930) and Anti-Money Laundering Act 2020, (Act 1044)

The Directors' responsibilities include: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of Financial Statements that are free from material misstatement, making accounting estimates that are reasonable in the circumstances.

The Directors have assessed the Bank's ability to continue as a going concern and have no reason to believe the business will not be a going concern in the year ahead.

FINANCIAL STATEMENTS AND DIVIDEND

The results are summarised as follows:

	2022 GH¢	2021 GH¢
Profit for Year, after Taxation, ended 31st December,	2,291,105	4,455,839
Opening Retained Earnings brought forward of	7,448,489	4,106,610
	<u>9,739,594</u>	<u>8,562,449</u>
Transfers From/(to)/Dividend Payable		
Other Reserves	-	-
Dividend Account	(2,704,023)	-
Stated Capital	-	-
Reserve Fund	(572,776)	(1,113,960)
Credit Risk Reserve	(1,720,339)	-
	<u>(4,997,138)</u>	<u>(1,113,960)</u>
Leaving the balance Retained Earnings carried forward of	<u>4,742,456</u>	<u>7,448,489</u>
TOTAL ASSETS	<u>207,458,353</u>	<u>166,357,323</u>

In accordance with Section 139 of the Companies Act, 2019, (Act 992), the Auditors, Messrs' Asamoah Bonsu & Co. will not continue in office as auditors of the Bank.

The Directors do not recommend the payment of dividend in respect of the year ended 31st December, 2022 (2021: GH¢0.080: GH¢2,714,278).

NATURE OF BUSINESS

The Bank is registered to carry out the business of banking.

There was no change in the activities of the Bank.

APPROVAL OF THE FINANCIAL STATEMENTS

The Financial Statements of the Bank as indicated above were approved by the Board of Directors on the date stated below.

DOMESTIC DEBT EXCHANGE OR BANK OF GHANA BOND PROPOSAL

The Government of Ghana, as part of a more comprehensive agenda to restore debt and financial sustainability, introduced a domestic debt exchange programme (DDEP) in December 2022. This is expected to impact negatively on the profitability of the Bank as there will be a significant reduction by GH¢9,600,000 on the incomes to be received from the investments the Bank has in government bonds.

Directors' Assessment of the State of the Bank's Affairs

The Bank has put in place strategies to meet the Financial Reporting Guidelines on Bank's Financial Statement ending December 31, 2022. This is a requirement as directed and published in the 'Guide for Financial Publication for Banks & BOG Licensed Financial Institutions for all Financial Statements ending December 31, 2016.

The Directors consider the Bank's State of Affairs to be satisfactory and have a reasonable expectation that the Bank will continue in operational existence into the foreseeable future and have therefore used the Going Concern basis in preparing these Financial Statements.

PARTICULARS OF ENTRIES IN THE INTERESTS REGISTER

There was no transaction with potential conflict of interest situation requiring entry in the Interests Register.

CORPORATE SOCIAL RESPONSIBILITY

The following expenses were incurred in respect of corporate social responsibility in the course of the year.

	2022	2021
	GH¢	GH¢
Traditional Authorities	10,121	-
Apiate Community Disaster	102,370	-
Educational Scholarship	167,215	114,000
Medical Support	36,998	20,500
Farmers Day	23,100	13,100
Sundry Donation	7,700	6,800
TOTAL	347,504	154,400


AUDIT FEES

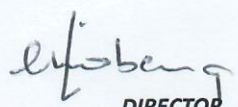
Audit fees payable amounts to Fifty-Two Thousand Two Hundred Ghana Cedis (GH¢52,200).

STEPS TAKEN TO BUILD THE CAPACITY OF DIRECTORS

The Directors undertook the following trainings during the year:

- 1 Sensitisation Program on Agric Financing organised by GIRSAL.
- 2 Legal Documents and Their Effect on Banking Operations by WERBA.
- 3 Understanding the New Credit Approach by ARB Apex Bank.
- 4 Governance, Risk and Compliance Meeting by ARB Apex Bank and Bank of Ghana.
- 5 Corporate Governance Certification for Board of Directors by Ghana National Banking College.
- 6 Executive Management Essentials for Rural Banking by RDF and Ghana National Banking College.
- 7 Administrative Law in Banking organised by WERBA.


DIRECTOR
ERIC DANING ESQ.
AGONA-NKWANTA
FEBRUARY 24, 2023


DIRECTOR
ELIZABETH OBENG (MS)

AHANTAMAN RURAL BANK PLC
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER, 2022
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Report on the Audit of the Financial Statements

We have audited the Financial Statements of Ahantaman Rural Bank PLC, which comprise the Statement of Financial Position as at 31st December, 2022, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, which include a summary of significant accounting policies as set on pages 12 to 25.

Opinion

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the Financial Position of the Bank as at 31st December, 2022, and of its financial performance and its cash flows for the year ended in accordance with International Financial Reporting Standards and the requirements of the Companies' Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016, (Act 930) and Anti-Money Laundering Act, 2020, (Act 1044).

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report.

We communicated with the Directors regarding among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Key Audit Matters

Based on the impact on the Domestic Debt Exchange reported on under the Directors report, the Bank's income generation and profitability might be affected negatively.

Independence

We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the Financial Statements in accordance with the Companies Act, 2019, (Act 992), Banks and Specialised Deposit-Taking Institutions Act, 2016, (Act 930), and Anti-Money Laundering Act, 2020, (Act 1044) and the International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error. In preparing the Financial Statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Bank's Financial reporting process.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in a aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Management's use of the Going Concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a Going Concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a Going Concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank to express an opinion on the Financial Statements. We are responsible for the direction, supervision and performance of the Bank audit. We remain solely responsible for our audit opinion.

We communicate with Management and Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a Statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal and Regulatory Requirements

The Companies Act, 2019 (Act 992) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- We have obtained all the information and explanations which we considered necessary for the performance of the audit.
 - In our opinion, proper books of account have been kept by the Bank, so far as appears from our examination of those books; and
 - The Statement of Financial Position (Balance Sheet) and Statement of Comprehensive Income (Profit or Loss Account) of the Bank are in agreement with the books of account.
 - In compliance with section 143 of the Companies Act, 2019, (Act 992), we are independent of the Bank.
- The Banks and Specialised Deposit-Taking Institutions Act, 2016, (Act 930) requires that we state certain matters in our Report. We hereby certify that:
- The Financial Statements give a true and fair view of the state of affairs of the Bank and its results for the year under review;
 - We were able to obtain all the information and explanations required for the efficient performance of our duties as auditors;
 - The Bank's and its subsidiary's transactions were within its powers; and
 - The Bank has complied with the provisions in the Banks and Specialised Deposit-Taking Institutions Act, 2016, (Act 930), Anti-Money Laundering Act, 2020, (Act 1044) and Anti-Terrorism Act, 2008, (Act 762).

osei yaw asamo (ICAG/P/1179)

KUMASI FEB 24, 2023

asamo bonsu & co.
asamo bonsu & co. (ICAG/F/2022/155)
chartered accountants
house no. OTB 69, ner kataban hse. Odum
p. o. box ks-7909
kumasi

AHANTAMAN RURAL BANK PLC

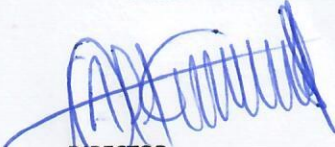
FINANCIAL STATEMENTS FOR THE YEAR ENDED

31ST DECEMBER, 2022

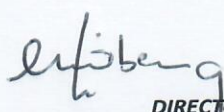
STATEMENT OF FINANCIAL POSITION

<u>ASSETS</u>	<u>NOTES</u>	<u>2022</u>	<u>2021</u>
		<u>GH¢</u>	<u>GH¢</u>
<u>CURRENT ASSETS</u>			
Cash and Short-Term Funds	12	34,916,465	20,693,883
Short-Term Investments	13	13,048,925	4,390,849
Advances	14	69,386,196	50,023,196
Inventories	15	153,460	125,086
Investment Securities	17	284,952	284,952
Taxation	18	208,390	-
Deferred Taxation	18	210,895	-
Other Assets	16	1,075,575	1,625,110
		119,284,858	77,143,076
<u>NON-CURRENT ASSETS</u>			
Long-Term Investments	13	75,737,794	80,900,764
Intangibles	27	45,494	71,245
Property, Plant and Equipment	28	12,390,207	8,242,238
		88,173,495	89,214,247
TOTAL ASSETS		207,458,353	166,357,323
<u>LIABILITIES AND SHAREHOLDERS FUNDS</u>			
Deposits and Current Accounts	19	178,237,582	143,303,447
Other Liabilities	21	5,182,846	3,577,831
Taxation	18	-	660,734
Deferred Taxation	18	513,166	319,652
Borrowings	20	4,090,909	-
		188,024,503	147,861,664
FINANCED AS FOLLOWS:			
Stated Capital	22	7,096,624	5,745,516
Revaluation Surplus		42,590	42,590
Retained Earnings		4,742,456	7,448,489
Credit Risk Reserve		2,490,100	769,761
Reserve Fund		5,062,080	4,489,303
Shareholders Fund		19,433,850	18,495,659
TOTAL LIABILITIES AND SHAREHOLDERS FUND		207,458,353	166,357,323

These Financial Statements were approved at a meeting of the Board held on the date below.


DIRECTOR
ERIC DANING ESQ.
AGONA-NKWANTA

FEBRUARY 24, 2023


DIRECTOR
ELIZABETH OBENG (MS)

AHANTAMAN RURAL BANK PLC
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER, 2022
STATEMENT OF COMPREHENSIVE INCOME

	<u>NOTES</u>	<u>2022</u> <u>GH¢</u>	<u>2021</u> <u>GH¢</u>
Interest Income	8	37,453,865	32,587,973
Interest Expenses	9	(8,472,542)	(4,704,111)
Net Interest Income		28,981,323	27,883,862
Fees and Commission Income	10	7,652,090	7,151,637
Fees and Commission Expense		-	-
Net Fees and Commission		7,652,090	7,151,637
Other Operating Income	11	850,931	1,085,372
Operating Income		850,931	1,085,372
		37,484,345	36,120,871
Net Impairment Loss on Financial Assets	29	(933,532)	(2,539,092)
Personnel Expenses	26.1	(14,008,603)	(13,272,891)
Depreciation and Amortisation	26.2	(1,226,141)	(1,278,608)
Corporate Social Responsibility	26.3	(347,504)	(154,400)
Directors Remuneration	26.4	(691,401)	(702,088)
Other Expenses	26.5	(15,032,035)	(11,809,465)
		(32,239,215)	(29,756,543)
Profit Before Taxation		5,245,130	6,364,328
Tax Expense		(2,954,025)	(1,908,489)
Net Profit after Taxation for the Year		2,291,105	4,455,839
OTHER COMPREHENSIVE INCOME			
Revaluation of Property, Plant and Equipment		-	-
Defined Benefit Plan Actuarial Gain/(Loss)		-	-
Other Comprehensive Inc. for the Year (Net of Tax)		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			
Profit attributable to:			
Controlling Equity Holders of the Bank		2,291,105	4,455,839
Non-Controlling Interest		-	-
Profit for the Year		2,291,105	4,455,839
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			
Total Comprehensive Income for the year		2,291,105	4,455,839
Basic Earnings per Share		0.06092	0.13249

AHANTAMAN RURAL BANK PLC

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31ST DECEMBER, 2022

STATEMENT OF CHANGES IN EQUITY

2022	Stated Capital	Reserve Fund	Revaluation Surplus	Retained Earnings	Credit Risk Reserve	Other Reserves	Shareholders' Fund
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Balance b/f	5,745,516	4,489,303	42,590	7,448,489	769,761	-	18,495,659
Total Comp. Profit	-	-	-	2,291,105	-	-	2,291,105
	5,745,516	4,489,303	42,590	9,739,594	769,761	-	20,786,765
Dividend Approved	-	-	-	(2,704,023)	-	-	(2,704,023)
	5,745,516	4,489,303	42,590	7,035,572	769,761	-	18,082,742
Transfers							
Reserve Fund	-	572,776	-	(572,776)	-	-	-
Credit Risk Reserve	-	-	-	(1,720,339)	1,720,339	-	-
	-	572,776	-	(2,293,115)	1,720,339	-	-
Dividend for Shares	904,289	-	-	-	-	-	904,289
Sale of Share	446,819	-	-	-	-	-	446,819
	7,096,624	5,062,080	42,590	4,742,456	2,490,100	-	19,433,850
2021							
	Stated Capital	Reserve Fund	Revaluation Surplus	Retained Earnings	Credit Risk Reserve	Other Reserves	Shareholders' Fund
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Balance b/f	5,670,472	3,375,344	42,590	4,106,610	431,855	-	13,626,871
Total Comp. Income	-	-	-	4,455,839	-	-	4,455,839
	5,670,472	3,375,344	42,590	8,562,449	431,855	-	18,082,710
Dividend	-	-	-	-	-	-	-
	5,670,472	3,375,344	42,590	8,562,449	431,855	-	18,082,710
Transfers							
Reserve Fund	-	1,113,960	-	(1,113,960)	-	-	-
Credit Risk Reserve	-	-	-	-	337,906	-	337,905.58
	-	1,113,960	-	(1,113,960)	337,906	-	337,906
Dividend for Shares	-	-	-	-	-	-	-
	-	1,113,960	-	(1,113,960)	337,906	-	675,811
Sale of Shares	75,044	-	-	-	-	-	75,044
	5,745,516	4,489,303	42,590	7,448,489	769,761	-	18,833,565

AHANTAMAN RURAL BANK PLC

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31ST DECEMBER, 2022

STATEMENT OF CASH FLOWS

	2022	2021
	GH¢	GH¢
Cash Flow from Operating Activities		
Net Profit Before Tax	5,245,130	6,364,328
Bad Debts Reversed	-	(6,668,453)
Impairment Loss	933,532	2,539,092
Depreciation	1,187,896	1,117,317
Amortisation	38,245	161,291
	7,404,802	3,513,575
 (Increase)/Decrease in Advances	(20,296,532)	(7,649,156)
(Increase)/Decrease in Inventories	(28,374)	(4,900)
(Increase)/Decrease in Other Assets Account	549,535	152,130
Increase/(Decrease) in Deposits & Current Accounts.	34,842,422	22,621,541
Increase/(Decrease) in Other Liabilities	1,605,015	(417,660)
Net Changes in Working Capital	16,672,067	14,701,956
 Cash Flow from Operating Activities	24,076,869	18,215,531
Tax Paid	(3,840,530)	(1,810,267)
Net Cash Flow from Operating Activities	20,236,339	16,405,264
 Cash Flow from Investing Activities		
Proceeds from Disposals of PPE	32,400	-
<u>Investing Activities</u>		
Work-In-Progress	(4,299,986)	(1,277,821)
Intangibles	(5,465)	(42,560)
Purchase of Fixed Assets	(1,042,529)	(1,274,385)
	(5,315,580)	(2,594,766)
	14,920,759	13,810,498
 <u>Financing Activities</u>		
Stated Capital - Cash	446,819	75,044
Stated Capital - Shares	904,289	-
Dividends Paid	(2,072,312)	(34,227)
Statutory Reserve	(572,776)	-
Borrowings	4,090,909	-
	2,796,929	40,817
 Net Inc./(Dec.) in Cash and Cash Equivalent	17,717,688	13,851,315
Opening Cash and Cash Equivalent	105,985,496	92,134,181
Net Inc./(Dec.) in Cash and Cash Equivalent	17,717,688	13,851,315
 Closing Cash and Cash Equivalent	123,703,184	105,985,496
 Represented by Cash and Cash Equivalents	123,703,184	105,985,496

AHANTAMAN RURAL BANK PLC

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022

NOTES TO THE FINANCIAL STATEMENTS

1 NATURE OF OWNERSHIP AND OPERATIONS

The Bank was incorporated as a Public Limited Liability Company on 3rd October, 1983 with Registration No. 23018 under the then Companies' Act, 1963, (Act 179) in Ghana. The Bank was issued with a licence on 12th March, 1985, with Licence No. 110 by Bank of Ghana to operate a business of Banking. The registered address of the Bank is Ahantaman Rural Bank Premises, P. O. Box 41, Agona Nkwanta.

1.1 Functional and Presentational Currency

The Financial Statements are presented in Ghana Cedis (GHC) which is the Company's functional currency.

2.0 ACCOUNTING POLICIES

The significant Accounting Policies adopted by the Bank and which have been applied in preparing these Financial Statements are stated below:

2.01 Basis of Accounting

These Financial Statements have been prepared under the historical cost convention but modified in appropriate areas by the adoption of Fair Value measurement basis. The Bank of Ghana Guideline 'Guide for Financial Publication for Banks and BOG Licensed Financial Institutions' for 2016 and 2018 require certain disclosures to be completely complied with in applicable areas.

2.02 Revenue Recognition

Revenue is recognised on accrual basis and to the extent of the economic benefits expected to flow to the Bank and that the Revenue can be reliably measured as provided hereunder.

2.03 Interest Income and Expense

Interest income and expense are recognised in the Statement of Comprehensive Income in respect of interest bearing Financial Instruments including Loans and Advances as interest accrues using the Effective Interest Rate method. This method calculates the amortised cost of a Financial Asset or Liability and allocates the Interest Income or Interest Expense also the discount rate applicable to future cash flows (receipts or payments), over the life of the Financial Asset or Liability to its net carrying amount.

2.031 Non-Interest Income

Commission and Fees are earned on accrual basis on services such as Funds Transfer on completion of the transaction.

2.04 Income Tax

Income Tax comprises Current Tax and Deferred Tax.

Current Tax relates to determination of expected payable tax from the Profits of the Financial Statements in relations to Tax obligations imposed from by legislation of Ghana.

Deferred Income Tax relates to Tax Provision on all Temporary differences at the Financial Position date arising from Tax bases of assets and liabilities and their carrying amounts. Deferred Tax Assets are the recoverable taxes of future years which include deductible Temporary differences. Deferred Tax Liabilities are the recognised payable Taxable Temporary differences on future taxable profits. Deferred taxes(Assets or Liabilities) are calculated using the enacted rate expected to be applicable in the year when the asset is realised or the liabilities settled.

Deferred Tax Assets and Liabilities are offset when they arise in the same tax reporting entities and relate to income taxes of the same taxation authority, and when a legal right to set-off exists.

The carrying amounts of Deferred Tax Assets or Liabilities are reviewed at the end of each reporting date and adjusted to reflect the new values through the Profit or Loss.

2.05 Financial Instruments Categorisation, Initial Recognition and Subsequent Measurement

2.051 Categorisation

The Bank classifies its Financial Assets into those measured at Fair Value through Profit or Loss and those measured at Amortised Cost; and Financial Assets measured at Fair Value through Other Comprehensive Income.

2.052 Date of Recognition

Purchases and Sale of Financial Assets are recognised on the Transaction date.

2.053 Initial Recognition of Financial Instruments

Financial Instruments are initially recognised at their fair value plus, in the case of Financial Assets or Financial Liabilities not at Fair Value through Profit or Loss, transaction costs that are directly attributable to the acquisition or issue of the Financial Asset or Financial Liability.

2.054 Subsequent Measurement of Financial Instruments**(a) Financial Assets at Fair Value Through Profit or Loss**

A Financial Asset at fair value through Profit or Loss is that which meets either of the following conditions.

Held for Trading

A Financial Asset is classified as Held for Trading if it is acquired principally for the purpose of selling in the near future, or is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking.

Designated at Fair Value through Profit or Loss

Upon initial recognition as Financial Asset, it is designated at fair value through Profit or Loss. Financial Assets at fair value through Profit or Loss are measured at fair value subsequent to initial recognition. Gains or Losses upon subsequent measurement are treated in Profit or Loss.

All equity instruments are measured at fair value.

(b) Financial Assets Measured at Amortised Cost

A Financial Asset is measured at amortised cost if the following conditions are met:

- (i) The Asset is held within a business model whose objective is to hold assets in order to collect contractual Cash Flows.
- (ii) The contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Term Loans to customers come under this category. They are initially recognised when cash is advanced to the borrowers at fair value, inclusive of transaction costs. Subsequent to initial recognition, Term Loans are measured at amortised cost less impairment losses.

(c) Financial Assets Measured at Fair Value Through Other Comprehensive Income

Securities including investments in money market and equity shares, other than those classified as trading securities, or at fair value through Profit or Loss, are classified and recognised in the Statement of Financial Position at their fair value. Other Financial Assets that are neither cash nor categorised under any other category also come under this classification.

Financial Assets measured at fair value through Other Comprehensive Income are measured at Fair Value with gains and losses arising from changes in Fair Value recognised directly in Other Comprehensive Income until the Financial Asset is either sold, becomes impaired, or matures, at which time the cumulative gain or loss previously recognised in equity is recognised in Profit or Loss.

Interest calculated using the effective interest method is recognised in the Statement of Comprehensive Income. Dividends on equity instruments are recognised in the income statement when the Bank's right to receive payment is established.

(d) Financial Liabilities

Financial Liabilities are classified as non-trading, held for trading or designated as at fair value through Profit and Loss. Non-Trading Liabilities are measured subsequent to initial recognition at Amortised Cost applying the effective interest method. Held for Trading Liabilities or Liabilities designated as at fair value through Profit or Loss, are measured at fair value. All Financial Liabilities shown in the Statement of Financial Position are non-trading liabilities.

2.055 Determination of Fair Value of Financial Instruments**i. Availability of Active Market**

The fair value of a financial instrument traded in active markets such as the Ghana Stock Exchange (GSE) at the reporting date is based on its quoted market price without any deduction of transaction costs.

ii. Non-Availability of Active Market

Equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. However, Fair Values for such equity investments, are determined from the declaration of capital appreciations by the investee organisation of amounts so declared in the form of additional shares in the equity holdings. Investments whose fair value can be reliably measured are measured professionally through the use of valuation techniques.

iii. Short-Term Receivables

The fair value of short term receivables approximate book value and are measured as such.

2.056 Offsetting of Financial Instruments

Financial Assets and Financial Liabilities are offset when there is a legally enforceable right to do so and the net amount stated in the Statement of Financial Position. This happens when there is the intention settle on net basis or realise the Financial Asset and redeem the Financial Liability.

2.057 Derecognition of Financial Assets and Liabilities

A Financial Asset or a portion thereof, is derecognised when the Bank's rights to cash flows has expired or when the Bank has transferred its rights to cash flows relating to the Financial Assets, including the transfer of substantially all the risk and rewards associated with the Financial Assets or when control over the Financial Assets has passed.

A Financial Liability is derecognised when the obligation is discharged, cancelled or has expired.

2.058 Impairment of Financial Assets

(a) Framework for measuring impairment of Financial Assets .

At each reporting date the Bank assesses whether, as a result of one or more events occurring after initial recognition, there is objective evidence that a Financial Asset or group of Financial Assets has become impaired.

Evidence of impairment may include indications that the borrower or a group of borrowers is/are experiencing significant financial difficulty, default or delinquency in interest or principal payments, or the fact that the debt is being restructured to reduce the burden on the borrower.

(b) Loans and Advances and Amounts due from Banks & other Financial Institutions

For loans and advances to customers and amounts due from banks and other financial institutions carried at amortised cost, the Bank first assesses individually whether objective evidence of impairment exists individually for Financial Assets that are individually significant, or collectively for Financial Assets that are not individually significant. If the Bank determines that no objective evidence of impairment exists for an individually assessed Financial Asset, whether significant or not, it includes the asset in a group of Financial Assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognized, are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The carrying amount of the asset is reduced through the use of an Allowance Account and the amount of the loss is recognised in the Profit or Loss.

Loans together with the associated allowances are written off when there is no realistic prospect of future recovery and all collaterals have been utilised or have been transferred to the Bank and all the necessary procedures have been completed.

If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the Allowance Account. If a write-off is later recovered, the recovery is credited to the Profit or Loss and charged to the Allowance Account ('Credit Loss Expense').

The present value of the estimated future cash flows is determined using the Financial Asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

For the purposes of collective evaluation of impairment, Financial Assets are grouped on the basis of the Bank's internal credit grading system that considers credit risk characteristics, such as asset type, industry, geographical location, collateral type, past-due status and other relevant factors.

2.059 Derecognition of Financial Assets and Liabilities

A Financial Asset or a portion thereof, is derecognised when the Bank's rights to cash flows has expired or when the Bank has transferred its rights to cash flows relating to the Financial Assets, including the transfer of substantially all the risk and rewards associated with the Financial Assets or when control over the Financial Assets has passed.

A Financial Liability is derecognised when the obligation is discharged, cancelled or has expired.

2.060 Impairment of Financial Assets

(a) Basis for Measuring impairment of Financial Assets

At each reporting date the Bank assesses whether, as a result of one or more events occurring after initial recognition, there is objective evidence that a Financial Asset or group of Financial Assets has become impaired.

Evidence of impairment may include indications that the borrower or a group of borrowers is experiencing significant financial difficulty, default or delinquency in interest or principal payments, or the fact that the debt is being restructured to reduce the burden on the borrower.

If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the Income Statement, the impairment loss is reversed through the income statement.

(c) Other Financial Assets

The Bank assesses at each reporting date whether there is objective evidence that an investment or group of investments is impaired.

In the case of equity investments, objective evidence would include significant or prolonged decline in the fair value of the investment below its cost.

In the case of other debt instruments, impairment is assessed based on the same criteria as Financial Assets carried at amortised cost. If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the Income Statement, the impairment loss is reversed through the Income Statement.

(d) Derecognition of Financial Assets and Liabilities

A Financial Asset or a portion thereof, is derecognised when the Bank's rights to cash flows has expired or when the Bank has transferred its rights to cash flows relating to the Financial Assets, including the transfer of substantially all the risk and rewards associated with the Financial Assets or when control over the Financial Assets has passed.

A Financial Liability is derecognised when the obligation is discharged, cancelled or has expired.

3 Regulatory Credit Risk Reserve

To cater for any difference between the Bank of Ghana's Credit Loss Provision requirements and Loans and Advances Impairments based on IFRS Principles, a charge or credit is made to Income Surplus in respect of the difference required to bring up the cumulative provision to the level required under the Bank of Ghana regulations. Under current regulations the Credit Risk Reserve does not qualify as Tier 1 Capital for the computation of Capital Adequacy.

4 Property, Plant and Equipment

The Bank recognises an item of Property, Plant and Equipment as an asset when it is probable that future economic benefits will flow to it and the amount meets the materiality threshold set by the Bank.

Property, Plant and Equipment are stated at Cost or revalued amount less Accumulated Depreciation and any impairment in value. Depreciation is provided on the depreciable amount of each component on a straight-line basis over the anticipated useful life of the asset which is determined in percentages. The depreciable amount of each asset is the difference between the cost/revaluation and the residual value which is set to zero of the asset. No depreciation is provided on Land.

The residual value is the estimated amount, net of disposal costs, that the Bank would currently obtain from the disposal of an asset in similar age and condition as expected at the end of the useful life of the asset. In the last year or year of the charge of depreciation to Profit or Loss, the depreciation amount is reduced by GH¢1 so that the asset has GH¢1 value to give an indication of the existence of the item of Property, Plant and Equipment.

The current Annual Depreciation rates for each class of Property, Plant and Equipment are as follows:

Buildings	5.0%
Branch Development	20.0% ****
Bungalow Furniture & Fittings	20.0%
Office Equipment	25.0%
Motor Vehicles	20.0%
Office Furniture & Fittings	20.0%
Plant and Machinery	20.0%

****Branch Development is for a useful life of 5 years, that is, 20% or the lease year which ever is earliest.

Costs associated with routine servicing and maintenance of assets are expensed as incurred. Subsequent expenditure is only capitalised if it is probable that future economic benefits associated with the item will flow to the Bank.

The carrying values of property, plant and equipment are reviewed for indications of impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of property, plant and equipment is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Income Statement in the year the item is derecognised.

Residual values, useful lives and methods of depreciation for Property, Plant and Equipment are reviewed and adjusted if appropriate, at each financial year end.

5 Use of Estimates and Judgement

The preparation of Financial Statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the Financial Statements are described in Notes 4.

6 RISK MANAGEMENT

The Bank's operations come with these risks: Credit, Market, Liquidity and Operational.

6.1 Credit Risk

To the Bank, Credit Risk is the likelihood that a receivable from a financial instrument issued by the Bank to a borrower is unlikely to be received regarding the principal with or the interest according to the terms contained in the financial instrument. This will result in economic loss to the Bank.

The Credit Risk arises from largely Loans and Advances to customers.

The Credit Risk is managed through the systems and controls established by the Credit Department that ensures that periodic review of the status of the receivable at every stage from application to completion of the repayment of the advance by the borrower. The Credit Department submits reports of the performance of the Loans and Overdrafts to a Credit Committee which takes appropriate actions for recovery. Credit facilities are monitored for early warning signals of non-performance.

6.2 Market Risk

Market Risk is the potential of losses arising from movements in market prices such as Interest Rates, Exchange Rates, and Equity and Commodity Prices. Currently, the Bank's activities expose it to Interest Rate risks with no exposure to exchange rate, equity or commodity price risks. The Interest Rate risk is inherent in the Bank's Financial Assets and Liabilities such as Loans, Customer Deposits and Borrowings.

6.3 Liquidity Risk

Liquidity Risk is the potential loss to the Bank arising from either its inability to meet its maturing Short-Term obligations as they fall due or to fund increases in assets without incurring unacceptable costs. The management of this risk enables the Bank to minimise the timing of cash flows relating to its Assets and Liabilities to ensure that it regularly maintains the Primary Reserve requirement of 13% of Total Deposits as required by Bank of Ghana and ARB Apex Bank.

6.4 Operational Risk

Operational Risk is direct or indirect loss resulting from inadequate or failed internal and processes, staff and systems. These are managed by well designed operating manuals that reflect the main operating procedures, business continuity planning, reconciliations, internal audit and timely and reliable management reporting.

7 CAPITAL**7.1 The Objectives of Capital Management**

The Capital Management Objective of the Bank is to ensure the financial net assets at the end of the financial year exceeds the financial amount of the net assets at the beginning of the year after deducting distributions to and adding contributions from the owners.

The objective is also to ensure that, at any time, the Stated Capital requirement by Bank of Ghana could be met and also to comply with the Capital Adequacy Ratio Regulatory requirements of Bank of Ghana. This is achieved by maintaining the appreciable level of profits to meet the expected Capital increases by Bank of Ghana.

7.2 Capital Description

The Bank's Capital is its Shareholders' funds comprising Stated Capital, Statutory Reserves and Income Surplus, which includes current and previous year's retained earnings. The current level of the Bank's capital complies with the existing minimum Stated Capital requirement of Bank of Ghana.

7.3 Regulatory Capital

The Bank's Regulatory Capital consists of both Tier 1 and Tier 2 capital.

Tier 1 Capital consists of Stated Capital, Statutory Reserves and Income Surplus, after deductions of Intangible Assets and Other Regulatory Adjustments relating to items that are included in equity but are treated differently for Capital Adequacy purposes.

Tier 2 Capital consists of Convertible Debentures and Revaluation Surpluses. Total Tier 2 Capital is limited to 100% of the Net Tier 1 Capital.

The Bank's Regulatory Capital position as at 31st December, is summarised below:

7.4 The Level of Capital Adequacy

	2022	2021
	GHC	GHC
Tier 1 Capital		
1 Ordinary Share Capital	7,096,611	5,745,503
2 Permanent Non-Cumulative Preference Shares	13	13
3 Disclosed Reserves	12,337,226	12,750,143
4 Sub-Total Tier 1 Capital (1+2.3)	19,433,850	18,495,659
Less		
5 Goodwill/Intangibles/Preliminary Expenses	(1,030,081)	(1,553,866)
6 Investments In Subsidiaries	-	-
7 Fair Value Reserve for Available for Sale Equity Securities	(284,952)	(284,952)
8 Revaluation Reserve	(42,590)	(42,590)
9 Connected Lending of Long-Term Nature	-	-
10 Net Tier 1 Capital(5-6-7-8-9)	18,076,227	16,614,252
Add		
11 Revaluation Reserves	42,590	42,590
12 Subordinated Term Debt (Limited to 50% of 4)	-	-
13 Tier 2 Capital (11+12)(Limited to 100% of 5)	42,590	42,590
14 Adjusted Capital Base (10 + 13)	18,118,817	16,656,842
Total Assets	207,458,353	166,357,323
Less		
15 Cash on Hand	5,555,637	5,728,886
16 Claims on Bank of Ghana/ARB Apex Bank	-	-
17 1. Cedi Clearing Account Balance	24,524,399	8,813,999
18 iv. Bills and Bonds	64,900,000	69,900,000
19 i. Treasury Securities (Bills and Bonds)	16,425,554	7,930,448
20 ii. Stocks	-	-
21 80% of Cheques drawn on Other Banks	5,767	208,199
22 Goodwill/Intangibles	(1,030,081)	(1,553,866)
23 Investments in Subsidiaries	-	-
24 Investments in the Capital of Other Banks & Fin. Insts	(284,952)	(284,952)
25 Connected lending of Long Term Nature	-	-
26 80% of claims on Discount Houses in Cedis/Forex	-	-
27 80% of claims on Other Banks {Cedis/Forex}	3,863,376	4,712,599
28 50% of claims on Other Fin Insts. (public Sector)	3,730,582	3,730,582
29 50% of Export Financing Loans	-	-
30 Adjusted Total Assets (15-16-17-18.....-29)	117,690,283	99,185,897
31	89,768,070	67,171,426
TOTAL OFF- BAL SHEET ITEMS	-	-
Less:		
32 50% of class 1 Risk Weighted Off-Bal Sheet Items	-	-
33 80% of Class 2 Risk Weighted Off-Bal Sheet Items	-	-
34 Net Contingent Liabilities (40+41-48)	-	-
35 Add:		
36 100% of 3yrs Average Annual Gross Income	31,172,903	25,720,280
ADJUSTED ASSET BASE (31+32+33+34+35+36)	120,940,974	92,891,706
Adjusted Capital Base as %age of Adjusted Asset Base	14.98	17.93
CAPITAL SURPLUS/(DEFICIT)	13,054,086	9,063,438

	2022 GH¢	2021 GH¢
8 INTEREST INCOME		
Advances - Loans	17,695,735	14,952,962
Advances - Overdrafts & Salaries	4,112,576	3,765,525
Investment	15,645,555	13,869,486
	37,453,865	32,587,973
9 INTEREST EXPENSES		
Savings Deposits	1,841,101	1,496,225
Time Deposits	6,266,397	3,207,886
Borrowings	365,044	-
	8,472,542	4,704,111
10 COMMISSIONS AND FEES		
Commissions on Turnover	2,327,337	2,916,191
Commitment Fees	3,218,028	2,526,627
Commissions on SMS Alert	1,871,909	1,508,939
Cheque Clearing/Domestic Money Transfer Fee	234,817	199,879
	7,652,090	7,151,637
11 OTHER INCOME		
Bad Debts Reco ⁿ Schedule or WP	114,034	1,081
Profit on Disposal of Taken Over Vehicle	39,050	-
Sundry Income Schedule or WP	697,847	1,084,291
	850,931	1,085,372
12 CASH AND SHORT TERM FUNDS		
Cash on Hand	5,555,637	5,728,886
GT Bank	167,381	61,744
Ecobank	545,309	474,605
CAL Bank	1,427,482	855,792
ARB Apex Bank - Current	6,308,468	1,615,747
ARB Apex Bank - Reserve (5% Placement)	8,215,931	7,198,252
ARB Apex Bnk - ACOD 7, 14, 28 & 56	10,000,000	-
Items in Terms of Collection	7,209	260,248
CBG	86,924	70,617
GCB Bank	2,552,125	4,377,991
GCB Bank Tier 1	50,000	50,000
	34,916,465	20,693,883
13 LONG-TERM INVESTMENTS		
i. Other Financial Institutions		
Fixed Deposit	7,461,165	7,461,165
ii. GOG Bills & Bonds		
One-Year Treasury Note	218,163	227,478
2YR, 3YR & 5YR BONDS	64,900,000	69,900,000
	72,579,328	77,588,643
Interest Receivable on Investment	3,158,465	3,312,120
	75,737,794	80,900,764
13(b) SHORT-TERM INVESTMENTS		
Treasury Bills	13,048,925	4,390,849
	13,048,925	4,390,849

RECONCILIATION/COMPUTATION OF EFFECTIVE TAX RATE

	2022 GH¢	2021 GH¢
Profit Before Tax	5,245,130	6,364,328
Income Tax Using Applicable Tax Rate 25%	1,311,283	1,591,082
Deferred Tax		
Balance 01-Dec	319,652	321,897
Adjustment to Deferred Tax	(89,325)	(2,245)
Balance 31-Dec	230,327	319,652
Tax Expense	1,541,610	1,910,734
Deferred Tax	(89,325)	(2,245)
Total	1,452,285	1,908,489
Effective Tax Rate %	27.69	29.99

19 DEPOSIT AND CURRENT ACCOUNT

	2022 GH¢	2021 GH¢
Current Accounts	36,008,740	28,295,774
Savings Accounts	67,316,068	59,562,622
Time	48,290,633	33,028,310
Susu Deposits	23,379,294	20,144,722
Others	3,242,846	2,272,019
	178,237,582	143,303,446

19.1 CURRENT ACCOUNTS

Individuals	27,882,767	21,558,886
Private Enterprises	8,125,973	6,736,888
	36,008,740	28,295,774

SAVINGS ACCOUNTS

Individuals	63,375,846	54,987,367
Private Enterprises	3,940,223	4,575,255
	67,316,068	59,562,622

19.2 TIME DEPOSIT ACCOUNTS

Individuals	42,807,233	30,809,016
Private Enterprises	5,483,400	2,219,294
	48,290,633	33,028,310

19.3 SUSU ACCOUNTS

Individuals	23,379,294	20,144,722
-------------	-------------------	-------------------

19.4 OTHER DEPOSITS

E-Zwich	427,176	430,712
Lien Account	2,815,670	1,841,307
	3,242,846	2,272,019

20 LONG-TERM BORROWING

	2022 GH¢	2021 GH¢
RDF Loan	5,000,000	-
Repayment during the year	(909,091)	-
	4,090,909	-

The Bank contracted a Working Capital Loan Facility in an aggregate amount of GH¢5,000,000 from RDF Ghana LBG, solely and exclusively for On-Lending to Micro, Small and Medium Scale enterprises engaged in agriculture and agri-business. The principal plus interest shall be repaid over a maximum tenor of 36 months. The Bank has invested GH¢5,000,000 in trust for RDF Ghana LBG as security for the loan.

21 OTHER LIABILITIES

	2022	2021
	GH¢	GH¢
Sundry Creditors	710,283	982,272
Dividend Payable	640,726	913,305
Audit Fees	50,126	30,403
Bills Payable	478,375	66,846
Staff Ex-Gratia/Provident Fund	-	29,407
Loan Insurance	-	19,614
NLA Control	-	4,086
AGM	404,028	331,913
Office Account	1,287,008	676,221
E-Zwich Operations	2,877	-
Payment Order	-	158,964
Scholarship/Donation	500	-
Interest Suspense on Fixed Deposit & Savings	1,567,966	100,000
Cont. & Accountant Generals Department	40,956	259,763
Uncleared Effect	-	4,475
Balance with Agencies	-	563
	5,182,846	3,577,830

22 STATED CAPITAL**Authorised:**

	Number
Ordinary Share of no par value	100,000,000
Preference Share of no par value	125,000

DETAILS

	NO. OF SHARES	Value	NO. OF SHARES	Value
	2022		2021	
	Number	(GH¢)	Number	(GH¢)
Ordinary	22,634,615	2,950,023	22,413,897	2,874,979
Additions	1,314,172	446,819	220,718	75,044
	23,948,787	3,396,842	22,634,615	2,950,023
Ordinary	10,998,118	2,795,493	10,998,118	2,795,493
Transfer from Dividend	2,659,675	904,289	-	-
	13,657,793	3,699,783	10,998,118	2,795,493
	37,606,580	7,096,624	33,632,733	5,745,516
Opening Balance	33,632,733	5,745,516	33,412,015	5,670,472
Additions	3,973,847	1,351,108	220,718	75,044
Closing Balance	37,606,580	7,096,624	33,632,733	5,745,516
Preference Shares	-	-	-	-
	37,606,580	7,096,624	33,632,733	5,745,516

There is no liability on any share and there is no share in treasury.

23 OTHER RESERVES			
23.1 PENSION FUND		2022 GH¢	2021 GH¢
Opening Balance		-	-
Addition		-	-
		-	-
Deduction/Payment		-	-
Closing Balance		-	-
23.2 SCHOLARSHIP FUND			
Opening Balance		-	-
Addition		-	-
		-	-
Transfer Income Surplus/Payment		-	-
		-	-
23.3 SOCIAL RESPONSIBILITY			
Opening Balance		-	-
Addition		-	-
		-	-
Deduction/Payment		-	-
Closing Balance		-	-
23.4 STAFF BUILDING FUND			
Opening Balance		-	-
Addition		-	-
		-	-
Transfer Income Surplus/Payment		-	-
Closing Balance		-	-
23.5 DEVELOPMENT FUND			
Opening Balance		-	-
Addition		-	-
		-	-
Transfer Income Surplus/Payment		-	-
Closing Balance		-	-
23.6 TRANSFERS FROM OTHER RESERVES TO INCOME SURPLUS		2022 GH¢	2021 GH¢
Opening Balance		-	-
Addition		-	-
		-	-
Transfer to Income Surplus		-	-
Closing Balance		-	-
24 OCCUPANCY		297,569	405,150
25 DEPRECIATION AND AMORTISATION		1,226,141	1,278,608
26 OTHER OPERATING EXPENSES			
26.1 Staff Costs			
Salaries, Wages & Allowances		8,163,599	10,745,590
Medical Expenses		182,583	133,043
Staff Training		513,137	246,242
Other Staff Costs		5,149,284	2,148,015
		14,008,603	13,272,891
26.2 Depreciation & Amortisation			
Depreciation	28	1,187,896	1,117,317
Amortisation	27	38,245	161,291
		1,226,141	1,278,608
26.3 Corporate Social Responsibility			
The following funding arrangements/payments were embarked by the Bank as its Corporate Social Responsibilities:			
		347,504	154,400

26.4 Directors' Remuneration

The total Directors Remuneration for the year was

2022	2021
GH¢	GH¢
691,401	702,088

26.5 Operating Costs

Repairs & Maintenance	643,088	481,723
Occupancy	297,569	405,150
Insurance	231,770	224,360
Police Guard	136,466	384,026
Generator Expenses	229,070	117,841
Electricity & Water	557,483	553,260
Audit Fees	52,200	32,000
Administrative	12,884,389	9,611,106
	15,032,035	11,809,465

27 INTANGIBLE ASSETS**27.1.1 Cost****Balance at 1 January, 2021**

Acquisitions

Balance at 31 December, 2021**Balance at 1 January, 2022**

Acquisitions

Balance at 31 December, 2022**27.1.2 Amortisation and Impairment****Balance at 1 January, 2021**

Amortisation for the Year

Balance at 31 December, 2021**Balance at 1 January, 2022**

Amortisation for the Year

Impairment Loss

Balance at 31 December, 2022**27.1.3 Carrying Amounts****Balance at 1 January, 2021****Balance at 31 December, 2021****Balance at 31 December, 2022****28 PROPERTY, PLANT & EQUIP.****28.1 2022****28.1.1 COST**

Buildings
Capital Works in Progress
Office Furn. & Fittings
Computers
Generators
Bungalow Fittings and Furniture
Office Equipment
Motor Vehicles

GH¢	GH¢	GH¢	GH¢
BALANCE			BALANCE
01-Jan-22	DISPOSALS	ADDITIONS	31-Dec-22
6,520,108	-	252,130	6,772,238
1,548,629	-	4,299,986	5,848,615
2,015,328	-	113,599	2,128,927
2,104,894	-	261,136	2,366,030
493,194	-	-	493,194
14,393	-	-	14,393
1,332,216	-	105,110	1,437,326
2,464,099	(77,110)	310,554	2,697,542
16,492,860	(77,110)	5,342,515	21,758,265

2022**28.1.2 DEPRECIATION**

Buildings
Office Furniture & Fittings
Computers
Generators
Bungalow Fittings and Furniture
Office Equipment
Motor Vehicles

BALANCE		CHARGED	BALANCE
01-Jan-22	DISPOSAL	FOR YEAR	31-Dec-22
1,868,767	-	344,700	2,213,467
1,246,159	-	256,283	1,502,442
1,602,215	-	224,202	1,826,417
363,158	-	34,762	397,919
14,393	-	-	14,393
1,201,539	-	66,580	1,268,119
1,954,391	(70,460)	261,369	2,145,300
8,250,622	(70,460)	1,187,896	9,368,058
8,242,238			12,390,207

28.1.3 NET BOOK VALUE

2021
28.2 PROPERTY, PLANT & EQUIP.

28.2.1 COST

Buildings
Capital Works in Progress
Office Furn. & Fittings
Computers
Generators
Bungalow Fittings and Furniture
Office Equipment
Motor Vehicles

GH¢	GH¢	GH¢	GH¢
BALANCE			BALANCE
01-Jan-21	DISPOSAL	ADDITIONS	31-Dec-21
GH¢	GH¢	GH¢	GH¢
6,507,555	-	12,553	6,520,108
270,809	-	1,277,821	1,548,629
1,710,168	-	305,160	2,015,328
1,573,760	-	531,134	2,104,894
409,637	-	83,557	493,194
14,393	-	-	14,393
1,255,005	-	77,211	1,332,216
2,199,329	-	264,770	2,464,099
13,940,654	-	2,552,206	16,492,860

2021
28.2.2 DEPRECIATION

Buildings
Office Furn. & Fittings
Computers
Generators
Bungalow Fittings and Furniture
Office Equipment
Motor Vehicles

BALANCE	DISPOSAL	CHARGED	BALANCE
01-Jan-21		FOR YEAR	31-Dec-21
GH¢	GH¢	GH¢	GH¢
1,575,647	-	293,120	1,868,767
1,045,172	-	200,987	1,246,159
1,420,745	-	181,470	1,602,215
338,569	-	24,589	363,158
14,393	-	-	14,393
1,139,176	-	62,363	1,201,539
1,599,603	-	354,788	1,954,391
7,133,305	-	1,117,317	8,250,622
6,807,350			8,242,238

28.2.3 NET BOOK VALUE

28.4.4 Disposal of PPE

Sale Value
Cost of PPE
Accumulated Depreciation of Disposed PPE
Net Book Value
Profit

2022	2021
GH¢	GH¢
32,400	-
77,110	-
(70,460)	-
6,650	-
39,050	-

29 IMPAIRMENT/CHARGES

Loan Impairment Charges

933,532	2,539,092
933,532	2,539,092

30 DIVIDEND

Balance 01 January
Approved Dividend

Shares
Cash
Balance 31 December
Dividend per Share

913,305	947,532
2,704,023	-
3,617,328	947,532
(904,289)	-
(2,072,312)	(34,227)
640,726	913,305
0.072	-

Dividend payable is recognised as a liability in the year in which they are approved at the AGM.

31 RELATED PARTIES

a. Transactions with Key Management Personnel

31.1 Key Management Personnel and their immediate relatives have transacted with the Bank during the year as follows:

	2022 Max. Balance GH¢	2022 Closing Balance GH¢	2021 Max. Balance GH¢	2021 Closing Balance GH¢
Mortgage Lending and Other Secured Loans	58,750	43,750.00	73,750	58,750
Other Loans	330,695	283,145	399,492	280,695
	389,445	326,895.02	473,242	339,445

31.2 Key management personnel compensation for the year comprised**Short-Term Employee Benefits**

The Bank has share options policy in place for its Executive Officers.

	2022 GH¢	2021 GH¢
31.3 Loans and Advances to Employees		
Balance at 1 January	1,762,271	1,533,991
Loans Advanced during the Year	451,000	1,248,120
Loans Repayments Received	(981,115)	(1,019,840)
Balance at 31 December	1,232,156	1,762,271

31.4 Loan and Advances to Directors and their Associates

The Bank has entered into transactions with its directors and their Associates, Associate's Companies or Directors as follows:

	2022 GH¢	2021 GH¢
Gross Amount at 1 January	-	18,299
Interest Charged	-	-
Loans Disbursed	-	-
Cash Received	-	(18,299)
Net Movement in Overdraft Balances	-	-
Net Amount at 31 December	-	-

Included in Loans and Advances is Nil (2021 Nil) advanced to companies in which some of the Board of Directors have interest.

All the transactions with the Related Parties are priced on arm's length basis and have been entered into in the normal course of business.

31.5 List of Related Parties	Designation	Period	
		From	To
Mr. Vincent Blaychie Essien	Director	01-Jan-22	31-Dec-22
Mr. Eric Daning	Director	01-Jan-22	31-Dec-22
Hon. Ebenezer Kojo Kum	Director	01-Jan-22	31-Dec-22
Dr. Dolf Kofi Badu Sutherland	Director	01-Jan-22	31-Dec-22
Ms. Elizabeth Obeng	Director	01-Jan-22	31-Dec-22
Hon. Samuel Johnfiah	Director	01-Jan-22	28-Mar-22
Mr. Anthony Peter Amissah	Director	01-Jan-22	31-Dec-22
Mr. John Papa Ekow Mensah-Woode	Director	01-Jan-22	31-Dec-22
Rt. Rev. Daniel De-Graft Brace	Director	01-Jan-22	31-Dec-22

31.6 Key Management Personnel		Period	
Name	Designation	From	To
Benjamin Afful-Eshun	Chief Executive Officer	01-Jan-22	31-Dec-22
Samuel Nyanzu Ackah	Head of Operations & Finance	01-Jan-22	31-Dec-22
Joseph Ato Haizel	Head of ICT	01-Jan-22	31-Dec-22
George Owusu Buabin	Head of Credit	01-Jan-22	31-Dec-22
Isaac Kofi Asamoah	Head of Branch Network Control	01-Jan-22	31-Dec-22
Berfi Asafo Adjei	Head of Compliance	01-Jan-22	31-Dec-22
Jerome H. Annan	Ag. Head of Human Resource	01-Jan-22	31-Dec-22
Doris Nusenu	Head of Internal Audit	01-Jan-22	31-Dec-22

31.7 a. Number of Shareholders		2022	2021		
		3,849	3,889		
b. Twenty Largest Shareholders		No. of Shares	%age to No. of Shares	%age to	
Name			Total	Total	
		2022		2021	
		Bank		Bank	
1	Apori Samuel Obeng	744,933	1.98	744,933	2.23
2	Ansah Joseph	587,851	1.56	534,276	1.60
3	Quartey David	584,588	1.55	584,588	1.75
4	Tawiah Joseph Wilfred Kwame	549,994	1.46	549,994	1.65
5	Essien Vincent Blaychie	510,000	1.36	510,000	1.53
6	Arthur Moses Amoyaw	501,701	1.33	501,701	1.50
7	De-Graft Brace Daniel	481,578	1.28	331,578	0.99
8	Cromwell Alfred	421,278	1.12	406,278	1.22
9	Mensah-Woode Ekow	395,460	1.05	366,049	1.10
10	Amissah Anthony Peter	377,529	1.00	377,529	1.13
11	Afful-Eshun Benjamin	340,000	0.90	240,000	0.72
12	Dadzie Samuel	336,352	0.89	312,753	0.94
13	Amemo Stephen V.K.	300,698	0.80	300,698	0.90
14	Awusi Isaac Sebastian	272,896	0.73	-	-
15	Annan-Nunoo Regina	268,920	0.72	268,920	0.80
16	Acquaye Reginald	232,053	0.62	232,053	0.69
17	Asante Kwame Awuah	229,945	0.61	229,945	0.69
18	Daning Eric	225,409	0.60	-	-
18	Awusi Isaac Sebastian	-	-	224,335	0.67
19	Yalley Kojo Asua-Benya	219,254	0.58	219,222	0.66
20	Thompson William David Kwesi	207,020	0.55	196,413	0.59
		7,787,459	20.71	7,131,265	21.34
31.8 Number of Employees		333		327	