



# NYANKUMASI AHENKRO RURAL BANK PLC.



YEAR  
**2023**  
TWENTY TWENTY THREE

**38<sup>th</sup>**

**ANNUAL REPORT**  
AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
**31ST DECEMBER, 2023**

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## CORPORATE INFORMATION

<b>DIRECTORS :</b>	Prof. Nana Yaw Oppong	-	Chairman
	Theophilus Obeng	-	Vice Chairman
	Louis Kwamena Mensah	-	Member
	John Anaafi	-	Member
	Paul Humphrey Danquah	-	Member
	Daniel Adjei	-	Member
<b>SECRETARY :</b>	Ms. Anastasia Asante (Esq.)		
	University of Cape Coast		
	Cape Coast, Central Region		
<b>MANAGEMENT :</b>	Emmanuel Agyenim-Boateng	-	Chief Executive Officer
	Anthony Krah	-	Head, Operations
	Alberta Aidoo	-	Head, Human Resource
	Edward Andoh	-	Head, Central Account
	Eugene Kwasi Akpah	-	Head, IT
	Beatrice Tagoe	-	Head, Risk and Compliance
	Paul Donkoh-Graham	-	Head, Credit
	Emmanuel Ayitey	-	Ag. Internal Auditor
<b>REGISTERED OFFICE :</b>	Nyankumasi Ahenkro Rural Bank PLC		
	P. O. Box 10		
	Nyankumasi Ahenkro		
	Central Region		
<b>DIGITAL ADDRESS :</b>	ET-0000-8326		
<b>AUDITORS :</b>	Benning, Anang & Partners		
	Chartered Accountants and Management Consultants		
	Abavana House		
	Abavana Junction		
	56 Kotobabi Road		
	Accra		
<b>BANKERS :</b>	ARB Apex Bank PLC		

**BOARD  
MEMBERS**

**PROF.  
NANA YAW OPPONG  
BOARD CHAIRMAN**



**DANIEL ADJEI  
(Member)**



**LOUIS KWAMENA  
MENSAH  
(Member)**



**THEOPHILUS  
OBENG  
(Member)**



**PAUL HUMPHREY  
DANQUAH  
(Member)**



**JOHN ANAAFI  
(Member)**



**ANASTASIA  
ASANTE (ESQ.)  
(Board Secretary)**

# MANAGEMENT MEMBERS



**EMMANUEL  
AGYENIM - BOATENG**  
Chief Executive Officer



**ALBERTA AIDOO**  
Head, Human Resource



**ANTHONY KRAH**  
Head, Operations



**BEATRICE TAGOE**  
Head, Risk and Compliance



**EDWARD ANDOH**  
Head Central Account



**EMMANUEL AYITEY**  
Ag. Internal Auditor



**EUGENE KWASI  
AKPAH**  
Head, IT



**PAUL DONKOH  
GRAHAM**  
Head Credit

## NOTICE OF MEETING

Notice is hereby given that the 38th Annual General Meeting of the Nyankumasi Ahenkro Rural Bank PLC will be held at Church of Pentecost premises, Nyankumasi Ahenkro on 10th August, 2024 to transact the following Business.

### AGENDA

1. To receive and adopt the Report of Directors and the Financial Statements for the year ended 31st December, 2023 together with the Auditors' Report thereon.
2. To authorize Directors to fix the remuneration of the Auditors.
3. To transact any other business appropriate to be dealt with at an Annual General Meeting.

### NOTE:

A member of the Company entitled to attend and vote is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not also be a member of the bank. A form of proxy is provided on page 55. For it to be valid for the purpose of the meeting, it must be completed and deposited at the office of Nyankumasi Ahenkro Rural Bank PLC not less than 48 hours before the time appointed for holding the meeting.

By Order of the Board

.....

Secretary

Dated this.....

## CHAIRMAN'S REPORT

Nananom, Distinguished Shareholders, Fellow Board Members, Representative from ARB Apex Bank PLC, The President, Association of Rural Banks Central Regional Chapter, Ladies and Gentlemen.

It is a great pleasure for me to welcome all of you to the 38th Annual General Meeting of the Nyankumasi Ahenkro Rural Bank PLC.

This meeting is expected to brief shareholders on the performance of the Bank in 2023 and what we intend doing in 2024 and beyond.

Distinguished Shareholders, there is no need to place more emphasis on our economic challenges in recent years, all we need to do is to hope for a better future and also continue to do our best as a Bank.

Ladies and Gentlemen, notwithstanding the challenges and difficulties in 2023, your Bank made a moderate achievement in its performance as against 2022 thus:

### Financial Indicators 2019 – 2023

ITEM NO	PARTICULARS	DEC	DEC	DEC	DEC	DEC	VARIANCE	CHANGE
		2019	2020	2021	2022	2023	2022/2023	2022/2023
		(GH¢)	(GH¢)	(GH¢)	(GH¢)	(GH¢)	(GH¢)	(%)
1	Total Assets	7,909,747	9,226,099	8,867,297	10,165,639	14,398,162	4,232,523	42
2	Total Deposit	6,290,313	9,584,944	10,270,100	11,701,219	16,009,507	4,308,288	37
3	Total Net Loans	3,073,154	3,409,420	3,174,862	2,591,736	4,977,303	2,385,567	92
4	Total Investment	2,750.00	3,918,318	2,453,753	5,218,318	6,968,218	1,749,900	33
5	Stated Capital	159,933	663,656	1,030,445	1,036,295	1,038,375	2,080	0.2
6	Net Worth	-108,640	-2,096,599	-2,438,100	-2,977,881	-2,939,452	38,429	-1
7	Total Operating Income	1,294,169	1,618,289	2,101,715	2,077,857	3,348,673	1,270,816	61
8	Total Expenses	2,211,007	3,507,797	2,580,831	2,392,995	3,155,580	762,585	32
	<b>Total Profit</b>	<b>-916,838</b>	<b>-1,889,508</b>	<b>-479,116</b>	<b>-425,554</b>	<b>36,349</b>	<b>461,903</b>	<b>109</b>

## **OPERATING INCOME**

The Bank's total operating income less interest expense stood at GHS 2,077,857 in 2022 as compared to GHS 3,348,673 in 2023 representing 63% increase over the previous year's figure. The remarkable growth emanated mostly from interest income earned on loans granted as well as interest on investments.

## **OPERATING EXPENSES**

The Bank's total operating expense during the period under review increased from GHS 2,392,995 in 2022 to GHS 3,155,580 in 2023 representing 32% over the previous year's figure, mainly due to interest paid on deposits and other provisions made.

## **PROFITABILITY**

The Bank made a loss of GHS 425,554 in 2022 but by end of 2023 it recorded a marginal profit before tax of GHS 109,179 representing 126% increase over the 2022 loss. It is our hope to improve upon this result next year despite the anticipated economic challenges.

## **DEPOSIT**

Deposit from customers increased from GHS 11,701,219 in 2022 to GHS 16,009,507 in 2023 representing a 37% growth. This achievement was attributed to the confidence customers have had in our operations over the years.

## **TOTAL ASSETS**

The Bank's total assets increased from GHS 10,165,639 in 2022 to GHS 14,398,162 in 2023 representing a 41% growth over the last year's performance.

## **INVESTMENT**

Our total investments increased from GHS 5,218,318 in 2022 to GHS 6,968,318 representing a 33.5% growth over the period.

## **LOANS AND ADVANCES TO CUSTOMERS**

The net loans and advances grew from GHS 2,591,736 in 2022 to GHS 4,977,303 in 2023 representing 92% growth. The growth in loans was as a result of the Cocoa Loans Programmes which was started 2 years ago, as well as expansion in the Bank's microfinance activities.

## **COCOA FARMERS LOAN**

Last year we expanded our Cocoa Farmers Loan to four different communities serving various farmer groups made up of about 200 farmers in our catchment area. The amount disbursed stood at GHS 400,000. This I must emphasize went a long way to support our farmers in maintaining their cocoa farms. We wish to encourage our Cocoa Farmers to take advantage of this Cocoa Loans Product to increase their yields for the betterment of their families and mother Ghana.

### **WOMEN IN DEVELOPMENT (WID) PROGRAMME**

Nananom, Shareholders, Invited Guests, Ladies and Gentleman, our Microfinance product has seen a significant improvement and by the end of 2023 we had about 150 groups of about 2,250 groups members. We were able to disburse over GHS 2 million and hope to increase it to over GHS 5 Million in 2024.

### **RAISING OF SHARES CAPITAL**

Whilst the Bank has satisfied the Bank of Ghana requirement to have a minimum capital of GHS 1,000,000, the Bank must still raise capital to have enough capital to trade. The good news is that the sale of shares is still ongoing and I want to encourage existing shareholders to buy more shares, while I appeal to the others to buy shares to become part-owners of the Bank. While I appeal for the purchase of more shares to increase our share capital, I also take the opportunity to appeal for a female member to join our Board to satisfy the requirement for the Board membership.

### **CORPORATE SOCIAL RESPONSIBILITY IN 2022 FINANCIAL YEAR**

The Bank spent a total of GH¢4,360 on corporate social responsibilities during the year under review. This was mainly in the form of donations to various Associations, Churches, as well as funeral donations.

### **PAYMENT OF DIVIDEND**

Distinguished shareholders, it is sad to announce that the Bank cannot pay dividends even though we made a marginal profit in 2023. This is in accordance with the directive of the Bank of Ghana for the suspension of the declaration and payment of dividends to shareholders.

As a result, we were unable to declare and pay dividend this year, but things are taking shape and very soon, as shareholders, we will begin to enjoy the returns on our investments.

### **STAFF**

Please, help me to acknowledge the sacrifice and hard work of the Management and the entire staff for a good performance despite the challenges that confronted the economy and the stiff competition the Bank experienced.

We equally acknowledge that the success of the Bank hinges on quality and dedicated staff. The Bank is, therefore, pursuing talent identification, development, and retention drive by hiring those with the requisite qualifications and skills. In its drive to realise returns on investment in its staff, the Bank continues to offer the needed training and development programmes for staff. While we challenge staff to uplift their performance, while consistently abysmal performers are being encouraged to seek employment elsewhere.

During the last AGM, you were informed that Mr. William Gyasi, the General Manager was no more in the service of the Bank and arrangements were being made to engage a new General Manager (now known as the Chief Executive Officer). I wish to inform you that we hired a Chief Executive Officer, Mr Emmanuel Agyenim-Boateng, as well as a Credit Manager, Mr. Paul Donkor Graham in 2023. Their profiles are provided under their names in this brochure. Two management members also resigned during the year under review. They include Mr. Anthony Ewusie, Head of Risk and Compliance and Mr. Ebenezer Appiah-Kubi, Acting Internal Auditor. They have since been replaced.

## THE WAY FORWARD

Over the last years, the Board, Management and the entire staff of the Bank really committed themselves to good performance and will continue to uphold this for a better Bank.

Ladies and gentlemen, we would still be rendering the best of services to our customers and to ensure that all stakeholders benefit from the Nyankumasi Ahenkro brand.

Our focus on recovery of non-performing loans is key. We have instituted strong measures to strengthen our loan monitoring and collections. Credit risk management has been strengthened and we shall continue to intensify our deposit mobilization drive. We appeal to all our stakeholders to deepen our partnership so we can put Nyankumasi Ahenkro Rural Bank at its deserving position in the rural and community banking industry.

## CONCLUSION

Despite the numerous economic challenges confronting our nation, as Directors, we are committed to ensuring that the Bank offers better services to our customers and make the needed income that will sustain the Bank's operations in the years ahead, and to offer shareholders returns on their investments. On behalf of the Board of Directors, I wish to thank all shareholders, customers, management and the entire staff of the Nyankumasi Ahenkro Rural Bank PLC as well as other stakeholders for your support during the period.

To our External Auditors, The Bank of Ghana, and the ARB Apex Bank PLC and other partners we say a big 'thank you' for your support and the confidence reposed in us.

We hereby ask for God's travelling mercies for you to your various destinations and to wish you all the best in your endeavours and hope to see you next year, when a much interesting story will be told.

Thank you.

Prof. Nana Yaw Oppong  
(Board Chairman)

# REPORT OF DIRECTORS

The Directors in submitting to the shareholders their report and financial statements of the Bank for the year ended 31st December, 2023 report as follows:

## DIRECTORS' RESPONSIBILITY STATEMENT

The Bank's Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards 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 for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

<b>FINANCIAL RESULT</b>	GH¢
Profit for the year ended 31st December, 2023 before taxation is	109,179
from which is deducted taxation of	(72,830)
giving a profit for the year after taxation	36,349
to which is added balance brought forward on Retained Earnings of	(4,264,704)
giving a balance before distribution of	(4,228,355)
transfer to statutory reserve fund of	(18,175)
leaving a balance carried forward on Retained Earnings of	(4,246,530)

## NATURE OF BUSINESS

The Nyankumasi Ahenkro Rural Bank PLC is licensed to carry out the business of Banking in Ghana. There was no change in the nature of the Bank's business during the year. The Bank's core mandate and line of business did not change during the year under review.

## CORPORATE SOCIAL RESPONSIBILITIES

The Bank spent a total of Gh¢ 4, 360 on corporate social responsibilities during the year. This was mainly in the form of donations to various Associations such Police Ladies Association, Churches and Funerals.

## AUDIT AND AUDITORS' FEE

The term of KAP Chartered Accountants ended in December 2022 and new auditors, Benning, Anang & Partners appointed to audit the 2023 financial statements in line with Section 139(5) of the Companies Act, 2019 (Act 992). The audit fee payable as at the date of this report amounted to GH¢25,000.

## **CAPACITY OF DIRECTORS**

The Bank ensures that only fit and proper persons are appointed to the Board. Bank of Ghana has given approval to all elected Directors, after notification of their appointments.

Relevant training and capacity building programmes facilitated by the Ghana Banking College and the Bank of Ghana are to be in place to enable the Directors discharge their duties.

## **DIRECTORS**

The name of the directors who served during the year under review are provided on page 2. No director had any interest at any time during the year, in any contract of significance, other than a service contract with the bank.

### **PROF. NANA YAW OPPONG (BOARD CHAIRMAN)**

Prof. Oppong joined the Board of Directors in July 2016. Nana is a lecturer, researcher, and an HR practitioner. He is an Erasmus+ Scholar and holds a PhD (Leeds, UK), MBA (London, UK), and BA (Hons) & Dip. Ed. (Cape Coast, Ghana). He has worked with Newmont Ghana Gold Limited, the Ghana Manganese Company Limited, and the Public Fund Raising Association (London). He has also taught in higher educational institutions in Ghana, UK, Germany, and Senegal. Nana is currently the Head of the Department of Human Resource Management, University of Cape Coast. He has carried out varied research activities and has shared his research outputs at international conferences in Ghana, Greece, UK, Germany, Australia, Hong Kong, and USA. He also consults in talent and skills development, and industrial relations. The Board approved his Chairmanship at the 133rd Board Meeting held on Saturday 21st January, 2023 at Nyankumasi Ahenkro".

### **THEOPHILUS OBENG (VICE CHAIRMAN)**

He joined the Board on the 12th July, 2022. He holds a Masters of Arts (Human Resource Development) from the University of Cape Coast and Diploma in Accounting from the University of Ghana. He is currently on retirement with over 30 years experience in the Banking Industry. Mr. Obeng is a trained Micro Finance Specialist having received training at Naropa University in Boulder, USA, the West African Institute for Financial and Economic Management (WAIFEM) - Nigeria, and K-REP in Kenya. Prior to his retirement, he was the head of the Compliance Unit at ARB Apex Bank after he had been trained by The Inter Governmental Action Group Against Money Laundering in West Africa (GIABA) in Monrovia and Lagos and by the National Banking College.

### **PAUL HUMPHREY DANQUAH (MEMBER)**

He accepted to serve on the Board of the Bank on the 27th of May, 2020. He holds the Chartered Institute of Bankers (United Kingdom) Associateship Certificate and the Chartered Institute of Bankers (Ghana) Associate Member Certificate. Mr. Danquah is a retired banker after serving in varied roles in the Bank of Ghana.

### **LOUIS KWAMENA MENSAH (MEMBER)**

Mr. Mensah joined the Board of Directors on the 11th of November, 2017. He is a private Building and Civil Contractor. He holds a City and Guilds of London Certificate in Quantity Surveying Part 2 and Merjja Technologies Certificate of Achievement in Project Management

### **JOHN ANARFI (MEMBER)**

He was engaged to serve on the Board on 10th June, 2020. He is a Principal Revenue Officer at Ghana Revenue Authority and holds Commonwealth Executive Masters of Business Administration (CEMBA) Degree from the Kwame Nkrumah University of Science & Technology (KNUST) and a Bachelor of Commerce Degree. Furthermore, he successfully completed an Accounting Standard: International Financial Reporting Standards (IFRS) organized by West African Institute for Financial and Economic Management (WIFEM) in Abuja, Nigeria – June 2018.

### **DANIEL ADJEI (MEMBER)**

He accepted to join the Board of Directors of the Bank on the 15th of July, 2022. He holds a Bachelor of Education Degree from the University of Cape Coast, majoring in Psychology and is the Headmaster of Adankwaman Senior High School in the Assin South District.

### **ANASTASIA ASANTE (MS)**

She joined the Board as a Secretary on the 7th of September, 2021. She is a Lawyer and a Human Resource Expert. She holds a LLB (Bachelor of Law), Masters of Commerce (Human Resource Management), and a BL (Solicitor and Barrister). She is currently the Assistant Legal Officer of the University of Cape Coast.

## **MANAGEMENT**

Profile of Key Management Team

### **EMMANUEL AGYENIM-BOATENG (CHIEF EXECUTIVE OFFICER)**

Mr. Agyenim-Boateng is a professional in microfinance operations and has vast experience in banking operations, product development, credit and investment management. He joined the Bank in August 2023 with over fifteen (15) years of experience in rural and community banking. He has worked with the Okomfo Anokye Rural Bank where he rose through the ranks to become Microfinance Manager, Akim Bosome Rural Bank as Branch Manager and Amuga Rural Bank as Banking Operations Manager. Mr. Agyenim-Boateng holds a Masters degree in Microfinance Management, Bachelor's degree in Economics and Statistics and HND in Statistics. He has attended various courses in marketing and business development, treasury management, product development, credit appraisal and automated accounts reconciliation.

### **ANTHONY KRAH (HEAD OF OPERATIONS)**

He was engaged by the Bank on the 1st of March, 2011 as a Sub-Assistant and holds a Certificate in HR & Strategic Management from the Graduate Training Institute, Legon. He completed Pitmas College and obtained GCE 'O' Level Certificate in 1991. Mr. Krah has over 30 years experience in rural and community banking. Presently, he is Head of Operations at the Bank.

**EMMANUEL AYITEY (AG. INTERNAL AUDITOR)**

He joined the Bank in April, 2020 as an Assistant Manager attached to Head Office. Before joining the Bank, Mr Ayitey worked with Nyakrom and Akim Bosome Rural Banks. He holds a Bachelor of Commerce degree (Accounting Option) and has over 13 years banking experience. He is currently the Acting Internal Auditor of the Bank.

**PAUL DONKOH-GRAHAM (CREDIT MANAGER)**

He was engaged by the Bank on 1 st June, 2023 as a Credit Manager. He graduated from the University of Cape Coast and has a Master of Business Administration in Finance, and Bachelor of Commerce Degree. He has over Seventeen years experience as a Credit Officer from various financial institutions.

**EUGENE KWASI AKPAH (HEAD OF INFORMATION TECHNOLOGY)**

He joined the Bank on the 2nd of January, 2021 as a System Administrator and rose to the rank of the Heads the Information Technology (IT) Department. He holds a Bachelor in Engineering (Computer Engineering) and has adequate knowledge of IT solutions in the rural and community banking industry.

**ALBERTA AIDOO (HEAD OF HUMAN RESOURCE)**

Alberta was employed by the Bank as a Senior Clerk attached to the Mankessim Branch on 1 st March, 2011. She rose to the rank of Branch Manager and was promoted to the Head of Human Resource on 1st November, 2023. She holds a Bachelor of Business Administration (Human Resource Management) from the University of Cape Coast and a Diploma in Business Studies (Accounting Option). She is presently the Head of Human Resource Administration of the Bank.

**EDWARD ANDOH (HEAD OF CENTRAL ACCOUNTS)**

He joined the Bank on 3rd February, 2014 as a Sub-Accountant attached to the Head Office. He was later assigned the role of a branch manager. Edward is currently is currently the Head of the Central Accounts. He holds a Higher National Diploma Certificate in Accounting from the Cape Coast Polytechnic and a Bachelor of Commerce degree from the University of Cape Coast. He has over nine years experience in rural and community banking.

**BEATRICE TAGOE (HEAD OF RISK AND COMPLIANCE)**

The Bank engaged the services of Ms. Tagoe on 3rd February, 2014 as a Teller. She holds a Bachelor of Commerce (Accounting option) from the University of Cape Coast, and a Higher National Diploma Certificate in Accounting from the Cape Coast Polytechnic. Beatrice was a branch manager and, until her appointment as the substantive Head of Risk and Compliance of the Bank, she acted in the role for nine (9) months.

## GOING CONCERN

The Directors have made an assessment of the Bank's ability to continue as a going concern and have no reason to believe that the business of the Bank will not continue in the years ahead.

## DIVIDENDS

No dividend is proposed for the year ended 31st December, 2023. This is because the Bank of Ghana directed the suspension of declaration and payment of dividend to shareholders, effective 31st December, 2022.

## AUDITORS

In accordance with Section 139(5) of the Companies Act, 2019, (Act 992) and Section 81 of the Banks and Specialised Deposit-Taking Institution Act 2016, (Act 930), Benning, Anang & Partners are the auditors of the Bank.

## APPROVAL OF THE FINANCIAL STATEMENTS

The Financial Statements of the Bank were approved by the Board of Directors on 29th April, 2024 and were signed on its behalf by:

.....  
Prof. Nana Yaw Opong  
Director

.....  
Theophilus Obeng  
Director

The Bank believes that only good corporate governance can deliver sustainable good business performance. The Bank of Ghana Corporate Governance Directives, 2021, for Rural and Community Banks set out the structures and processes that are to be followed by the Bank to build credibility, ensure transparency and accountability.

Corporate Governance is important to the Nyankumasi Ahenkro Rural Bank PLC as it seeks to implement the ideals of fairness, transparency, accountability and responsibility in its dealing with all stakeholders. The Bank also recognizes the critical nature of its relationship with its Regulators in executing its mission and safeguarding the deposits of the general public and other lenders. To this end, the Bank ensures that the interest of stakeholders are taken into account in a balanced and transparent manner.

Nyankumasi Ahenkro Rural Bank PLC is to operate in accordance with the Corporate Governance Directives issued by the Bank of Ghana.

**THE BOARD OF DIRECTORS**

The Board of Directors is responsible for setting the Bank’s strategic direction, leading, controlling and monitoring activities of management so as to protect and enhance shareholders value.

As at 31st December, 2023, the Board of Directors of the Bank consisted six (6) members made up of a Chairman and five (5) Non-Executive Directors.

**TERM LIMIT**

A Non-Executive Director shall be elected for a period of three (3) years at a time and shall be eligible for re-election provided that individual shall serve as director for a cumulative period of not more than nine (9) years. The term of the Chairman shall not exceed six (6) years.

**BOARD MEETING**

The board scheduled five (5) meetings during the year 2023. Four committees were set up by the Board as at 2023. They are Finance and ICT; Credit; Risk, Audit and Compliance; Human Resource and Security Committees.

Directors	Role	Year Appointed	Qualification	Attendance
Prof. Nana Yaw Oppong	Board Chairman	2016	PhD (Talent and Skills Development)	5
Theophilus Obeng	Vice-Chairman	2022	MA (Human Resource Development)	5
John Anaafi	Member	2020	B.Com; CEMBA	5
Daniel Adjei	Member	2022	B.Ed (Psychology)	4
Louis K. Mensah	Member	2017	Cert. Quantity Surveying Part 2	5
Paul Humphrey Danquah	Member	2020	Associate (CIB) Member, Ghana & UK	2

### Biographical Information of Directors

Up to 40 years	Age 41-60	Above 60 years
N/A	4 Directors	2

### EXTERNAL AUDITOR

The external auditor shall hold office for a term of not more than 6 years and is eligible for re-appointment after a cooling period of not less than 5 years as outlined by the Banks and Specialised Deposit-Taking Institutions Act 2016. The external auditor presents and discusses their audit findings with the Board.

### INTERNAL AUDITORS

Internal Audit provides independent, objective audit assurance designed to add value and improve the Bank's operation while ensuring the effectiveness of risk management, control and governance processes. The internal audit unit of the bank is now vibrant with the engagement of additional staff.

### BOARD EVALUATION

The Board has standard evaluation tools that help assess the performance of the Board, its committees and individual members on an annual basis. The Board did not have external evaluation during the period under review and no report was submitted to the Bank of Ghana in this regard.

### BUSINESS CONTINUITY PLAN

The Nyankumasi Ahenkro Rural Bank PLC has a business continuity and disaster recovery plan that enables it respond to unplanned significant interruptions in essential business functions that can lead to the temporary suspension of operations. The bank provides adequate guidelines to recover operations and ensure co-ordinated processes of restoring systems, data and infrastructure to enable essential client needs to be met until normal operations are resumed.

### SYSTEM OF INTERNAL CONTROL

Nyankumasi Ahenkro Rural Bank PLC has just the minimal internal control system for identifying, managing and monitoring risk. However, the internal audit and compliance function of the Bank plays a key role in providing an objective view and continual assessment of the effectiveness of the internal control systems in the Bank. The implementation and monitoring of internal controls by the Bank's personnel with clearly defined duties and reporting lines could thus be improved.

### CODE OF BUSINESS ETHICS

Management has communicated principles in the Bank's Code of Conduct to its employees to provide guidance in the discharge of their duties. This code sets the standards of professionalism and integrity required for the Bank's operation. It covers compliance with applicable laws, conflicts of interest, environmental issues, reliability of financial reporting, bribery and strict adherence to laid down principles, so as to eliminate the potential for illegal practice.

The codes are reviewed regularly when necessary and signed off by directors and employees that they understand the code and sanctions for breaching the policies.

### **ANTI-MONEY LAUNDERING**

The Bank has no well - established anti-money laundering system in place which is in line with the requirement of Ghana's Anti-Money Laundering Act 2022, (Act 1044).

Staff members sometimes do receive training on anti-money laundering policies and procedures.

### **ANNUAL CERTIFICATE ON CORPORATE GOVERNANCE**

The Board of Directors did not undertake Corporate Governance Certification training during the year 2023. The training is required to enable Directors continually maintain and update their corporate governance knowledge.

The directors of the Bank are aware of their responsibilities to the Bank as persons charged with governance.



**BENNING, ANANG & PARTNERS**  
**(Chartered Accountants & Management Consultants)**

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## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NYANKUMASI AHENKRO RURAL BANK PLC**

### **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

#### **OPINION**

We have audited the accompanying Financial Statements of Nyankumasi Ahenkro Rural Bank PLC set out on pages 14 to 48, which comprise the Statement of Financial Position at 31st December, 2023, the Statement of Comprehensive Income, the Statement of Changes in Equity and 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, as set out on pages 20 to 48.

In our opinion, the Financial Statements give a true and fair view of the financial position of Nyankumasi Ahenkro Rural Bank PLC at 31st December, 2023 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), the Companies Act, 2019, (Act 992) and the Banks and Specialised Deposit Taking Institutions, Act, 2016 (Act 930).

#### **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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Nyankumasi Ahenkro Rural Bank PLC in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (the Code) issued by the International Ethics Standards Board of Accountants (IESBA) and we have fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **OTHER MATTERS**

The 2022 Financial Statements were audited by another External Auditor.

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<p><b>Impairment of advances – Refer to Note 7 &amp; 12 to the Financial Statements</b></p> <p><b>The key audit matters</b></p> <p>Due to the significance of the Bank’s advances to customers (which represents 35% of the Bank’s total assets) and the related estimated uncertainty of the provision for impairment, this is considered a key audit risk.</p> <p>The appropriateness of loan loss provisions is a key area of judgment for management. The identification of impairment and the determination of the recoverable amount are inherently uncertain processes involving various assumptions and factors including the financial condition of the customer, expected future cash flows and the estimated time to realization of collaterals.</p>
<p><b>How the matter was addressed in our audit</b></p> <p>We assessed the systems and related controls instituted by management to ensure the accurate determination of provisions.</p> <p>We reviewed the process of aging and categorization of the various loans and the application of related provision rates.</p> <p>We tested a sample of these provisions based on our overall risk assessment of this account.</p>
<p><b>IFRS Financial Instrument: Refer to Note 2(e) (viii) of the Financial Statements</b></p> <p><b>The key audit matters</b></p> <p>The Bank did apply IFRS 9 to the Financial Statements as at 31st December, 2023. The Financial Instruments held by the Bank were assessed in accordance with the standard.</p>
<p><b>How the matter was addressed in the audit:</b></p> <ul style="list-style-type: none"> <li>• Reviewed management capability to effectively apply the IFRS 9 and make the necessary disclosures in the Financial Statements as at 31st December, 2023.</li> <li>• Assessed Bank’s advances provision using Bank of Ghana guidelines.</li> <li>• Used externally available data on exposures and our knowledge of IFRS 9 experience in the Banking Industry.</li> </ul>
<p><b>Short and Medium Term Investments refer to Note 11 of the Financial Statements</b></p> <p><b>The Key audit matters</b></p> <p>The significance of the Bank’s investment assets are in Treasury Bills/Bonds (which represents 83.50% of the Bank’s short and medium term investment and 40.41% of the Bank’s total assets) and McOttley Investments/Gold Coast Securities which represents the Bank’s other investment and 7.99% of the Bank’s total assets. The related economic uncertainty of payment receipt from the fund managers of Treasury Bond and Other investments to the Bank when their investment is matured and the Bank’s failure to assess or test the investment as at 31st December, 2023, we considered these investments as a key audit matter.</p>
<p><b>How the matter was addressed in our audit:</b></p> <ul style="list-style-type: none"> <li>• Reviewed the Bank’s investment management criteria, the risk appetite for selecting short and medium term investment and the approval of fund managers for the Bank.</li> <li>• Evaluated all short term investments and analysed other investment with McOttley Investments Gold Coast Securities.</li> <li>• Assessed the maturity periods and redeemed amount of the investment with McOttley Investments and Gold Coast Securities to verify the accuracy of the amount received.</li> <li>• Sent a confirmation letter on the Bank’s investment as at 31st December, 2023 to ensure the amount included in the Financial Statements is not misstated.</li> </ul>

## RESPONSIBILITIES OF BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS

The Board of Directors is responsible for the preparation and fair presentation of the Financial Statements 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 for such internal control as the Board of Directors 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, the Board of Directors 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 the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so. The Board of Directors is responsible for overseeing the Bank's financial reporting process.

## AUDITORS' 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 auditors' 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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the 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 International Standards on Auditing, 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 auditors' 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 auditors' 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 company audit. We remain solely responsible for our audit opinion.

We communicate with the 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 the Board of 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.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) Section 85, requires that we state certain matters in our report. We hereby state that:

- (i) We were able to obtain all relevant information and explanations required for the efficient performance of our duties as auditors.
- (ii) The Bank's transactions were within its powers.
- (iii) The Bank has complied with provisions of the Anti Money Laundering Act, 2022 (Act 1044), the Anti-Terrorism Act, 2008 (Act 762) and the Regulations made under these enactments.
- (iv) The Bank complied with the relevant provisions of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

Section 26 of the Bank and Specialised Deposit-Taking Institution Act 2016 (Act 930) requires all bank to maintain 10% capital adequacy ratio

The Bank's capital adequacy ratio as at the year ended 31st December, 2023 was negative 37.49% which was far below the minimum 10% required by Bank of Ghana.

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

We confirm that:-

- (I) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit.

**(ii) In our opinion:**

- Proper books of accounts have been kept by Nyankumasi Ahenkro Rural Bank PLC, so far as appears from our examination of these books.
- The information and explanations given us were in the manner required by the

Companies Act, 2019 (Act 992) and give a true and fair view of the:

- a. Statement of Financial Position of the Bank at the end of the financial year and
  - b. Statement of Comprehensive Income for the year.
- (iii) Nyankumasi Ahenkro Rural Bank PLC Statement of Financial Position and Statement of Comprehensive Income are in agreement with the books of account.
- (iv) We are independent of the Bank, pursuant to section 143 of Companies Act, 2019 (Act 992).

The Engagement Partner on the audit resulting in this independent auditors' report is

**Festus Eugene Adu Mantey (ICAG/P/1038)**



**Benning, Anang & Partners (ICAG/F/2024/045)**

**Chartered Accountants**

**Abavana House, Abavana Junction**

**Accra**

**Ghana**

.....*April 29,*.....2024

**BENNING, ANANG & PARTNERS  
CHARTERED ACCOUNTANTS**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31ST DECEMBER, 2023**

	Note	2023 GH¢	2022 GH¢
Interest income	3	2,787,652	1,637,423
Interest expenses	4	<u>(408,540)</u>	<u>(283,927)</u>
<b>Net interest income</b>		<b>2,379,112</b>	<b>1,353,496</b>
Commission and fees	5	711,083	426,015
Other Operating Income	6	<u>258,478</u>	<u>298,346</u>
<b>Operating income</b>		<b>3,348,673</b>	<b>2,077,857</b>
Impairment on Loans and Advances	7	<u>(83,914)</u>	<u>(110,416)</u>
<b>Net operating income</b>		<b>3,264,759</b>	<b>1,967,441</b>
Staff costs	8	(1,046,562)	(1,055,477)
Operating expenses	9	(2,000,033)	(1,254,102)
Depreciation	15	<u>(108,985)</u>	<u>(83,416)</u>
<b>Total operating expenses</b>		<b><u>(3,155,580)</u></b>	<b><u>(2,392,995)</u></b>
Profit/(Loss) before taxation		109,179	(425,554)
Taxation	19	<u>(72,830)</u>	-
<b>Profit/(Loss) for the year</b>		<b>36,349</b>	<b>(425,554)</b>
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive income</b>		<b><u>36,349</u></b>	<b><u>(425,554)</u></b>
Basic and Diluted Earnings per Share	20	0,007	(0.082)
<b>Retained Earnings for the year ended 31st December, 2023</b>			
Balance at 1st January		(4,264,704)	(3,945,031)
Prior year adjustment	26	<u>-</u>	<u>105,881</u>
Restated Balance		<b>(4,264,704)</b>	<b>(3,839,150)</b>
Profit/(Loss) for the year		36,349	(425,554)
Transfer to statutory reserve		<u>(18,175)</u>	<u>-</u>
<b>Balance at 31st December</b>		<b><u>(4,246,530)</u></b>	<b><u>(4,264,704)</u></b>

The Financial Statements should be read in conjunction with the notes to the Financial Statements on pages 20 to 48.

**STATEMENT OF FINANCIAL POSITION  
AS AT 31ST DECEMBER, 2023**

	Note	2023 GH¢	2022 GH¢
<b>ASSETS</b>			
Cash and short term funds	10	1,347,967	1,371,500
Short and medium term investments	11	6,968,318	5,218,318
Advances	12	4,977,303	2,591,736
Other assets accounts	13	<u>689,296</u>	<u>479,264</u>
		<b>13,982,884</b>	<b>9,660,818</b>
Long term investment	14	59,884	41,504
Intangible asset	15	73,801	86,637
Property, plant and equipment	15	<u>281,593</u>	<u>376,680</u>
<b>Total Assets</b>		<b><u>14,398,162</u></b>	<b><u>10,165,639</u></b>
<b>Liabilities</b>			
Deposits and current accounts	16	16,009,507	11,701,219
Interest payable and other liabilities	17	1,178,449	1,337,717
Borrowings	18	89,644	104,584
Taxation	19	<u>60,014</u>	<u>-</u>
<b>Total Liabilities</b>		<b><u>17,337,614</u></b>	<b><u>13,143,520</u></b>
<b>Equity</b>			
Stated capital	21	1,038,375	1,036,295
Retained Earnings	22	(4,246,530)	(4,264,704)
Statutory reserve fund	23	234,113	215,938
Capital Reserves	24	<u>34,590</u>	<u>34,590</u>
<b>Total Equity</b>		<b><u>(2,939,452)</u></b>	<b><u>(2,977,881)</u></b>
<b>Total Liabilities and Equity</b>		<b><u>14,398,162</u></b>	<b><u>10,165,639</u></b>
<b>Net Assets Value per share (Ghana cedi per share)</b>	25	<b>(0.566)</b>	<b>(0.575)</b>

The Board of Directors approved the Financial Statements on .....2024  
and signed on its behalf by:

..... Director

..... Director

The Statement of Financial Position should be read in conjunction with the notes  
to the Financial Statements on pages 20 to 48.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31ST DECEMBER, 2023**

	<b>Stated Capital GH¢</b>	<b>Retained Earnings GH¢</b>	<b>Statutory Reserve GH¢</b>	<b>Capital Reserves GH¢</b>	<b>Total GH¢</b>
<b>2023</b>					
Balance at 1st January, 2023	1,036,295	(4,264,704)	215,938	34,590	(2,977,881)
Profit for the year	-	36,349	-	-	36,349
Statutory reserve	-	(18,175)	18,175	-	-
Issue of Shares	2,080	-	-	-	2,080
<b>Balance at 31st December, 2023</b>	<b>1,038,375</b>	<b>(4,246,530)</b>	<b>234,113</b>	<b>34,590</b>	<b>(2,939,452)</b>
<b>2022</b>					
Balance at 1st January, 2022	1,030,445	(3,945,031)	215,938	34,590	(2,664,058)
Prior year adjustment	-	105,881	-	-	105,881
Deficit for the year	-	(425,554)	-	-	(425,554)
Statutory reserve	-	-	-	-	-
Issue of Shares	5,850	-	-	-	5,850
<b>Balance at 31st December, 2022</b>	<b>1,036,295</b>	<b>(4,264,704)</b>	<b>215,938</b>	<b>34,590</b>	<b>(2,977,881)</b>

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>2023</b>	<b>2022</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>Cash Flows from operating activities</b>		
Profit before taxation	109,179	(425,554)
Depreciation	108,985	83,416
Impairment on Loans (Adjusted)	<u>(19,442)</u>	<u>110,416</u>
	<b>198,722</b>	<b>(231,722)</b>
<b>Changes in operating assets and liabilities:</b>		
(Increase)/Decrease in advances	(2,385,567)	472,709
(Increase) in investments	(1,750,000)	(1,614,565)
(Decrease)/Increase in other assets	(210,032)	126,235
Increase in customer deposits and current accounts	4,308,288	1,431,119
(Decrease)/Increase in interest payable and other liabilities	<u>(159,268)</u>	<u>466,846</u>
	<b>(196,579)</b>	<b>882,344</b>
<b>Net Cash generated from operating activities</b>	<b>2,413</b>	<b>650,622</b>
Tax paid	<u>(12,816)</u>	<u>(17,794)</u>
<b>Net Cash inflow from Operating Activities</b>	<b>(10,403)</b>	<b>632,828</b>
<b>Cash flows from investing activities</b>		
Property, plant and equipment	<u>-</u>	<u>(111,292)</u>
<b>Net cash used in from investing activities</b>	<u>-</u>	<u>(111,292)</u>
<b>Net cash before financing activities</b>	<b>(10,673)</b>	<b>521,536</b>
<b>Cash flow from financing activities</b>		
Borrowing Repayment	(14,940)	(225,958)
(Decrease)/Increase in Deposit for shares	-	
Proceeds from issue of Shares	<u>2,080</u>	<u>5,850</u>
<b>Net cash used in financing activities</b>	<u>(12,860)</u>	<u>(220,108)</u>
<b>Net increase in cash and cash equivalents</b>	<b><u>23,533</u></b>	<b><u>301,428</u></b>
<b>Analysis of cash and cash equivalents</b>		
Balance at 1 January	1,371,500	1,070,072
Net (decrease)/increase in cash and cash equivalents	<u>(23,533)</u>	<u>301,428</u>
<b>Balance at 31 December</b>	<b><u>1,347,967</u></b>	<b><u>1,371,500</u></b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

### 1. Reporting entity

Nyankumasi Ahenkro Rural Bank PLC is a company registered under the Companies Act, 2019, (Act 992). Its headquarters is in Nyankumasi Ahenkro in the Central Region and licenced to operate Business of Banking in Ghana. The address of its registered office and principal place of business is Nyankumasi Ahenkro, P. O. Box 10, Nyankumasi Ahenkro.

The Bank has six (6) Agencies located in Nyankumasi Ahenkro, Mankessim, Yamransa, Darmang, Ajumako, Abura Dunkwa and 2 mobilisation centres at Dominase and Andeo.

The Financial Statements were approved by the Board of Directors on 29th April, 2024

### 2. Significant Accounting policies

#### a. Basis of preparation

##### (i) **Statement of compliance**

The Financial Statements have been prepared in accordance with International Financial Reporting Standard (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB).

##### (ii) **Basis of measurement**

The Financial Statements have been prepared under the historical cost convention, as modified by the revaluation of investment property, financial assets and financial liabilities at fair value through profit or loss.

##### (iii) **Use of estimate and judgment**

The preparation of Financial Statements in conformity with IFRS requires the Directors to make judgements, estimates and assumptions that affect the application of accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

#### b. Presentation of Financial Statements

##### (i) **Functional and presentation currency**

The Financial Statements are presented in Ghana Cedis (GH¢) which is the currency of the primary economic environment in which the Bank operates.

##### (ii) **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognize in profit or loss.

### **c. Revenue recognition**

Revenue is recognised as follows:

#### **(i) Interest income and expense**

Interest income is recognised on a time-proportion basis using the effective interest method. Interest income on impaired loans is recognised either as cash is collected or cost-recovery basis as conditions warrant.

Interest expense for all interest bearing deposits are recognized using the effective interest method.

#### **(ii) Fee and Commission Income**

Fees and Commissions are generally recognized on accrual basis when the service has been provided. Loan commitment fees for loans that are likely to be drawn down are deferred, together with related direct cost, and recognized as an adjustment to the effective interest rate on the loan.

#### **(iii) Dividend income**

Dividend income is recognised when the right to receive payment is established.

#### **(iv) Sales of services**

Sales of services are recognized in the accounting period in which the services are rendered.

### **d. Income tax expense**

Income tax expense comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using temporary differences between the carrying amounts of assets and liabilities for the financial reporting purposes and the amounts used for taxation purposes.

### **e. Financial assets and liabilities**

#### **(i) Recognition**

The Bank initially recognizes loans and advances, deposits and debt securities issued on the date that they are originated. All other financial assets and liabilities (including assets and liabilities designated at fair value through profit or loss) are initially recognized on the trade date at which the Bank becomes a party to the contractual provisions of the instrument.

#### **(ii) De-recognition**

The Bank derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Bank is recognized as a separate asset or liability.

The Bank derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

The Bank enters into transactions whereby it transfers assets recognized on its balance sheet, but retains all risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognized from the balance sheet. Transfers of assets with retention of all or substantially all risks and rewards include, for example, securities lending and repurchase transactions.

**(iii) Offsetting**

Financial assets and liabilities are set off and at the net amount presented in the statement of financial position when, and only when, the Bank currently has a legally enforceable right to set off the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a Bank of similar transactions such as in the Bank’s trading activity.

**(iv) Amortised cost measurement**

The amortised cost of financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest rate method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment.

**(v) Fair value measurement**

The determination of fair values of financial assets and financial liabilities is based on quoted market prices or dealer price quotation for financial instruments traded in active markets. For all other financial instruments fair value is determined by using valuation techniques. Valuation techniques include net present value techniques, the discounted cash flow method, comparison to similar instruments for which market observable prices exist, and valuation models. The Bank uses widely recognized valuation models for determining the fair value of common and simpler financial instruments like options and interest rates.

**(vi) Identification and measurement of impairment**

At each reporting date the Bank assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. Financial assets are impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset, and that the loss event has an impact on the future cash flows on the asset that can be estimated reliably.

The Bank considers evidence of impairment at both an individual and collective level. All significant assets found not be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are then collectively assessed for impairment by grouping together financial assets (carried at amortised cost) with similar risk characteristics.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a borrower, restructuring of a loan or advance by the Bank on terms that the Bank would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, the disappearance of an active market for a security, or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the bank or economic conditions that correlate with defaults in the Bank.

In assessing collective impairment, the Bank uses statistical modeling of historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical modeling. Default rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure that they remain appropriate.

Impairment losses on assets carried at amortised cost are measured as the difference between the carrying amount of the financial assets and the present value of estimated cash flows discounted at the assets original effective interest rate. Losses are recognized in the statement of comprehensive income and reflected in an allowance account against loans.

When a subsequent event causes the amount of impairment loss to decrease, the impairment loss is reversed through profit or loss.

Impairment losses on available-for-sale investment securities are recognized by transferring the difference between the amortised acquisition cost net of any principal repayment and amortization and current fair value, less any impairment loss previously recognized in profit or loss out of equity to profit or loss. When a subsequent event that can be related to the event causes the amount of impairment loss on an available-for-sale debt security to decrease, the impairment loss is reversed through profit or loss, otherwise, the decrease is recognized through OCI.

However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognized directly in equity. Changes in impairment provisions attributable to time value are reflected as a component of interest income.

#### **(vii) Designation at fair value through profit or loss**

The Bank has designated financial assets and liabilities at fair value through profit or loss when either:

- The assets or liabilities are managed, evaluated and reported internally on a fair value basis
- The designation eliminates or significantly reduces an accounting mismatch which would otherwise arise; or
- The asset or liability contains an embedded derivative that significantly modifies the cash flows that would otherwise be required under the contract.

#### **(viii) IFRS 9 financial instruments**

Overall, the Bank expects a significant impact on its Statement of Financial Position and equity mainly resulting from the effect of applying the impairment requirements of IFRS 9. The Bank expects an increase in the loss allowance resulting in a negative impact on equity as discussed below. In addition, the Bank will implement changes in classification of certain financial instruments.

#### **(a) Classification and measurement**

The Bank does not expect a significant impact on its balance sheet or equity in applying the classification and measurement requirements of IFRS 9. It expects to continue measuring at fair

value all financial assets currently held at fair value through profit or loss whilst available for sale (AFS) securities will also continue to be valued through other comprehensive income and measured at fair value, however, unquoted equity shares currently held at cost will be reclassified as fair value through profit and loss and be measured at fair value.

Loans and advances to customers are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest. The Bank analysed the contractual cash flow characteristics of those instruments and concluded that they meet the criteria for amortised cost measurement under IFRS 9. Therefore, reclassification for these instruments is not required.

### **(b) Impairment overview**

IFRS 9 will also fundamentally change the loan loss impairment methodology. The standard will replace IAS 39's incurred loss approach with a forward-looking expected loss (ECL) approach. The standard will replace IAS 39's incurred loss approach with a forward-looking expected loss (ECL) approach. The Bank will be required to record an allowance for expected losses for all loans and other debt financial assets not held at FVPL, together with loan commitments and financial guarantee contracts. The allowance is based on the expected credit losses associated with the probability of default in the next twelve months unless there has been a significant increase in credit risk since origination, in which case, the allowance is based on the probability of default over the life of the asset. The Bank has established a policy to perform an assessment at the end of each reporting period of whether credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

To calculate ECL, the Bank will estimate the risk of a default occurring on the financial instrument during its expected life. ECLs are estimated based on the present value of all cash shortfalls over the remaining expected life of the financial asset, i.e., the difference between: the contractual cash flows that are due to the Bank under the contract, and the cash flows that the Bank expects to receive, discounted at the effective interest rate of the loan.

The Bank classifies its loans into Stage 1, Stage 2 and Stage 3, based on the applied impairment methodology as described below:

- Stage 1 Performing loans: when loans are first recognized, the Bank recognizes an allowance based on 12 – month expected credit losses.
- Stage 2 Underperforming loans: when a loan shows a significant increase in credit risk, the Bank records an allowance for the lifetime expected credit loss.
- Stage 3 Impaired loans: the Bank recognizes the lifetime expected credit losses for these loans.

The Bank will record impairment for FVOCI debt securities, depending on whether they are classified as Stage 1, 2 or 3, as explained above. However, the expected credit losses will not reduce the carrying amount of these financial assets in the statement of financial position, which will remain at fair value. Instead, an amount equal to the allowance that would arise if the asset were measured at amortised cost will be recognized in OCI as an accumulated impairment amount, with a corresponding charge to profit and loss.

The Bank intends to apply a policy that if the transfer into Stage 2 had been initially triggered by indicators other than the movement in the probability of default, the loan can only return to Stage 1 after a probation period of two years.

#### **f. Cash and cash equivalents**

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with central banks and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value, and are used by the Bank in the management of its short-term commitments.

Cash and cash equivalents are carried at amortised cost or fair values in the statement of financial position depending on the business model for managing the asset or the cash flow characteristics of the asset.

#### **g. Trading assets and liabilities**

Trading assets and liabilities are those assets and liabilities that the bank acquires or incurs principally for the purpose of selling or repurchasing in the near term, or hold as part of a portfolio that is managed together for short-term profit or position taking.

Trading assets and liabilities are initially recognized and subsequently measured at fair value in the statement of financial position with transaction costs taken directly to profit or loss. All changes in fair value are recognized as part of net trading income in profit or loss. Trading assets and liabilities are not reclassified subsequent to their initial recognition.

#### **h. Loans and advances**

Loans and advances are Financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Bank provides money or overdraft facility directly to a customer with no intention of trading the receivables.

### **I. Investment**

#### **(i) Held-to-maturity investments**

Held-to-maturity investments are financial assets with fixed or determinable payments and fixed maturities that the Bank's management has the positive intention and ability to hold to maturity. Held-to-maturity investments of the Bank are mainly investment in Government of Ghana treasury bills.

#### **(ii) Long-term investments**

Long-term investments are investment in the shares of ARB Apex Bank Limited. The Bank has no intention of selling this financial asset.

Purchases of investments are recognised on trade-date – the date on which the Bank commits to purchase the Financial asset. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Bank has transferred substantially all risk and rewards of ownership.

## **j. Property, Plant and Equipment**

### **(i) Recognition and measurement**

Property, Plant and Equipment is measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to bringing the asset to the location and working condition necessary for it to be capable of operating in the manner intended by management. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

### **(ii) Subsequent costs**

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, when it is probable that the future economic benefits associated with the item will flow to the Bank and the cost of the item can be measured reliably. All other repairs and maintenance expenditures are charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

### **(iii) Depreciation**

Depreciation is calculated using the straight-line method to allocate the cost of each asset to its residual value over its estimated useful life as follows:

		Year
Furniture and fittings	20%	5
Office furniture and fittings	20%	5
Office equipment	25%	4
Motor vehicles	25%	4
Building	5%	20
Generator/Plant and Machinery	20%	5
Computer	20%	5

Gains and losses on disposal of property, plant and equipment are determined by comparing the disposal proceeds with the carrying amount and are included in the Statement of Comprehensive Income.

## **k. Intangible assets**

### **Software**

Software acquired by the Bank is stated at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized in the statement of comprehensive income on a straight line basis over the estimated useful life of the software from the date that it is available for use.

## **l. Impairment of non-Financial assets**

The carrying amounts of the bank non-Financial assets, other than investment property and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset’s recoverable amount is estimated. The recoverable amount of goodwill is estimated at each reporting date.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset bank that generates cash flows that largely are independent from other assets and banks. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of cash-generating units are allocated first to reduced the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (bank of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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 impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

### **m. Provisions**

A provision is recognized if, as a result of a past event, then bank has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for restructuring is recognized when the bank has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating costs are not provided for.

A provision for onerous contracts is recognized when the expected benefits to be derived by the bank from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the bank recognizes any impairment loss on the assets associated with that contract.

### **n. Employee benefits**

#### **(i) Defined contribution plans**

Obligations for contributions to defined contribution pension plans are recognized as an expense in profit or loss when they are due.

#### **(ii) Defined benefit plans**

A bank operate a number of pension and other post-employment benefit plans. These plans may include both defined benefit and defined contribution plans and various other post-employment benefits such as post-employment healthcare.

Payment to defined contribution plans and state-managed retirement benefit plans, where the bank's obligation under the plans are equivalent to a defined contribution plan, are charged as an expense as the employees render service.

### **(a) Social Security Contributions**

This is a national pension scheme under which the Bank pays 13% of qualifying employees' basic monthly salaries to a state managed Social Security Fund for the benefit of the employees. All employer contributions are charged to profit or loss as incurred and included under personnel expenses.

### **(b) Provident Fund**

This is specific defined contribution scheme under which the Bank contributes 75% of qualifying employees' basic monthly salaries to a fund managed by a trustee on behalf of, and for the benefit of the employees. All employer contributions are charged to profit or loss as incurred and included under personnel expenses with no further or future obligation on the part of the Bank.

The defined pension costs and present value of defined benefit obligations are to be calculated at the reporting date by the schemes' actuaries. The net charge to the statement of comprehensive income should comprise the current service cost, plus the unwinding of the discount rate on plan liabilities, less the expected return on plan asset. Past service cost are charged immediately to profit and loss to the extent that the benefits have vested and are otherwise recognized on a straight-line basis over the average period until the benefits vest. Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred), as well as the effects of changes in actuarial assumptions. Actuarial gains and losses are recognized in OCI in the period in which they arise.

The defined benefit liability recognized in the statement of financial position represents the present value of defined obligations adjusted for unrecognized past service cost and reduced by the fair value of plan assets. Any net defined benefit surplus is limited to unrecognized past service costs plus the present value of available refunds and reductions in future contributions to the plan.

### **o. Stated capital**

#### **Ordinary Shares**

Ordinary shares are classified as equity.

Equity instruments are measured at the fair value of cash received net of the direct costs of issuing the equity instruments.

#### **Repurchase of stated capital (treasury shares)**

When stated capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, is net of any tax effects, and is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on transaction is transferred to/from income surplus. During the year the Bank had no treasury shares.

### **p. Earnings per share**

The Bank presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the bank by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

### **q. Dividends**

Dividends are recognized as liability in the period in which they are declared.

### **r. Financial risk management**

Risk is inherent in the Bank's activities but is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Bank's continuing profitability and each individual within the Bank is accountable for the risk exposures relating to his or her responsibilities.

The Bank is exposed to credit risk, liquidity risk, interest rate risk and market risk. It is also subject to various operating risks.

The independent risk control process does not include business risks such as changes in the environment, technology and industry. The Bank's policy is to monitor those business risks through the Bank's strategic planning process.

### **Risk Management Structure**

The Board of directors is ultimately responsible for identifying and controlling risks. However, there are separate operating units responsible for managing and monitoring risks.

### **Board of Directors**

The Board of Directors is responsible for the overall risk management approach and for approving the risk management strategies and principles.

### **Risk Committees**

The risk committees have the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The risk committees are responsible for managing risk decisions and monitoring risk levels.

The main risk committees and frequency of meeting are:-

- (i) Credit Committee - monthly
- (ii) Risk Compliance and Audit Committee - quarterly
- (iii) IT & Finance Committee - quarterly
- (iv) HR Committee - quarterly

## RISK MANAGEMENT

Risk management is done under specialist units of Credit and Compliance and Internal Audit Department. These units are responsible for implementing and maintaining risk related procedures to ensure independent control process is maintained.

## BANK TREASURY

The Bank's treasury which is under the Manager is responsible for managing the Bank's assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks management of the Bank.

## INTERNAL AUDIT

The Bank's policy is that risk management processes throughout the Bank are audited annually by the internal audit function, which examines both the adequacy of the procedures and the Bank's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to the Board.

The most significant risks which the Bank is exposed to and how they are managed are as below:-

## CREDIT RISK

Credit risk is the risk that the bank will incur a loss because its customers or counterparties fail to discharge their contractual obligations.

The Bank manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for industry concentrations, and by monitoring exposures in relation to such limits.

The framework for managing this risk is the credit policy which spells out the overall underwriting standards, credit approval process, credit administration and recovery processes. The policy is reviewed from time to time (at least yearly) in response to risk profile of new business opportunities/products, and any challenges with the recovery process.

Risk ratings are subject to regular revision

The credit quality review process aims to allow the Bank to assess the potential loss as a result of the risks to which it is exposed and take corrective action.

The credit committee also monitors the portfolio of loans and debt collection operations.

In this capacity, it does:-

- Analyze the portfolio of loans: retail customers and companies.
- Monitor irregular commitments and the main sensitive risks,
- Monitor debt collection files,
- Assess guarantees and monitor provisions,
- Ensure that the actions reported are monitored and performed.

At 31st December, 2023, the bank's credit exposures were categorized as follows:-

- Exposures that are neither past due nor impaired
- Exposures that are past due but not impaired and
- Individually impaired facilities

The balances for each category have been analysed below:-

	<b>December 2023</b>	<b>December 2022</b>
	<b>Loans and Advances to customers GH¢</b>	<b>Loans and Advances to customers GH¢</b>
Neither past due nor impaired	5,199,221	2,376,919
Past due but not impaired	548,125	16,283
Individually impaired	<u>1,353,064</u>	<u>2,340,708</u>
<b>Gross</b>	<b>7,100,410</b>	<b>4,733,910</b>
Less allowance for impairment	<u>(2,123,107)</u>	<u>(2,142,174)</u>
<b>Net amount</b>	<b><u>4,977,303</u></b>	<b><u>2,591,736</u></b>

Liquidity risk and Structural interest rate risk

Liquidity Risk

Liquidity risk arises from the mismatch of the timing of cash flows relating to assets and liabilities. The liquidity policy of the Bank is approved by the Board under guidelines issued by the Bank and monitored daily to ensure that its funding requirement can be met at all times and that a stock of high quality liquid assets is maintained.

STATUTORY LIQUIDITY RESERVES

### 31ST DECEMBER, 2023

#### DEPOSIT

	<b>2023 GH¢</b>	<b>2022 GH¢</b>
1. Demand	3,380,123	2,344,869
2. Time	2,222,678	1,564,037
3. Savings	6,608,543	5,286,187
4. Susu	3,798,163	2,506,126
5. Total Deposits	<b>16,009,507</b>	<b>11,701,219</b>

#### LIQUID ASSETS (ACTUAL)

##### A. Primary

6. Cash on hand	429,348	460,452
7. Current Account with ARB Apex Bank	132,832	354,406
8. Apex Certificate of deposit(ACOD)	-	500,000
9. Balance with other banks	-	509
10. <b>Sub total(6+7+8+9)</b>	<b>562,180</b>	<b>1,315,367</b>
11. 5% Deposit with ARB Apex Bank	785,787	556,133
12. <b>Sub total (10+11)</b>	<b>1,347,967</b>	<b>1,871,500</b>
B. Secondary	-	-

13. Government of Ghana Bills/Bonds/Stocks	-	-
(a) Short term Securities		
91-day	1,500,000	750,000
182-day	1,600,000	500,000
364-day	1,718,318	1,318,318
Others:		
2-3years Treasury Bonds	1,000,000	1,000,000
14. Sub-total(13)	1,150,000	1,150,000
15. Total Liquid Assets(12+14)	<b>8,316,285</b>	<b>6,589,818</b>
16. Actual Primary Reserves (10/5)%	4%	11%
17. Actual Secondary Reserves (13/5)%	44%	40%
<b>REQUIRED RESERVES(EXCLUDING 5% ARB Apex DEPOSIT)</b>		
18. PRIMARY 8% Of (5)	1,280,760	936,097
19. SECONDARY 30% of (5)	4,802,852	510,366
SURPLUS(+)/DEFICIT(-)		
20. Primary reserves(10-18)	(718,580)	379,270
21. Secondary Reserves (14-19)	165,466	1,207,962
22. Total Excess reserves (20+21)	1,446,885	587,222
<b>Compliance with statutory liquidity:</b>		
(I). Default in statutory liquidity	9 times	18 times
Default in statutory liquidity sanction (GH¢)	-	-

## OPERATIONAL RISK

Operational risk is the exposure to financial or other damage arising through unforeseen events or failure in operational processes and systems. Examples include inadequate controls and procedures, human error, deliberate malicious acts including fraud and business interruption.

These risks are controlled and monitored through system controls, segregation of duties, exception and exposure reporting, business continuity planning, reconciliations, internal audit and timely and reliable management reporting.

Operational procedures are documented in an Operations Manual

The Bank has established and implemented an integrated Operational Risk (OR) framework comprising (i) Loss collection policy, (ii) Key risk indicators (KRI) policy, (iii) Internal Audit policy, (iv) Compliance and anti-money laundering.

### Non Compliance and Reputation Risk and the prevention of Money Laundering

The compliance function ensures that the risks of legal, administrative and/or disciplinary penalties, financial losses or injury to reputation, arising out of or in connection with failure to comply with local legislative and/or regulatory ;banking provisions, ethics and professional practices, standards and/or processes are identified and controlled.

## CAPITAL

### Capital Management

The primary objectives of the Bank’s capital management are to ensure that the bank complies with externally imposed capital requirement by Bank of Ghana and that the bank maintains strong credit rating and healthy capital ratios in order to support its business and to maximize shareholders value. The Bank manages its capital structure and makes adjustment to it in the light of changes in the economic conditions and risk characteristics of its activities. In order to maintain or adjust the capital structure, the Bank may adjust the amount of dividend payments to shareholders, return capital to shareholders or issue capital securities. No changes were made in the objectives, policies and processes from the previous years.

#### (a) Capital Definition

The Bank’s capital comprises stated capital, income surplus including current year profit and various reserves the company is statutorily required to maintain. As a Bank, it also has regulatory capital as defined below:

#### (b) Stated Capital

This amount is made up of issue of shares for cash and transfers from retained earnings.

#### (c) Retained Earnings

This amount represents the cumulative annual profits after appropriations available for distribution to shareholders

#### (a) Capital Reserves

This amount comprises revaluation of property, plant and equipment.

#### (b) Statutory Reserve

This amount is set aside from annual profit as a non-distributable reserve in accordance with regulatory requirements.

The transfer to Statutory Reserve Fund is in compliance with Section 34 of the Banks and Specialised Deposit-taking Institutions Act, 2016 (Act 930).

#### (c) Regulatory Credit Reserve

This amount is set aside from retained earnings as a non-distributable reserve to meet minimum regulatory requirements in respect of allowance for credit losses for non-performing loans and advances

### (d) Regulatory Capital

Regulatory capital consists of Tier 1 capital, which comprises stated capital and income Surplus. Certain adjustments are made to IFRS-based result and reserves, as prescribed by the Bank of Ghana. The other component of regulatory capital is Tier 2 capital which includes revaluation reserves.

## CAPITAL

### Capital Adequacy

The adequacy of the Bank's capital is monitored using, among other measures, the rules and ratios established by the Basel Committee on Banking Supervision and adopted by the Bank of Ghana. The capital adequacy ratio of the Bank as of 31st December, 2023 is shown below:-

### CAPITAL ADEQUACY RATIOS AS AT 31ST DECEMBER, 2023

	2023	2022
	GH¢	GH¢
Paid-up Capital	1,038,375	1,036,295
Disclosed reserves	(3,898,141)	(3,685,087)
<b>Tier 1 Capital (1+2)</b>	<b>(2,859,766)</b>	<b>(2,648,792)</b>
<b>Less:</b>		
Investment in unconsolidated subsidiaries	-	-
Investment in the capital of other bank & financial institutions	59,884	41,504
<b>Adjusted capital base</b>	<b>(2,919,650)</b>	<b>(2,690,296)</b>
<b>Adjusted Risk weighted assets</b>	<b>6,228,048</b>	<b>4,045,273</b>
100% Of 3 years Average Annual Gross Income	<b>1,559,896</b>	<b>1,616,658</b>
<b>ADJUSTED ASSET BASE</b>	<b>7,789,944</b>	<b>5,661,931</b>
<b>Adjusted Capital base as a percentage of Adjusted asset Base:</b>	<b>(37.49%)</b>	<b>(47.52%)</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2023 (continued)**

	<b>2023</b>	<b>2022</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>3. Interest Income</b>		
Treasury bills / other securities	828,097	488,257
Loans and advances	1,810,298	1,070,727
Interest on Overdraft	<u>149,257</u>	<u>78,439</u>
	<b><u>2,787,652</u></b>	<b><u>1,637,423</u></b>
<b>4. Interest Expenses</b>		
Savings	265,914	100,376
Fixed deposits	130,966	183,313
Borrowing	<u>11,660</u>	<u>238</u>
	<b><u>408,540</u></b>	<b><u>283,927</u></b>
<b>5. Commission and Fees</b>		
Commitment fees	385,016	156,184
Commissions Received	223,208	205,366
Commission on APEX Bank	12	86
SMS Income	27,634	31,211
Interest on Placement	68,730	29,120
Credit Interest	<u>6,483</u>	<u>4,048</u>
	<b><u>711,083</u></b>	<b><u>426,015</u></b>
<b>6. Other Operating Income</b>		
Sundry Income	<u>258,478</u>	<u>298,346</u>
	<b><u>258,478</u></b>	<b><u>298,346</u></b>
<b>7. Impairment on Loans and Advances</b>		
Balance as at 1st January	2,142,174	2,031,758
Adjustments (Note 7a)	(102,981)	-
Increase in the year	83,914	110,416
Amount written off	<u>-</u>	<u>-</u>
Provision as at 31st December	<b><u>2,123,107</u></b>	<b><u>2,142,174</u></b>
<b>7(a) Decrease in total impairment due to recoveries as at 31st December, 2023 compared to 2022</b>		
<b>8. Staff Cost</b>		
Salaries, wages and allowances	813,442	772,993
Medical expenses	8,455	6,533
Staff training	14,060	38,352
Clothing Allowance	60,814	67,758
SSF Employer's contribution	107,740	95,492
Provident Fund	<u>42,051</u>	<u>74,349</u>
	<b><u>1,046,562</u></b>	<b><u>1,055,477</u></b>
The number of persons employed by the Bank at the end of the year was 85 (2022: 76).		
<b>9. Operating Expenses</b>		
Occupancy cost (9a)	207,943	155,989
Audit fees	25,000	28,647
Board expenses	118,181	56,670
Insurance	58,353	53,643
Others operating expenses (9b)	<u>1,590,556</u>	<u>959,153</u>
	<b><u>2,000,033</u></b>	<b><u>=</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2023 (continued)**

	<b>2023</b>	<b>2022</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>9a Occupancy Cost</b>		
Rent and rates	26,323	28,488
Electricity and water expenses	105,376	66,808
Generator running cost	49,538	37,946
Police guard and private security/fire	9,866	13,190
Bungalow expenses	6,998	1,633
Cleaning and sanitation	<u>9,842</u>	<u>7,924</u>
	<b><u>207,943</u></b>	<b><u>155,989</u></b>
<b>9(b) Other Operating Expenses</b>		
Postage, telephone and telegrams	19,262	13,220
Specie expenses	7,884	8,220
Printing and stationery	79,632	54,110
Travelling expenses	115,682	53,511
Audit expenses	3,692	5,407
Subscription and periodicals	63,076	59,805
AGM expenses	24,748	16,162
Repairs and maintenance - OF&E	78,466	46,846
Vehicle repairs & maintenance	165,458	134,216
Donations and charitable contribution	4,360	6,778
Office expenses	33,207	32,725
Bank charges	24,433	19,395
Sundry expenses	57,204	17,517
Entertainment	1,985	5,092
Advertising & publicity	3,965	6,459
Commission Susu	10,150	12,750
Internal control expenses	163,628	137,505
Microfinance expenses	44,651	29,713
Loan recovery expenses	16,802	5,631
Susu Mobilisation expenses	351,394	-
Penalties	12,000	-
Ghana Pay interest	8	-
Funeral grant	2,300	-
Apex Data	<u>306,569</u>	<u>181,348</u>
	<b><u>1,590,556</u></b>	<b><u>846,410</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2023 (continued)**

	<b>2023</b>	<b>2022</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>10. Cash and Short Term Funds</b>		
Cash on hand	429,348	460,452
Cash at bank:-		
5% Deposit with Apex Bank	785,787	556,133
Balance with Apex bank	132,832	354,406
Balance with other bank	-	509
	<b><u>1,347,967</u></b>	<b><u>1,371,500</u></b>
<b>11. Short and Medium Term Investments</b>		
Government of Ghana treasury bills (a)	5,818,218	3,568,318
Other investment (b)	<u>1,150,000</u>	<u>1,650,000</u>
	<b><u>6,968,218</u></b>	<b><u>5,218,318</u></b>
(a) Included in Government of Ghana Treasury Bill balance of GH¢5,818,318 is a locked-up GH¢1,000,000 GoG Treasury bond since November 2022 comprising:		
2 years Treasury Bond	800,000	800,000
3 years Treasury Bond	<u>200,000</u>	<u>200,000</u>
	<b><u>1,000,000</u></b>	<b><u>1,000,000</u></b>
<b>Government of Ghana Bonds</b>		
The Government of Ghana announced a domestic debt exchange programme (DDEP) on 5th December, 2022. Under the Programme, Bonds outstanding as at 31st December, 2022 were exchanged for new set of Bonds with terms specified by the Government.		
The Bank did not participate in the DDEP		
(b) <b>Other Investment</b>		
McOttley Investment	800,000	800,000
Gold Coast Securities	350,000	350,000
ACOD	-	<u>500,000</u>
	<b><u>1,150,000</u></b>	<b><u>1,650,000</u></b>
<b>12. Advances</b>		
Loans	6,292,410	3,955,325
Overdraft	<u>808,000</u>	<u>778,585</u>
	<b><u>7,100,410</u></b>	<b><u>4,733,910</u></b>
Less:		
Impairment of loans and advances	<u>(2,123,107)</u>	<u>(2,142,174)</u>
	<b><u>4,977,303</u></b>	<b><u>2,591,736</u></b>
<b>(a) Other Statistics</b>		
(i) Loan Loss Provision Ratio	29.90%	38.90%
(ii) Gross Non Performing Loans Ratio	26.71%	49.78%
(iii) Twenty (20) Largest Exposure	19.10%	23.45%
<b>(b) Analysis by Type of customers</b>		
Individuals	4,771,975	3,976,837
Microfinance	1,685,588	478,057
Private Enterprise	642,847	279,016
Public Enterprise Institution	-	-
<b>Gross loans and advances</b>	<b><u>7,100,410</u></b>	<b><u>4,733,910</u></b>
<b>(c) Analysis by Industry Sector</b>		
Agriculture, Forestry, Fishing	442,068	121,182
Commerce and Trading	4,157,115	1,185,760
Transport, storage and communication	87,500	40,767
Others (Salaries)	<u>2,413,727</u>	<u>2,720,201</u>
<b>Gross loans and advances</b>	<b><u>7,100,410</u></b>	<b><u>4,067,910</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2023 (continued)**

<b>Impairment of loans and advances</b>	<b>%</b>	<b>2023</b>	<b>2022</b>	
<b>Category</b>	<b>Provision</b>	<b>GH¢</b>	<b>GH¢</b>	
Current	1	51,992	23,769	
Olem	10	453	1,628	
Substandard	25	3,282	112,644	
Doubtful	50	10,360	186,630	
Loss	100	<u>2,057,020</u>	<u>1,817,503</u>	
		<b><u>2,123,107</u></b>	<b><u>2,142,174</u></b>	
<b>13. Other Assets Accounts</b>				
Stationery stock		68,558	51,930	
Rent prepaid		64,514	39,637	
Office account 13(a)		144,336	53,132	
Insurance prepaid		25,846	1,038	
Unassigned debit balance		977	834	
Inter Agency		6,498	3,470	
Interest Accrued		110,573	67,507	
Interest in arrears		196,883	214,768	
E-Zwich		34,837	27,355	
Uncleared effect		16,681	-	
Rural Enterprise		<u>19,593</u>	<u>19,593</u>	
		<b><u>689,296</u></b>	<b><u>479,264</u></b>	
<b>13a. Office Account</b>				
Sundry debtors		43,132	43,132	
Imprest Account		13,800	-	
Payments		<u>87,404</u>	<u>10,000</u>	
		<b><u>144,336</u></b>	<b><u>53,132</u></b>	
<b>14. Long Term Investment</b>				
ARB Apex Bank Ltd shares		59,784	41,404	
PBC Shares		<u>100</u>	<u>100</u>	
		<b><u>59,884</u></b>	<b><u>41,504</u></b>	
ARB Apex Bank PLC Shares	<b>Share</b>	<b>Value</b>	<b>GH¢</b>	<b>GH¢</b>
Ordinary shares in ARB Apex Bank PLC	44,590	0.045	2,000	2,000
Ordinary shares in ARB Apex Bank PLC	17,934	1.0248	18,380	-
Surplus arising from revaluation	-	-	10,000	10,000
Bonus shares given	12,044	1.23	14,814	14,814
Rights issue	11,862	1.23	14,590	14,590
	<b><u>86,430</u></b>	<b><u>0.6917</u></b>	<b><u>59,784</u></b>	<b><u>41,404</u></b>
PBC Shares			<b><u>100</u></b>	<b><u>100</u></b>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2023 (continued)**

	<b>2023</b>	<b>2022</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>16. Deposits and Current Accounts</b>		
Current accounts	3,380,123	2,344,869
Savings accounts	6,608,543	5,286,187
Fixed deposits	2,222,678	1,564,037
Susu accounts	<u>3,798,163</u>	<u>2,506,126</u>
	<b><u>16,009,507</u></b>	<b><u>11,701,219</u></b>
<b>Analysis by type of depositors</b>		
Individuals and other private enterprise	15,896,745	11,701,219
Public Enterprise	<u>112,762</u>	<u>-</u>
	<b><u>16,009,507</u></b>	<b><u>11,701,219</u></b>
Ten (10) Largest depositors to total deposit ratio	<b>10.4%</b>	<b>8.8%</b>
<b>17. Interest Payable and Other Liabilities</b>		
Unearned Treasury Bills	565,683	360,858
Bills Payables	1,372	742
Retainership	7,000	1,000
Office Account	60,041	58,561
E-zwich	513	862
Audit Fees	25,000	28,647
Accrued Interest Not Paid	32,825	-
Insurance on loan	784	4,005
Interest suspense	118,260	134,118
Managed Fund	291,230	681,125
Unearned interest	53,904	53,844
Uncleared effect	<u>21,837</u>	<u>13,955</u>
	<b><u>1,178,449</u></b>	<b><u>1,337,717</u></b>
<b>18. Borrowings</b>		
Balance at 1st January	104,584	-
Addition	-	104,346
Interest	11,660	238
Repayment	<u>(26,600)</u>	<u>-</u>
Balance at 31st December	<b><u>89,644</u></b>	<b><u>104,584</u></b>

**Summary of Borrowing Arrangement**

**Apex Bank Limited**

This was a facility given to the Bank on the January 12, 2023 amounting GH¢104,584.38 in the purchase of

National Identification Authority Verification Devices for their branches. The loan was for 7 years at an interest rate of 12% per annum.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2023 (continued)**

<b>19. Taxation</b>	<b>2023</b>	<b>2022</b>
<b>(i) Tax Expenses</b>	<b>GH¢</b>	<b>GH¢</b>
Current tax	72,830	-
Deferred Tax	<u>-</u>	<u>-</u>
<b>Total to Statement of Comprehensive Income</b>	<b><u>72,830</u></b>	<b><u>-</u></b>
<b>(ii) Reconciliation of effective Tax Rate</b>		
Profit before Tax	109,179	<u>(425,554)</u>
Income Tax @ 25%	27,295	-
Tax effect on Non-deductible Expenses	82,636	66,098
Tax effect of Allowances utilised	<u>(37,101)</u>	<u>(39,163)</u>
<b>Current Tax charge in Statement of Comprehensive Income</b>	<b><u>72,830</u></b>	<b><u>26,935</u></b>
<b>Effective Tax Rate</b>	<b>66.71%</b>	<b>%</b>

	<b>Balance at 1.1.2023</b>	<b>Charge to profit/loss</b>	<b>Payment during the year</b>	<b>Tax Adjustment</b>	<b>Balance at 31.12.2023</b>
<b>(iii) 2023 Year of Assessment</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>
2022	-	-	-	-	-
2023	-	72,830	(12,816)	-	60,014
<b>Total</b>	<b><u>-</u></b>	<b><u>72,830</u></b>	<b><u>(12,816)</u></b>	<b><u>-</u></b>	<b><u>60,014</u></b>

<b>Comprising:</b>	<b>2023</b>	<b>2022</b>
	<b>GH¢</b>	<b>GH¢</b>
Corporate Tax	72,830	-
Others	<u>-</u>	<u>-</u>
	<b><u>72,830</u></b>	<b><u>0</u></b>

All taxes are subject to the agreement of the Domestic Tax Revenue Division of the Ghana Revenue Authority.

<b>(iv) Deferred Tax Account</b>	<b>2023</b>	<b>2022</b>
	<b>GH¢</b>	<b>GH¢</b>
Balance at January 1	-	-
Released during the year	<u>-</u>	<u>-</u>
Balance at December 31	<u>-</u>	<u>-</u>

Deferred income tax is determined on temporary difference under the liability method using a principal tax rate of 25%. The movement on the deferred tax account is as indicated above.

**20. Earnings per Share**

Basic earnings per share is calculated by dividing the profit after tax for the year attributable to the equity holders of the Bank by the weighted average number of shares, held during the year.

	<b>2023</b>	<b>2022</b>
Profit attributable to share holders of the Bank (GH¢)	36,349	(425,554)
Weighted average number of outstanding ordinary shares	<u>5,191,875</u>	<u>5,181,475</u>
Basic Earnings per Share (GH¢)	0.007	(0.082)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2023 (continued)**

21. Stated Capital	2023		2022	
	Number	Value GH¢	Number	Value GH¢
<b>Authorised Shares</b>				
Ordinary shares of no par value	1,000,000	-	-	-
Preference share of no par value	125,000	-	125,000	-
<b>Issued</b>				
Ordinary Shares				
Balance at 1st January	5,181,475	1,036,295	5,152,225	1,030,445
Addition	10,400	2,080	29,250	5,850
<b>Balance at 31st December</b>	<b>5,191,875</b>	<b>1,038,375</b>	<b>5,181,475</b>	<b>1,036,295</b>
Preference share/Ordinary share	<b>125,000</b>	<b>-</b>	<b>125,000</b>	<b>-</b>

There is no unpaid liability on any shares and there are no shares in treasury.

22. Retained Earnings	2023 GH¢	2022 GH¢
Balance at 1st January	(4,264,704)	(3,945,031)
Prior year adjustment	-	105,881
Profit/Loss for the year	36,349	(425,554)
Transfer to statutory reserve	(18,175)	-
Balance at 31st December	<b>(4,246,530)</b>	<b>(4,264,704)</b>

23. Statutory Reserve	2023 GH¢	2022 GH¢
Balance at 1 January	215,938	215,938
Transfers from Retained Earnings	18,175	-
Balance at 31 December	<b>234,113</b>	<b>215,938</b>

Statutory reserve represent the cumulative amount set aside from annual profit after tax as required by Section 34 of the Banks and Specialised Deposit Taking Institutions Act, 2016 (Act 930).

24. Capital Reserves	2023 GH¢	2022 GH¢
Balance at 1 January	34,590	34,590
Transfers from Retained Earnings	-	-
Balance at 31 December	<b>34,590</b>	<b>34,590</b>

25. Net Assets Value per share (GH¢)	2023	2022
Weighted average number of outstanding ordinary shares	5,191,875	5,181,475
Net assets GH¢	(0.566)	(0.575)

26. Prior Year Adjustment	2023	2022
Balance at 31st December	-	<b>105,881</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2023 (continued)**

**27. Related Party Transactions**

The bank entered into related party transactions in the normal course of business during the year.

<b>(i) Deposit of Directors</b>	<b>2023</b>	<b>2022</b>
	<b>GH¢</b>	<b>GH¢</b>
Balance at 1st January	3,034	-
Deposit Received	244,260	16,260
Withdrawal	<u>(231,059)</u>	<u>(13,226)</u>
<b>Balance at 31st December</b>	<b><u>16,235</u></b>	<b><u>3,034</u></b>
 Interest on deposits	 <u><u>-</u></u>	

**28. Contingent Liabilities**

There were no contingent liabilities

**29. Capital Commitments**

There were no capital commitments

**30. Events After the end of the Reporting Period**

No other events occurred after the end of the reporting date which is likely to affect these Financial Statements or require disclosures.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2023 (continued)

<b>31. Value Added Statement</b>	<b>2023</b>	<b>2022</b>
	<b>GH¢</b>	<b>GH¢</b>
Interest earned and other operating income	3,757,213	2,361,784
Direct cost of services	(1,938,998)	(1,368,616)
<b>Value added by Banking Services</b>	<b>1,818,215</b>	<b>993,168</b>
Impairment	(83,914)	(110,416)
<b>Value added</b>	<b>1,734,301</b>	<b>882,752</b>
<b>Distributed as follows:</b>	1,734,301	882,752
<b>To Employees:</b>		
Directors	(118,181)	(56,670)
Other Employees	(1,397,956)	(1,168,220)
<b>To Government:</b>		
Income tax	72,830	-
<b>To Expansion and Growth:</b>		
Depreciation	(108,985)	(83,416)
<b>Retained Earnings</b>	<b>36,349</b>	<b>(425,554)</b>

**32. Analysis of Financial Assets and Liabilities**  
2023

	Designated At Fair Value Through P&L GH¢	Held to Maturity Investment GH¢	Available for Sale Financial Asset GH¢	Loans and Receivables GH¢	Total Amount GH¢
<b>Financial Assets</b>					
Loans and advances	-		-	4,977,303	4,977,303
Short term investment	-	6,968,318	-	-	6,968,318
Cash and cash balances	1,347,967	-	-	-	1,347,967
Equity investments	-	-	59,884	-	59,884
Account receivables	-	-	-	689,296	689,296
<b>Total Financial Assets</b>	<b>1,347,967</b>	<b>6,968,318</b>	<b>59,884</b>	<b>5,666,599</b>	<b>14,042,768</b>
<b>Total Non-Financial Assets</b>					<b>355,394</b>
<b>Total Assets</b>					<b>14,398,162</b>
<b>Financial Liabilities</b>					
Customer deposits					16,009,507
Managed funds					291,230
Borrowing					89,644
Creditors and accruals					947,233
<b>Total Financial Liabilities</b>					<b>17,337,614</b>
<b>Total Non-Financial Liabilities</b>					<b>(2,939,452)</b>
<b>Total Liabilities and Shareholders' Fund</b>					<b>14,398,162</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2023 (continued)**

**33. Analysis of Financial Assets and Liabilities  
2022**

	Designated At Fair Value Through P&L GH¢	Held to Maturity Investment GH¢	Available for Sale Financial Asset GH¢	Loans and Receivables GH¢	Total Amount GH¢
<b>Financial Assets</b>					
Loans and advances	-	-	-	2,591,736	2,591,736
Short term investment	-	5,218,318	-	-	5,218,318
Cash and cash balances	1,371,500	-	-	-	1,371,500
Equity investments	-	-	41,504	-	41,504
Account receivables	-	-	-	479,264	479,264
<b>Total Financial Assets</b>	<b>1,371,500</b>	<b>5,218,318</b>	<b>41,504</b>	<b>3,071,000</b>	<b>9,702,322</b>
<b>Total Non-Financial Assets</b>					<b>463,317</b>
<b>Total Assets</b>					<b>10,165,639</b>
<b>Financial Liabilities</b>					
Customer deposits					11,701,219
Managed funds					681,125
Borrowing					104,584
Creditors and accruals					656,592
<b>Total Financial Liabilities</b>					<b>13,143,520</b>
<b>Total Non-Financial Liabilities</b>					<b>(2,977,881)</b>
<b>Total Liabilities and Shareholders' Fund</b>					<b>10,165,639</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

### SHAREHOLDER INFORMATION

Range	Number of Shareholders	Percentage	Number of Shares	Percentage
1-1,000	383	41.77	134,028	2.58
1,001-5,000	418	45.58	985,752	18.98
5,001-10,000	85	9.27	30,721	0.59
10,001-50,000	7	0.76	186,758	3.60
over 50,000	13	1.42	3,840,441	73.97
Uncaptured shares	11	1.2	14,175	0.28
<b>Total</b>	<b>917</b>	<b>100</b>	<b>5,191,875</b>	<b>100.00</b>

Top 20 ordinary shareholders	Percentage
Staff Provident Fund	23.46
R.K. Kuttin	22.53
Dora Donnah	5.41
Mensah Louis Kwamena	4.08
Yaw Kuranchie	3.50
Yeboah Ernest	2.31
Andoh Francis Kwabena	2.29
Serbert Investment Ltd.	2.61
E.D. Twum Barimah	1.95
Pek Bamoah Asomaning	1.95
Duker Mary	1.57
Danquah Paul Himphrey	1.15
N.A. Otoo	1.15
Bonnah Rev. Fr. George	0.54
De-Heer Ben	0.48
E.A. Twum Barimah	0.53
Kwaku Addae	0.45
Amos Yemoah	0.45
Dr. Nana Yaw Oppong	0.43
Atta Bosompims	0.43
<b>Total of Top 20 Ordinary Shareholders</b>	<b>77.28</b>
Others	22.72
<b>Total</b>	<b>100.00</b>

Directors shareholding	Percentage
Mensah Louis Kwamena	4.08
Danquah Paul Himphrey	1.15
Dr. Nana Yaw Oppong	0.43
Anaafi John	0.30
Obeng Theophilus	0.10
Baffour Adjei (Daniel Agyei)	0.08
<b>Total</b>	<b>6.14</b>

## TAX COMPUTATION - 2023

	<b>2023</b>
	<b>GH¢</b>
Profit before tax	109,179
<b>Add back:</b>	
Depreciation	108,985
Donations and charitable contributions	4,360
Provision for bad debt	83,914
Repairs and Maintenance	<u>133,283</u>
Adjusted profit	<b>439,721</b>
Less capital allowance utilised	<u>(148,402)</u>
Taxable income	<b>291,319</b>
Tax @ 25%	<b>72,830</b>

**PROXY AUTHORISATION**

I/We.....or.....  
.....  
being a member .....hereby appoint .....  
of .....or failing him/her  
.....of.....  
.....  
as my/our proxy to vote on my/our behalf at the Annual General Meeting of Nyankumasi  
Ahenkro Rural Bank PLC to be held on.....at  
.....and any adjournment thereof.

Signed:.....

This.....day of.....2024

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4. Enter your Ghana Card starting with GHA\*\*\* without the hyphen(-)
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8. Press 0 to home when pin change is successful



**NYANKUMASI AHENKRO RURAL  
BANK PLC**

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