

**NZEMA MANLE  
RURAL BANK PLC.**



# 2022

## ANNUAL REPORT



# NZEMA MANLE RURAL BANK PLC

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**NZEMA MANLE RURAL BANK PLC**  
**40<sup>TH</sup> ANNUAL GENERAL MEETING OF SHAREHOLDERS**  
**SATURDAY 14<sup>TH</sup> OCTOBER, 2023**  
**PROGRAMME OUTLINE**

1. Arrival of Shareholders and invited guest
2. Opening Prayer by- **Rev. Dr. Sarpong Williams**
3. Introduction of Chairman- **Mr. T. K. Tandoh**
4. Chairman's Opening Remarks- **Mr. Wisdom Quaiku**
5. Introduction of Board Members and Invited Guests- **Mr. T. K. TAndoh**
6. MAIN BUSINESS
  - a) To receive the Notice Convening the meeting- **Rev. Dr. Sarpong Williams**
  - b) To receive the Chairman's Report- **Mr. Wisdom Quaiku**
  - c) To receive Director's Report- **Prof. Charles G. Ackah**
  - d) To receive and consider the accounts of the Bank for the year ended 31<sup>st</sup> December, 2022 together with the report of the Auditors - **External Auditors- Softwind OA Consult.**
7. Resolutions- **Mr. Wisdom Quaiku**
  - a) To adopt the report reports and financial statement for the year ended 31<sup>st</sup> December, 2022.
  - b) To authorize the Directors to negotiate the fees of the Auditors.
  - c) To fix remuneration of the Directors
  - d) To elect Directors in place of those retiring.
8. Addresses
9. Election of Directors to replace those retiring- **Electoral Commission**
10. Vote of Thanks- **Mr. T. K. Tandoh**
11. Closing Prayer- **Rev. Dr. Sarpong Williams**
12. Refreshment

**Moderator- Mr. T. k. Tandoh**





**NZEMA MANLE RURAL BANK PLC.**  
**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the next Annual General Meeting of the Shareholders of the **NZEMA MANLE RURAL BANK PLC.** will be held on Saturday, 14<sup>th</sup> October, 2023 at the Bonzo Kaku Senior High School Assembly Hall at exactly 10.00 am.

**AGENDA**

1. To read the Notice convening the Meeting.
2. To receive the Chairman's Report.
3. To receive and consider the accounts of the Bank for the year ended 31<sup>st</sup> December, 2022 together with the reports of the Directors and the Auditors thereon.
4. To elect Directors in place of those retiring.
5. To authorize the Directors to negotiate the fees of the Auditors.
6. To fix the remuneration of Directors.
7. Any other matters.

DATED THIS 8<sup>TH</sup> DAY OF AUGUST, 2023

BY ORDER OF THE BOARD  
SIGNED  
REV. DR. SARPONG WILLIAMS  
BOARD SECRETARY

**PS:**

- i) *Copies of the Directors' Report and the Accounts are available for collection at the Bank's Head Office, Branches and website at [www.nzemamanleruralbank.com/annual-report](http://www.nzemamanleruralbank.com/annual-report)*
- ii) *Shareholders aspiring to be elected as directors should contact the Board Secretary at the Bank's Head Office, Aiyinasi, for nomination forms which should be returned within 48 hours before the AGM.*



**NZEMA MANLE RURAL BANK PLC**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2022**

**BASIC INFORMATION**

**DATE OF INCORPORATION:** OCTOBER 14, 1980

**CERTIFICATE NUMBER:** C-16628

**DATE OF COMMENCEMENT:** JULY 31, 1980

**DATE LICENCE WAS ISSUED:** APRIL 03, 1981

**BANK OF GHANA LICENCE NUMBER:** 032

**OLD TIN:** HALC50240

**NEW TIN:** C0008761310

**BOARD OF DIRECTORS:**

		FROM	TO
<b>CHAIRMAN:</b>	WISDOM QUAIKU	Jan - 01- 22	Dec - 31 - 22
<b>VICE CHAIRMAN</b>	JUSTICE HENRY ANTHONY KWOFIE	Jan - 01- 22	Dec - 31 - 22
<b>MEMBER:</b>	THOMAS KODJOE TANDOH	Jan - 01- 22	Dec - 31 - 22
<b>MEMBER:</b>	PROF. CHARLES GODFRED ACKAH	Jan - 01- 22	Dec - 31 - 22
<b>MEMBER:</b>	PHILIP KWAW	Jan - 01- 22	Dec - 31 - 22
<b>MEMBER:</b>	ALHAJI ABUDULAI SOPHIANO	Jan - 01- 22	Dec - 31 - 22
<b>MEMBER:</b>	REV. DR. SARPONG WILLIAMS	Jan - 01- 22	Dec - 31 - 22
<b>SECRETARY:</b>	REV. DR. SARPONG WILLIAMS	Jan - 01- 22	Dec - 31 - 22
<b>CHIEF EXECUTIVE OFFICER</b>	THOMAS QUAYSON	Jan - 01- 22	Dec - 31 - 22

BRANCH NETWORK	BRANCH	DISTRICT/MUNICIPALITY
	AWIEBO	ELLEMBELLE
	AXIM	NZEMA EAST
	ASASETRE	ELLEMBELLE
	AIYINASI	ELLEMBELLE
	BOINSO	AOWIN
	JEMA	AOWIN
	ELUBO	JOMORO
	TAKORADI	SEKONDI-TAKORADI METRO
	TELEKU BOKAZO	ELLEMBELLE
	EIKWE	ELLEMBELLE

**CLEARING BANK:** ARB APEX BANK, TAKORADI

**REGISTERED OFFICE:** THE BANK PREMISES  
 Nr.CENTRAL MARKET,  
 P. O. BOX 43,  
 AIYINASI, WR

**EMAIL ADDRESS** [info@nzemamanleruralbank.com](mailto:info@nzemamanleruralbank.com)

**WEBSITE** [www.nzemamanleruralbank.com](http://www.nzemamanleruralbank.com)

**AUDITORS:** SOFTWIND OA CONSULT  
 CHARTERED ACCOUNTANTS,  
 DANSOA HOUSE, SWANLAKE  
 NORTH KANESHIE,  
 P. O. BOX AN-6891,  
 ACCRA.

**SOLICITORS** TACKIE OTOO & CO  
 WESTERN CHAMBERS  
 P. O. BOX 657  
 SEKONDI

SHAREHOLDINGS	<u>AUTHORISED</u>	<u>ISSUED</u>	<u>GH¢</u>
Preference	125,000	125,000	13
Ordinary	500,000,000	14,976,199	1,370,478



# CHAIRMAN'S REPORT

## Introduction

It is my privilege to present to you the Board Chairman's Report for the year ended 31<sup>ST</sup> December 2022, highlighting our performance, achievements, challenges, and the overall outlook of Nzema Manle Rural Bank PLC.

## Macroeconomic Environment in Ghana:

In the past fiscal year, the macroeconomic environment in Ghana has been marked by a series of noteworthy developments that have both influenced and shaped our operations at Nzema Manle Rural Bank PLC. Despite the challenges posed by inflationary pressures and exchange rate fluctuations, Ghana has continued to demonstrate resilience and growth in its economy. The government's steadfast commitment to fiscal discipline and prudent monetary policies has contributed significantly to maintaining stability and boosting investor confidence. We have closely monitored these macroeconomic trends and have adapted our strategies to navigate this dynamic landscape successfully. Below is the Economic environment in which your bank operated:

Indicator	31 <sup>st</sup> December, 2022	31 <sup>st</sup> December, 2021
Policy Rate	28.00%	14.50%
Inflation	54.10%	12.70%
91-Day T/Bill	35.36%	12.14%
182-T/Bill	35.98%	12.39%
1-Year T/Bill	35.89%	14.27%

## Banking Industry Performance:

The banking industry has remained a cornerstone of Ghana's economic growth, and Nzema Manle Rural Bank PLC has been an integral part of this success story. In a year characterized by regulatory changes, technological advancements and Domestic Debt Exchange Program the banking sector has displayed remarkable resilience and adaptability. Our Bank has embraced innovation to enhance customer experience, streamline operations, and ensure that we remain at the forefront of providing cutting-edge financial solutions. We have continued to align our offerings with the evolving needs of our diverse clientele while upholding the highest standards of integrity and professionalism.

## Operational Results:

We are pleased to present the operational results for Nzema Manle Rural Bank PLC for the fiscal year ending June 30, 2023. These results highlight our commitment to financial excellence and sustainable growth:



## Year-on-Year Performance

NO.	INDICATOR	2022	2021	% CHANGE
1.	Total Income	12,376,693	8,630,159	43.41%
2.	Total Operating Cost	10,081,087	7,451,848	35.28%
3.	Deposits	67,290,372	54,160,100	24.24%
4.	Investments	25,990,555	30,411,689	-14.54%
5.	Advances (Net)	18,699,886	13,636,704	37.13%
6.	Shareholders' Funds	4,956,095	4,098,634	20.92%
7.	Paid-Up Capital	1,370,490	1,269,571	7.95%
8.	Profit Before Tax	2,295,606	1,178,311	94.82%
9.	Profit After Tax	1,417,791	632,038	124.32%
10.	Total Assets	77,231,340	61,173,277	26.25%
11.	Capital Adequacy Ratio	13.00%	14.19%	-8.39%

These figures underscore our robust performance and the concerted efforts of our dedicated team. They reflect the trust that our customers and stakeholders have placed in us, and we are fully committed to maintaining this trajectory of growth and profitability.

### Dividend to Shareholders:

While we understand the importance of providing dividends to our esteemed shareholders, it is important to note that the Bank of Ghana has issued a directive prohibiting the payment of dividends for the current fiscal year. This decision aligns with the regulatory authorities' prudent approach to ensure the financial sector's stability. We assure you that this measure has been taken to safeguard the bank's and its shareholders' long-term interests, and we remain focused on preserving and enhancing shareholders' value.

### Corporate Social Responsibility (CSR):

Nzema Manle Rural Bank PLC takes its corporate social responsibility (CSR) initiatives seriously and remains committed to making a positive impact on the communities we serve. In the past year, we have continued our efforts to support education, healthcare, and community development projects. These initiatives are a testament to our belief in the importance of giving back and contributing to the holistic growth of society. During the period under review, an amount of GHS 24,940.00 was spent to support critical areas as mentioned below:

Farmers Day Celebration	-	12,940.00
Medical Support	-	5,000.00
Ellembelle District Education Directorate	-	1,000.00
Gwiranman Senior High School Anniversary Celebration	-	5,000.00
Donation to Nzema Advocacy for Peace and Development	-	1,000.00



### **Awards:**

We are honored to share that Nzema Manle Rural Bank PLC was recognized as the 1st runner-up for the Best Bank-Loan Financing at the 4th Rural Banks Excellence Awards held in Koforidua last year. This accolade validates our dedication to providing innovative and customer-centric financial solutions. We are proud of this achievement and remain committed to maintaining the highest standards of service excellence.

### **Branch Relocation and Ambience:**

We are excited to share that we have recently relocated our Elubo and Axim agency locations to modern and spacious premises as follows: Axim Branch to former GN Bank Premises near the Ghana Police District Headquarters and Elubo Branch adjacent to the Ghana Post Office building on the Takoradi-Elubo Highway. This strategic move not only enhances the overall banking experience for our valued customers but also reflects our commitment to providing an environment that aligns with the high-quality service that Nzema Manle Rural Bank PLC is known for.

### **Outlook:**

As we look ahead, we remain steadfast in our commitment to achieving sustainable growth, advancing financial inclusion, and delivering value to all our stakeholders. While uncertainties persist in the broader economic landscape, we are confident that our well-defined strategies, dedicated team, and customer-centric approach will enable us to navigate challenges and seize opportunities.

In closing, I would like to express my sincere gratitude to our shareholders for their continued trust and support, to our customers for their loyalty, to our employees for their hard work and dedication, and to our regulatory partners for their guidance. Together, we will continue to build a stronger, more resilient, and customer-focused Nzema Manle Rural Bank PLC. Thank you.





## BOARD OF DIRECTORS



MR WISDOM  
QUAIKU

BOARD CHAIRMAN



MR. JUSTICE HENRY  
ANTHONY KWOFIE

MEMBER



MR. THOMAS-  
KODJOE-TANDOH

MEMBER



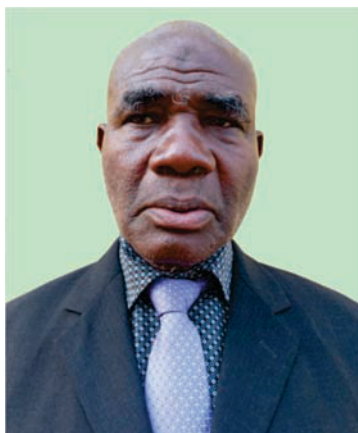
PROF. CHARLES  
G. ACKAH

MEMBER



REV. DR. SARPONG  
WILLIAMS

MEMBER



ALHAJI ABUDULAI  
SOPHIANO

MEMBER



MR. PHILIP KWAW

MEMBER



## MANAGEMENT



**MR. THOMAS QUAYSON**  
CHIEF EXECUTIVE OFFICER



**MR. HENRY AWUAH ALLAH**  
HEAD, BANKING OPERATIONS



**MR. EMMANUEL ACKAH**  
HEAD, CREDIT



**MR. DAUDA KORINSON NAA**  
HEAD, INTERNAL AUDIT



**MR. RANSFORD GAISEY**  
HEAD, RISK AND COMPLIANCE



**MR. RAPHAEL ESHUN**  
HEAD, ICT



**MAD. SARAH  
EFUAH ACKON**  
HEAD, HUMAN RESOURCE



**MR. STEPHEN MBROH**  
HEAD OF MARKETING



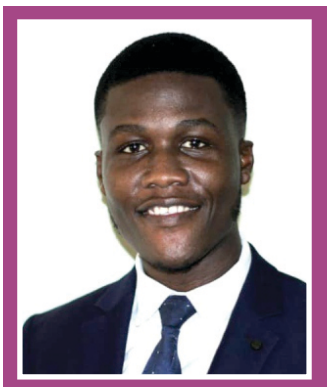
# BRANCH MANAGERS



**MR. JAMES ESSIEN**  
BRANCH MANAGER-AIYINASI



**MR. SOLOMON BOSOMTWE ESSOA**  
BRANCH MANAGER-AWIEBO



**MR. ISAAC ANTHONY**  
BRANCH MANAGER-JEMA



**MR. RAPHAEL  
NTIAKO MENSAH**  
BRANCH MANAGER-BOINSO



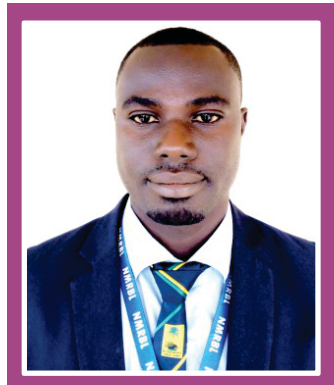
**MAD. MARGARET DUAH**  
BRANCH MANAGER-EIKWE



**MAD. VICTORIA WILLAIMS**  
BRANCH MANAGER-TAKORADI AMANFUL



**MR. DENNIS KANGA**  
BRANCH MANAGER-ELUBO



**MR. GABRIEL ANVOKWAW**  
BRANCH MANAGER-GWIRA ENYINASE



**MR. ERNEST ARTHUR**  
AG. BRANCH MANAGER, AXIM



**MR. FRANCIS ARIZE**  
AG. BRANCH MANAGER ASASETRE



# NZEMA MANLE RURAL BANK PLC

## FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST DECEMBER, 2022

#### DIRECTORS' REPORT TO THE MEMBERS

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

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

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

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

#### **FINANCIAL STATEMENTS AND DIVIDEND**

	<b>2022 GH¢</b>	<b>2021 GH¢</b>
Profit for Year, after Taxation, ended 31st December,	1,417,791	632,039
Opening retained earnings brought forward of	668,779	522,203
Prior Period Error	(100,758)	(197,453)
<b>Transfers From/(to)/Dividend Payable</b>		
Other Reserves	(715,122)	(130,000)
Sundry Creditors	(6,270)	-
Reserve Fund	(354,448)	(158,010)
Dividend	(101,403)	-
Credit Risk Reserve	(200,000)	-
	<b>(1,377,243)</b>	<b>(288,010)</b>
Leaving the balance on Income Surplus Account carried forward of	<b>608,569</b>	<b>668,779</b>
<b>TOTAL ASSETS</b>	<b>77,231,340</b>	<b>61,173,277</b>

In accordance with Section 139 (5) of the Companies Act, 2019, (Act 992), the Auditors, Messrs' softwind OA Consult continue in office as auditors of the Bank.

The Directors are unable to recommend the payment of dividend in respect of the year ended 31st December, 2022 (2021 GH¢101,403).

#### **NATURE OF BUSINESS**

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

There was no change in the activities of the Bank.

#### **APPROVAL OF THE FINANCIAL STATEMENTS**

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

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

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





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

#### Particulars of Entries in the Interests Register

There were no entries in the Interests Register.

#### Corporate Social Responsibility

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

	2022	2021
	GH¢	GH¢
Farmer's Day Celebration	12,940	5,800
Medical Support	5,000	10,500
Ellembelle District Education Directorate	1,000	-
Gwiraman Senior High School Anniversary Celebration	5,000	-
Donation to Nzema Advocacy For Peace & Development	1,000	-
Water Project - Tikobo No. 2 Anglican Primary School	-	13,294
2 Packets of Iron Sheet - Gwira Enyinase M/A JHS	-	4,950
Orientation for newly Trained Teachers	-	3,000
ADR Week Celebration - Ellembelle District Court	-	500
Donation to Association of Nzema Students	-	1,000
Donation of hospital beds - Eikwe Hospital	-	6,000
	<b>24,940</b>	<b>45,044</b>


#### Audit Fees

Audit fees payable amounts to Thirty-Nine Thousand Ghana Cedis exclusive of VAT (GH¢39,000).

#### Steps Taken to Build the Capacity of Directors

The Directors attended the following training programs during the year ended 31st December, 2022:

- 1 Understanding the New Credit Approach organised by ARB Apex Bank.
- 2 Governance, Risk and Compliance (GRC) Meeting with RCBS organised by ARB Apex Bank.
- 3 Cyber Security and Fraud Management organised by Association of Rural Banks Ghana.
- 4 Legal Documents in Credit Administration organised by Association of Rural Bank Ghana, Western Chapter.
- 5 Overview of Procurement Function & Procurement Policy Framework organised by ARB Apex Bank.
- 6 Corporate Governance Certification for Board of Directors organised by Association of Rural Banks Ghana.

  
**DIRECTOR**  
**WISDOM QUAIKU**  
**AIYINASI**

  
**DIRECTOR**  
**PROF. CHARLES GODFRED ACKAH**  
**31-Mar-23**



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

**Report on the Audit of the Financial Statements**

We have audited the Financial Statements of Nzema Manle Rural Bank PLC, which comprise the Statement of Financial Position as at 31st December, 2022, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, which include a summary of significant accounting policies as set on pages 12 to 26

**Opinion**

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

**Basis of Opinion**

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

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

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

**Key Audit Matters**

The Bank is engaged in training to ensure full compliance with Bank of Ghana Guide for Financial Publication for Banks and Bank of Ghana Licensed Financial Institutions.

**Independence**

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

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

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

**Auditor's responsibilities for the audit of the Financial Statements**

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





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

- Identify and assess the risks of material misstatement of the Consolidated 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Management's use of the Going Concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a Going Concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a Going Concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated 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 Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion. We communicate with Management and Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

#### **Report on other Legal and Regulatory Requirements**

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

- a) We have obtained all the information and explanations which we considered necessary for the performance of the audit.
- b) In our opinion, proper books of account have been kept by the Bank, so far as appears from our examination of those books; and
- c) The Statement of Financial Position (Balance Sheet) and Statement of Comprehensive Income (Profit or Loss Account) of the Bank are in agreement with the books of account.
- d) In compliance with section 143 of the Companies Act, 2019, (Act 992), we are independent of the Bank.



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

- i) The Financial Statements give a true and fair view of the state of affairs of the Bank and its results for the year under review;
- ii) We were able to obtain all the information and explanations required for the efficient performance of our duties as auditors;
- iii) The Bank's and its subsidiary's transactions were within its powers; and
- iv) The Bank has complied with the provisions in the Banks and Specialised Deposit-Taking Institutions Act, 2016, (Act 930), Anti-Money Laundering Act, 2020, Act 1044 (AML) and Anti-Terrorism Act, 2008, (Act 762).

osei yaw asamoah (ICAG/P/1179)

ACCRA

**31-Mar-23**



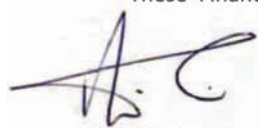
softwind OA consult (ICAG/F/2022/260)  
chartered accountants  
dansoa house, swanlake, north kaneshie  
p. o. box an 6891  
accra-north

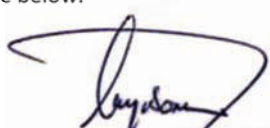


**NZEMA MANLE RURAL BANK PLC**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2022**  
**STATEMENT OF FINANCIAL POSITION**

<b>ASSETS</b>	<b>NOTES</b>	<b>2022</b>	<b>2021</b>
<b><u>CURRENT ASSETS</u></b>		<b><u>GH¢</u></b>	<b><u>GH¢</u></b>
Cash and Short-Term Funds	13	22,308,700	7,437,764
Short-Term Investments	14	25,990,555	30,411,689
Advances	16	18,699,886	13,636,704
Inventories	17	102,971	76,665
Investment Securities	19	106,170	106,170
Deferred Taxation	21	6,666	6,666
Other Assets	18	2,179,018	2,022,282
		<b>69,393,965</b>	<b>53,697,940</b>
<b><u>NON CURRENT ASSETS</u></b>			
Long-Term Investments	15	5,955,076	5,990,000
Intangibles	29	328,918	376,020
Property, Plant and Equipment	30	1,553,382	1,109,317
		<b>7,837,376</b>	<b>7,475,337</b>
<b>TOTAL ASSETS</b>		<b>77,231,340</b>	<b>61,173,277</b>
<b><u>LIABILITIES AND SHAREHOLDERS FUNDS</u></b>			
Deposits and Current Accounts	22	67,290,372	54,160,100
Other Liabilities	23	4,252,945	2,643,223
Taxation	21	707,830	154,053
Borrowings	20	24,098	117,267
		<b>72,275,245</b>	<b>57,074,643</b>
<b>FINANCED AS FOLLOWS:</b>			
Stated Capital	24	1,370,490	1,269,571
Revaluation Surplus		39,404	39,404
Other Reserves		864,854	602,549
Retained Earnings		608,569	668,779
Credit Risk Reserve		356,343	156,343
Statutory Reserve		1,716,436	1,361,988
Shareholders Fund		<b>4,956,095</b>	<b>4,098,634</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS FUND</b>		<b>77,231,340</b>	<b>61,173,277</b>

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

  
**DIRECTOR**  
**WISDOM QUAIKU**  
**AIYINASI**

  
**DIRECTOR**  
**PROF. CHARLES GODFRED ACKAH**  
**31-Mar-23**



**NZEMA MANLE RURAL BANK PLC**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2022**

**STATEMENT OF COMPREHENSIVE INCOME**

	<u>NOTES</u>	2022 Bank GH¢	2021 Bank GH¢
Interest Income	8	10,669,564	7,801,861
Interest Expenses	9	(1,891,282)	(1,983,096)
<b>Net Interest Income</b>		<b>8,778,282</b>	<b>5,818,766</b>
Fees and Commission Income	10	2,282,579	1,172,471
Fees and Commission Expense	11	-	-
<b>Net Fees and Commission</b>		<b>2,282,579</b>	<b>1,172,471</b>
<b>Net Trading Income</b>		<b>11,060,861</b>	<b>6,991,237</b>
Other Operating Income	12	1,315,833	1,638,922
<b>Operating Income</b>		<b>12,376,693</b>	<b>8,630,159</b>
Net Impairment Loss on Fin. Assets	31	(571,176)	(417,330)
Personnel Expenses	28.1	(3,667,014)	(2,633,826)
Depreciation and Amortisation	28.2	(644,479)	(505,607)
Other Expenses	28.3	(5,198,418)	(3,895,084)
		<b>(10,081,087)</b>	<b>(7,451,848)</b>
Profit Before Taxation		2,295,606	1,178,311
Tax Expense		(877,815)	(546,273)
<b>Net Profit for the Year</b>		<b>1,417,791</b>	<b>632,038</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Revaluation of Property, Plant and Equipment		-	-
Defined Benefit Plan Actuarial Gain/(Loss)		-	-
<b>Other Comprehensive Inc. for the Year (Net of Tax)</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>			
<b>Profit attributable to:</b>			
Controlling Equity Holders of the Bank		1,417,791	632,038
Non-Controlling Interest		-	-
<b>Profit for the Year</b>		<b>1,417,791</b>	<b>632,038</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>			
Basic Earnings per Share		-	-
<b>Total Comprehensive Income for the year</b>		<b>1,417,791</b>	<b>632,038</b>
Earnings per Share GH¢		0.09467	0.04220
Diluted Earnings per Share GH¢		0.09467	0.04220



**NZEMA MANLE RURAL BANK PLC**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2022**

**STATEMENT OF CHANGES IN EQUITY**

**BANK**

**2022**

	Stated Capital GH¢	Reserve Fund GH¢	Revaluation Surplus GH¢	Retained Earnings GH¢	Other Reserves GH¢	Credit Risk Reserves GH¢	TOTAL
<b>Balance b/f</b>	<b>1,269,571</b>	<b>1,361,988</b>	<b>39,404</b>	<b>668,779</b>	<b>602,549</b>	<b>156,343</b>	<b>4,098,634</b>
Prior Period Error	-	-	-	(100,758)	-	-	(100,758)
	1,269,571	1,361,988	39,404	568,021	602,549	156,343	3,997,875
Total Comp. Profit	-	-	-	1,417,791	-	-	1,417,791
	1,269,571	1,361,988	39,404	1,985,812	602,549	156,343	5,415,667
Dividend Charged	-	-	-	(101,403)	-	-	(101,403)
	<b>1,269,571</b>	<b>1,361,988</b>	<b>39,404</b>	<b>1,884,409</b>	<b>602,549</b>	<b>156,343</b>	<b>5,314,264</b>
Share Sales	100,919	-	-	-	-	-	100,919
	<b>1,370,490</b>	<b>1,361,988</b>	<b>39,404</b>	<b>1,884,409</b>	<b>602,549</b>	<b>156,343</b>	<b>5,415,183</b>
<b>Transfers</b>							
Building Fund	-	-	-	(240,245)	240,245	-	-
Comm. Dev. Fund	-	-	-	(35,000)	35,000	-	-
Pension Fund	-	-	-	(439,877)	-	-	(439,877)
Scholarship Fund	-	-	-	-	-	-	-
Sundry Creditors	-	-	-	(6,270)	-	-	(6,270)
Reserve Fund	-	354,448	-	(354,448)	-	-	-
Credit Risk Reserve	-	-	-	(200,000)	-	200,000	-
	-	<b>354,448</b>	-	<b>(1,275,840)</b>	<b>275,245</b>	<b>200,000</b>	<b>(446,147)</b>
Payments	-	-	-	-	(12,940)	-	(12,940)
	<b>1,370,490</b>	<b>1,716,436</b>	<b>39,404</b>	<b>608,569</b>	<b>864,854</b>	<b>356,343</b>	<b>4,956,095</b>

**BANK**

**2021**

	Stated Capital GH¢	Statutory Reserve GH¢	Revaluation Surplus GH¢	Income Surplus GH¢	Other Reserves GH¢	Credit Risk Reserves GH¢	TOTAL GH¢
<b>Balance b/f</b>	<b>1,261,954</b>	<b>1,203,978</b>	<b>39,404</b>	<b>522,203</b>	<b>516,545</b>	<b>156,343</b>	<b>3,700,427</b>
Prior Period Error/	-	-	-	(197,453)	-	-	(197,453)
	1,261,954	1,203,978	39,404	324,750	516,545	156,343	3,502,975
Total Comp. Incom	-	-	-	632,039	-	-	632,039
	<b>1,261,954</b>	<b>1,203,978</b>	<b>39,404</b>	<b>956,789</b>	<b>516,545</b>	<b>156,343</b>	<b>4,135,014</b>
Dividend Charged	-	-	-	-	-	-	-
	<b>1,261,954</b>	<b>1,203,978</b>	<b>39,404</b>	<b>956,789</b>	<b>516,545</b>	<b>156,343</b>	<b>4,135,014</b>
Share Sales: Stated	7,617	-	-	-	-	-	7,617
	<b>1,269,571</b>	<b>1,203,978</b>	<b>39,404</b>	<b>956,789</b>	<b>516,545</b>	<b>156,343</b>	<b>4,142,630</b>
<b>Transfers</b>							
Building Fund	-	-	-	(100,000)	100,000	-	-
Community Dev't F	-	-	-	(30,000)	30,000	-	-
Pension Fund	-	-	-	-	-	-	-
Scholarship Fund	-	-	-	-	-	-	-
Reserve Fund	-	158,010	-	(158,010)	-	-	-
Credit Risk Reserve	-	-	-	-	-	-	-
	-	<b>158,010</b>	-	<b>(288,010)</b>	<b>130,000</b>	-	-
Payments	-	-	-	-	(43,997)	-	(43,997)
	<b>1,269,571</b>	<b>1,361,988</b>	<b>39,404</b>	<b>668,779</b>	<b>602,549</b>	<b>156,343</b>	<b>4,098,634</b>



**NZEMA MANLE RURAL BANK PLC**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2022**  
**STATEMENT OF CASH FLOWS**

	<b>2022</b>	<b>2021</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>Cash Flow from Operating Activities</b>		
Net Profit Before Tax	2,295,606	1,178,312
Prior Year Adjustment	100,758	(197,453)
Other Adjustments	(12,940)	(43,997)
Profit on Disposal of Motor Vehicle	(38,137)	-
Impairment Loss	571,176	417,330
Depreciation	583,687	453,008
Amortisation	60,792	52,599
	<b>3,560,943</b>	<b>1,859,800</b>
(Increase)/Decrease in Advances	(5,267,879)	(2,495,610)
(Increase)/Decrease in Inventories	(26,305)	5,182
(Increase)/Decrease in Other Assets Account	(156,736)	332,928
Increase/(Decrease) in Deposits & Current Accounts.	13,130,272	6,357,205
Increase/(Decrease) in Other Liabilities	1,609,722	(572,658)
Net Changes in Working Capital	<b>9,289,075</b>	<b>3,627,047</b>
<b>Cash Flow from Operating Activities</b>	<b>12,850,018</b>	<b>5,486,847</b>
Tax Paid	(324,039)	(554,336)
Net Cash Flow from Operating Activities	<b>12,525,979</b>	<b>4,932,511</b>
<b>Cash Flow from Investing Activities</b>		
<b>Additions</b>		
Proceeds from Disposal of Motor Vehicle	65,000	-
Purchase of Fixed Assets	(1,054,615)	(473,742)
	<b>(989,615)</b>	<b>(473,742)</b>
	<b>11,536,364</b>	<b>4,458,769</b>
<b>Investing Activities</b>		
ARB Apex Bank	-	-
<b>Financing Activities</b>		
Stated Capital	100,919	7,617
Pension Funds	(221,254)	(240,734)
Development Fund	(47,940)	(73,997)
Dividends Paid	(43,290)	(4,616)
Reserves	(816,753)	-
Borrowings	(93,169)	(94,877)
	<b>(1,121,487)</b>	<b>(406,607)</b>
<b>Net Inc./ (Dec.) in Cash and Cash Equivalent</b>	<b>10,414,877</b>	<b>4,052,162</b>
Opening Cash and Cash Equivalent	43,839,453	39,787,291
Net Inc./ (Dec.) in Cash and Cash Equivalent	10,414,877	4,052,162
<b>Closing Cash and Cash Equivalent</b>	<b>54,254,330</b>	<b>43,839,453</b>
<b>Represented by Cash and Cash Equivalents</b>	<b>54,254,330</b>	<b>43,839,453</b>





# NZEMA MANLE RURAL BANK PLC

## FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST DECEMBER, 2022

#### NOTES TO THE FINANCIAL STATEMENTS

##### **1 NATURE OF OWNERSHIP AND OPERATIONS**

The Bank was incorporated as a Public Limited Liability Company on October 14, 1980 with Registration No. C-16,628 and re-registered with number C0008761310 under the Companies' Act 1963 (Act 179) in Ghana. The Bank was issued with a licence on April 03, 1981 with Licence No. 032 by Bank of Ghana to operate a business of Banking. The registered address of the Bank is Nzema Manle Rural Bank Premises, P. O. Box 43, Aiyinasi. The Financial Statements of the Bank as of 31 December, 2022 comprise the Bank, Nzema Manle Rural Bank Limited, referred to as the "Bank"). The Bank primarily is involved in Rural Banking being Corporate and Retail.

##### **1.1 Functional and Presentational Currency**

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

##### **2.0 ACCOUNTING POLICIES**

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

##### **2.01 Basis of Accounting**

These Financial Statements have been prepared under the historical cost convention but modified in appropriate areas by the adoption of Fair Value measurement basis. The Bank of Ghana Guideline 'Guide for Financial Publication for Banks and BOG Licensed Financial Institutions' for 2016 and 2018 require certain disclosures to be completely complied with in applicable areas. These guidelines have not been so completely complied with and to this extent, the Financial Statements are not in compliance with International Financial Reporting Standards, IFRS.

##### **2.02 Revenue Recognition**

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

##### **2.03 Interest Income and Expense**

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

##### **2.03 Non-Interest Income**

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

##### **2.04 Income Tax**

##### **Income Tax comprises Current Tax and Deferred Tax.**

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

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

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

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



## **2.05 Financial Instruments Categorisation, Initial Recognition and Subsequent Measurement**

### **2.05 Categorisation**

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

### **2.05 Date of Recognition**

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

### **2.05 Initial Recognition of Financial Instruments**

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

### **2.05 Subsequent Measurement of Financial Instruments**

#### **(a) Financial Assets at Fair Value Through Profit or Loss**

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

##### **Held for Trading**

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

##### **Designated at Fair Value through Profit or Loss**

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

All equity instruments are measured at fair value.

#### **(b) Financial Assets Measured at Amortised Cost**

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

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

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

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

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

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

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

#### **(d) Financial Liabilities**

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



## **2.06 Determination of Fair Value of Financial Instruments**

### **i. Availability of Active Market**

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

### **ii. Non-Availability of Active Market**

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

### **iii. Short-Term Receivables**

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

## **2.06 Offsetting of Financial Instruments**

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

## **2.06 Derecognition of Financial Assets and Liabilities**

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

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

## **2.06 Impairment of Financial Assets**

### **(a) Framework for measuring impairment of Financial Assets .**

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

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

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

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

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The carrying amount of the asset is reduced through the use of an Allowance Account and the amount of the loss is recognised in the Profit or Loss. Loans together with the associated allowances are written off when there is no realistic prospect of future recovery and all collaterals have been utilised or have been transferred to the Bank and all the necessary procedures have been completed.

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



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

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

**(c) Other Financial Assets**

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

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

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

**(d) Derecognition of Financial Assets and Liabilities**

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

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

**2.06 Derecognition of Financial Assets and Liabilities**

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

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

**3 Regulatory Credit Risk Reserve**

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

**4 Property, Plant and Equipment**

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

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

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

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

Buildings	5.0%
Branch Development	20.0%
Bungalow Furniture & Fittings	20.0%
Computers	20.0%
Office Equipment	20.0%



Motor Vehicles	20.0%
Office Furniture & Fittings	20.0%
Plant and Machinery	20.0%

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

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

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

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

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

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

## 5 Use of Estimates and Judgement

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

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the 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.

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

## 6 RISK MANAGEMENT

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

### 6.1 Credit Risk

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

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

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

### 6.2 Market Risk

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





### 6.3 Liquidity Risk

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

### 6.4 Operational Risk

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

## 7 CAPITAL

### 7.1 The Objectives of Capital Management

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

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

### 7.2 Capital Description

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

### 7.3 Regulatory Capital

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

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

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

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

### 7.4 The Level of Capital Adequacy

#### Tier 1 Capital

Ordinary Share Capital

Disclosed Reserves

Less Intangible Assets

Other Regulatory Adjustments

**Total**

#### Tier 2 Capital

Fair Value Reserve for Available for Sale Equity Securities

Revaluation Reserve

Qualifying Subordinated Liabilities

**Total**

#### Total Regulatory Capital

#### Risk Weighted Assets

Total Adjusted Assets

Net Contingent Liabilities

Operational Risk

Market Risk

#### Total Risk Weighted Assets

	2022	2021
Bank	Bank	Bank
GHC	GHC	GHC
Ordinary Share Capital	1,370,490	1,269,571
Disclosed Reserves	3,585,605	2,829,063
Less Intangible Assets	(328,918)	(376,020)
Other Regulatory Adjustments	(106,170)	(106,170)
<b>Total</b>	<b>4,521,007</b>	<b>3,616,444</b>
<b>Tier 2 Capital</b>		
Fair Value Reserve for Available for Sale Equity Securities	39,404	39,404
Revaluation Reserve	-	-
Qualifying Subordinated Liabilities	-	-
<b>Total</b>	<b>39,404</b>	<b>39,404</b>
<b>Total Regulatory Capital</b>	<b>4,560,411</b>	<b>3,655,848</b>
<b>Risk Weighted Assets</b>		
Total Adjusted Assets	35,067,454	25,770,223
Net Contingent Liabilities	-	-
Operational Risk	-	-
Market Risk	-	-
<b>Total Risk Weighted Assets</b>	<b>35,067,454</b>	<b>25,770,223</b>





**Capital Ratios**

Total Regulatory Capital Expressed as a Percentage of  
Total Risk Weighted Assets

**13.00%**      **14.19%**

Total Tier 1 Capital Expressed as a  
Percentage of Risk Weighted Assets.

**12.89%**      **14.03%**

**I) Dividend**

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

**8 INTEREST INCOME**

Advances - Loans

2022	2021
Bank	Bank
GH¢	GH¢
5,356,209	4,309,065

Advances - Overdrafts

227,653      156,342

Investment

5,085,701      3,336,454

**10,669,564      7,801,861**

**9 INTEREST EXPENSES**

Savings Deposits

363,650      335,863

Time Deposits

1,527,632      1,647,233

**1,891,282      1,983,096**

**10 COMMISSIONS AND FEES**

Commissions on Turnover

333,203      245,181

Commitment & Processing Fees

1,949,376      927,290

**2,282,579      1,172,471**

**11 COMMISSIONS AND FEES EXPENSE**

-      -

**12 OTHER INCOME**

SMS Charges

77,103      28,344

Bad Debts Recovered

1,100      1,984

ATM & Income From Remittances

3,811      7,122

Sundry Income

1,233,818      1,601,473

**1,315,833      1,638,922**

**13 CASH AND SHORT TERM FUNDS**

Cash on Hand

4,651,197      3,975,215

ARB Apex Bank - 5% Placement

3,058,751      2,582,877

ARB Apex Bank - Current

14,291,330      873,514

GCB Bank

34,902      -

E-Susu Collection

-      359

E-Money Float

267,837      -

E-zwich

4,683      5,799

**22,308,700      7,437,764**

**14 SHORT-TERM INVESTMENTS**

Treasury Bills 182 Days

24,698,683      31,672,000

Interest Receivable on Investment

1,291,872      (1,260,311)

**25,990,555      30,411,689**

**15 LONG-TERM INVESTMENTS**

Other Fixed Deposits - Fund Managem Schedules

5,955,076      5,990,000

**5,955,076      5,990,000**



**16 LOANS AND ADVANCES**

	2022 GH¢	2021 GH¢
Loans	18,698,734	14,443,315
Overdraft	3,375,455	1,996,515
	22,074,189	16,439,830
Bad Debts Writen-Off	-	-
	<b>22,074,189</b>	<b>16,439,830</b>
Balance Brought Forward	(2,803,127)	(2,394,467)
Bad Debt Reversed	-	8,671
Current Year Provision	(571,176)	(417,330)
	(3,374,303)	(2,803,127)
Interest in Suspense	-	-
	<b>(3,374,303)</b>	<b>(2,803,127)</b>
	<b>18,699,886</b>	<b>13,636,704</b>
<b>Impairment Provision</b>		
Opening Balance	2,803,127	2,394,467
Bad Debt Reversed	-	(8,671)
Interest in Suspense	-	-
Loan Impairment Charges	571,176	417,330
Closing Balance	<b>3,374,303</b>	<b>2,803,127</b>
Loan Impairment Charges	571,176	417,330
Impairment Loss on Interest in Arrears/Inter-Agency	-	-
Impairment Loss	-	-
Charged to Profit or Loss	<b>571,176</b>	<b>417,330</b>

**17 INVENTORIES**

Stationery	102,971	76,665
Other Stores	-	-
	<b>102,971</b>	<b>76,665</b>

**18 OTHER ASSETS**

	2022 GH¢	2021 GH¢
Prepaid Rent	369,001	221,585
Sundry Pre-Payments	114,717	526,379
Uncleared Effects	-	291,972
Insurance Prepaid	25,157	-
Inter-Agency	1,700	2,022
Office Accounts	211,881	37,303
Interest Receivable	-	129,474
Unearned Interest	28,382	44,888
Interest In Arrears	1,322,382	659,254
Others	105,797	109,404
	<b>2,179,018</b>	<b>2,022,282</b>

**19 INVESTMENT SECURITIES**

Esiama Building	44,766	44,766
ARB Apex Bank	61,404	61,404
	<b>106,170</b>	<b>106,170</b>

**20 BORROWINGS**

ARB Apex	<b>24,098</b>	<b>117,267</b>
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**21 TAXATION**

<b>21a BANK</b>	<b>Balance</b>	<b>Charges</b>	<b>Payments</b>	<b>Balance</b>	<b>Charges</b>	<b>Payments</b>	<b>Balance</b>
Tax Years	<b>1-Jan-21</b>	<b>for Year</b>	<b>2021</b>	<b>1-Jan-22</b>	<b>for Year</b>	<b>2022</b>	<b>31-Dec-22</b>
	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>
Up to 2020	-	188,662	(122,920)	65,742	-	(65,742)	-
2021	-	294,578	(206,267)	88,311	-	(81,645)	6,666
	-	<b>483,240</b>	<b>(329,187)</b>	<b>154,053</b>	-	<b>(147,387)</b>	<b>6,666</b>
2022	-	-	-	-	877,815	(176,651)	701,164
	-	<b>483,240</b>	<b>(329,187)</b>	<b>154,053</b>	<b>877,815</b>	<b>(324,039)</b>	<b>707,830</b>
Deferred Tax	(6,666)	-	-	(6,666)	-	-	(6,666)
	<b>(6,666)</b>	<b>483,240</b>	<b>(329,187)</b>	<b>147,388</b>	<b>877,815</b>	<b>(324,039)</b>	<b>701,164</b>

**RECONCILIATION/COMPUTATION OF EFFECTIVE TAX RATE**

	<b>2022</b>	<b>2021</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>Profit Before Tax</b>	<b>2,295,606</b>	<b>1,178,312</b>
Income Tax Using Applicable Tax Rate 25%	573,902	294,578
<b>Deferred Tax</b>		
Balance 31-Dec	-	-
Adjustment to Prior Years	-	-
<b>Balance 31-Dec</b>	<b>-</b>	<b>-</b>
<b>Adjustment for Items in Computation of Defrred Tax</b>		
Depreciation	-	-
Pension Funds Paid	-	-
Provisions	-	-
Capital Allownace	-	-
Others Payments	-	-
<b>Profit Before Tax Expense</b>	<b>-</b>	<b>-</b>
<b>Deferred Tax</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>573,902</b>	<b>294,578</b>
<b>Effective Tax Rate %</b>	<b>25.00</b>	<b>25.00</b>

**22 DEPOSITS AND CURRENT ACCOUNTS**

	<b>2022</b>	<b>2021</b>
	<b>GH¢</b>	<b>GH¢</b>
Current Accounts	8,526,791	7,089,119
Savings Accounts	23,724,529	18,585,455
Time	10,994,960	11,321,393
Susu Deposits and Others	23,723,881	16,831,042
Others	320,211	333,091
	<b>67,290,372</b>	<b>54,160,100</b>

**22.1 CURRENT ACCOUNTS**

Individuals	5,541,611	6,251,301
Private Enterprises & Others	2,690,548	585,911
Public Enterprises	294,631	251,907
	<b>8,526,791</b>	<b>7,089,119</b>

**22.2 SAVINGS ACCOUNTS**

Individuals	18,844,051	17,523,307
Private Enterprises & Others	4,362,672	603,998
Other Financial Institutions	15,267	91,549
Public Enterprises	502,540	366,600
	<b>23,724,529</b>	<b>18,585,455</b>



**22.3 TIME DEPOSIT ACCOUNTS**

Individuals	10,354,170	11,067,843
Private Enterprises	627,690	241,700
Public Enterprises	13,100	11,850
	<b>10,994,960</b>	<b>11,321,393</b>

**22.4 SUSU ACCOUNTS**

Individuals	<b>23,723,881</b>	<b>16,831,042</b>
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**22.5 OTHER DEPOSITS**

E-Zwich and Others	<b>320,211</b>	<b>333,091</b>
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**23 OTHER LIABILITIES**

	<b>2022</b>	<b>2021</b>
	<b>GH¢</b>	<b>GH¢</b>
Sundries	5,017	393,636
Dividend Payable	234,467	176,355
Bills Payable	168,957	74,357
Uncleared Effect	244,252	-
Audit Fees	41,254	53,218
Accrued Interest	701,122	771,732
AGM	72,681.39	100,000
Police Guard	74,605	30,670
Interest Income in Suspense	1,007,227	552,093
Pension Fund	450,188	228,933
Other Provisions	93,943	47,812
E-Zwich Operations	43,886	35,036
Unassigned Lines	746,740	-
U-Connect Operations	146	-
Office Account	368,459	179,380
	<b>4,252,945</b>	<b>2,643,223</b>

**24 STATED CAPITAL****Authorised:**

Ordinary Share of no par value	<b>40,000,000</b>
Preference Share of no par value	<b>10,000,000</b>

**DETAILS**

		<b>NO. OF SHARES</b>	<b>Amount</b>	<b>NO. OF SHARES</b>	<b>Amount</b>
		<b>2022</b>	<b>GH¢</b>	<b>2021</b>	<b>GH¢</b>
<b>NO. OF SHARES</b>	<b>CONSIDERATION</b>	<b>Number</b>		<b>Number</b>	
Opening Ordinary	Cash	5,963,273	458,133	5,887,108	450,517
Additions	Cash	1,009,191	100,919	76,165	7,617
		<b>6,972,463</b>	<b>559,052</b>	<b>5,963,273</b>	<b>458,133</b>
Opening Ordinary		8,003,736	811,426	8,003,736	811,426
Transfer from Surplus		-	-	-	-
		<b>8,003,736</b>	<b>811,426</b>	<b>8,003,736</b>	<b>811,426</b>
		<b>14,976,199</b>	<b>1,370,478</b>	<b>13,967,009</b>	<b>1,269,559</b>
Total Opening Balance		13,967,009	1,269,559	13,890,844	1,261,943
Additions		1,009,191	100,919	76,165	7,617
<b>Closing Balance</b>		<b>14,976,199</b>	<b>1,370,478</b>	<b>13,967,009</b>	<b>1,269,559</b>
Preference Shares		125,000	13	125,000	13
		<b>15,101,199</b>	<b>1,370,491</b>	<b>14,092,009</b>	<b>1,269,572</b>

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



**25 OTHER RESERVES****25.1 PENSION FUND**

	2022 GH¢	2021 GH¢
Opening Balance	228,933	189,667
Addition	463,459	140,000
	692,393	329,667
Deduction/Payment	242,205	100,734
Closing Balance	<b>450,188</b>	<b>228,933</b>

**25.2 SCHOLARSHIP FUND**

Opening Balance	4,750	4,750
Addition	-	-
	4,750	4,750
Transfer Income Surplus/Payment	-	-
	<b>4,750</b>	<b>4,750</b>

**25.3 SOCIAL RESPONSIBILITY**

Opening Balance	-	-
Addition	-	-
	-	-
Deduction/Payment	-	-
Closing Balance	-	-

These funded from Development Fund and same amount spent on Social Responsibility is transferred from Development Fund as the funding source.

**25.4 BUILDING FUND**

	2022 GH¢	2021 GH¢
Opening Balance	560,345	460,345
Addition	240,245	100,000
	800,590	560,345
Transfer Income Surplus/Payment	-	-
Closing Balance	<b>800,590</b>	<b>560,345</b>

**25.5 DEVELOPMENT FUND**

Opening Balance	37,454	51,450
Addition	35,000	30,000
	72,454	81,450
Transfer Social Responsibility/Payment	12,940	43,997
Closing Balance	<b>59,514</b>	<b>37,454</b>

This is the fund that provides for Scholarship Fund, Social Responsibility and any other development fund of the communities the Bank operates within.

**25.6 TRANSFERS FROM INCOME SURPLUS TO OTHER RESERVES**

	2022 GH¢	2021 GH¢
Opening Balance	1,010,780	880,780
Adjustment for Credit Risk Reserve	-	-
	<b>1,010,780</b>	<b>880,780</b>
Addition/Adjustment/Transfer from Income Surplus	275,245	130,000
	<b>1,286,025</b>	<b>1,010,780</b>
Transfer to Income Surplus	-	-
Closing Balance	<b>1,286,025</b>	<b>1,010,780</b>
Reversal to Credit Risk Reserve	-	-
	<b>1,286,025</b>	<b>1,010,780</b>

**26 OCCUPANCY**

	<b>138,855</b>	<b>114,544</b>
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**27 DEPRECIATION AND AMORTISATION**

	<b>644,479</b>	<b>505,607</b>
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**28 OTHER OPERATING EXPENSES****28.1 Staff Costs**

Salaries, Wages & Allowances  
Medical Expenses  
Staff Training  
Others

2022	2021
GH¢	GH¢
2,034,652	1,518,530
43,386	28,631
-	-
1,588,977	1,086,665
<b>3,667,014</b>	<b>2,633,826</b>

**28.2 Depreciation & Amortisation**

Depreciation  
Amortisation

583,687	453,008
60,792	52,599
<b>644,479</b>	<b>505,607</b>

**28.3 Operating Costs**

Repairs & Maintenance  
Insurance  
Donations  
Occupancy  
Police Guard  
Electricity & Water  
Audit Fees  
Generator Expenses  
Others  
Administrative

141,217	91,504
256,879	208,046
400	250
138,855	114,544
303,308	230,389
209,731	201,029
39,000	30,000
50,904	31,898
741,355	578,749
3,316,769	2,408,677
<b>5,198,418</b>	<b>3,895,084</b>

**28.4 Directors Remuneration**

Included in the Administrative Cost under Operating Costs were the following:

Directors Remuneration

2022	2021
GH¢	GH¢
<b>125,520</b>	<b>80,820</b>

**29 INTANGIBLE ASSETS****29.1 BANK****26.1.1 Cost**

**Balance at 1 January, 2021**

Acquisitions

**Balance at 31 December, 2021**

**Balance at 1 January, 2022**

Acquisitions

**Balance at 31 December, 2022**

Developed Software GH¢	Additions/ Deletions GH¢	Developed Software GH¢
481,267		481,267
46,940		46,940
<b>528,207</b>	<b>-</b>	<b>528,207</b>
528,207		528,207
13,690		13,690
<b>541,897</b>	<b>-</b>	<b>541,897</b>

**27.1.2 Amortisation and Impairment**

**Balance at 1 January, 2021**

Amortisation for the Year

Impairment Loss

**Balance at 31 December, 2021**

**Balance at 1 January, 2022**

Amortisation for the Year

Impairment Loss for the year

**Balance at 31 December, 2022**

99,589	-	99,589
52,599	-	52,599
-	-	-
<b>152,188</b>	<b>-</b>	<b>152,188</b>
<b>376,020</b>	<b>-</b>	<b>376,020</b>
152,188	-	152,188
60,792	-	60,792
-	-	-
<b>212,979</b>	<b>-</b>	<b>212,979</b>

**27.1.3 Carrying Amounts**

**Balance at 1 January, 2021**

**Balance at 31 December, 2021**

**Balance at 31 December, 2022**

<b>381,679</b>	<b>-</b>	<b>381,679</b>
<b>376,020</b>	<b>-</b>	<b>376,020</b>
<b>328,918</b>	<b>-</b>	<b>328,918</b>



### 30 PROPERTY, PLANT & EQUIP.

#### 30.1 2022

##### 27.1.1 COST

Lands  
Buildings  
Branch Development  
Office Furn. & Fittings  
Computers  
Generators  
Pump Action Gun  
Office Equipment  
Motor Vehicles/Cycles  
Bore Hole

BALANCE		ADJUSTMENT/	BALANCE
<u>1-Dec-22</u>	<u>ADDITIONS</u>	<u>DISPOSAL</u>	<u>31-Dec-22</u>
GH¢	GH¢	GH¢	GH¢
102,241	43,194	-	145,435
336,174	-	-	336,174
412,775	111,299	-	524,074
434,994	136,709	-	571,703
571,929	170,539	-	742,468
306,140	-	-	306,140
22,000	36,000	-	58,000
603,195	64,808	-	668,003
772,185	469,566	(112,337)	1,129,415
-	22,500	-	22,500
<b>3,561,634</b>	<b>1,054,615</b>	<b>(112,337)</b>	<b>4,503,912</b>

##### 27.1.2 DEPRECIATION

Lands  
Buildings  
Branch Development  
Furniture & Fittings  
Computers  
Generators  
Pump Action Gun  
Office Equipment  
Motor Vehicles/Cycles  
Bore Hole

BALANCE	CHARGED	ADJUSTMENT/	BALANCE
<u>1-Dec-22</u>	<u>FOR YEAR</u>	<u>DISPOSAL</u>	<u>31-Dec-22</u>
GH¢	GH¢	GH¢	GH¢
-	-	-	-
134,572	12,408	-	146,980
315,383	104,735	-	420,118
299,237	104,397	-	403,634
450,095	84,309	-	534,404
249,925	28,197	-	278,123
4,400	11,600	-	16,000
422,077	89,445	-	511,521
576,628	147,746	(85,473)	638,901
-	850	-	850
<b>2,452,317</b>	<b>583,687</b>	<b>(85,473)</b>	<b>2,950,531</b>

##### 27.1.3 NET BOOK VALUE

2021

#### 30.2 PROPERTY, PLANT & EQUIP.

##### 27.2.1 COST

Lands  
Buildings  
Branch Development  
Office Furn. & Fittings  
Computers  
Generators  
Pump Action Gun  
Office Equipment  
Motor Vehicles

BALANCE		ADJUSTMENT/	BALANCE
<u>1-Jan-21</u>	<u>ADDITIONS</u>	<u>DISPOSAL</u>	<u>31-Dec-21</u>
GH¢	GH¢	GH¢	GH¢
83,473	18,768	-	102,241
162,118	174,056	-	336,174
412,375	400	-	412,775
370,116	64,878	-	434,994
500,141	71,788	-	571,929
299,840	6,300	-	306,140
-	22,000	-	22,000
557,208	45,987	-	603,195
702,621	69,564	-	772,185
<b>3,087,892</b>	<b>473,742</b>	<b>-</b>	<b>3,561,634</b>

##### 27.2.2 DEPRECIATION

Lands  
Buildings  
Branch Development  
Branch Development  
Office Furn. & Fittings  
Computers  
Generators  
Office Equipment  
Motor Vehicles/Cycles

BALANCE	CHARGED	DISPOSAL	BALANCE
<u>1-Jan-21</u>	<u>FOR YEAR</u>	<u>DISPOSAL</u>	<u>31-Dec-21</u>
GH¢	GH¢	GH¢	GH¢
-	-	-	-
117,764	16,809	-	134,572
232,908	82,475	-	315,383
221,992	77,245	-	299,237
358,381	91,714	-	450,095
209,279	40,646	-	249,925
-	4,400	-	4,400
328,274	93,802	-	422,077
530,712	45,917	-	576,628
<b>1,999,309</b>	<b>453,008</b>	<b>-</b>	<b>2,452,317</b>
<b>1,088,583</b>			<b>1,109,317</b>

##### 27.2.3 NET BOOK VALUE



#### 27.2.4 DISPOSAL OF PPE

	2022 GH¢	2021 GH¢
Sale Value	65,000	-
Cost of PPE	112,337	-
Accumulated Depreciation of Disposed PPE	(85,473)	-
Net Book Value	26,863	-
<b>Gain</b>	<b>38,137</b>	<b>-</b>

#### 31 IMPAIRMENT/CHARGES

Loan Impairment Charges	571,176	417,330
	<b>571,176</b>	<b>417,330</b>

#### 32 DIVIDEND

Balance 01 January	176,355	180,970
Approved Dividend	101,403	-
	277,758	180,970
Dividend Paid	(43,290)	(4,616)
<b>Balance 31 December</b>	<b>234,467</b>	<b>176,355</b>

#### 33 RELATED PARTIES

##### a. Transactions with Key Management Personnel

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

	2022 Max. Balance GH¢	2021 Max. Balance GH¢
Mortgage Lending and Other Secured Loans	-	-
Other Loans	113,385	468,869
	<b>113,385</b>	<b>468,869</b>

##### 33.2 Key management personnel compensation for the year comprised

	2022 GH¢	2021 GH¢
<b>Short-Term Employee Benefits</b>	<b>375,630</b>	<b>247,009</b>

The Bank does not have any share options policy in place for its Executive Officers.

There were no Mortgages and therefore no Secured Loans granted over any Properties of a borrowers.

No impairment losses have been recorded against balances outstanding during the year with key management personnel, and no specific allowance has been made for impairment losses on balances with Key Management Personnel and their immediate relatives at the year end.

##### 33.3 Loans and Advances to Employees

	2022 GH¢	2021 GH¢
Balance at 1 January	629,743	796,105
Loans Advanced during the Year	776,944	776,944
Loans Repayments Received	(943,306)	(943,306)
<b>Balance at 31 December</b>	<b>463,380</b>	<b>629,743</b>

##### 33.4 Loans and Advances to Directors and their Associates

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

	2022 GH¢	2021 GH¢
Gross Amount at 1 January	22,042	11,346
Interest Charged	8,750	3,392
Loans Disbursed	-	17,050
Cash Received	(22,669)	(9,747)
<b>Net Amount at 31 December</b>	<b>8,123</b>	<b>22,042</b>

Included in Loans and Advances is GH¢8,123 due from Directors.





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

33.5 List of Related Parties	Designation	Period	
		From	To
Wisdom Quaiku	Director	1-Jan-22	31-Dec-22
Justice Henry Anthony Kwofie	Director	1-Jan-22	31-Dec-22
Thomas Kodjoe Tandoh	Director	1-Jan-22	31-Dec-22
Prof. Charles Godfred Ackah	Director	1-Jan-22	31-Dec-22
Philip Kwaw	Director	1-Jan-22	31-Dec-22
Alhaji Abdul Sophiano	Director	1-Jan-22	31-Dec-22
William Sarpong	Director	1-Jan-22	31-Dec-22

33.6 Key Management Personnel	Name	Designation	Period	
			From	To
	Thomas Quayson	Chief Executive Officer	1-Jan-22	31-Dec-22
	Henry Awuah Allah	Head of Operations	1-Jan-22	31-Dec-22
	Dauda Naa Korinson	Head of Internal Audit	1-Jan-22	31-Dec-22
	Emmanuel Ackah	Head of Credit	1-Jan-22	31-Dec-22
	Ransford Gaisey	Head of Risk and Compliance	1-Jan-22	31-Dec-22
	Raphael Eshun	Head of ICT	1-Jan-22	31-Dec-22
	Sarah Efua Ackon	Head of Human Resource	1-Jan-22	31-Dec-22
	Stephen Mbroh	Head of Marketing	1-Jan-22	31-Dec-22

33.7 a. Number of Shareholders	2022	2021
	2,629	2,511

**b. Twenty Largest Shareholders**

Name	2022		2021	
	No. of Shares	%age	No. of Shares	%age
Forjoe Ben/Forjoe Paul	1,146,226	7.65	1,036,226	7.42
Ackah Ata Emmanuel	549,078	3.67	549,078	3.93
Kwofie Emmanuel Yankson	332,537	2.22	322,537	2.31
Akainyah Nyanzu Yeleboe	253,296	1.69	253,296	1.81
Kwofie Justice Anthony Henry	235,885	1.58	210,885	1.51
Armah Kofi Buah Emmanuel	230,878	1.54	230,878	1.65
Arloo Eugenia Yankson	229,264	1.53	229,264	1.64
Quaiku Wisdom	221,726	1.48	211,726	1.52
Senzu Esther	207,219	1.38	207,219	1.48
Ackah Charles Godfred	190,434	1.27	180,434	1.29
Tandoh Thomas Kodjoe/ Katherine Sabuey Tandoh	187,274	1.25	177,274	1.27
Afful James Annor	184,070	1.23	164,070	1.17
Sarpong Williams	173,327	1.16	163,327	1.17
Armah Sabina	160,863	1.07	160,863	1.15
Sophiano Abudulai	135,961	0.91	135,961	0.97
Ackah Kwame Joseph	130,734	0.87	130,734	0.94
KwawPhilip	126,859	0.85	126,859	-
Kwame Mensa Asamoah	124,424	0.83	124,424	0.89
Ackah John/Rebecca Kukuwa Odoom	119,598	0.80	119,598	0.86
Abekeh Blay Mireille Re Niameke Benjamin	111,380	0.74	111,380	0.80
	<b>5,051,033</b>	<b>35.16</b>	<b>4,212,543</b>	<b>30.64</b>

33.8 Number of Employees	161	154
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NZEMA MANLE RURAL BANK PLC

PROXY FORM

I .....of .....

Being a member of Nzema Manle Rural Bank PLC hereby appoint.....of

.....as my proxy

to vote for me at the Annual General Meeting of the Company to be held on 14<sup>th</sup> October, 2023 and at any adjournment thereof.

RESOLUTION	FOR	AGAINST
1. To receive and consider the accounts of the Bank for the year ended 31 <sup>st</sup> December, 2022 together with the reports of the Directors and the Auditors thereon.		
2. To elect Directors in place of those retiring.		
3. To authorize the Directors to negotiate the fees of the Auditors.		
4. To fix the remuneration of Directors.		

On any business transacted at the meeting and unless otherwise instructed in 1, 2,3 and 4 of the above, the resolution to which reference is made, the proxy will vote as he or she thinks fit.





**BEST BANK-LOAN FINANCING  
(1ST RUNNER UP)  
NZEMA MANLE RURAL BANK**





**DONATION OF ITEMS TO SUPPORT THE  
2022 FARMERS DAY CELEBRATION**





**DONATION OF COMPUTERS TO NKROFUL  
AGRICULTURE SENIOR HIGH SCHOOL**





**NZEMA MANLE  
RURAL BANK PLC**