

# **SEFWIMAN RURAL BANK PLC**

## **REPORTS AND FINANCIAL STATEMENTS**

**1 JANUARY 2024 TO 31 DECEMBER 2024**

**SEFWIMAN RURAL BANK PLC**

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**SEFWIMAN RURAL BANK PLC**

**CORPORATE INFORMATION**

**Board of Directors :**

<b>Olivia Nyarkoa Kyeh, Esq.</b>	<b>Chairperson</b>
<b>Mr. Isaac Nkrumah</b>	<b>Member</b>
<b>Stephen Kingsley Bennieh, Esq.</b>	<b>Member</b>
<b>Dr. Ellis K. Akwaa-Sekyi</b>	<b>Member</b>
<b>Mr. Aaron Kwabena Nkuah</b>	<b>Member (Retired on 10 Aug., 2024)</b>
<b>Prof. Robert Aidoo</b>	<b>Member (Appointed on 1 Nov., 2024)</b>

**Company Secretary :** Emmanuel Aidoo, Esq. (Appointed on 16<sup>th</sup> February, 2024)

**Registered Office and Address :**

4 Sefwi Bekwai Road  
P.M.B  
New-Town  
Bibiani- Western North Region

**Auditors :**

Osei Owusu - Ansah & Associates  
(Chartered Accountants)  
P.O. Box KS 1301  
Kumasi - Ghana

**Solicitors :**

Excellence Law Consult  
Kwadaso Estate  
Kumasi-Ghana

**Banks :**

ARB Apex Bank PLC  
SG-Ghana PLC  
Fidelity Bank PLC  
GCB Bank PLC  
Republic Bank PLC  
Consolidated Bank Ghana PLC

## **DIRECTORS' REPORT TO THE MEMBERS OF**

### **SEFWIMAN RURAL BANK PLC**

Incompliance with section 136 of the Companies Act 2019 (Act 992), and the Banks and Specialised Deposit-Taking Institution Act, 2016 (Act 930), the Board of Directors presents their report and financial statements for the year ended 31<sup>st</sup> December 2024

#### **Board of Directors**

The Board of Directors of the Bank in office during the period were as follows:

#### **Board of Directors**

- |                                   |                                    |
|-----------------------------------|------------------------------------|
| 1. Olivia Nyarkoa Kyeh, Esq.      | Chairperson                        |
| 2. Mr. Isaac Nkrumah              | Member                             |
| 3. Stephen Kingsley Bennieh, Esq. | Member                             |
| 4. Dr. Ellis K. Akwaa-Sekyi       | Member                             |
| 5. Mr. Aaron Kwabena Nkuah        | Member (Retired on 10 Aug., 2024)  |
| 6. Prof. Robert Aidoo             | Member (Appointed on 1 Nov., 2024) |

#### **Directors' Responsibility Statement**

The Board of Directors are responsible for the preparation and fair presentation of the financial statements, comprising the statements of financial position at 31<sup>st</sup> December, 2024, statement of profit or loss and other 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) with the IAS 29 directive issued by the Institute of Chartered Accountants Ghana, Banks and Specialised Deposit –Taking Institutions Act, 2016 (Act 930) and in the manner required by the Companies Act 2019 (Act 992).

In preparing these financial statements, the Board of Directors are required to select suitable accounting policies and then apply them consistently, make judgments and estimates that are reasonable and prudent and prepare the financial statements on the going concern basis

The Board of Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Bank and enable them to ensure that the financial statements comply with the Companies Act 2019 (Act 992)

They are also responsible for safeguarding the assets of the Bank and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Corporate Governance Compliance Declaration**

The Board is responsible to ensure compliance to the Corporate Governance Directive for Rural and Community Banks, 2021 as issued by Bank of Ghana. The Board therefore declares that, the Bank has complied with this Directive.



## Financial Results

The financial results of the Bank for the year ended December 31, 2024 are set out below

	2024	2023
	GH¢	GH¢
The Bank made a profit of	7,991,000	3,189,631
from which is deducted tax expense and levy of	(2,760,515)	(994,857)
<b>giving a net profit after taxation of</b>	<b>5,230,485</b>	<b>2,194,774</b>
which when added to the opening balance on retained earnings of	2,917,303	2,143,505
from which transfers are made to statutory reserve fund and other reserves of	(2,094,072)	(877,909)
and deducted prior year tax adjustment of	(11,110)	(252,713)
and deducted dividend paid to shareholders of	(398,670)	(290,354)
<b>it leaves a closing balance on the retained earnings of</b>	<b><u>5,643,936</u></b>	<b><u>2,917,303</u></b>

## Principal Activity

The principal activity of the Bank in the year under review continues to be that of Rural Banking

## Dividend

A dividend amount of GH¢398,670 was declared during the Bank's 18<sup>th</sup> Annual General Meeting held on 10<sup>th</sup> August 2024. This has however been paid to the respective shareholders.

## Particulars of entries in the interest Register

No Director had any interest in contracts and proposed contracts with the Bank during the year under review, hence there were no entries recorded in the interest register

## Corporate Social Responsibility

The Bank constructed Polytank platform for Bibiani College of Health Sciences at a cost of GH¢11,331 as part of its corporate social responsibility activities during the financial year.

## Auditor's Fees

The fee charged by the auditors for their services was GH¢20,000 (Twenty Thousand Ghana Cedis).

## Capacity building of Board of Directors to discharge their duties

During the year under review, the Directors attended the following workshops to build their capacities.

- Training for Directors and Key Management staff of Rural and Community Banks organized by OFISD, Bank of Ghana
- Corporate Governance Certification for Directors of the Rural and Community Banks organized by National Banking College

*Director's Report (Continued)*

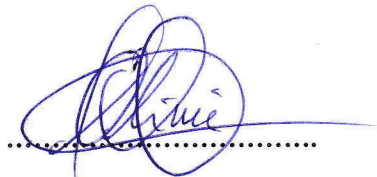
**Retiring Directors**

The following Directors are due to retire by rotation:

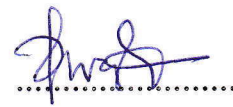
1. Olivia Nyarkoa Kyeh, Esq.
2. Dr. Ellis K. Akwaa-Sekyi

**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.



**CHAIRPERSON**



**MEMBER**

23/04/2025

**DATE**

## **SEFWIMAN RURAL BANK PLC**

### **CORPORATE GOVERNANCE REPORT**

Sefwiman Rural Bank PLC (the Bank) is committed to strong corporate governance practices that is in accordance with the Companies Act, 2019 (Act 992), the Banks & Specialized Deposit - Taking Institutions Act, 2016 (Act 930), Bank of Ghana Corporate Governance Directive for Rural and Community Banks 2021, and Fit and Proper Persons Directive 2019.

The Bank's purpose, vision and values conform to good corporate governance principles, and is committed to fulfilling the corporate governance obligations and responsibilities to guarantee the collective best interests of the Bank's shareholders and other stakeholders.

#### **The Board of Directors (the Board)**

The Board is the highest decision-making body of the Bank, which provides strategic direction and oversight of the Bank by promoting the interests of the Bank's shareholders and other stakeholders by generating sustainable value. The Board is governed by a Charter which is compliant with the Companies Act, 2019 (Act 992), the Banks & Specialised Deposit - Taking Institutions Act, 2016 (Act 930), Bank of Ghana Corporate Governance Directive for Rural and Community Banks 2021, and Fit and Proper Persons Directive 2019. The Bank's corporate governance framework outlines the roles and responsibilities of the Board. The Board also ensures that the Bank's governance procedures follow the guidelines and structure by the regulator's directives. The Board defines roles and duties, aligns strategies with goals, and successfully manages risk. It also upholds high standards of ethics and integrity. As a result, the Board Charter is periodically assessed for alignment.

#### **Roles and Responsibilities**

The Board guides the strategic direction of the Bank and represents the interests of the Bank's shareholders by overseeing activities that create sustainable value. The roles and responsibilities of the Board, including the matters that are specifically reserved to the Board and those delegated to management, are set out in the corporate governance framework.

#### **Corporate Governance Framework**

The Board provides strategic direction and oversight of the Bank within the boundaries of risk appetite and a framework which enables risk to be identified, assessed, measured, and controlled. The Board sets strategic objectives and risk appetite to support the strategy, ensuring that the necessary resources are in place for the Bank to meet its objectives. The laws and regulators' directives ensure the separation of the board chairperson and chief executive officer's roles.

The board chairperson for the year under review is Olivia Nyarkoa Kyeh, Esq., and the Chief Executive officer (CEO) is Mr. Richard Kwame Adjei.

#### **Separation of the Chairperson and the CEO's roles**

The Chairperson's role includes but not limited to the following:



The Chairperson's role includes but not limited to the following:

- Providing leadership to the Board in relation to all Board matters.
- Directing the agenda and conducting all Board meetings to facilitate discussions, challenges, and decision-making.
- Acting as a conduit between Management and the Board and being the key point of communication between the CEO and other stakeholders
- Taking a leading role in creating and maintaining an effective corporate governance system.

The CEO has delegated duties with authority from, and accountable to the Board for the development and successful implementation of the Bank's strategic plan. His role among others includes but not limited to the following:

- Implementation of the Bank's strategic plan and achievement of planned results; and
- The day-to-day management of the Bank's operations, subject to the specified delegation of authority approved by the Board.

The boundaries of authority are well established in the Corporate Governance Framework which guides relationships in the Bank. This enhances independent oversight of the management by the Board and helps to ensure that no individual on the Board has autonomous power, influence, or authority.

### **Board Composition**

Membership of the Board is made up of six (6) persons. The Board at all times, is regulated by the Companies Act, 2019 (Act 992), the Banks & Specialised Deposit - Taking Institutions Act, 2016 (Act 930), Bank of Ghana Corporate Governance Directive for Rural and Community Banks 2021, and Fit and Proper Persons Directive 2019. The Directors of the Board have varied experience and backgrounds and are well equipped to discharge their responsibilities as required. The membership of the Board is detailed below:

<b>Names</b>	<b>Designation</b>	<b>Appointment Dates</b>	<b>Qualification</b>
Olivia Nyarkoa Kyeh, Esq.	Chairman	30 <sup>th</sup> August 2014	LLB, BL & EMBA Finance
Mr. Aaron Kwabena Nkuah	Member	Retired on 10 <sup>th</sup> August, 2024	M.Ed in Guidance & Counseling
Mr. Isaac Nkrumah	Member	1 <sup>st</sup> January 2018	M.Ed in Educational Leadership
Stephen Kingsley Bennieh, Esq.	Member	20 <sup>th</sup> May 2021	LLB, BL & LLM
Dr. Ellis Kofi Akwaa-Sekyi	Member	1 <sup>st</sup> December 2022	PhD. in Law & Bus Adm (Banking & Finance)
Prof. Robert Aidoo	Member	1 <sup>st</sup> November, 2024	PhD in Agricultural Economics

### **Independence of Board of Directors**

All Directors are expected to bring independent and unfettered judgment to the Board's deliberations. Each Director is expected to disclose any business or other relationship that he or she has directly, or as a partner, shareholder or officer of a company or other entity that has an interest in the Bank.

The Board considers information about any such interests or relationships, including any related financial or other details, in all the Board's deliberations.

### **Board Committees**

The Board has three sub-committees which assist the Board in carrying out its responsibilities. Membership of the committee is carefully determined considering the skills and experience of members and also to share responsibility. Membership of the Committees is reviewed on an annual basis or as and when the need arises. To ensure effective oversight leadership, the Board receives the minutes/reports of all Committee meetings at Board meeting for ratification and approval.

The Committees' membership and functions are as follows:

#### **Credit Committee**

The Credit Committee is chaired by Mr. Isaac Nkrumah. Other members of the committee are Dr. Ellis Kofi Akwaa-Sekyi, and Stephen Kingsley Bennieh, Esq.

The functions of the Committee among others include the following:

- Prepare and review credit policy for Board's approval.
- Make recommendations for the Board's approval in respect of credit requests made by customers
- Ratify loans approved by management
- Collaborate with the Human Resource Committee in the recruitment of Credit Officers

#### **Audit, Risk, Finance and Compliance Committee**

The Audit, Risk, Finance and Compliance Committee is chaired by Dr. Ellis Kofi Akwaa-Sekyi. Other members are Mr. Aaron Kwabena Nkuah and Stephen Kingsley Bennieh, Esq.

The functions of the Committee among others include the following:

- Prepare and review the bank's corporate plan and annual budget for the Board's approval.
- Review the Internal Audit and Risk & Compliance Programmes for each year and recommend to the Board for approval
- Consider the Internal Audit and Risk and Compliance reports and make appropriate recommendations to the Board for consideration.
- Liaise with External Auditors to discuss the draft Financial Statements and implement Management Letter and Long Form Report



- Review and monitor Prudential Returns and other performance indicators to ensure that the Bank is on sustainable growth

### **Human Resource Committee**

The Human Resource Committee is chaired by Mr. Aaron Kwabena Nkuah. Other members of the committee are Dr. Ellis Kofi Akwaa-Sekyi and Mr. Isaac Nkrumah. The functions of the Committee among others include the following:

- Prepare, review and monitor the bank's human resource strategy and policies that pertain to staffing, compensation; benefits, and related issues of strategic importance that directly affect the Bank's ability to recruit, develop and retain highly qualified staff needed to achieve the Bank's objectives and goals
- Consider with other Board committees and management the repercussions of recommendations of other Board committee on the Bank's human resources strategy and policies

### **Board Development/Certification**

The Board offers continuing education and training so that Directors can acquire and maintain the skills and information necessary for successful performance of their duties as Directors.

Courses attended by Directors during the year to update their capacity include:

- a) Training for Directors and Key Management staff of Rural and Community Banks organized by OFISD, Bank of Ghana
- b) Corporate Governance Certification for Directors of the Rural and Community Banks organized by National Banking College

### **Board Performance Evaluation**

The Board reviews its performance, and the performance of the individual Directors and the Board Chair every year. The Board assesses the standard of Board meetings and the manner in which the Chairman conducts meetings as part of the yearly evaluation process. To enhance leadership, the various Committees and their meeting processes are also assessed, roles and responsibilities clarified to improve Board and committees performance.

The Board uses an In-house self and peer performance evaluation instrument, and the results are compiled.

### **Retirements and Additions**

During the year under review, one director retired and three directors were also elected into office. Out of the directors' elected approval was received from Bank of Ghana for one director i.e. Prof. Robert Aidoo.



**Board/Key Management Shareholding**

Listed below are the Directors, Key Management Personnel and Related Parties' shareholding in the Bank:

	No. of Shares	Value of shares	% of shareholding
1. Directors	224,031	GH¢ 56,008	2.07%
2. Key Management	81,815	GH¢ 20,134	0.75%
3. Related Parties	-	-	-

**Key Management**

Profile of the Key Management Staff is shown below:

Names	Position	Appointment Dates	Qualification
Mr. Richard Kwame Adjei	Chief Executive Officer	1 <sup>st</sup> September, 2012	MBA Finance, ICAG & ACIB
Mr. Abubakari Alhassan	Head of Operations	1 <sup>st</sup> January, 2012	MBA Finance
Mr. Anobia Atabidi	Head of Information Technology	1 <sup>st</sup> October, 2010	BSc Computer Science
Ms. Agnes Marie Dadzie	Human Resource & Administrative Manager	Resigned on 1 <sup>st</sup> November, 2024	MBA Human Resource & CIHRM
Mr. Samuel Kwasi Arhin	Head of Marketing & Business Development	1 <sup>st</sup> October, 2022	MSc. Financial Risk Management
Mr. Peter Atwene	Ag. Head of Internal Audit	2 <sup>nd</sup> October, 2023	BSc. Business Administration & ICAG
Mr. Michael Asamani-Darko	Head of Risk & Compliance	1 <sup>st</sup> October, 2022	MSc. Enterprise Risk & Business Consulting
Mr. Ernest Gyau	Head of Credit	1 <sup>st</sup> September, 2022	MBA Finance, ICAG
Laar Adam Namso	Head of Microfinance	1 <sup>st</sup> September, 2023	BBA (Management)

## Remuneration Policies

The Board has in place a remuneration policy which is implemented and reviewed periodically. The board oversees the implementation process through its human resource committee. Among the responsibilities carried out includes:

Designing and operating a compensation system and monitoring review of these systems to ensure that it is effectively aligned with prudent risk taking;

Ensuring that remuneration to staff and Board are sufficient to attract, retain, and motivate executive officers of the Bank and how the remuneration is balanced to avoid excessive risk taking or potential risks to the Bank's capital base;

Ensuring that remuneration that is tied to performance and any variable remuneration scheme are designed in such a way as to prevent excessive risk taking:

- The Board, together with its Human Resource Committee, approves the compensation of Key Management Personnel.
- The Directors, Executive Management, and staff remuneration are appropriately structured by the Bank.

## Board Meetings and Attendance

The Board Meetings were held quarterly.

The Board's annual meeting calendar and a summary of work carried out during the year is circulated to members at the beginning of the year and shown below;

The Board met three (3) times during the year and the meetings attendance for the year 2024 is disclosed below:

Name of Director	No. of meeting	No. of meetings attended.
1. Olivia Nyarkoa Kyeh, Esq.	3	3
2. Mr. Isaac Nkrumah	3	3
3. Stephen Kingsley Bennieh, Esq.	3	3
4. Dr. Ellis Kofi Akwaa-Sekyi	3	3
5. Mr. Aaron Kwabena Nkuah	3	2 (Retired 10 Aug., 2024)
6. Prof. Robert Aidoo	3	1 (Appointed 1 Nov., 2024)

## Succession Planning

There is a documented succession plan for key management personnel but that of the Board is in progress.

### **Internal Control Framework**

The Board has in place preventive and detective control measures for the Bank which it reviewed periodically. These measures include:

- the key internal control policies and procedures for managing each key/material risk and the changes made to the policies and procedures during the year to ensure that they remain relevant;
- the key points concerning its risk exposures and risk management strategies without necessarily breaching confidentiality
- the internal control over financial reporting; and
- the procedures used to report internal control deficiencies or breaches and any preventive actions.

The Control measures stated above are reviewed by the Board periodically in maintaining and ensuring the effectiveness of risk management systems, and for determining the aggregate level and types of risks the Bank is willing to take in achieving its strategic objectives.

### **Internal Audit**

Internal audit function is to provide an independent assessment of the adequacy of, and compliance with established policies and procedures, the lines of reporting of the internal audit department, the roles and responsibilities of the internal audit department as well as the scope and nature of audit work is in place.

### **Conflicts of Interest**

The Bank through the Board has established a documented conflict of interest policy for identifying, disclosing and addressing any transaction or events that may arise or result in conflict of interest.

### **Ethics and Professionalism**

The Bank has put in place a Code of Conduct which is made available to all persons to whom it applies;

- The directors and employees have signed as having read and understood the Code of Conduct and sanctions for breaching the policy.
- There are policies in place to maintain public confidence in the Bank.
- There are policies in place to ensure that the Bank, its employees, management, and Board commit to the highest standards of professional behavior, business conduct, and sustainable business practices;
- There are policies established by the Bank in governing trading in the shares by the directors, Key Management Personnel and employees; and
- The Bank has a corporate culture and values established that promotes and reinforces norms for responsible behavior in terms of the Bank's risk awareness, risk-taking and risk management.

### **Related Party Transactions**

The Related party transaction of the bank for the year under review includes;

- The disbursement of Loans to some staff members. The total outstanding staff personal loans as at the end of the financial year 2024 was GH¢1,596,233.



**INDEPENDENT AUDITOR'S REPORT**

To the shareholders of **SEFWIMAN RURAL BANK PLC**

**Report on the Audit of the financial statements.****Opinion**

We have audited the financial statements of Sefwiman Rural Bank PLC set out on pages 17 to 57, which comprise the statement of financial position as at 31 December 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory disclosures.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Sefwiman Rural Bank PLC as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards with the IAS 29 directive issued by the Institute of Chartered Accountants, Ghana (ICAG) and in the manner required by of the Companies Act, 2019 (Act 992).

**Basis for 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 are independent of the Bank in accordance with the requirements of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and other independence requirements applicable to performing audits of Sefwiman Rural Bank PLC. We have fulfilled our ethical responsibilities in accordance with the IESBA Code and other ethical requirements applicable to performing the audits of Sefwiman Rural Bank PLC in Ghana. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information**

The directors are responsible for the other information. The other information comprises the information included in the pages 3 to 12 of this document titled "Director's report to the members of Sefwiman Rural Bank PLC and the Corporate Governance Report". The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the directors for the financial statements**

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards with the IAS 29 directive issued by the Institute of Chartered Accountants, Ghana (ICAG) and in the manner required by the Companies Act, 2019 (Act 992) 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.

In preparing the financial statements, the directors are 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 directors either intend to liquidate the Bank or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting processes.

**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 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 ISAs, we exercise professional judgement and maintain professional scepticism 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 directors.
- Conclude on the appropriateness of the 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.



However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Bank's audit. We remain solely responsible for our audit opinion.

We communicate 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 identify 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.

From the matters communicated with the 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 auditor's 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.

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

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

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- In our opinion, proper books of account have been kept by the Bank, so far as appears from our examination of those books.
- The statement of financial position and the statement of profit or loss and other comprehensive income are in agreement with the books of account and returns.
- In our opinion, to the best of our information and according to the explanations given to us, the accounts give the information required under the Act, in the manner so required and give a true and fair view of the state of affairs of the Bank at the end of the financial year and of the profit or loss for the financial year then ended.
- We are independent of the Bank pursuant to section 143 of the Companies Act, 2019 (Act 992).



The Banks and Specialised Deposit-Taking Institutions Act 2016 (Act 930) requires that we consider and report 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 purposes of our audit.
- iii). the transactions of the Bank are within its powers
- iii). the Bank has complied with the provisions of the Anti-Money Laundering Act, 2020 (Act 1044), the Anti-Terrorism Act, 2008 (Act 762) and the Regulations made under these enactments.
- iv) the Bank has complied with the provisions of the Corporate Governance Directive for Rural and Community Banks 2021.
- v) the Bank has complied with the provisions of Act 930.

The engagement partner on the audit resulting in this independent auditor's report is **Osei Owusu-Ansah (ICAG/P/1033)**

  
.....

**Osei Owusu-Ansah and Associates (ICAG/F/2025/049)**

**(Chartered Accountants)**

**Cocobod Jubilee House**

**P. O. Box KS 1301**

**Adum - Kumasi**

**23/04/2024**  
.....

**SEFWIMAN RURAL BANK PLC**

**STATEMENT OF PROFIT OR LOSS AND OTHER**  
**COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024**

		<b><u>2024</u></b>	<b><u>2023</u></b>
	<b>Notes</b>	<b>GH¢</b>	<b>GH¢</b>
Interest income	3	24,148,142	13,530,654
Interest expense	4	(5,609,672)	(3,471,455)
<b>Net interest income</b>		<b>18,538,470</b>	<b>10,059,199</b>
Commission and fees	5	1,263,239	1,210,820
Other operating income	6	1,206,178	1,101,767
<b>Total income</b>		<b>21,007,887</b>	<b>12,371,785</b>
Personnel expenses	7	(7,535,182)	(4,764,544)
Operating expenses	8	(5,022,331)	(3,869,330)
Depreciation & amortisation	9	(408,363)	(316,729)
Impairment charge	15a	(51,011)	(231,550)
<b>Profit before taxation</b>		<b>7,991,000</b>	<b>3,189,631</b>
Income tax expense	10	(2,360,965)	(888,535)
Growth and sustainability levy	11	(399,550)	(106,321)
<b>Net profit for the year</b>		<b>5,230,485</b>	<b>2,194,775</b>
Other comprehensive income		0	0
<b>Total comprehensive income</b>		<b>5,230,485</b>	<b>2,194,774</b>
<b>Earnings per share</b>	<b>12</b>	<b>0.48</b>	<b>0.28</b>

Notes 1 - 29 form an integral part of the financial statements.

**SEFWIMAN RURAL BANK PLC**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2024**

		<b><u>2024</u></b>	<b><u>2023</u></b>
<b><u>Assets</u></b>	<b>Notes</b>	<b>GH¢</b>	<b>GH¢</b>
Cash and bank balances	13	24,991,855	11,674,670
Non-pledge trading assets	14	115,144,113	51,311,291
Loans and advances	15	19,872,984	18,187,982
Investment security-available for sale	16	182,593	124,861
Other assets account	17	863,626	689,067
Deferred tax-assets	10c	160,220	443,027
Intangible assets	18	161,799	189,871
Property, plant & equipment	19	1,089,879	1,171,433
<b>Total assets</b>		<b><u>162,467,069</u></b>	<b><u>83,792,202</u></b>
<b><u>Liabilities</u></b>			
Deposits & current accounts	20	144,115,961	71,099,118
Creditors and accruals	21	2,932,991	2,504,823
Current tax liability	10	475,604	68,807
Growth and sustainability levy	11	38,371	-6,179
Borrowed funds	22	1,142,404	1,340,969
Managed fund	23	445,106	995,737
Other liabilities	24	1,667,619	894,377
<b>Total liabilities</b>		<b><u>150,818,055</u></b>	<b><u>76,897,653</u></b>
<b><u>Equity and reserves</u></b>			
Stated capital	25	1,918,683	1,918,683
Unregistered shares	25a	718,334	0
Retained earnings	26	5,643,936	2,917,303
Statutory reserve	27	3,326,780	2,019,158
Capital surplus	28	39,404	39,404
Credit risk reserve	29	1,877	0
<b>Total equity and reserves</b>		<b><u>11,649,013</u></b>	<b><u>6,894,548</u></b>
<b>Total liabilities, equity and reserves</b>		<b><u>162,467,069</u></b>	<b><u>83,792,202</u></b>

The financial statements were approved on 23rd April 2025 and signed on behalf of the Board by

  
.....  
**DIRECTOR**

  
.....  
**DIRECTOR**

Notes 1 - 29 form an integral part of the financial statements.

**SEFWIMAN RURAL BANK PLC**

**STATEMENT OF CHANGES IN EQUITY - 2024**

	Stated Capital	Unregistered Shares	Retained Earnings	Statutory Reserve Fund	Capital Surplus	Credit Risk Reserve	Total
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
<b>Balance at 1 January 2024</b>	<b>1,918,683</b>	<b>0</b>	<b>2,917,303</b>	<b>2,019,158</b>	<b>39,404</b>	<b>0</b>	<b>6,894,548.3</b>
Issue of additional shares	0	718,334	0	0	0	0	718,333.5
Dividend paid	0	0	(398,670)	0	0	0	(398,669.8)
Prior year tax adjustment	0	0	(11,110)	0	0	0	(11,110.5)
Net profit for the year	0	0	5,230,485	0	0	0	5,230,485.0
Transfer to statutory reserve	0	0	(1,307,622)	1,307,622	0	0	0
Transfer from credit risk reserve	0	0	(1,877)	0	0	1,877	0
Transfer to other funds	0	0	(784,573)	0	0	0	(784,573)
<b>Balance at 31 December, 2024</b>	<b>1,918,683</b>	<b>718,334</b>	<b>5,643,936</b>	<b>3,326,780</b>	<b>39,404</b>	<b>1,877</b>	<b>11,649,013</b>
<b>Balance at 1 January, 2023</b>	<b>1,743,397</b>	<b>0</b>	<b>2,143,505</b>	<b>1,470,465</b>	<b>39,404</b>	<b>0</b>	<b>5,396,771</b>
Prior year tax audit liability	0	0	(252,713)	0	0	0	(252,713)
Issue of additional shares	175,286	0	0	0	0	0	175,286
Dividend paid	0	0	(290,354)	0	0	0	(290,354)
Net profit for the year	0	0	2,194,774	0	0	0	2,194,774
Transfer to statutory reserve	0	0	(548,693)	548,693	0	0	0
Transfer from credit risk reserve	0	0	0	0	0	0	0
Transfer to other funds	0	0	(329,216)	0	0	0	(329,216)
<b>Balance at 31 December, 2023</b>	<b>1,918,683</b>	<b>0</b>	<b>2,917,303</b>	<b>2,019,158</b>	<b>39,404</b>	<b>0</b>	<b>6,894,548</b>

Notes 1 - 29 form an integral part of the financial statements.



**SEFWIMAN RURAL BANK PLC**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

		<b><u>2024</u></b>	<b><u>2023</u></b>
	<b>NOTES</b>	<b>GH¢</b>	<b>GH¢</b>
<b>Cash flows from operating activities</b>			
Profit before tax		7,991,000	3,189,631
<b>Adjustments for:</b>			
Depreciation & amortisation		408,363	316,729
Write off- preliminary expense on land acquisition		87,800	0
Gain on disposal		0	(6,600)
Prior year adjustment		0	(252,713)
Loan provision write off		0	(532,270)
Impairment on loans and advances		51,011	231,550
Funds utilised- dev't fund & CSR fund		(11,331)	(11,000)
Income tax and levy paid		<u>(2,037,472)</u>	<u>(834,945)</u>
		<b>6,489,370</b>	<b>2,100,383</b>
<b>Changes in operating assets &amp; liabilities</b>			
Change in advances to customers		(1,736,012)	(1,630,803)
Change in other assets		(174,559)	(212,731)
Change in deposit & current accounts		73,016,842	23,700,845
Change in creditors & accruals		<u>428,168</u>	<u>357,485</u>
<b>Net cash inflows from operating activities</b>		<b><u>78,023,808</u></b>	<b><u>24,315,178</u></b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(386,538)	(638,036)
Proceeds from disposal of property, plant & equipment		0	6,600
Purchase of intangible assets		0	(14,000)
Changes in non pledged trading assets		(63,832,822)	(15,010,622)
Change in investment security		<u>(57,732)</u>	<u>(48,110)</u>
<b>Net cash outflows from investing activities</b>		<b><u>(64,277,091)</u></b>	<b><u>(15,704,168)</u></b>
<b>Cash flows from financing activities</b>			
Issue of shares		718,334	175,286
Dividend paid		(398,670)	(290,354)
Change in borrowed and managed fund		<u>(749,196)</u>	<u>(2,739,861)</u>
<b>Net cash outflows from financing activities</b>		<b><u>(429,533)</u></b>	<b><u>(2,854,929)</u></b>
<b>Net increase in cash and cash equivalents</b>		<b>13,317,184</b>	<b>5,756,080</b>
Cash and cash equivalent at 1st January, 2024	<b>13</b>	<u>11,674,670</u>	<u>5,918,587</u>
<b>Cash and cash equivalent at 31st December, 2024</b>	<b>13</b>	<b><u>24,991,855</u></b>	<b><u>11,674,670</u></b>

Notes 1 - 29 form an integral part of the financial statements.

## **SEFWIMAN RURAL BANK PLC**

### **NOTES TO THE FINANCIAL STATEMENTS** **FOR THE YEAR ENDED 31 DECEMBER 2024.**

#### **1. Reporting Entity**

Sefwiman Rural Bank Plc referred to as “the Bank” in these financial statements is a Public Company incorporated under the Companies Act 2019 (Act 992) and licensed by the Bank of Ghana with its head office at Bibiani in the Western North Region of Ghana. The address of its registered office is No. 4 Sefwi Bekwai Road, New Town, Bibiani –Western North Region and the principal place of business is at Bibiani.

The principal activity of the Bank in the year under review continues to be that of Rural Banking.

#### **2. Basis of preparation**

##### **2.1 Statement of Compliance**

The financial statements of the Bank have been prepared in accordance with International Financial Reporting Standards with the IAS 29 directive issued by the Institute of Chartered Accountants Ghana and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930).

##### **2.2 Basis of measurement**

The financial statements of the Bank have been prepared on a historical cost basis except for certain properties and financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in the absence, the most advantageous market to which the Bank has access at that date. When available, the Bank measures at fair value for an instrument using the quoted price in an active market for the instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If there is no quoted price in an active market, then the Bank determines the fair value of a financial instrument at initial recognition using normally the transaction price-i.e. the fair value of the consideration given or received.

The fair value of a demand deposit is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.



## **2.3 Functional and presentation currency**

The financial statements are presented in Ghana cedi which is also the functional currency of the Bank and all values are rounded to the nearest Ghana cedi.

## **2.4 Significant Accounting Policies**

The significant accounting policies used in the preparation of these financial statements are as follows:

### **2.4.1 Revenue recognition**

The Bank recognizes revenue from the following major sources:

- \* Interest income
- \* Fee and commission income
- \* Net trading income

Revenue is measured based on the consideration to which the Bank expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Bank recognizes revenue when it transfers control of a product or service to a customer.

### **2.4.2 Interest income and expenses**

Under IFRS 9, interest income and expense are recorded using the effective interest rate method for all financial assets measured at amortized cost, interest income and expenses are recognized in the statement of profit or loss and other comprehensive income for all interest-bearing financial instruments including loans and advances as interest accrues using the effective interest rate method.

Thus, interest income and expenses recognized on financial assets and liabilities respectively, accrue on a time basis, by reference to the principal outstanding and the effective interest rate applicable which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset and or financial liability to their net carrying amount on initial recognition.

### **2.4.3 Interest and Similar Income**

Net interest income comprises interest income and interest expense calculated using both the effective interest method and other methods. These are disclosed separately on the face of the income statement for both interest income and interest expense to provide symmetrical and comparable information. The Bank calculates income by applying the effective interest rate to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Bank calculates interest income by applying the effective interest rate to the net amortized cost of the

financial asset. If the financial asset cures and is no longer credit-impaired, the Bank reverted to calculating interest income on a gross basis.

#### **2.4.5 Fees and commissions**

Fees and commissions are generally recognized on an accrual basis when the service has been provided. The fees included in this part of the Bank's statement of profit or loss include among other things fees charged for servicing a loan, non-utilization fees relating to loan commitments when it is unlikely that these will result in a specific lending arrangement and loan syndication fees.

Other fees and commission income and expenses are recognized on an accrual basis when the related services are performed. Loan commitment fees for loans that are not likely to be drawn down are deferred, together with related direct costs and recognized on a straight-line basis over the commitment period. Incomes arising from service fees are recognized as the services are provided.

#### **2.4.6 Net trading income**

Net trading income comprises gains less losses relating to trading assets and liabilities, including realized and unrealized fair value changes and foreign exchange differences, and fair value gains and losses on financial assets measured.

### **2.5. Financial instruments**

#### **2.5.1 Initial recognition**

Financial assets and liabilities, with the exception of loans and advances to customers and balances due to customers, are initially recognized on the trade date, i.e., the date on which the Bank becomes a party to the contractual provisions of the instrument. This includes regular way trades, i.e., purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace. Loans and advances to customers are recognized when funds are transferred to the customers' accounts.

The Bank recognizes balances due to customers when funds are transferred to the Bank.

#### **2.5.2 Initial measurement of financial instruments**

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments.

Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss, transaction costs are added to, or subtracted from this amount. Trade receivables are measured at the transaction price. When the

fair value of financial instruments at initial recognition differs from the transaction price, the Bank accounts for this in the Statement of Profit or Loss.

## **2.6 Financial assets and liabilities**

All financial assets and liabilities are recognized in the statement of financial position and measured in accordance with their assigned category. The Bank recognizes loans and receivables on the date when they are originated. All other financial assets and financial liabilities are initially recognized on the trade date which is the date the Bank becomes a party to the contractual provisions of the instrument.

### **2.6.1 Financial Assets**

The Bank classifies its financial assets into the following categories: held to maturity, loans and receivables, and available-for-sale. Management determines the classification of its financial assets on initial recognition.

### **2.6.2 Held-to-maturity**

The Bank classifies investments in Government securities and fixed deposits with other financial institutions as held-to-maturity.

Held-to-maturity investments are non-derivative assets with fixed or determinable payments and fixed maturity that the Bank has the positive intent and ability to hold to maturity and which are not designated as fair value through statement of profit or loss or available-for-sale.

Held to maturity assets are initially measured at fair value plus incremental direct transaction costs, and subsequently measured at amortized cost using the effective interest method.

Any sale or reclassification of a significant amount of held-to-maturity assets not close to their maturity would result in the reclassification of all held-to-maturity assets as available-for-sale and would prevent the Bank from classifying investment securities as held-to-maturity for the current and the following two financial years. Differences between the carrying amount (amortized cost) and the fair value on the date of the reclassification are recognized in other comprehensive income.

### **2.6.2 Loans and receivables**

Loans and receivables comprise cash and cash equivalent, loans and advances to customers and other assets.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, and that the Bank does not intend to sell immediately or in the near term.



Loans and receivables are initially recognized at fair value plus incremental direct transaction costs, and subsequently measured at amortized cost using the effective interest method less any impairment losses.

### **2.6.3 Available-for-sale financial assets**

Available-for-sale financial assets are financial assets that are intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices that are not classified as held-to-maturity, at fair value through statement of profit or loss or loan and receivables.

Available-for-sales financial assets comprise investments in equity securities. Unquoted equity securities whose fair value cannot be measured reliably are carried at cost. All other available-for-sale financial assets are measured at fair value after initial recognition.

Interest income on available-for-sale financial assets is recognized in statement of profit or loss using the effective interest method. Dividends on available-for-sale equity instruments are recognized in statement of profit or loss in dividend income when the Bank's right to receive payments is established.

Other fair value changes, other than impairment losses are recognized in other comprehensive income and presented in the fair value reserve within equity. When the investment is sold, the gain or loss accumulated in equity is reclassified to statement of comprehensive income.

### **2.6.4 Debt instruments**

The ECL (Expected Credit Losses) for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortized cost is recognized in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognized in OCI is recycled to the profit and loss upon de-recognition of the assets.

### **2.6.5 Equity instruments**

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Examples of equity instruments include basic ordinary shares.

The Bank subsequently measures all equity investments at fair value through profit or loss, except where the Bank's management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through other comprehensive income. The Bank's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. When this election is used, fair value gains and losses are recognized in OCI

and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognized in profit or loss as other income when the Bank's right to receive payments is established.

#### **2.6.7 Impairment of financial assets**

The adoption of IFRS 9 has fundamentally changed the Bank's accounting for loan loss impairments by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. IFRS 9 requires the Bank to record an allowance for ECLs for all loans and other debt financial assets not held at FVPL, together with lease receivables loan commitments and financial guarantee contracts. No impairment loss is recognized on equity investments.

The allowance is based on the ECLs associated with the probability of default in the next twelve months unless there has been a significant increase in credit risk since origination. If the financial asset meets the definition of purchased or originated credit impaired (POCI), the allowance is based on the change in the ECLs over the life of the asset.

The Bank measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- \* debt investment securities that are determined to have low credit risk at the reporting date; and
- \* other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

Loss allowances for lease receivables are always measured at an amount equal to lifetime. The Bank generally considers a debt security to have low credit risk when their credit risk rating is equivalent to the globally understood definition of 'investment grade'.

12-month ECL is the portion of ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date.

#### **2.6.8 Modification of loans**

The Bank sometimes renegotiates or otherwise modifies the contractual cash flows of loans to customers.

When this happens, the Bank assesses whether or not the new terms are substantially different to the original terms.

The Bank does this by considering, among others, the following factors:

- \* If the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay.
- \* Significant extension of the loan term when the borrower is not in financial difficulty.
- \* Significant change in the interest rate.

If the terms are substantially different, the Bank derecognizes the original financial asset and recognizes a new asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the Bank also assesses whether the new financial asset recognized is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognized in profit or loss as a gain or loss on derecognition.

If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the Bank recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognizes a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

#### **2.6.8.1 Derecognition other than on a modification**

Financial assets, or a portion thereof, are derecognized when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Bank transfers substantially all the risks and rewards of ownership, or (ii) the Bank neither transfers nor retains substantially all the risks and rewards of ownership and the Bank has not retained control.

#### **2.7 Collateral**

The Bank obtains collateral in respect of customer liabilities where this is considered appropriate. The collateral normally takes the form of cash or securities in respect of other credit instruments or a lien over the customer's assets and gives the Bank a claim on these assets for both existing and future liabilities.

Collateral received in the form of securities is not recorded on the statement of financial position. Collateral received in the form of cash is recorded on the statement of financial position with a corresponding liability. These items are assigned to deposits received from banks or other counterparties. Any interest payable or receivable arising is recorded as interest payable or interest income respectively except for funding costs relating to trading activities which are recorded in net trading income.



## **2.8. Cash and cash equivalents**

Cash and cash equivalents in the Bank's statement of financial position and cash flow statement include notes and coins on hand, balances held with ARB Apex Bank, other bank balances and highly liquid financial assets with original maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value and are used by the Bank's in the management of its short-term commitments.

## **2.9 Property, plant and equipment**

### **2.9.1 Recognition and Measurement**

Items of property, plant and equipment, are measured at cost less accumulated depreciation and any accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the assets. Purchased software that is necessary to the functionality of the related equipment is capitalized as part of that equipment.

Any gain or loss on disposal of an item of property plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized within other income in statement of profit or loss.

### **2.9.2 Subsequent costs**

The cost of replacing part of an item of property or equipment is recognized in the carrying amount of the item if it is probable that future economic benefits embodied within the part will flow to the Bank and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit or loss as incurred.

### **2.9.3 Depreciation**

Parts of items of property or equipment with different useful lives are accounted for as separate items (major components) of property and equipment.

Depreciation is recognized in the statement of profit or loss pro-rata, on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

The estimated useful lives are as follows:

	Useful lives
Motor Vehicle	3 years
Office equipment	4 years
Furniture and Fittings	5 years
Computers & Accessories	4 years
Generating Plant	4 years
Improvement to rented premises	Leased period

Right of use assets are amortized over the shorter of the lease term and the asset's useful life.

#### **2.10. Leasehold property**

Leasehold property is initially recognized at cost. Subsequent to initial recognition, leasehold property is amortized over the lease term of the property. The amortization is recognized in profit or loss. Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Bank.

#### **2.11. Intangible assets**

##### **2.11.1 Computer software**

Intangible assets comprise computer software licenses. Software acquired by the Bank is measured at cost less accumulated amortization and any accumulated impairment losses.

Subsequent expenditure on software is capitalized only when it increases future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Software is amortized on a straight-line basis in statement of profit or loss over its estimated useful life from the date it is available for use.

Useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

At the end of each reporting year, intangible assets are reviewed for indications of impairment or changes in estimated future economic benefits. If such indications exist, the intangible assets are analyzed to assess whether their carrying amount is fully recoverable. An impairment loss is recognized if the carrying amount exceeds the recoverable amount.

#### **2.12 Impairment of non-financial assets**

The carrying amounts of the Bank's non-financial assets other than 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. An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit (CGU) exceeds its recoverable amount. The recoverable amount is the greater of its value in use and its fair value less

costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rates that reflect current market assessments of the time value of money and risks specific to the asset. A previously recognized impairment loss is reversed where there has been a change in circumstances or in the basis of estimation used to determine the recoverable value, but only to the extent that the asset's net carrying amount does not exceed the carrying amount of the asset that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

## **2.13 Income tax**

Tax expense represents the aggregate amount included in the statement of profit or loss and other comprehensive income for the period with respect to current and deferred tax

### **2.13.1 Current tax**

Current tax is the amount of income tax payable in respect of the taxable profit for the current period using the tax rates enacted at the reporting date and any adjustment to tax payable in respect of previous years.

### **2.13.2 Deferred tax**

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is measured at tax rates that are expected to be applied to temporary differences when they reverse based on laws that have been enacted by the reporting date. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

## **2.14. Provisions and Contingent Liabilities**

### **2.14.1 Provisions**

A provision is recognized if, as a result of a past event, the Bank has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of the economic benefits will be required to settle the obligation. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of expenditures expected to be required to settle obligations using pre-tax rates that reflect current market assessments of the time value of money and risks specific to the obligation. The unwinding of the discount is recognized as finance cost.

The expense relating to any provision is presented in the income statement net of any reimbursement in other operating expenses. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an



asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

#### **2.14.2 Contingent liabilities**

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank, or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

#### **2.15 Borrowings**

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

#### **2.16 Employment benefits**

##### **2.16.1 Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a separate entity and has no legal or constructive obligation to pay further amounts. Obligation for contributions to defined contribution pension plans is recognized as personnel expenses in the statement of profit or loss in the period during which related services are rendered.

The Bank has the following defined contribution schemes:

##### **2.16.2 Social security and national insurance trust**

Under this scheme, the company contributes 13% of employees' basic salary to the Social Security and National Insurance Trust for employee pensions. The Bank's obligation is limited to the relevant contributions which have been recognized in the financial statements. The pension liabilities and obligations however rest with Social Security and National Insurance Trust

### **2.16.3. Provident Fund**

The Bank has a Provident Fund Scheme for its employees. Employees contribute 7.5% of their basic salary to the fund whilst the Bank contributes 7.5%. These monies are invested in third parties and the Bank has no further obligation under the scheme as required by the National Pension Regulatory Authority (NPRA).

## **2.17 Financial risk management**

Effective risk management is of critical importance and key to the delivery of sustainable returns for shareholders. Risk-taking is an inherent part of the Bank's business activities and is defined as the possibility of losing some or all of an original investment. Risk management systems and governance structures are designed to reduce earnings volatility and achieve an appropriate balance between risk and reward and increased profitability.

Current changes to regulations in the banking sector reinforce the Bank's commitment to embed an enhanced risk-based culture throughout the Bank. Risk policies and procedures are regularly reviewed to reflect these changes as well as best practices in the market.

### **2.17.1 Risk Management Framework**

The risk management framework consists of a comprehensive set of policies, standards, procedures and processes designed to identify, measure, monitor, mitigate and report significant risk exposure in a consistent and effective manner across the Bank. Through the framework, risk is managed at an enterprise-wide level, with the objective of maximizing risk-adjusted returns within the context of the Bank's risk appetite.

The most important types of risk are credit risk, liquidity risk, market risk and operational risk.

- \* Credit risk reflects the possible inability of a customer to meet his/her repayment or delivery obligations.
- \* Market risk, which includes foreign currency risk, interest rate risk and equity price risk, is the risk of fluctuation in asset and commodity values caused by changes in market prices and yields.
- \* Liquidity risk results in the inability to accommodate liability maturities and withdrawals, fund asset growth or otherwise meet contractual obligations at reasonable market rates
- \* Operational risk is the potential loss resulting from inadequate or failed internal processes, systems, people, legal issues, external events and non-compliance with regulatory issues.

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Board's commitment to good risk management is supported by their continuing professional development in the field of risk management and their support for the implementation and continued improvement of the risk management framework within the Bank.

### **2.17.2 Risk Measurement and Reporting System**

Risk-taking is an integral part of the banking business. In undertaking its business, the Bank has to strike an appropriate balance between the level of returns it desires to achieve. In order to ensure that its risks are well managed within the Bank's risk appetite an effective risk management system that is commensurate with the size and nature of the Bank's operations needs to be in place at all times.

As a means of enhancing corporate governance in the Bank, the risk management framework of the Bank seeks to enhance its ability to identify and manage risks that it faces in the discharge of its functions by identifying, assessing, managing and monitoring key risks across all areas of its operations as well as gathering information on the Bank's risk exposure for management decision making.

### **2.17.3 Operational risk**

Operational risk is the risk of direct or indirect loss resulting from inadequate or failed internal processes, systems or human factors, or from external events. Operational risk is inherent in the Bank's business activities and, as with other risk types, is managed through an overall framework designed to balance strong corporate oversight with well-defined independent risk management. The Bank endeavors to minimize operational losses by ensuring that effective infrastructure, controls, systems and individuals are in place throughout the organization.

#### **2.17.3.1 Operational Risk Framework**

To monitor, mitigate and control operational risk, the Bank maintains a system of policies and has established a framework for assessing and communicating operational risks as well as the overall effectiveness of the internal control environment across business lines. Each major business segment is expected to implement an operational risk process consistent with the requirements of this framework. The process for operational risk management includes the following steps:

- identify and assess key operational risks;
- establish key risk indicators;
- produce comprehensive operational risk reports; and
- prioritize and ensure adequate resources to actively improve the operational risk environment and mitigate emerging risks.

The operational risk standards facilitate effective communication and mitigation actions both within and across businesses. The Bank is committed to continuously enhancing its operational risk framework to encourage a culture of effective accountability and responsibility.



#### **2.17.4 Market Risk**

The Bank takes on exposure to market risk, which is the risk of potential loss of earnings or economic value due to adverse changes in financial market rates or prices. Market risks arise from open positions in interest rates, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates. The Bank's exposure to market risk arises principally from customer-driven transactions and pension obligations.

#### **2.17.5 Risk identification**

The Bank identifies market risk through daily monitoring of levels and profit or loss balances of trading and non-trading positions. The Market Risk Controller together with the risk department monitor daily trading activities to ensure that risk exposures taken are within approved limits and overall risk tolerance levels set by the Board. They monitor market risk factors that affect the value of trading and non-trading positions as well as income streams on non-trading portfolios on a daily basis. They also track liquidity indicators to ensure that the Bank meet their financial obligations at all times.

#### **2.17.6 Interest rate risk**

Interest rate risk is the exposure of current and future earnings and capital to adverse changes in the level of interest rates. Exposure to interest rate risk can result from a variety of factors, including:

- i. Differences between the timing of market interest rate changes and the timing of cash flows (repricing risk);
- ii. Changes in the market interest rates producing different effects on yields on similar instruments with different maturities (yield curve risk); and
- iii. Changes in the level of market interest rates producing different effects on rates received or paid on instruments with similar repricing characteristics (basis risk).

#### **2.18 Write off policy**

The Bank writes off a loan balance (and any related allowances for impairment losses) when the Bank determines that the loans are uncollectible with approval from Bank of Ghana. This determination is reached after considering information such as the occurrence of significant changes in the borrower's financial position such that the borrower can no longer pay the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure.

## 2.19 Credit Risk Management

Credit risk is the potential for financial loss due to the failure of counterparties to meet obligations to pay the Bank in accordance with agreed terms. Credit risk is the most important risk for the Bank's business.

Management carefully manages its exposure to credit risk. Credit risk is attributed to financial instruments such as loans, overdrafts, cash held with other financial institutions, debt securities and other bills, investments, and acceptances and credit equivalent amounts related to off - statement of financial position financial items. The Bank's approach to credit risk management preserves the independence and integrity of risk assessment, while being integrated into business management processes. Credit risk is managed through a framework that sets out policies and procedures covering the identification, measurement and management of credit risk.

The goal of credit risk management is to evaluate and manage credit risk in order to further enhance a strong credit culture. The maximum amount of credit risk emanating from these sources is as follows:

	<b>2024</b>	<b>2023</b>
	<b>GH¢</b>	<b>GH¢</b>
Loans and Advances to customers	<u>19,872,984</u>	<u>18,187,982</u>
	<u><b>19,872,984</b></u>	<u><b>18,187,982</b></u>

The Bank's loans and advances were categorized by the Bank of Ghana prudential guidelines as follows

- i. Exposures that are neither past due nor impaired;
- ii. Exposures that are past due but not impaired; and
- iii. Individually impaired facilities

iv.

	2024	2023
Maximum exposures to credit risk	GH¢	GH¢
Carrying amount	<u>19,872,984</u>	<u>18,187,982</u>
Grade 1-3 : Low-fair risk-Current	19,438,651	17,267,151
Grade 4-5 : Low- watch list	129,740	46,043
Grade 6 : Substandard	80,573	194,459
Grade 7 : Doubtful	72,448	181,253
Grade 8 : Loss	<u>1,333,645</u>	<u>1,630,138</u>
<b>Total Gross Amount</b>	<b>21,055,057</b>	<b>19,319,045</b>
Allowance for impairment	<u>(1,182,073)</u>	<u>(1,131,063)</u>
<b>Net Carrying Amount</b>	<b><u>19,872,984</u></b>	<b><u>18,187,982</u></b>
a. Neither past due nor impaired		
Grade 1-3 : Low-fair risk	<u>19,438,651</u>	<u>17,267,151</u>
b. Past due but not impaired		
Grade 4-5 : watch list	<u>129,740</u>	<u>46,043</u>
c. Impaired classified by number of days due		
90-180 days	80,573	194,459
180-360 days	72,448	181,253
360 day +	<u>1,333,645</u>	<u>1,630,138</u>
	<b>1,486,666</b>	<b>2,005,850</b>
Individually Impaired		
Substandard	80,573	194,459
Doubtful	72,448	181,253
Loss	<u>1,333,645</u>	<u>1,630,138</u>
	<b><u>1,486,666</u></b>	<b><u>2,005,850</u></b>

#### Neither past due nor impaired

The quality of credit exposure to customers and other institutions that were neither past due nor impaired were assessed with reference to Bank of Ghana prudential guidelines adopted by the Bank for its internal grading purposes



This category is made up as follows:

<b>GRADE:</b>	<b>December 2024</b>	<b>Term loans</b>	<b>Overdraft</b>	<b>Staff Loans</b>	<b>Total</b>
Current		<u>19,458,824</u>	<u>2,206,842</u>	<u>1,596,476</u>	<u>21,055,057</u>

<b>GRADE:</b>	<b>December 2023</b>	<b>Term loans</b>	<b>Overdraft</b>	<b>Staff Loans</b>	<b>Total</b>
Current		<u>16,758,858</u>	<u>1,388,745</u>	<u>1,171,442</u>	<u>19,319,045</u>

At 31 December 2024, the Bank's loans and Advances were categorized under IFRS 9 as follows:

Stage 1- At initial recognition-Performing

Stage 2- Significant increase in credit risk since initial recognition- Underperforming

Stage 3- Credit Impaired- Non- performing

	<b>2024</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>
Cash & Cash equivalents	24,991,855	0	0	24,991,855
Investment Securities	94,132,274	21,011,840	0	115,144,113
Investment other than Securities	182,593	0	0	182,593
Loans & Advances to customers	19,438,651	129,740	1,486,666	21,055,057
Other assets (less prepayments)	<u>660,415</u>	<u>0</u>		<u>660,415</u>
Gross Carrying amount	<b>139,405,787</b>	<b>21,141,579</b>	<b>1,486,666</b>	<b>162,034,033</b>
Loss allowances	<u>(19,387)</u>	<u>(6,487)</u>	<u>(981,200)</u>	<u>(1,182,073)</u>
Carrying amount	<b><u>139,211,401</u></b>	<b><u>21,135,092</u></b>	<b><u>505,467</u></b>	<b><u>160,851,960</u></b>

	<b>2023</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>
Cash & Cash equivalents	11,674,670	0	0	11,674,670
Investment Securities	30,194,452	21,116,840	0	51,311,292
Investment other than Securities	124,861	0	0	124,861
Loans & Advances to customers	17,014,775	46,043	1,183,530	18,244,348
Other assets (less prepayments)	<u>578,400</u>	<u>0</u>		<u>578,400</u>
Gross Carrying amount	<b>59,587,158</b>	<b>21,162,883</b>	<b>1,183,530</b>	<b>81,933,571</b>
Loss allowances	<u>(19,390)</u>	<u>(58,029)</u>	<u>(1,053,644)</u>	<u>(1,131,063)</u>
Carrying amount	<b><u>59,567,769</u></b>	<b><u>21,104,854</u></b>	<b><u>129,885</u></b>	<b><u>80,802,508</u></b>

## 2.20. Liquidity management risk

Liquidity risk is the risk that the Bank will not be able to meet payment obligations associated with financial liabilities when they fall due and replace funds when they are withdrawn. The consequence may be the failure to meet obligations to repay depositors and fulfill commitments to lend. It is the policy of the Bank to maintain adequate liquidity at all times and to be in a position to meet all obligations, repay depositors, fulfill commitments to lend and meet any other commitments as and when they fall due.

The primary objective of liquidity risk management is to provide a planning mechanism for unanticipated changes in demand or needs for liquidity created by customer behavior or abnormal market conditions.

Liquidity is managed on a short to medium-term basis. In the short term, the focus is on ensuring that cash flow demands can be met as and when required. The focus, in the medium term, is on ensuring that the statement of financial position remains structurally sound and aligned to the Bank's strategy.

A substantial portion of the Bank's assets are funded by customer deposits made up of current and savings accounts and other deposits. These customer deposits, which are widely diversified by type and maturity, represent a stable source of surplus funds. Lending is normally funded by liability in the same currency.

## 2.21 Capital management

The Bank's objectives when managing capital include:

- \* Complying with capital requirements set by the Bank of Ghana
- \* Safeguarding the Bank's ability to continue as a going concern to enable it to continue providing returns for shareholders and benefits for other stakeholders
- \* Maintaining a strong capital base to support the development of its business

The Bank's regulatory capital is divided into two tiers:

- \* **Common Equity Tier 1 capital:** includes ordinary (common) shares issued by the Bank that meet the criteria for classification as ordinary shares for regulatory purposes, retained earnings, statutory reserves and disclosed reserves after deducting specified assets such as intangibles and certain classes of investments.
- \* **Common Equity Tier 2 capital:** includes qualifying subordinated loan capital, property revaluation reserves and unrealized gains arising on the fair valuation of instruments held as hold to collect and sell.

The risk-weighted assets are measured using the standardized approach to reflect an estimate of the credit market and operational risks associated with each counterparty for on and off-statement of financial position exposures.

The Bank of Ghana Capital Requirements Directive (CRD or 'the Directive') issued under Section 92(1) of the Banks and Specialized Deposit-taking Institutions Act 2016 (Act 930) ('the BSDI Act') and Section 4(d) of the Bank of Ghana Act 2002 (Act 612) prescribes a risk-based capital adequacy requirement effective 1 January 2020. The tables below summarize the composition of regulatory capital adequacy ratios of the Bank.

**2.21.1 The Capital Adequacy ratio as at 31 December, 2024**

Item	GH¢	GH¢
<b>Capital Base ( A )</b>		
Paid up Capital		2,637,017
Disclosed Capital		10,638,335
Permanent Preference shares		<u>0</u>
		<b>13,275,352</b>
Less Investment in the capital other banks and financial institution		<u>(182,593)</u>
Tier 1 Capital		13,092,759
Tier 2 Capital (revaluation reserve)		<u>39,404</u>
<b>Adjusted Capital Base (A)</b>		<b>13,132,163</b>
<b>Assets Base (B)</b>		
Total Assets		162,467,069
Less:		
Cash in Hand	6,788,264	
5% ARB Apex	6,375,802	
ARB Apex Current	8,307,095	
ACOD	2,500,000	
Treasury security (bills and bond)	101,512,960	
Investing in Capital of other banks	182,593	
80% claim on other banks (Momo inclusive)	<u>816,555</u>	
		<u>126,483,269</u>
<b>Total Adjusted Assets</b>		<b>35,983,800</b>
Add 100% of 3 years average annual gross income		<u>9,509,264</u>
<b>Adjusted Assets Base (B)</b>		<b>45,493,064</b>
<b>Capital Adequacy Ratio = A/B*100</b>		<b>28.87%</b>
<b>Capital surplus</b>	<b>A-(10%*B)</b>	<b>8,582,856</b>



### 2.21.2 The Capital Adequacy ratio as at 31 December, 2024

Non-performing loan (NPL) ratio as at 31 December, 2024

This is defined as the ratio of the substandard to loss loans divided by the gross loans and expressed as a percentage. The NPL ratio as at 31 December, 2024 is shown below;

$$\text{Non-Performing Loan (NPL) ratio} = \frac{\text{Substandard to loss loans} * 100}{\text{Total gross loans}}$$

$$\text{NPL ratio} = \frac{1,486,666}{21,055,057} * 100$$

$$\text{NPL Ratio} = 7.06\%$$

## **2.22 Related Party Transactions**

### **2.22.1 Transactions with directors and key management personnel**

The details of transactions between Directors and Key Management Personnel are as follows.

Directors, Key Managements and Staff Compensations	2024	2023
	GH¢	GH¢
Directors' remunerations	94,825	99,914
Key management and staff compensations	<u>1,539,500</u>	<u>843,128</u>
	<u><b>1,634,325</b></u>	<u><b>938,042</b></u>

### **2.22.2 Loan Transactions with Directors and Key Management Personnel**

Loans to Board members and management staff are given in line with the policies of the Bank.

Below are the details:

Details	2024	2023
	GH¢	GH¢
Directors	0	0
Management & Staff members	<u>1,596,233</u>	<u>1,171,442</u>
	<u><b>1,596,233</b></u>	<u><b>1,171,442</b></u>

### **2.22.3 Shareholding structure**

#### **2.22.3.1 Directors Shareholding**

The total number of shares held by the Directors of the bank at the reporting date represented 2.07% of the total number of shares outstanding then. Below are the details.

Name of Director	No. of Shares	Percentage of Issued Capital
1. Prof. Robert Aidoo	80,000	0.74%
2. Olivia Nyarkoa Kyeh, Esq.	66,014	0.61%
3. Dr. Ellis K. Akwaa-Sekyi	43,680	0.40%
4. Mr. Isaac Nkrumah	18,706	0.17%
5. Stephen Kingsley Bennieh, Esq.	<u>15,631</u>	<u>0.14%</u>
<b>TOTAL</b>	<u><b>224,031</b></u>	<u><b>2.07%</b></u>

### 2.22.3.2 Key management personnel

The total number of shares held by the Key Management Personnel of the bank at the reporting date represented 0.75% of the total number of shares outstanding then. Below are the details;

Name of management staff	No. of Shares	Percentage of Issued Capital
1. Mr. Richard Kwame Adjei	43,624	0.40%
2. Michael Asamani-Darko	20,736	0.19%
3. Mr. Abubakari Alhassan	4,778	0.04%
4. Mr. Anobia Atabidi	4,237	0.04%
5. Mr. Laar Adam Namso	4,000	0.04%
6. Mr. Ernest Gyau	2,841	0.03%
7. Mr. Peter Atwene	8,00	0.01%
8. Mr. Samuel Kwasi Arhin	<u>8,00</u>	<u>0.01%</u>
<b>TOTAL</b>	<b><u>81,815</u></b>	<b><u>0.75%</u></b>

### 2.22.3.3 Majority shareholding

The ten (10) majority shareholding of the Bank as at the reporting date is detailed below:

Name of Shareholder	No. of Shares	Percentage of Issued Capital
1. Mr. Philip Atabidi	1,184,000	10.92%
2. Mr. Abednego Mensah	1,020,957	9.41%
3. Bibiani-Anhwiaso-Bekwai Municipal Assembly	945,098	8.71%
4. Mr. Micheal Aidoo	623,546	5.75%
5. Mr. Paarock Vanpercy	419,620	3.87%
6. Mr. Emmanuel Agbenu Mensah	400,000	3.69%
7. Mr. John Kwesi Danso	375,021	3.46%
8. Sefwi Anhwiaso Traditional Council	313,304	2.89%
9. Mr. & Mrs. Francis/Cynthia Aboagye-Otchere	256,422	2.36%
10. Mr. Johnson Ben Oduro	<u>255,912</u>	<u>2.36%</u>
<b>TOTAL</b>	<b><u>5,793,880</u></b>	<b><u>53.42%</u></b>



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	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b>GH¢</b>	<b>GH¢</b>
<b>3 <u>Interest income</u></b>		
Loans and advances	9,136,871	8,319,775
Investments	14,649,986	4,895,050
Interest on placement	361,285	315,829
	<b><u>24,148,142</u></b>	<b><u>13,530,654</u></b>
<b>4 <u>Interest expense</u></b>		
Interest on borrowing	175,887	474,366
Savings account & fixed deposits	5,433,785	2,997,089
	<b><u>5,609,672</u></b>	<b><u>3,471,455</u></b>
<b>5 <u>Commission and Fees</u></b>		
Cheque clearing fees	95,910	73,000
Commission	245,048	188,718
Commitment fees	861,311	889,507
Commission on turnover	55,533	56,026
ATM/UCONNECT fees	5,437	3,569
	<b><u>1,263,239</u></b>	<b><u>1,210,820</u></b>

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	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b>GH¢</b>	<b>GH¢</b>
<b><u>6 Other Operating Income</u></b>		
Service charges	770,989	764,012
Cheque book income	48,609	35,299
Stationery income	315,514	242,127
Remittances income	7,059	6,401
SMS charges	36,568	39,257
Other income	1,242	6,670
Bad debt recovery	26,197	1,401
Profit on disposal <b>6a</b>	0	6,600
	<b><u>1,206,178</u></b>	<b><u>1,101,767</u></b>
<b><u>6a Profit on disposal</u></b>		
Cost of motor bike	0	8,400
Acc. Depreciation	0	-8,400
<b>Carrying amount</b>	<b>0</b>	<b>0</b>
Proceeds from disposal	0	6,600
<b>Profit on disposal</b>	<b><u>0</u></b>	<b><u>6,600</u></b>
<b><u>7 Personnel expenses</u></b>		
Salaries and wages	3,537,652	2,432,540
Other staff cost	598,796	410,321
Provident Fund	241,920	175,989
Social security contributions	435,378	336,278
Medical expenses	98,573	81,042
Staff bonus	1,277,637	528,292
Staff and directors training	168,726	37,260
Staff clothing allowance	362,682	214,700
Staff fuel, maintenance and t&t	556,267	530,831
Recruitment & selection	65,190	17,292
Staff long service award	15,662	0
Staff lunch subsidy	176,700	0
	<b><u>7,535,182</u></b>	<b><u>4,764,544</u></b>

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	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b>GH¢</b>	<b>GH¢</b>
<b>8 Operating expenses</b>		
Directors remuneration	94,825	94,914
End of service benefit	0	42,000
Board meeting expenses	358,148	197,331
Entertainment	45,545	41,658
Specie movement	34,672	27,096
Travelling and transport	206,279	77,383
Audit & inspection expenses	3,225	10,352
Audit fees & VAT charge	24,380	18,285
Hotel accommodation expenses	54,323	32,013
Furniture, fittings & equipment repairs	114,789	77,811
Building maintenance	0	14,521
Office expenses	119,860	94,058
Stationery	176,039	128,361
Property rates	20,091	16,400
Police guard	122,795	77,230
Micro finance expenses	57,549	43,834
Donation & charitable contribution	36,655	31,094
Insurance premium	72,546	59,539
Postages and telecommunication	59,280	43,302
Subscriptions/periodicals	36,484	28,722
Ghana Deposit Protection Insurance	206,376	137,432
Motor vehicle fuel expenses	301,713	263,068
Motor vehicle repairs & maintenance	176,610	102,963
Generator running expenses	88,380	49,513
Fire expenses	12,830	12,310
Ezwich/Clearing expenses	0	565
Cleaning and sanitation	53,066	35,444
Electricity and water	336,588	241,853
Advertising and publicity	77,941	46,584
Licensing & support fees	195,002	15,256
Computer expenses	555,836	470,072
Debt Recovery expenses	31,070	53,559
Business promotion	234,174	126,335
AGM expenses	162,079	73,718
Mobilisation expenses	639,534	553,942
Bank charges	112,930	83,348
WERBA chapter and ARB Ghana expenses	109,297	59,907
Registerer services /Legal fees	3,620	6,295
Write off- preliminary expense on land acquisition	87,800	0
Bad debt written off	0	381,266
	<b><u>5,022,331</u></b>	<b><u>3,869,330</u></b>



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	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b>GH¢</b>	<b>GH¢</b>
<b>9 Depreciation &amp; amortisation</b>		
Amortisation (Note 16)	28,072	27,956
Depreciation (Note 17)	<u>380,291</u>	<u>288,773</u>
	<b><u>408,363</u></b>	<b><u>316,729</u></b>

**SEFWIMAN RURAL BANK PLC**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

		<b>Agreed</b>		
<b>10 Current tax liability</b>		<b>Balance at</b>	<b>Charge for</b>	<b>Balance</b>
<b>2024</b>		<b><u>01/01/2024</u></b>	<b><u>Payments</u></b>	<b><u>31/12/2024</u></b>
		<b><u>GH¢</u></b>	<b><u>GH¢</u></b>	<b><u>GH¢</u></b>
Income tax	10a	79,917	(1,682,472)	475,604
Deferred tax	10c	0	0	0
		<b>79,917</b>	<b>(1,682,472)</b>	<b>475,604</b>

This is subject to the agreement of Ghana Revenue Authority

	<b>Balance at</b>	<b>Charge for</b>	<b>Balance</b>
<b>2023</b>	<b><u>01/01/2023</u></b>	<b><u>Payments</u></b>	<b><u>31/12/2023</u></b>
	<b><u>GH¢</u></b>	<b><u>GH¢</u></b>	<b><u>GH¢</u></b>
Year of Assessment 2023	(27,555)	(722,445)	68,807
Deferred tax	0	0	0
	<b>(27,555)</b>	<b>(722,445)</b>	<b>68,807</b>

**10a Agreed opening balance 2024**

Balance at 1 January 2024	68,807
Prior year tax understatement	11,110
<b>Agreed balance at 1 January 2024</b>	<b>79,917</b>

**10b Reconciliation of Effective Tax Rate**

	<b>2024</b>	<b>2023</b>
	<b><u>GH¢</u></b>	<b><u>GH¢</u></b>
Profit before tax	<b>7,991,000</b>	<b>3,189,631</b>
Tax at applicable tax rate at 25%	1,997,750	797,408
Growth and sustainability levy at rate of 5%	399,550	106,321
Tax impact of non-deductible expenses	145,957	99,319
Tax impact on excess repairs	62,321	37,049
Tax impact of capital allowances	(127,869)	(114,968)
Deferred tax	282,806	69,728
<b>Current tax charges</b>	<b>2,760,515</b>	<b>994,857</b>
<b>Effective tax rate</b>	<b>35%</b>	<b>31%</b>

**SEFWIMAN RURAL BANK PLC**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

<b>10c <u>Deferred Taxation</u></b>	<b>Balance at</b>		<b>Balance at</b>
<b>2024</b>	<b><u>01/01/2024</u></b>	<b><u>Movement</u></b>	<b><u>31/12/2024</u></b>
	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>
<b>Charge/(Credit) to Income Statement</b>			
Loan Impairment	(282,766)	282,296	(469)
Historical Cost-NCA	(160,261)	510	(159,751)
	<b>(443,027)</b>	<b>282,806</b>	<b>(160,220)</b>

**Recognised Deferred Tax Assets and Liabilities**

Deferred tax assets and Liabilities are attributable to the following:

	<b>Temporary</b>	<b>Tax</b>	<b>Deferred</b>
	<b>Difference</b>	<b>Rate</b>	<b>Tax</b>
	<b>GH¢</b>	<b>%</b>	<b>GH¢</b>
Deferred Tax Asset-Loan Impairment	(1,877)	25%	(469)
Deferred Tax Asset-NCA	(639,004)	25%	(159,751)
<b>Net deferred Tax(Assets)/Liabilities</b>	<b>(640,881)</b>		<b>(160,220)</b>

<b>11 <u>Growth &amp; sustainability levy</u></b>	<b>Balance at</b>		<b>Charge for</b>	<b>Balance</b>
<b>2024</b>	<b><u>01/01/2024</u></b>	<b><u>Payments</u></b>	<b><u>the year</u></b>	<b><u>31/12/2024</u></b>
	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>
Growth and sustainability levy	(6,179)	(355,000)	399,550	38,371
	<b>(6,179)</b>	<b>(355,000)</b>	<b>399,550</b>	<b>38,371</b>

	<b>Balance at</b>		<b>Charge for</b>	<b>Balance</b>
<b>2023</b>	<b><u>01/01/2023</u></b>	<b><u>Payments</u></b>	<b><u>the year</u></b>	<b><u>31/12/2023</u></b>
	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>
Growth and sustainability levy	0	(112,500)	106,321	(6,179)
	<b>0</b>	<b>(112,500)</b>	<b>106,321</b>	<b>(6,179)</b>

**11b Growth & sustainability levy at 5% on profit before tax**

Net Profit before taxation	7,991,000
Levy @ 5%	399,550

**12 Earnings per share**

Net Profit for the year attributable to equity holders of the Bank	5,230,485	2,194,774
Weighted average number of ordinary shares	10,845,924	7,973,396
<b>Earnings per share</b>	<b>GH¢ 0.48</b>	<b>GH¢ 0.28</b>



**SEFWIMAN RURAL BANK PLC**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b>GH¢</b>	<b>GH¢</b>
<b>13 Cash and bank balances</b>		
ARB Apex Bank Plc - clearing account	8,307,095	1,422,791
ARB Apex Bank Plc - 5% deposit account	6,375,802	3,201,112
ARB Apex Certificate of deposit	2,500,000	2,000,000
Commercial banks	842,330	173,576
E-cash (mobile money)	178,364	195,654
Cash balance	<u>6,788,264</u>	<u>4,681,537</u>
	<b><u>24,991,855</u></b>	<b><u>11,674,670</u></b>
 <b>14 Non-pledge trading assets</b>		
Government treasury bills & notes	92,349,431	28,729,246
Government Bonds	9,163,529	9,163,529
Other bills & notes	<u>13,631,153</u>	<u>13,418,516</u>
Balance At 31 December	<b><u>115,144,113</u></b>	<b><u>51,311,291</u></b>
 Maturity within 91 days after reporting date	58,820,245	27,883,694
Maturity after 91 days but within 182 days	33,994,426	1,307,425
Maturity after 182 days but within 365 days	1,317,603	1,003,333
Maturity after 365 days	<u>21,011,840</u>	<u>21,116,840</u>
	<b><u>115,144,113</u></b>	<b><u>51,311,291</u></b>

**SEFWIMAN RURAL BANK PLC**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b>GH¢</b>	<b>GH¢</b>
<b>15 <u>Loans and advances</u></b>		
Loans	18,848,215	17,930,300
Overdraft	2,206,842	1,388,745
	<b>21,055,057</b>	<b>19,319,045</b>
Less: Loan impairment allowance	(1,182,073)	(1,131,063)
	<b><u>19,872,984</u></b>	<b><u>18,187,982</u></b>
<b>15a <u>Impairment allowance for loans &amp; advances as per IFRS</u></b>		
Balance at 1 January 2024	1,131,063	1,431,782
Loan provision write off	0	(532,270)
Loans impairment charge	51,011	231,550
Balance at 31 December 2024	<b><u>1,182,073</u></b>	<b><u>1,131,063</u></b>
<b>15b <u>Bank of Ghana provisions</u></b>		
Balance at 1 January 2024	1,131,063	1,431,782
Loan provision write off	0	(532,270)
Provisions made	52,877	228,533
Balance at 31 December 2024	<b><u>1,183,940</u></b>	<b><u>1,128,045</u></b>

Loan provisioning/impairment are carried out in accordance with Bank of Ghana policy as well as the principles of IFRS. Loan Impairment losses calculated based on IFRS principles are passed through the statement of comprehensive income. Where provisions per IFRS is more than the provisions per Bank of Ghana guidelines, no regulatory credit reserve is required. When the credit loss provision calculated under IFRS principles is less than that of Bank of Ghana, transfers are made from the retained earnings account into the non-distributable regulatory credit reserves.

**SEFWIMAN RURAL BANK PLC**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b><u>2024</u></b> <b>GH¢</b>	<b><u>2023</u></b> <b>GH¢</b>
<b>16 <u>Investment security-available for sale</u></b>		
Balance at 1 January 2024	124,861	76,751
Additions during the year	57,732	48,110
Balance at 31 December 2024	<b><u>182,593</u></b>	<b><u>124,861</u></b>
This represents investment in ordinary shares of ARB Apex bank limited and WERBA		
<b>17 <u>Other assets account</u></b>		
Interest & Commission. Accrued	298,859	256,213
Stationery Stock	148,255	98,522
Prepayment-insurance	18,046	17,669
Prepayment-others	54,956	66,898
Interagency account	5,604	0
Office account (DR)	21,111	12,423
Ezwich cash account	33,458	31,679
Interest suspense	0	26,100
Uncleared effects	283,338	179,564
	<b><u>863,626</u></b>	<b><u>689,067</u></b>
<b>18 <u>Intangible assets</u></b>		
<b><u>Cost</u></b>		
Balance at 1 January 2024	280,723	266,723
Acquisitions	0	14,000
Balance at 31 December, 2024	<b><u>280,723</u></b>	<b><u>280,723</u></b>
<b><u>Amortization</u></b>		
Balance at 1 January 2024	90,852	62,896
Charge for the year	28,072	27,956
Balance at 31 December, 2024	<b><u>118,924</u></b>	<b><u>90,852</u></b>
<b><u>Carrying amount at</u></b>		
December 31, 2024.	<b><u>161,799</u></b>	<b><u>189,871</u></b>



**SEFWIMAN RURAL BANK PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**19 Property, plant & equipment**

	Improvement to				Office		Motor		Total
	Rented		Rights of		Furniture &		Vehicles		
	Premises	Used assets	Computer &	Accessories	Fittings	Equipments	/Bikes		
<u>Cost</u>	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>
Balance at 1 January 2024	516,323	716,793	548,581	163,268	1,064,278	832,105	87,800	3,929,148	
Additions	0	53,352	750	37,319	157,520	137,596	0	386,538	
Expired portion of assets	0	(134,113)	0	0	0	0	0	(134,113)	
Write off	0	0	0	0	0	0	-87,800	(87,800)	
Balance at 31 December, 2024	516,323	636,032	549,331	200,587	1,221,798	969,701	0	4,093,772	

**Depreciation**

Balance at 1 January 2024	356,697	223,099		452,600	127,292	791,038	806,989	2,757,715
Expired portion of assets	0	(134,113)		0	0	0	0	(134,113)
Charge for the year	45,065	95,760		33,611	15,548	111,433	78,873	380,291
<b>Balance at 31 December, 2024</b>	<b>401,762</b>	<b>184,746</b>		<b>486,211</b>	<b>142,840</b>	<b>902,471</b>	<b>885,862</b>	<b>3,003,892</b>

**Carrying amount at**

<b>December 31, 2024.</b>	<b>114,561</b>	<b>451,286</b>		<b>63,120</b>	<b>57,747</b>	<b>319,327</b>	<b>83,839</b>	<b>1,089,879</b>
<b>December 31, 2023.</b>	<b>159,626</b>	<b>493,694</b>		<b>95,981</b>	<b>35,976</b>	<b>273,240</b>	<b>25,116</b>	<b>1,171,433</b>

The amount classified as land represent preliminary payment made for acquisition of land at Bibiani and Bonsu Nkwanta in 2018. The Bank however does not have title to any landed propoerty.

**SEFWIMAN RURAL BANK PLC**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b><u>GH¢</u></b>	<b><u>GH¢</u></b>
<b>20 <u>Deposits and current accounts</u></b>		
Savings account	53,917,918	28,906,710
Current account	32,011,159	12,011,875
Fixed deposit	41,767,761	21,076,588
Susu & others	16,419,123	9,103,945
	<b><u>144,115,961</u></b>	<b><u>71,099,118</u></b>
 <b>10 largest depositors to total deposit ratio</b>	 <b><u>24%</u></b>	 <b><u>13%</u></b>
 <b>21 <u>Creditors and accruals</u></b>		
Payment order	198,557	136,483
Accrued interest on investment	1,668,060	946,044
Interest earned on GOG bond suspended	0	375,142
Interest suspense	481,438	456,606
Accrued audit fees	24,380	18,285
Office account (CR)	383,558	292,916
Provisions(GDPC)	51,594	34,358
Provisions(police guard)	24,000	38,000
Dividend unclaimed	12,963	16,312
Ezwich, T24 license fee	56,236	307
GH link, ATM remote	13,108	37,656
Tax audit liability	0	152,713
Computerisation quarterly cost from Apex	19,097	0
	<b><u>2,932,991</u></b>	<b><u>2,504,823</u></b>
 <b>22 <u>Borrowed funds</u></b>		
ARB Apex Bank Plc	1,142,404	852,537
Central bank-Rural Enterprises Dev. Fund	0	235,800
RDF-Ghana	0	252,632
	<b><u>1,142,404</u></b>	<b><u>1,340,969</u></b>
 <b>23 <u>Managed funds</u></b>		
BABMA EU fund	372,474	401,118
Covid' 19 relief loan	46,209	381,570
Mastercard foundation (Nkosuo) loan	26,422	213,050
	<b><u>445,106</u></b>	<b><u>995,737</u></b>

**SEFWIMAN RURAL BANK PLC**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

**24 Other liabilities**

	Development	Corporate Social Responsibility	Total
	Fund	Fund	Fund
<u>2024</u>	GH¢	GH¢	GH¢
Balance at 1 January 2024	631,427	262,950	894,377
Add: transfer from profit	523,049	261,524	784,573
Less: utilised	0	(11,331)	(11,331)
<b>Balance at 31 December 2024</b>	<b>1,154,476</b>	<b>513,143</b>	<b>1,667,619</b>

**24b**

	Development	Corporate Social Responsibility	Total
	Fund	Fund	Fund
<u>2023</u>	GH¢	GH¢	GH¢
Balance at 1 January, 2023	411,950	164,211	576,161
Add: transfer from profit	219,477	109,739	329,216
Less: utilised	0	-11,000	-11,000
<b>Balance at 31 December, 2023</b>	<b>631,427</b>	<b>262,950</b>	<b>894,377</b>

Transfers to the development fund and the Corporate Social Responsibility fund of 10% and 5% respectively are made from the profit earned after tax for each period. The development fund is earmarked for the construction of head office building facility for the Bank. The Corporate Social Responsibility fund was also established to cater for the Bank's CSR activity within its caption of operation.



**SEFWIMAN RURAL BANK PLC**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**25 Stated capital**

	<b><u>No. of Shares</u></b>	<b><u>No. of Shares</u></b>
	<b><u>2024</u></b>	<b><u>2023</u></b>
Authorised shares	10,000,000,000	10,000,000,000
Issued shares	7,973,396	7,973,396
Unregistered shares	2,872,528	0
<b>Total issued shares</b>	<b><u>10,845,924</u></b>	<b><u>7,973,396</u></b>
	<b><u>GH¢</u></b>	<b><u>GH¢</u></b>
Fully paid share	2,637,017	1,918,683

**Stated capital and reserves**

**Stated capital**

The bank classifies capital and equity instruments in accordance with contractual terms of the instrument. Incremental costs that are directly attributable to the issue of an equity instrument are deducted from the initial measurement of equity instruments.

Dividends on ordinary shares are recognised in the period in which they are approved by the shareholders.

A dividend of GHS398,670 out of the Profit after tax was approved by the shareholders of the Bank on 10th day of August, 2024 at the 18th Annual General meeting of the Bank. A clearance was also received from Bank of Ghana with reference BOG/OFISD/RB/179/2024 for the payment of the said dividend.

This has been paid to the respective shareholders.

Dividend proposed which is yet to be approved by shareholders, is disclosed by way of notes.

**25a Unregistered Shares**

This represent fully paid ordinary shares issued which has not been approved by Bank of Ghana

The unregistered issued shares during the year was 2,872,528 with a value worth GH¢718,334

**SEFWIMAN RURAL BANK PLC**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**26 Retained Earnings**

This represents the cumulative annual profits that are available for distribution to shareholders

**27 Statutory reserve**

Statutory reserves are based on the requirements of section 34 of the Banks and Specialized Deposits-Taking Institution Act 2016 (Act 930). Transfers into statutory reserves are made in accordance with the relationship between the Bank's Reserve fund and its paid up capital which determines the proportion of profit for the period that should be transferred to the reserve fund

- i. Where the reserve fund is less than fifty percent of the stated capital, an amount not less than 50% of the net profit for the year is transferred to the reserve fund
- ii. Where the reserve fund is more than 50% but less than 100% of the stated capital, an amount not less than 25% of the year is transferred to the reserve fund.
- iii. Where the reserve is equal to 100% of the stated capital, an amount not less than 12.5% of the net profit for the year is transferred to the reserve fund.

**28 Capital surplus**

This represents increase in share value with the ARB Apex Bank Plc.

**29 Credit risk reserve**

This represents additional impairment allowance required by Bank of Ghana on loans and advances in excess of the IFRS impairment.

**30 Related party transactions**

Advances due from directors and staff of the bank amounted to GH¢1,596,233.13 and it comprises:

	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b>GH¢</b>	<b>GH¢</b>
Directors and related interest	0	0
Officers and employees	1,596,233	1,171,442
	<u>1,596,233</u>	<u>1,171,442</u>

**SEFWIMAN RURAL BANK PLC**

**VALUE ADDED STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b>GH¢</b>	<b>GH¢</b>
Interest earned and other operating income	25,411,381	14,741,473
Direct cost of services and other costs	<u>(10,412,945)</u>	<u>(7,245,871)</u>
<b>Value added by banking services</b>	<b>14,998,436</b>	<b>7,495,602</b>
Non-banking income	1,206,178	1,101,767
Impairments	<u>(51,011)</u>	<u>(231,550)</u>
<b>Value added</b>	<b><u>16,153,603</u></b>	<b><u>8,365,819</u></b>
Distributed as follows		
<b>To employees</b>		
Directors	(452,973)	(94,914)
Other Employees	<u>(7,301,267)</u>	<u>(4,764,544)</u>
	<b><u>(7,754,240)</u></b>	<b><u>(4,859,458)</u></b>
To Government		
Income Tax	(2,360,965)	(994,857)
Growth and sustainability levy	<u>(399,550)</u>	<u>0</u>
	<b><u>(2,760,515)</u></b>	<b><u>-994,857</u></b>
<b>To providers of capital</b>		
Dividends to shareholders	<u>0</u>	<u>0</u>
<b>To expansion and growth</b>		
Depreciation and amortization	<u>(408,363)</u>	<u>(316,729)</u>
<b>Profit for the year</b>	<b><u>5,230,485</u></b>	<b><u>2,194,774</u></b>