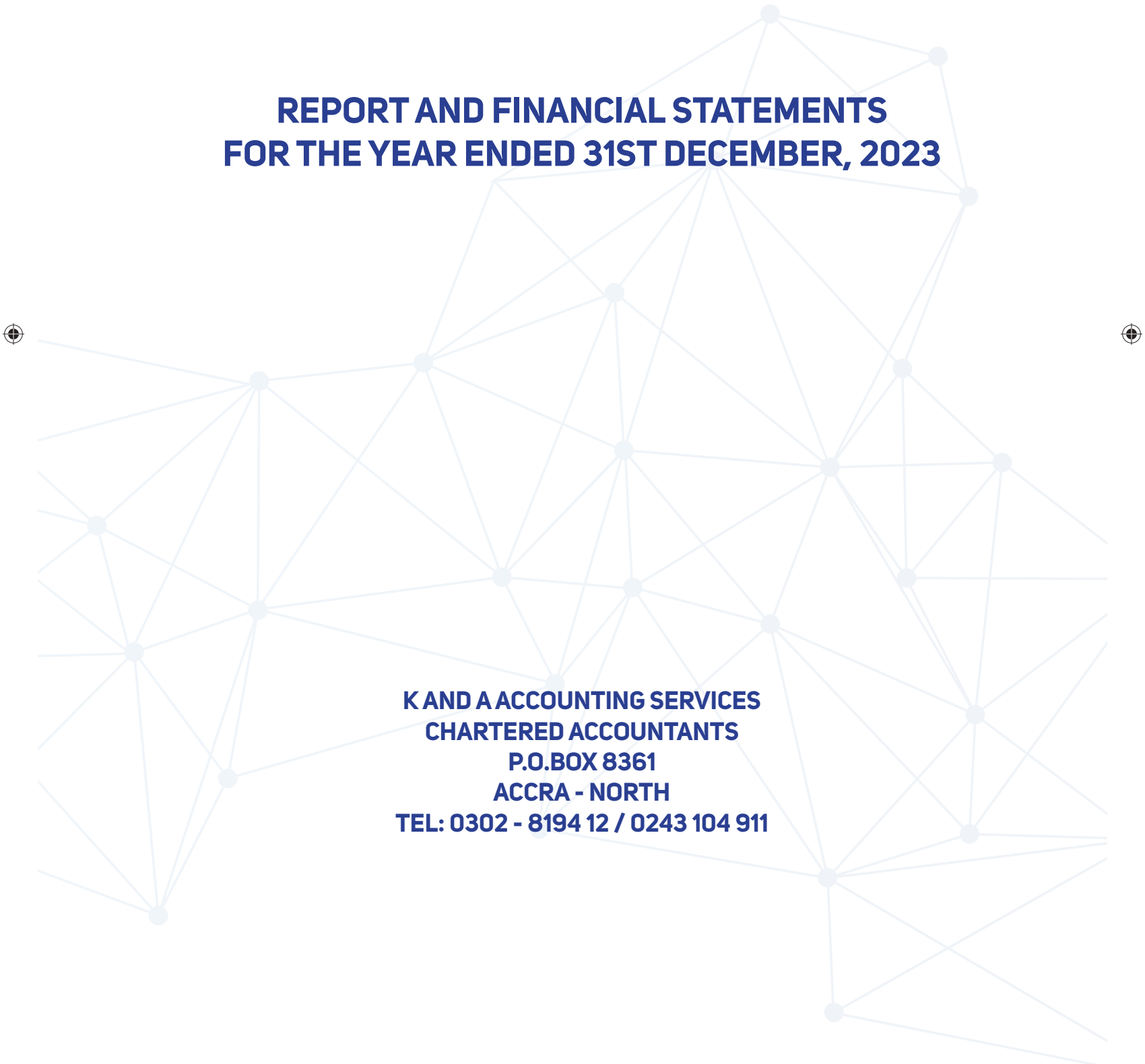




# ENYAN DENKYIRA RURAL BANK PLC

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



**K AND A ACCOUNTING SERVICES  
CHARTERED ACCOUNTANTS  
P.O.BOX 8361  
ACCRA - NORTH  
TEL: 0302 - 8194 12 / 0243 104 911**



# Table of CONTENTS

<b>Board of Directors, Officials &amp; Registered Office</b>	<b>I</b>
<b>Notice of Annual General Meeting</b>	<b>II</b>
<b>Chairman's Report</b>	<b>III</b>
<b>Report of the Directors</b>	<b>VI</b>
<b>Independent Auditors' Report</b>	<b>1</b>
<b>Statement of Comprehensive Income</b>	<b>6</b>
<b>Statement of Financial Position</b>	<b>7</b>
<b>Statement of Cash Flows</b>	<b>8</b>
<b>Statement of Changes in Equity</b>	<b>9</b>
<b>Notes to the Financial Statements</b>	<b>10</b>
<b>Capital Allowance and Income Tax Computations</b>	<b>37</b>
<b>Schedule of Appendices</b>	<b>38</b>

# BOARD OF DIRECTORS



**Dr. John Kofi Mensah**  
Board Chairman



**Mr. Siisi Crenstil**  
Member



**Mr. Mathew Ewudzie Arthur**  
Member



**Mr. Frank Jones Abban**  
Member



**Mr. Kojo Essamuah Sam-Woode**  
Member



**Mr. Kennedy Anyasor Mate-Kole, Esq.**  
Company Secretary

# MANAGEMENT TEAM



**Dawda Erskine**

Chief Executive Officer



**Mohammed Acquah**

Head, Operations



**Bismark Appiah**

Head, Internal Audit



**Ebenezer Anane-Asare**

Head, IT



**Frank Amissah**

Head, Research, Load Monitoring and Recovery



**Godfred Addom**

Marketing Officer



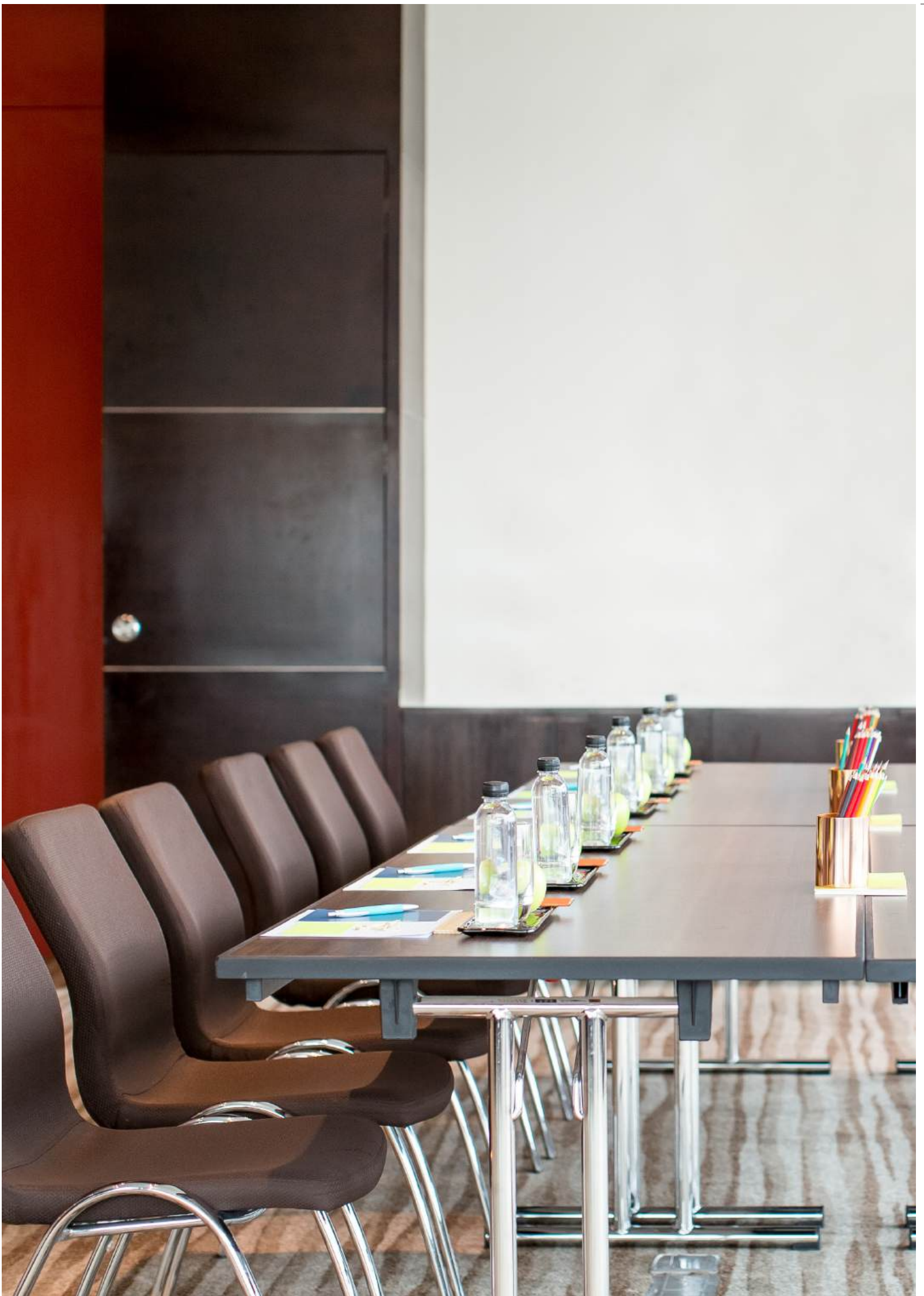
**Francis Lokko**

Head, Credit



**Billy Asiedu**

Head, Risk and Compliance



# BOARD OF DIRECTORS, OFFICIALS AND REGISTERED OFFICE

## BOARD OF DIRECTORS      Position on the Board

Dr. John Kofi Mensah	Board Chairman
Mr. Siisi Crenstil	Member
Mr. Mathew Ewudzie Arthur	Member
Mr. Frank Jones Abban	Member
Mr. Kojo Essamuah Sam-Woode	Member

**COMPANY SECRETARY:** Mr. Kennedy Anyasor Mate-Kole

**AUDITOR:** K. and A. Accounting Services  
49 Boundary Road (Coastal)  
Off Spintex Road, Baatsonaa Accra  
P. O. BOX 8361, Accra North

**REGISTERED OFFICE:** House No. 2029  
P. O. Box 15  
Enyan Denkyira

**BANKERS:** ARB Apex Bank PLC  
Agricultural Development Bank

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 41st Annual General Meeting of Enyan Denkyira Rural Bank PLC will be held at Nsaakoah Hotel, Ajumako Onwane, Central Region on Saturday, 6th July, 2024 at 10:00 am to transact the following business:

## **AGENDA: ORDINARY BUSINESS:**

1. To receive and consider the Audited Financial Statements of the Company together with the reports of the Directors and the Auditors thereon for the year ended 31st December, 2023
2. To declare a dividend for the year ended 31st December, 2023 subject to regulatory approval
3. To elect Directors
4. To re-elect Directors retiring by rotation
5. To fix the remuneration of the Directors for the financial year 2024; and
6. To authorize the Directors to fix the remuneration of the Auditors for the financial year 2024.

**DATED THIS 6TH DAY OF JUNE, 2024**

BY ORDER OF THE BOARD OF DIRECTORS

(SGD.)

**KEN MATE-KOLE  
COMPANY SECRETARY**

NOTE: A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. Such a proxy need not be a member of the Company. The appointment of a proxy will not prevent a member from subsequently attending and voting at the meeting. Where a member attends the meeting in person, the proxy appointment shall be deemed to be revoked. A copy of the Form of Proxy can be obtained from the Annual Report and may be filled and deposited at the registered office of Enyan Denkyira Rural Bank at Ajumako to arrive no later than 48 hours before the appointed time for the meeting.



# CHAIRMAN'S REPORT



**Dr. John Kofi Mensah**

Distinguished Shareholders;  
Honorable District Chief Executive for Ajumako Enyan Essiam District, Nananom, Representatives from ARB Apex Bank PLC, Administrator, ARB Central Chapter, Distinguished Guests, Members of the Media, Ladies and Gentlemen, all protocol observed.

On behalf of the Board of Directors, I am honored to welcome you all to the 41st Annual General Meeting of Enyan Denkyira Rural Bank Plc and to present to you the Bank's performance for the year ended 31st December 2023.

## ECONOMIC OUTLOOK

The global growth outlook for the near term was uncertain going into 2023. Inflation was very high, and the concern was that central banks could control inflation only at the cost of severe recession. However, economic activity improved in 2023, reflecting strong consumption amid tight labour markets in the first half of the year. Global economic activity is expected to grow at 3.1 percent, the same as in the previous year. Global headline inflation remains on a downward trajectory, but the persistence in core inflation is expected to slow the pace of the disinflationary process. Meanwhile, financial conditions are expected to remain tight amid restrictive monetary policy, tighter credit conditions and stricter lending standards.

## INFLATION

Headline inflation sharply decelerated to 23.2 per cent in December 2023, from 54.1 per cent in December 2022. Core inflation also eased significantly, affirming broad decline in prices. The disinflation process was supported by tight monetary policy, relative exchange rate stability, and effective liquidity sterilization efforts.

## EXCHANGE RATE

The Ghana cedi cumulatively depreciated by 27.8 per cent against the US dollar in 2023, compared to a depreciation of 29.9 per cent in 2022. Against the British pound, the Ghana cedi depreciated by 31.9 per cent in 2023, compared to 21.2 per cent in the previous year. Also, the local currency depreciated by 30.3 per cent against the euro in 2023, compared to a depreciation of 25.3 per cent in 2022.

## OPERATING ENVIRONMENT

The total number of licensed RCBs at end-December 2023, was 147. The total assets of the sub-sector at end December 2023 was GH¢11.10 billion, representing a 29.9 per cent growth, year-on-year. The average Capital Adequacy Ratio (CAR) at end-December 2023

declined to 7.5 per cent, below the 10 per cent minimum prudential requirement. Non-Performing Loans (NPL) ratio improved marginally to 9.9 per cent at end-December 2023, from 11.7 per cent the previous year. Overall, the profitability of the sub-sector improved during the year.

## 2023 BUSINESS PERFORMANCE

We continued with our stated vision of creating value for all our stakeholders.

### Total income:

Operating income increased to GH¢11,367,556 million in 2023 from GH¢7,907,057 million in 2022; representing a 43.76% growth.

### Total Deposits:

Also, the Bank recorded a significant growth of 34.02% in its total deposits; GH¢33,381,562 in 2023 compared to GH¢24,908,741 in 2022.

### Loan and Advances:

The Bank's loan portfolio of GH¢16,229,173 in 2022 increased to GH¢22,214,538 representing a growth of 36.88%.

### CAR and Cash Reserves:

The Bank maintained the required benchmarks (even above the benchmarks) for Capital Adequacy Ratio, Primary and Secondary Reserves etc. throughout the 2023 accounting year.

### Total Asset:

The Bank's total assets of GH¢31,903,145 in 2022 increased to GH¢41,973,515 representing a growth of 31.56%.

### After Tax Profit:

Again, I am pleased to announce that, our Bank posted significant growth of 290.46% of profit after-tax. Profit after-tax of GH¢1,072,677 in 2023 compared to GH¢274,722 recorded in 2022. This after tax profit of GH¢1,072,677 recorded in 2023 is the highest profit recorded in the history of the Bank.

These indicators show how resilient the Bank is, and the good fortunes and opportunities that await us in 2024 and beyond.

## DIVIDEND

The Board of Directors have proposed dividend of GH¢203,256.00 for the financial year 2023 to be paid to shareholders subject to approval by Bank of Ghana.

## CORPORATE GOVERNANCE

The Bank exhibited Corporate Governance Standards consistent with the mandatory legal provisions. The Board through its subcommittees (i.e. Audit; Credit, Risk & Compliance, etc.) and the various management committees worked together to ensure sound business practices throughout the year 2023.

## BOARD CHANGES

Following the dictates of the Corporate Governance Directive and the end of tenure of myself as the Chairman of the Board of Directors in September 2024, the Board would have to recommend additional Directors for ratification by Shareholders. This is to satisfy the maximum number required to be on the Board to ensure efficient and effective running of the Board.

## AUDITORS

In accordance with section 139 (5) of Act 992, “K & A Accounting Services” will be in office as Auditors of the Bank.

## CORPORATE SOCIAL RESPONSIBILITY

As a socially responsible Bank, Enyan Denkyira Rural Bank Plc has been extensively involved in positively affecting lives by giving back to society through our Corporate Social Responsibility (CSR).

Our CSR continues with the sponsorship of several activities in the area of:

- ▶ Traditional Councils
- ▶ First and second cycle institutions and
- ▶ Scholarships.

We remain committed to ensuring that our communities benefit from our presence.

## WAY FORWARD

Our focus on recovery of non-performing loans is key. We have instituted strong measures to strengthen our loan monitoring and collections. Credit risk management has been strengthened and we shall continue to intensify our deposit mobilization drive as well.

We appeal to all stakeholders to deepen our partnership so we can move Enyan Denkyira Rural Bank Plc to achieve its planned goals and objectives.

## CONCLUSION

We are very optimistic of achieving our planned goals in spite of the challenges to our operations and I remain confident the bank will continue to innovate to aggressively grow to create value for our shareholders and customers.

On behalf of the Board, Management and Staff, I wish to express my gratitude to our cherished customers for doing business with us. Also, I express my appreciation to the employees of the Bank for their commitment and for showing determination throughout 2023 in attaining our results. I also thank the board of directors for their ongoing engagement, counsel and support over the past year, through the wealth of knowledge and experience that they bring to the bank. Finally, my profound gratitude goes to our shareholders and other stakeholders for the confidence that you have for us and your support all these years. Special mention is made of our significant shareholders for their positive contributions to the Bank.

God bless us all.

# REPORT OF THE DIRECTORS

The Directors have the pleasure in submitting their Forty-First (41st) annual report together with the Statement of Comprehensive Income for the year ended December 2023, the Statement of Financial Position as at 31st December, 2023, Statement of Cash Flows as at 31st December, 2023 and Statement of Changes in Equity as at 31st December, 2023.

## DIRECTORS' RESPONSIBILITIES

The Companies Act 2019 (Act 992), requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Bank as at the end of the financial year and of the comprehensive income of the Bank for that period.

The Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930) requires every bank to prepare annually as at 31st December of each year financial statements and returns in accordance with that Act.

In preparing these financial statements, the directors are required to:

- Select accounting policies, which comply with the Companies Act 2019 (Act 992) (as amended) and the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930) and in accordance with International Financial Reporting Standards and to apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- Ensure applicable accounting standards have been followed and any material departures disclosed.
- Prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Bank will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the Bank and which enable them to ensure

that the financial statements comply with the Companies Act 2019 (Act 992), the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930), Anti-Money Laundering Act, 2008 (Act 749) as amended by the Anti-Money Laundering (Amendment) Act, 2014 (Act 874) and the International Financial Reporting Standards (IFRS).

They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Bank and prevent and detect fraud and other irregularities.

The above statement which should be read in conjunction with the statement of the auditor's responsibilities set out on pages 1 and 2 is with the view of distinguishing for the shareholders the respective responsibilities of the Directors and the Auditors in relation to the financial statements.

## PRINCIPAL ACTIVITIES

The principal activities carried out by the Bank during the year under review are within the limits permitted by its Regulations and also consistent with its strategic focus. There were no changes in the principal activities of the Bank during the year.

## OPERATIONAL RESULTS

The results of operations for the year ended 31st December, 2023 are set out in the Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and the Notes to the financial statements from page 8 to 31.

A summary of the results is as follows:

	<b>2023</b>	<b>2022</b>
	<b>GH¢</b>	<b>GH¢</b>
Profit after tax	1,072,678	274,722
Total Comprehensive Income	11,367,556	7,907,057
<b>Total Assets</b>	<b>41,973,514</b>	<b>31,903,145</b>

## GOING CONCERN

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that future operations will not be curtailed in the foreseeable future and that the realization of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

## CORPORATE SOCIAL RESPONSIBILITY

During the fiscal year, a total of GH¢14,000 was spent in relation to Corporate Social Responsibility.

Details are as follows.

<b>PURPOSE</b>	<b>AMOUNT GH¢</b>
Assistance to Abowinum D/A Basic School to buy Staff Table and Chairs	4,000
Assistance to Ekumfi District Assembly towards Famers' Day Celebration	2,000
Assistance to various District Education Directorate	8,000
<b>Total</b>	<b>14,000</b>



2023

Total Assets  
GHS  
41,973,514

GHS  
14,000  
spent in relation to  
Corporate Social  
Responsibility.

### **CAPACITY BUILDING OF DIRECTORS TO DISCHARGE THEIR DUTIES.**

The Directors have been attending seminars and workshops to build their capacity which is mostly organized by Apex Bank and Association of Rural Banks-Ghana.

Below are some of the seminar and workshops the Directors have attended.

<b>DATE</b>	<b>COURSE</b>	<b>PARTICIPANT</b>	<b>VENUE</b>
16/01/2023	Corporate Governance Certification for Board of Directors	Directors	Noda Hotel, Kumasi
15/09/2023	Governance, Risk and Compliance (GRC) Meeting with RCBs	Directors	Banking College, Accra

### **MATERIAL CHANGE IN THE NATURE OF THE BUSINESS OF THE BANK**

The principal activities carried out by the Bank during the year under review are within the limits permitted by its Regulations and also consistent with its strategic focus. There were no changes in the principal activities of the Bank during the year.

### **AUDITOR'S REMUNERATION**

The audit fee for the year ended 31 December 2023 amounts to GH¢ 50,000 inclusive of VAT.

### **EVENTS AFTER REPORTING DATE**

The Directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the Bank.

### **DIRECTORS' INTEREST IN CONTRACTS**

To our knowledge, none of the Directors had any interest in contracts entered into during the year under review.



**APPOINTMENT OF AUDITOR**

Messrs K and A Accounting Services are willing to continue in office as auditor to the Bank for the ensuing year in accordance with the provision of Section 139 (5) of Ghana Companies Act 2019-Act 992. The Directors hereby recommend their re-appointment.

**APPRECIATION**

The board of directors would like to express its sincere appreciation to the customers of the Bank for their loyalty, to shareholders for their support, and to management and staff for their service during the year under review.

The report of the directors of the bank was approved by the Board of Directors on ..... and signed its behalf by ..... and ..... as required by Section 135(1b) of the Companies Act, 2019 Act 992.



**CHAIRMAN**

DATE: 29/04/2024.



**DIRECTOR**

DATE: 29/04/2024



**INDEPENDENT AUDITOR'S  
REPORT TO THE MEMBERS  
OF ENYAN DENKYIRA RURAL  
BANK PLC**



## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS.

We have audited the accompanying financial statements of Enyan Denkyira Rural Bank Plc which comprise the statement of comprehensive income for the year ended 31 December 2023, statement of financial position as at 31 December 2023, the statement of cash flows, and the statement of changes in equity for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies.

### OPINION

In our opinion, the accompanying financial statements show a true and fair view of the financial position as at 31

December 2023, and of its financial performance and cash flows for the year then ended in accordance with the Companies Act 2019-Act 992, the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), the AntiMoney Laundering Act, 2020 (Act 1044), the International Financial Reporting Standards (IFRS).

### 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 International Code of Ethics for Professional Accountants (Including International Independence Standards) (The Code) issued by the International Ethics Standards Board for Accountants and the independence requirement of section 143 of the Companies Act, 2019 (Act 992). We have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### KEY AUDIT MATTERS

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

We have determined that there were no such matters to report on for the year under review.

## **OTHER INFORMATION**

The directors are responsible for the other information. The other information comprises Corporation Information and Report of the Directors but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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 on the other information that we have obtained prior to the date of this auditor's report, 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 MANAGEMENT AND DIRECTORS FOR THE FINANCIAL STATEMENTS**

The Bank's Directors are responsible for the preparation of these financial statements in accordance with the Companies Act, 2019 - Act 992, the Banks, and Specialized Deposit – Taking Institutions Act, 2016 (Act 930), and the International Financial Reporting Standards (IFRSs). This responsibility includes designing, implementing, and maintaining internal control as Management determines is necessary and relevant to the preparation and fair presentation of the financial statements that are free from material misstatements, whether due to fraud or error, and selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

In preparing the financial statements, Management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Bank or to cease operations, or has no realistic alternative, but to do so.

Management and Board of Directors are responsible for overseeing the financial reporting process.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

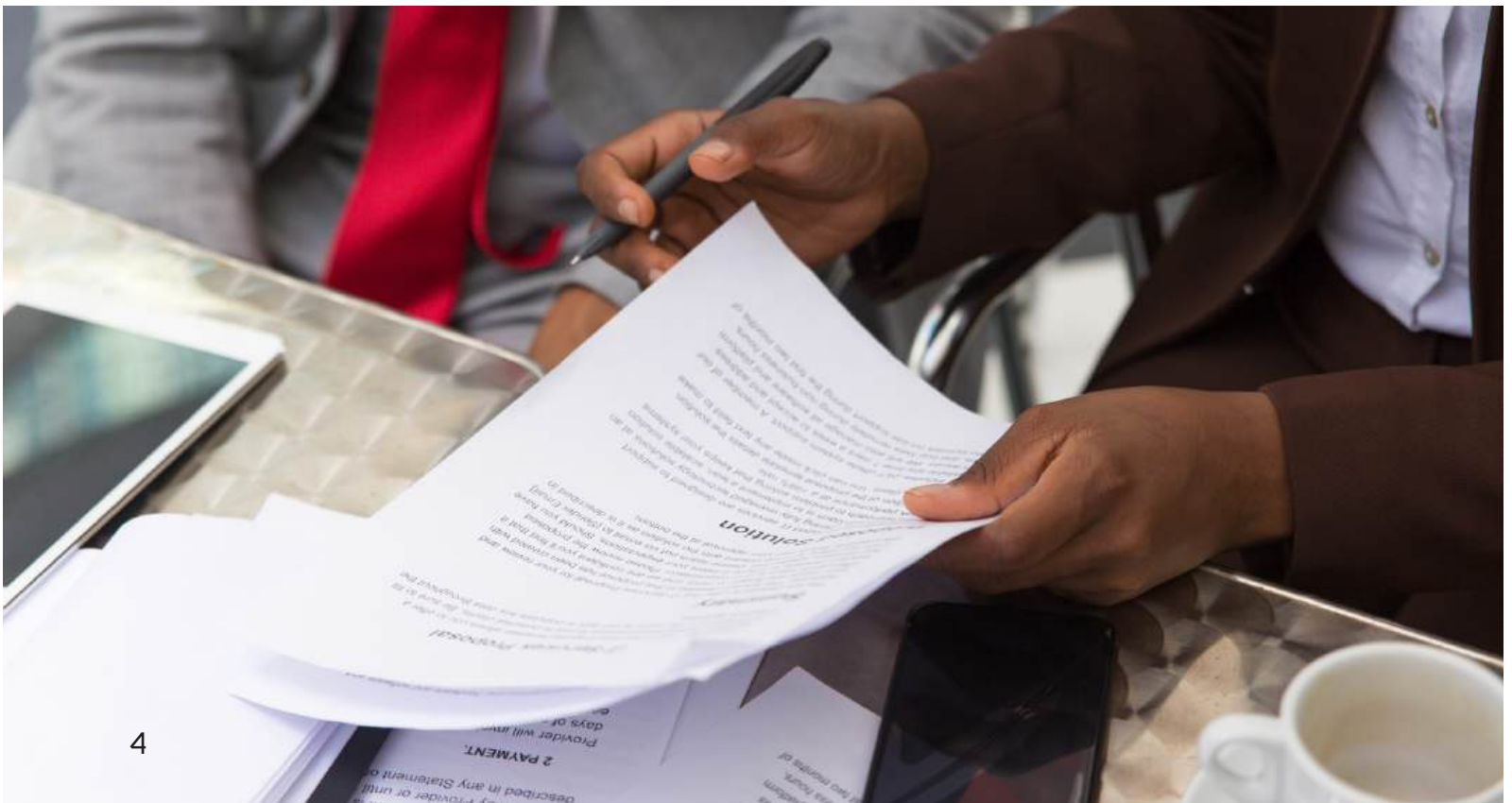
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Bank's 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 Management and Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, 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 interest benefits of such communication.



## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The Companies Act, 2019 - Act 992 requires that in carrying out audit we report on the following:

We confirm that:

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
2. In our opinion proper Accounting records have been kept by the Bank, so far as appears from our examination of those records, and
3. The statement of financial position, the statement of profit or loss and other comprehensive income, the statement of cash flows are in agreement with the Accounting records.

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

1. The financial statements give a true and fair view of the state of affairs as at 31 December 2023 of the Bank and the results for the year ended on that date.
2. We obtained all the information and explanation required for the efficient performance of our audit.
3. The transactions of the Bank are within their powers; and
4. The Bank has generally complied with the provisions of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930); the Anti-Money Laundering Act, 2020 (Act 1044) and the Anti-Terrorism Act, (Act 762).

The Engagement Partner on the audit resulting in this independent auditor's report was Mr. Kwadwo Kwarteng.

*Kwadwo Kwarteng*

**K. and A. Accounting Services (ICAG/F/2023/089)  
(Chartered Accountants)**

**Partner Signing: Kwadwo Kwarteng  
License Number (ICAG/P/1074)  
49 Boundary Road (Coastal)  
Off Spintex Road, Baatsonaa (Accra)**

Date: *29<sup>th</sup> April* .....2024

.....  
K & A ACCOUNTING SERVICES  
CHARTERED ACCOUNTANTS

**ENYAN DENKYIRA RURAL BANK PLC  
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER 2023**

	<u>NOTES</u>	<u>2023</u> <u>GH¢</u>	<u>2022</u> <u>GH¢</u>
Interest Income	3	9,378,390	6,432,981
Interest Expenses	4	<u>(3,414,507)</u>	<u>(2,156,946)</u>
<b>Net Interest Income</b>		<b>5,963,883</b>	<b>4,276,035</b>
Commissions and Fees	5	1,637,337	1,184,324
Other Operating Income	6	<u>351,829</u>	<u>289,752</u>
<b>Total Operating Income</b>		<b>7,953,049</b>	<b>5,750,111</b>
Impairment Gain ( Loss) on Financial Assets	7	(115,552)	(262,732)
Operating Expenses	8	(6,307,952)	(5,020,211)
<b>Operating Profit(Loss)Before Taxation</b>		<b>1,529,545</b>	<b>467,168</b>
Income Tax Expense	19 ( c)	<u>(456,867)</u>	<u>(192,446)</u>
<b>Net Profit (Loss) After Tax</b>		<b><u>1,072,678</u></b>	<b><u>274,722</u></b>
<b>Total Comprehensive Income (Loss)</b>		<b><u>1,072,678</u></b>	<b><u>274,722</u></b>
Transfer to Statutory Reserve		(536,339)	
Transfer to Income Surplus		(536,339)	
Transfer To Statutory Reserve Fund			
Balance As At 31st December			



**ENYAN DENKYIRA RURAL BANK PLC**  
**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023**

**ASSETS****CURRENT ASSETS**

	<b>NOTES</b>	<b>2023</b>	<b>2022</b>
		<b>GHC</b>	<b>GHC</b>
Cash and Short Term Funds	9	3,712,412	2,889,540
Investments	10(a)	13,800,899	10,538,621
Loans and Advances to Customers	11	22,214,538	16,229,173
Other Assets Account	12	1,001,601	1,094,166
		<b>40,729,450</b>	<b>30,751,500</b>
Long Term Investment	13	100,910	69,660
Property, Plant & Equipment	14	1,041,403	964,413
Intangible Asset	15	101,751	117,572
<b>TOTAL ASSETS</b>		<b>41,973,514</b>	<b>31,903,145</b>

**LIABILITIES AND SHAREHOLDERS' FUND****LIABILITIES**

Deposits and Current Accounts	16	33,381,562	24,908,741
Interest Payable and Other Liabilities	17	1,658,146	1,570,366
Borrowings	18	2,041,357	2,377,381
Taxation	19 (a)	364,657	152,641
Deferred Tax Liability	19 (b)	30,797	63,587
<b>TOTAL LIABILITIES</b>		<b>37,476,519</b>	<b>29,072,716</b>

**SHAREHOLDERS' FUNDS**

Stated Capital	20	2,628,820	1,443,611
Preference Shares	20	13	13
Statutory Reserve	21	1,517,824	981,485
Retained Earnings	22	307,268	202,564
Capital Reserves	23	43,070	202,756
<b>TOTAL SHAREHOLDERS' FUNDS</b>		<b>4,496,995</b>	<b>2,830,429</b>

**TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS**

<b>41,973,514</b>	<b>31,903,145</b>
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Approved by the Directors on 30/04/2024 and signed by;

  
 CHAIRMAN

  
 DIRECTOR

**ENYAN DENKYIRA RURAL BANK PLC**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023**

	<u>2023</u>	<u>2022</u>
	<u>GH¢</u>	<u>GH¢</u>
<b><u>CASHFLOW FROM OPERATING ACTIVITIES</u></b>		
Net Profit Before Tax	1,529,545	467,168
<b><u>ADJUSTMENTS TO RECONCILE OPERATING PROFIT TO NET CASH PROVIDED BY OPERATING ACTIVITIES</u></b>		
Depreciation and Amortisation	223,347	222,098
Impairment on Loans and investments	115,552	262,732
Prior year Adjustment	(321,746)	(557,445)
<b><u>CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN OPERATING ASSETS AND LIABILITIES</u></b>	<b>1,546,698</b>	<b>394,552</b>
(Increase)/ Decrease in Loans and Advances to Customers	(6,177,948)	(3,712,365)
(Increase)/Decrease in Investments	(3,262,278)	(1,750,000)
(Increase)/ Decrease in Other Assets	92,565	(138,900)
Increase/ (Decrease) in Deposits Liability	8,472,821	4,332,679
Increase/ (Decrease) in Interest Payable and Other Liabilities	87,780	751,775
Increase/(Decrease ) in Borrowings	(336,024)	1,194,047
	<u>423,615</u>	<u>1,071,789</u>
Corporate Tax Paid	(277,641)	(235,349)
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>145,974</b>	<b>836,441</b>
<b><u>INVESTING ACTIVITIES</u></b>		
Purchase of Property, Plant and Equipment	(398,422)	(184,824)
Acquisition of Intangible Assets	-	-
<b>NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES</b>	<b>(398,422)</b>	<b>(184,824)</b>
<b><u>FINANCING ACTIVITIES</u></b>		
Dividend Paid	(109,889)	(16,812)
Proceeds from Issue of Shares	1,185,209	999
<b>NET CASH (OUTFLOW) FROM FINANCING ACTIVITIES</b>	<b>1,075,320</b>	<b>(15,813)</b>
Net Increase / (Decrease) in Cash and Cash Equivalents	822,872	635,804
Cash and Cash Equivalents as at 1/1/2023	2,889,540	2,253,737
Cash and Cash Equivalents as at 31/12/2023	<u>3,712,412</u>	<u>2,889,540</u>

**ENYAN DENKYIRA RURAL BANK PLC**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>Stated Capital GHC</b>	<b>Preference Shares GHC</b>	<b>Retained Earnings GHC</b>	<b>Statutory Reserve GHC</b>	<b>Capital Reserves GHC</b>	<b>Credit Risk Reserve GHC</b>	<b>Total GHC</b>
Balance as at January 1	1,443,611	13	202,564	981,485	202,756	-	2,830,429
Net Profit for the Year			1,072,678				1,072,678
Transfer to Statutory Reserve			(536,339)	536,339			-
Reversal of Revaluation Gain on Asset			(109,889)		(159,686)		(159,686)
Dividend Payment (2022)			(321,746)				(109,889)
Prior Year Adjustments							(321,746)
Credit Risk Reserve							-
Issue of Shares	1,185,209						1,185,209
<b>Balance as at December 31</b>	<b>2,628,820</b>	<b>13</b>	<b>307,268</b>	<b>1,517,824</b>	<b>43,070</b>	<b>-</b>	<b>4,496,995</b>

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2022**

	<b>Stated Capital GHC</b>	<b>Preference Shares GHC</b>	<b>Retained Earnings GHC</b>	<b>Statutory Reserve GHC</b>	<b>Capital Reserves GHC</b>	<b>Credit Risk Reserve GHC</b>	<b>Total GHC</b>
Balance as at January 1	1,442,612	13	553,968	912,805	202,756	87,009	3,199,163
Net Profit for the Year			274,722				274,722
Transfer to Stated Capital				(68,680)			-
Transfer to Statutory Reserve							-
Prior Year Adjustments							-
Tax Adjustment			(557,445)				(557,445)
Credit Risk Reserve							(87,009)
Issue of Shares	999						999
<b>Balance as at December 31</b>	<b>1,443,611</b>	<b>13</b>	<b>202,564</b>	<b>981,485</b>	<b>202,756</b>	<b>-</b>	<b>2,830,429</b>

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



## CORPORATE INFORMATION

### REGISTRATION AND NATURE OF BUSINESS

Enyan Denkyira Rural Bank Ltd is a company registered under the Companies Act 2019, (Act 992).

Its headquarters is in Enyan Denkyira in the Central Region and has two (2) agencies and three (3) mobilization centers located in Enyan Denkyira, Ajumako, Besease, Mankessim and Abaasa respectively. The nature of the business the bank is authorized to carry on includes the provision of current and deposit as well as savings and time deposit accounts for its customers. It also acts as agent of the other financial institutions in the country, accepts and discounts bills of exchange and provides finance for small scale farmers, merchants, industrialists, etc.

### COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

The bank's financial statements have been prepared in accordance with IFRSs in force as of the reporting date.

International Financial Reporting Standards (IFRSs) comprise IFRS 1 to 16 and International Accounting Standards (IAS) 1 to 41.

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by Enyan Denkyira Rural Bank PLC in the preparation of the financial statements are set out below:

#### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention as modified by the adoption of fair value measurement basis for assets and liabilities in compliance with IFRS requirements.

#### FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in Ghana Cedi (GH¢) which is the functional and presentation currency of the Bank.

## REVENUE RECOGNITION

Revenue is recognized to the extent that the economic benefit will flow to the bank and can be reliably measured. The following specific income recognition criteria have been applied in the financial statements.

1. Interest Income and expenses are recognized on interest bearing assets and liabilities on accrual basis.
2. Commissions and fees income and expenses that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate. Other fees and commission income, including account servicing fees, investment management fees and placement fees, are recognized as the related services are performed.

When a loan commitment is not expected to result in the draw-down of the loan, loan commitment fees are recognized on a straight-line basis over the commitment period.

Other fees and commission expense relates mainly to transaction and service fees, which are expensed as the services are received.

## INCOME TAX

Income Tax in the Profit and Loss Account comprises current tax and deferred tax. Current tax is the tax expected to be payable, under the Internal Revenue Act 2015 (Act 896) as amended, on the taxable profit for the year.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts. Deferred tax liabilities are generally recognized for all taxable temporary differences while deferred tax assets are recognized to the extent that it is probable future taxable profit will be available against which deductible temporary differences can be utilized. Deferred tax is calculated using the rate expected to be applicable in the period during which the asset will be realized or the liabilities settled.

Deferred tax assets and liabilities are offset when they arise in the same tax reporting entities and relate to income taxes of the same taxation authority, and when a legal right to set off exists. The carrying amount of deferred tax assets is reviewed at each balance sheet date and adjusted to the extent that it is no longer probable that sufficient taxable profit will be available for full or partial utilization of the deferred tax asset.

## FINANCIAL INSTRUMENTS

### Initial Recognition and Measurement

Financial instruments are recognized initially when the bank becomes a party to the contractual provisions of the instruments.

The bank classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the instrument. These are initially measured at fair value (including transaction costs for assets and liabilities not measured at fair value through profit or loss).

### Subsequent Measurement

For purposes of subsequent measurement financial assets and financial liabilities are classified as:

- a. Financial assets measured at fair value through profit or loss account
- b. Financial liabilities at fair value through profit or loss account
- c. Financial assets measured at amortized cost
- d. Financial liabilities measured at amortized cost
- e. Financial assets measured at fair value through other comprehensive income.

A financial asset is measured at amortized cost if both the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows
- b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset or financial liability at fair value through profit or loss is one that either:

- i. Is designated as such upon initial recognition, or
- ii. Meets the recognition of 'held for trading'

A financial asset or financial liability is deemed to be 'held for trading' if

- i. It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term,
- ii. on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- iii. it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging contract).

Financial assets and financial liabilities at amortized cost are measured, subsequent to initial recognition, at amortized cost using the 'effective interest method'. The 'effective interest method' is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

Financial assets and liabilities at fair value through profit or loss are measured, subsequent to initial recognition, at fair value with gains or losses recognized in profit or loss. Financial assets and liabilities at fair value through other comprehensive income are measured, subsequent to initial recognition, at fair value with gains or losses recognized in the comprehensive income.

The foregoing classification of financial instruments for purposes of subsequent measurement, are spelt out in IFRS 9 'Financial Instruments' which became effective for annual periods beginning on or after 1st January 2015.

The adoption of this classification in accordance with IFRS 9 'Financial Instruments Disclosures' amounts to be early adoption of IFRS 9.

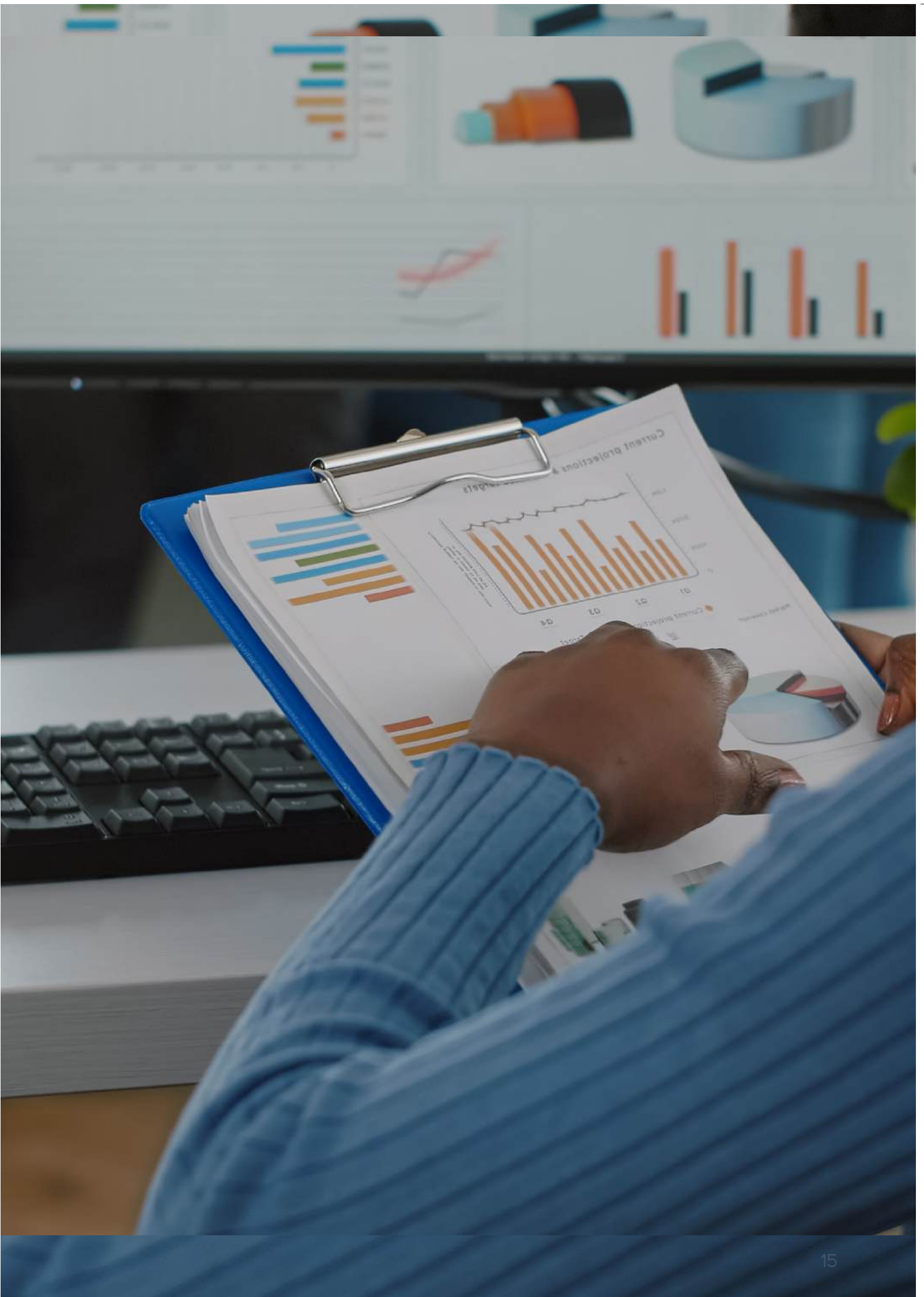
The bank's principal financial assets are investments and loans and advances to customers, cash and cash equivalents, while its principal financial liabilities are customer deposits.

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

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

A financial liability is derecognized when the obligation is discharged, cancelled or has expired.







## THE AMORTIZED COST OF A FINANCIAL ASSET OR FINANCIAL LIABILITY

The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

## FAIR VALUE MEASUREMENT

The bank defines fair value as 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. Fair value measurement assumes an orderly transaction between market participants at the measurement date under current market conditions.

In measuring fair value:

- ▶ The bank takes into account the characteristics of the asset or liability being measured that a market participant would take into account when pricing the asset or liability at the measurement date.
- ▶ The bank determines classes of asset or liability for disclosure purposes on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy within which the fair value measurement is categorized.

## IMPAIRMENT OF FINANCIAL ASSETS

At each balance sheet date, the Bank assesses whether, as a result of one or more events occurring after initial recognition, there is objective evidence that a financial asset or group of financial assets has become impaired.

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

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

For debt instruments and financial assets measured at amortized cost, if there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the income statement.

If, in a subsequent year, the amount of the estimated impairment allowance increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. Assets together with the associated allowances are written off when there is no realistic prospect of future recovery and all collateral have been utilized. If a future write-off is later recovered the recovery is credited to 'credit loss expense'. The present value of the estimated future cash flows is determined using the financial asset's original effective interest rate.

## IMPAIRMENT OF NON-FINANCIAL ASSETS (INCLUDING PROPERTY PLANT & EQUIPMENT (PPE))

The Bank assesses at least at each financial year end whether there is any evidence that non-financial assets (including PPE) may be impaired. Where indicators of impairment exist, an impairment test is performed.

This requires an estimation of the 'value in use' of the asset or the cash-generating units to which the asset belong. Estimating the value in use amount requires management to make an estimate of the expected future cash flows from the asset or the cash generating unit and also to select a suitable discount rate in order to calculate the present value of those cash flows.

## PROPERTY, PLANT AND EQUIPMENT

The Bank recognizes an item of property, plant and equipment as an asset when it is probable that future economic benefits will flow to it and the amount meets the materiality threshold set by the Bank.

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value.

Depreciation is provided on the depreciable amount of each component on a straight-line basis over the anticipated useful life of the asset. The depreciable amount related to each asset is determined as the difference between the cost and the residual value of the asset. The residual value is the estimated amount, net of disposal costs, which the Bank would currently obtain from the disposal of an asset in similar age and condition as expected at the end of the useful life of the asset.

The current annual depreciation rates for each class of property, plant and equipment are as follows:

▶ Motor Vehicle	20%
▶ Building	2.5%
▶ Office Furniture	20%
▶ Equipment	20%
▶ Computers	33.33%
▶ Generator	20%
▶ Intangible Asset	10%

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

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

The recoverable amount of property, plant and equipment is the greater of net selling price and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time

value of money and the risks specific to the asset.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the year the item is derecognized.

### **FOREIGN CURRENCY**

Transactions denominated in foreign currency are translated into Cedis at the rates of exchange ruling on the dates of the transactions.

Assets and liabilities denominated in foreign currencies are translated into Cedis at exchange rates ruling at the balance sheet date.

Any gains or losses resulting from foreign currency translation or exchange are dealt with through the profit and loss account for the year.

### **CASH & CASH EQUIVALENTS**

For the purposes of the statement of cash flows, cash and cash equivalents include cash, balance with ARB Apex Bank, amounts due from other Banks and financial institutions and short term government securities.



## PROVISIONS

The bank recognizes provisions when it has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the bank expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a borrowing cost.

## EVENTS AFTER THE REPORTING PERIOD

Events subsequent to the reporting date are reflected only to the extent that they relate directly to the financial statements and the effect is material.

## USE OF ESTIMATES AND JUDGMENTS

In the preparation of the financial statements, the bank makes estimates and judgments that could affect the reported amounts of assets and liabilities within the next financial year:

Key areas in which judgment is applied include:

- i. Determination of depreciation rates for property, plant and equipment
- ii. Estimation of Provisions
- iii. Determination of contingent liabilities and contingent assets
- iv. Impairment of financial and non-financial assets.

## EMPLOYEE BENEFITS

### Short-Term Benefits

Short-term employee benefits are amounts payable to employees that fall due wholly within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term employee benefits are recognized as an expense in the period when the economic benefit is given, as an employment cost. Unpaid short-term employee benefits as at the end of the accounting period are recognized as an accrued expense and any short-term benefit paid in advance are recognized as prepayment to the extent that it will lead to a future cash refund a reduction in future cash payment.

Wages and salaries payable to employees are recognized as an expense in the income statement at gross amount. The Bank's contribution to social security fund is also charged as an expense.

### Social Security and National Insurance Trust (SSNIT)

Under a National Deferred Benefit Pension Scheme, the Bank contributes 13% of employees' basic salary to SSNIT for employee pensions. The Bank's obligation is limited to the relevant contributions, which are settled on due dates. The pension liabilities and obligations, however, rest with SSNIT.

## NEW STANDARDS AND INTERPRETATIONS

### Standards and Interpretations now effective

The following standard which is relevant to the bank's operations has been published.

#### IFRS 9 Financial Instruments

Under a National Deferred Benefit Pension Scheme, the Bank contributes 13% of employees' basic salary to SSNIT for employee pensions. The Bank's obligation is limited to the relevant contributions, which are settled on due dates. The pension liabilities and obligations, however, rest with SSNIT.

This new standard is the first phase of a three-phase project to replace IAS 39 Financial Instruments: Recognition and Measurement. Phase one deal with the classification and measurement of financial assets. The following are changes from the classification and measurement rules of IAS 39:

- i. Financial assets will be categorized as those subsequently measured at fair value or at amortized cost.
- ii. Financial assets at amortized cost are those financial assets where the business model for managing the assets is to hold the assets to collect contractual cash flows (where the contractual cash flows represent payments of principal and interest only). All other financial assets are to be subsequently measured at fair value.
- iii. Under certain circumstances, financial assets may be designated as at fair value.
- iv. For hybrid contracts, where the host contract is within the scope of IFRS 9, then the whole instrument is classified in accordance with IFRS 9, without separation of the embedded derivative. In other circumstances, the provisions of IAS 39 still apply.
- v. Voluntary reclassification of financial assets is prohibited. Financial assets shall be reclassified if the entity changes its business model for the management of financial assets. In such circumstances, reclassification takes place prospectively from the beginning of the first reporting period after the date of change of the business model.
- vi. Investments in equity instruments may be measured at fair value though. When such an election is made, it may not subsequently be revoked, and gains or losses accumulated in equity are not recycled to profit or loss on de-recognition of the investment. The election maybe made per individual investment.
- vii. IFRS 9 does not allow for investments in equity instruments to be measured at





cost under any circumstances.

The standard was to be effective for annual periods beginning on or after 1st January, 2015. However, with the completion of the project to replace IAS 39 and the issue on 24th July 2014 of IFRS 9 (2014) as a complete standard the new effective date for IFRS 9 was changed to reporting periods beginning on or after 1st January, 2018 with early adoption permitted (subject to local endorsement requirements). This notwithstanding early adoption of the previous versions is permitted for limited periods to 1st February 2015.



	<u>2023</u>	<u>2022</u>
	<u>GHC</u>	<u>GHC</u>
<b>3 <u>INTEREST INCOME</u></b>		
Investment	2,506,686	1,337,399
Advances	6,871,704	5,095,582
<b>TOTAL(PAGE 4)</b>	<b><u>9,378,390</u></b>	<b><u>6,432,981</u></b>
<b>4 <u>INTEREST EXPENSES</u></b>		
Savings	501,883	325,604
Fixed Deposits	2,790,472	1,787,508
Borrowings	122,152	43,834
<b>TOTAL(PAGE 4)</b>	<b><u>3,414,507</u></b>	<b><u>2,156,946</u></b>
<b>5 <u>COMMISSION AND FEES</u></b>		
Commitment Fees	1,508,043	703,006
Commission Received	129,294	481,318
<b>TOTAL(PAGE 4)</b>	<b><u>1,637,337</u></b>	<b><u>1,184,324</u></b>
<b>6 <u>OTHER OPERATING INCOME</u></b>		
Sundry Income	328,212	269,260
Interest Received on Clearing Account	23,617	20,492
<b>TOTAL(PAGE 4)</b>	<b><u>351,829</u></b>	<b><u>289,752</u></b>
<b>7 <u>Impairment Allowance</u></b>		
Provision at the Beginning 1st January,	1,021,534	671,793
Charge for the year	73,883	197,983
Total Impairment(BOG)	1,095,417	869,776
Additional Impairment charge (IFRS)	41,669	151,758
<b>Total</b>	<b><u>1,137,086</u></b>	<b><u>1,021,534</u></b>
Credit Risk Reserve	-	(87,009)
<b>Total Impairment Charge</b>	<b><u>115,552</u></b>	<b><u>262,732</u></b>
<b>8 <u>OPERATING EXPENSES</u></b>		
Staff Cost - Appendix I	2,565,018	2,197,186
Occupancy Cost - Appendix II	482,851	410,478
Administrative and Other Expenses - Appendix III	2,885,931	2,045,565
Directors' Sitting Allowance	72,000	60,000
Audit Fees	50,000	45,000
Depreciation and Amortization	223,347	222,098
Donation	28,805	39,884
<b>TOTAL(PAGE 4)</b>	<b><u>6,307,952</u></b>	<b><u>5,020,211</u></b>



<b>11 LOANS AND ADVANCES TO CUSTOMERS</b>	<b>2023</b>	<b>2022</b>
	<b>GHC</b>	<b>GHC</b>
<b>Analysis by type of customer</b>		
Individuals	19,577,474	13,270,838
Private and Public Enterprises	2,265,862	2,927,948
Staff	1,508,288	1,051,921
Impairment Allowance	<u>(1,137,086)</u>	<u>(1,021,534)</u>
<b>TOTAL(PAGE 5)</b>	<b><u>22,214,538</u></b>	<b><u>16,229,173</u></b>
<b>Analysis by type of Sector</b>		
Agriculture	381,557	205,851
Cottage	2,639,885	2,322,487
Transport, Storage & Communication	102,319	295,179
Trading	6,295,507	4,519,653
Others	<u>13,932,356</u>	<u>9,907,537</u>
	23,351,624	17,250,707
Impairment Allowance	<u>(1,137,086)</u>	<u>(1,021,534)</u>
<b>TOTAL (PAGE 5)</b>	<b><u>22,214,538</u></b>	<b><u>16,229,173</u></b>
<b>Analysis by type of Advance</b>		
Loans	20,613,227	15,696,107
Overdraft	<u>2,738,397</u>	<u>1,554,600</u>
	23,351,624	17,250,707
Impairment Allowance	<u>(1,137,086)</u>	<u>(1,021,534)</u>
<b>TOTAL (PAGE 5)</b>	<b><u>22,214,538</u></b>	<b><u>16,229,173</u></b>
<b>Analysis by Performance</b>		
Performing	22,123,984	16,930,160
Non Performing	<u>1,227,640</u>	<u>320,547</u>
	23,351,624	17,250,707
Impairment	<u>(1,137,086)</u>	<u>(1,021,534)</u>
<b>TOTAL(PAGE 5)</b>	<b><u>22,214,538</u></b>	<b><u>16,229,173</u></b>
<b>Ratio of Non Performing to Total</b>	<b>5.26%</b>	<b>1.86%</b>
<b>12 OTHER ASSETS ACCOUNT</b>		
Stationery Stocks	132,951	159,217
Rent Prepaid	79,680	44,230
ATM Card Stock	959	959
CCC Uncleared Effect Account	5,151	25,573
Insurance prepaid	64,423	58,298
Interest Accrued (Loans)	223,788	148,934
E-Zwich Debit	6,451	28,410
Interest in arrears	374,393	315,788
Office Accounts DR.	44,600	36,747
Refundable Deposit CAGD	10,000	10,000
Interest and Commission Accrued	<u>59,205</u>	<u>266,010</u>
<b>TOTAL(PAGE 5)</b>	<b><u>1,001,601</u></b>	<b><u>1,094,166</u></b>
<b>13 LONG TERM INVESTMENTS</b>		
ARB Apex Bank Ltd	<u>100,910</u>	<u>69,660</u>
<b>TOTAL(PAGE 5)</b>	<b><u>100,910</u></b>	<b><u>69,660</u></b>

**14 PROPERTY, PLANT AND EQUIPMENT-2023**

COST / VALUATION	Bungalow								TOTAL
	Land & Building	Furniture & Fittings	Computers	Furniture & Fittings	Office Equipment	Work-in-Progress	Motor Vehicles	Generator	
	GHC	GHC	GHC	GHC	GHC	GHC	GHC	GHC	GHC
Gross value as at January 1, 2023	630,230	1	321,780	202,929	591,334	-	325,902	188,689	2,260,865
Additions for the Year	35,300		49,751	4,551	180,582	100,000	19,442	8,796	398,422
Reversal on Revaluation Gains	(159,686)				(2,500)				(162,186)
Gross value as at December 31, 2023	<b>505,844</b>	<b>1</b>	<b>371,531</b>	<b>207,480</b>	<b>769,416</b>	<b>100,000</b>	<b>345,344</b>	<b>197,485</b>	<b>2,497,101</b>
<b>ACCUMULATED DEPRECIATION</b>									
Balance as at 01/01/2023	159,435	-	259,905	163,238	269,849	-	299,634	144,392	1,296,453
Charge for the Year	33,935		32,954	16,144	94,859	-	17,286	12,348	207,526
Release	(47,906)				(375)				(48,281)
Balance as at 31/12/2023	<b>145,464</b>	<b>-</b>	<b>292,859</b>	<b>179,382</b>	<b>364,333</b>	<b>-</b>	<b>316,920</b>	<b>156,740</b>	<b>1,455,698</b>
<b>CARRYING AMOUNT</b>									
Balance as at 31/12/2023	<b>360,380</b>	<b>1</b>	<b>78,672</b>	<b>28,098</b>	<b>405,083</b>	<b>100,000</b>	<b>28,424</b>	<b>40,745</b>	<b>1,041,403</b>

## 14 (b) PROPERTY, PLANT AND EQUIPMENT-2022

COST / VALUATION	Bungalow							TOTAL GH¢
	Land & Building GH¢	Furniture & Fittings GH¢	Computers GH¢	Furniture & Fittings GH¢	Office Equipment GH¢	Motor Vehicles GH¢	Generator GH¢	
Gross value as at January 1, 2022	608,227	1	306,815	200,369	475,539	305,402	188,690	2,085,043
Additions for the Year	22,003		14,965	2,560	115,794	29,500	-	184,823
Disposal						(9,000)	-	(9,000)
<b>Gross value as at December 31, 2022</b>	<b>630,230</b>	<b>1</b>	<b>321,780</b>	<b>202,929</b>	<b>591,333</b>	<b>325,902</b>	<b>188,690</b>	<b>2,260,866</b>
<b>ACCUMULATED DEPRECIATION</b>								
Balance as at 01/01/2022	122,705	-	207,873	149,260	209,269	281,764	128,305	1,099,176
Charge for the Year	36,730		52,033	13,978	60,580	26,870	16,087	206,277
Disposal						(9,000)		(9,000)
<b>Balance as at 31/12/2022</b>	<b>159,435</b>	<b>-</b>	<b>259,906</b>	<b>163,238</b>	<b>269,849</b>	<b>299,634</b>	<b>144,392</b>	<b>1,296,453</b>
<b>CARRYING AMOUNT</b>								
Balance as at 31/12/2022	470,795	1	61,874	39,691	321,484	26,268	44,298	964,413

**15 INTANGIBLE ASSET**

COST / VALUATION	T24 LICENSE	TOTAL
	<u>GHc</u>	<u>GHc</u>
Gross value as at January 1, 2023	158,208	158,208
Additions for the Year	-	-
<b>Gross value as at December 31, 2023</b>	<b><u>158,208</u></b>	<b><u>158,208</u></b>
	345,344	
<b>ACCUMULATED AMORTIZATION</b>		
Balance as at 01/01/2023	40,636	<b>40,636</b>
Charge for the Year	15,821	15,821
<b>Balance as at 31/12/2023</b>	<b><u>56,457</u></b>	<b><u>56,457</u></b>
<b>CARRYING AMOUNT</b>		
<b>Balance as at 31/12/2023</b>	<b><u>101,751</u></b>	<b><u>101,751</u></b>
<b>Balance as at 31/12/2022</b>	<b><u>117,572</u></b>	<b><u>117,572</u></b>



**ENYAN DENKYIRA RURAL BANK PLC**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023**

<b>Continued</b>		<b>2023</b>	<b>2022</b>
		<b>GHC</b>	<b>GHC</b>
<b>16</b>	<b><u>DEPOSIT ACCOUNTS</u></b>		
	Savings Accounts	11,139,984	9,889,780
	Current Account Deposit	4,652,795	3,757,408
	Time Deposits	14,358,437	9,262,255
	Susu Accounts and E-Zwich	3,230,346	1,999,298
	<b><u>TOTAL(PAGE 5)</u></b>	<b><u>33,381,562</u></b>	<b><u>24,908,741</u></b>
<b>17</b>	<b><u>INTEREST PAYABLE AND OTHER LIABILITIES</u></b>		
	Office Account	106,045	-
	Audit Fees	50,000	45,000
	Payment Orders / Bills payable	14,493	9,292
	Interest Suspense	237,335	173,737
	Accrued Interest	447,335	288,765
	Unearned Discount on Treasury Bills	484,370	495,600
	Group Welfare Fund	-	3,221
	Dividend Payable	112,528	2,654
	Provisions	8,583	-
	Unearned Interest	179,379	179,063
	Upgrade Suspense	18,078	14,222
	Sundry Liabilities (Tax Audit)	-	358,812
	<b><u>TOTAL(PAGE 5)</u></b>	<b><u>1,658,146</u></b>	<b><u>1,570,366</u></b>
<b>18</b>	<b><u>BORROWINGS</u></b>		
	Other Sources (REDF)	1,927,960	2,185,200
	Loans for Mankessim Mobilisation centre	38,694	105,027
	Loan for NIA Device	74,703	87,154
		<b><u>2,041,357</u></b>	<b><u>2,377,381</u></b>
<b>19 (a)</b>	<b><u>CURRENT TAX</u></b>	<b><u>Bal. at 1st</u></b>	<b><u>Bal. at 31</u></b>
		<b><u>Years</u></b>	<b><u>Dec.</u></b>
		<b><u>Jan.</u></b>	<b><u>GHC</u></b>
		<b><u>GHC</u></b>	<b><u>GHC</u></b>
		<b><u>Tax Charge</u></b>	<b><u>Tax Paid</u></b>
		<b><u>GHC</u></b>	<b><u>GHC</u></b>
	Up To	2021	-
		2022	152,641
		2023	-
		489,657	(152,641)
		(125,000)	-
	<b><u>TOTAL (PAGE 5)</u></b>	<b><u>152,641</u></b>	<b><u>364,657</u></b>
		<b><u>489,657</u></b>	<b><u>(277,641)</u></b>
		<b><u>(277,641)</u></b>	<b><u>364,657</u></b>
<b>19 (b)</b>	<b><u>DEFERRED TAX</u></b>	<b><u>2023</u></b>	<b><u>2022</u></b>
		<b><u>GHC</u></b>	<b><u>GHC</u></b>
	Balance as at 1st January,	63,587	73,782
	Charge for the Year	(32,789)	(10,195)
	<b>Balance as at 31st December,</b>	<b><u>30,797</u></b>	<b><u>63,587</u></b>
<b>19 (c)</b>	<b><u>INCOME TAX EXPENSE</u></b>	<b><u>2023</u></b>	<b><u>2022</u></b>
		<b><u>GHC</u></b>	<b><u>GHC</u></b>
	Current Tax Charge	489,657	202,641
	Deferred Tax Charge	(32,789)	(10,195)
	<b><u>TOTAL (PAGE 5)</u></b>	<b><u>456,867</u></b>	<b><u>192,446</u></b>
<b>19(d)</b>	<b><u>RECONCILIATION OF TAX EXPENSE TO PRODUCT OF ACCOUNTING PROFIT AND APPLICABLE RATE</u></b>	<b><u>2023</u></b>	<b><u>2022</u></b>
		<b><u>GHC</u></b>	<b><u>GHC</u></b>
	Profit Before Taxation	1,529,545	467,168
	Tax @ Applicable Rate @ 25%	382,386	116,792
	Add / Deduct: Tax Effect of Non-Deductible Expenses	91,926	131,178
	Tax Effect of Capital Allowances	(51,524)	(45,329)
	Add Origination of Temporary Difference	(32,789)	(10,195)
	<b>TOTAL INCOME TAX EXPENSE</b>	<b><u>389,999</u></b>	<b><u>192,446</u></b>
	<b>Effective Tax Rate</b>	<b><u>25%</u></b>	<b><u>41%</u></b>

**20 STATED CAPITAL**

The Bank is registered with an authorised capital of Ordinary Shares of no par value.

<b>ISSUED SHARES</b>	<b><u>2023</u></b>	<b><u>2023</u></b>	<b><u>2022</u></b>	<b><u>2022</u></b>
	<b><u>Number</u></b>	<b><u>GHC</u></b>	<b><u>Number</u></b>	<b><u>GHC</u></b>
Issued				
Preference Shares	125,000	13	125,000	13
Ordinary Shares				
Balance at 1st January	11,617,470	1,443,611	11,485,810	1,442,612
Issue for Cash Consideration	7,901,393	1,185,209	6,660	999
Transfer from Retained Earnings	-	-	-	-
Balance at 31st December	<u>19,518,863</u>	<u>2,628,820</u>	<u>11,492,470</u>	<u>1,443,611</u>
Preference and ordinary shares	<u><b>19,643,863</b></u>	<u><b>2,628,833</b></u>	<u><b>11,617,470</b></u>	<u><b>1,443,624</b></u>

There is no share in treasury and no call or installments unpaid on any share.

**21 STATUTORY RESERVE FUND-GHC1,517,823 (GHC981,485-2022)**

The Statutory Reserve Fund is non-distributable reserve required by section 34 of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). This Statutes requires a mandatory transfer of a specified percentage of profit after tax, before declaring dividends to a non-distributable statutory reserve fund. The transfer to statutory reserve fund represents 50% of the Bank's profit after tax. The Bank transferred an amount of GHC536,338 to the Statutory reserve fund.

**22 RETAINED EARNINGS-GHC307,267 (202,564)**

This represents the residual of cumulative annual profits that are available for distribution to Shareholders.

**23 CAPITAL RESERVES**

This amount comprise revaluation of property ,plant and equipment

**24 REGULATORY CREDIT RISK RESERVE FUND**

This represents excess provision for impairment as calculated under Bank of Ghana Regulations over the provision as determined under IFRS impairment rules.

**25 CONTINGENCIES AND CAPITAL EXPENDITURE COMMITMENTS**

There were neither contingent liabilities nor contingent assets as at the balance sheet date.

**26 CAPITAL EXPENDITURE COMMITMENTS**

There were no capital commitments as at the balance sheet date.

**27 PROPOSED DIVIDEND**

The Board of Directors have proposed a Dividend of GHC 203,256 on the Bank's Retained Earnings for year 2023.

**28 RELATED PARTY TRANSACTIONS**

Advances include the following amounts lent to related parties.

	<b><u>2023</u></b>	<b><u>2022</u></b>
	<b><u>GHC</u></b>	<b><u>GHC</u></b>
Staff	1,508,288	1,051,921
Employees	<u>1,508,288</u>	<u>1,051,921</u>
<b>Remuneration of Directors</b>	<u><b>72,000</b></u>	<u><b>60,000</b></u>

Staff loans is at 10% per annum which differs from arms length transaction.

29

**VALUE ADDED STATEMENT**

	<b>2023</b>	<b>2022</b>
	<b>GHC</b>	<b>GHC</b>
Interest earned and other operating income	11,367,556	7,907,057
Direct cost of services	(6,862,094)	(4,697,873)
<b>Value added by banking services</b>	<b>4,505,462</b>	<b>3,209,184</b>
Impairment	(115,552)	(262,732)
<b>Value added</b>	<b>4,389,910</b>	<b>2,946,452</b>
<b>Distributed as follows:</b>		
To Employees:	4,389,910	2,946,452
Directors	(72,000)	(60,000)
Other Employees	(2,565,018)	(2,197,186)
<b>To Government:</b>		
Income Tax	(456,867)	(192,446)
<b>To Providers of Capital:</b>		
Dividends to Shareholders	-	-
<b>To expansion and growth:</b>		
Depreciation and Amortization	(223,347)	(222,098)
Amortisation		
<b>Retained Earning</b>	<b>1,072,677</b>	<b>274,722</b>

**30 QUANTITATIVE DISCLOSURES**

	<b>2023</b>	<b>2022</b>
Capital Adequacy Ratio	13.16%	10.91%
Loan Impairment Provision Ratio	5.12%	6.29%
Gross Non-Performing Ratio	5.26%	1.86%

**31 Adjustments for the year**

	<b>2023</b>
	<b>GHC</b>
Interest in Arrears on NPL Rectified	(132,755)
Reversal of Samsung Tv Donated TV to Ekumfi GES Dist.	(2,500)
Reversal of Depreciation charges on Samsung Tv	375
Reversal of Revaluation Gains on Office Building since 2011	47906
Reversal of Provision for Bad Debt to Profit & Loss A/c	66,883
Reversal of wrong entry passed against 2023	(50,000)
Being write off Amortization Expenses	(251,655)
<b>Total (Page 6)</b>	<b>(321,746)</b>

**32 SHAREHOLDER INFORMATION****Top 20 Ordinary Shareholders**

<b>Name</b>	<b>Number of Shares</b>	<b>Percentage (%) of Total Shares</b>
SMK IMPEX LIMITED	7,845,060	40.00
Siisi Crenstil	2,999,042	15.71
Clarus Kobina Sekyi	1,239,687	6.37
Kwesi Sam-Woode	1,165,600	5.99
W.P. Bray	695,167	3.57
Araba Amissah	533,262	2.74
John Kofi Mensah	343,633	1.77
Kofi Ampiaw Osei	313,255	1.61
Ekow Nkrumah	278,861	1.43
J.Nkum Okyere	210,582	1.08
Anaku Education Fund	179,502	0.92
Albert K. Koomson(Twafo Nsona Clan)	165,224	0.85
Andrew kobina Koomson	145,700	0.75
John Benjamin Addo	130,152	0.67
Grace Veronica Hammond	101,990	0.52
Kweku Gyasi Essel	95,288	0.49
Prof. Josephine Nketsia-Tabiri	78,765	0.40
Peter Nyanful	72,850	0.37
Samuel Wilberfore Mensah	59,746	0.31
J.M. Dadzie	58,767	0.30
	<b>16,712,133</b>	<b>85.85</b>

**Directors Shareholding**

	<b>Number of Shares</b>	<b>Percentage( %) Holding</b>
Mr. Siisi Crenstil	2,999,042	15.71
Dr. John Kofi Mensah	343,633	1.77
Mr. Matthew Ewudzie Arthur	13,300	0.07
Mr. Frank Jones Abban	10,000	0.05
Mr. Kojo Essamuah Sam-Woode	10,000	0.05
	<b>3,375,975</b>	<b>17.65</b>

## RISK MANAGEMENT

The nature of the Bank's operations exposes it to various types of risk. The risks emanating from financial instruments to which the bank is exposed are credit risk, market risk and liquidity risk. Other risks include operational risk and interest rate risk.

### Credit Risk

Credit risk arises from the potential that a debtor or counterparty is either unwilling or unable to perform an obligation resulting in economic loss to the Bank. The principal sources of credit risk inherent in the bank's operations are balances with the Banks, loans and advances to customers and investments. To minimize the risk from these sources the Bank only deposits cash, with grants credits and restricts investments to major Banks, institutions and individuals of good repute and high credit standing.

### Market Risk

Market risk is the potential of losses arising from movements in market prices such as interest rates, exchange rates, and equity and commodity prices. The bank's current operation exposes it to interest rate risk. The interest rate risk is inherent in the Bank's investments with other financial institutions which are affected by changes in interest rates by the Bank of Ghana. The bank manages this risk by closely monitoring the inflation rates and other economic indicators that are germane, with a view to avoiding or minimizing losses arising from interest rate risk.

### Liquidity Risk

Liquidity risk is the risk that the bank will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The bank manages liquidity risk through an ongoing review of future commitments and credit facilities. The bank has minimized its liquidity risk by ensuring that it has adequate banking funds.

### Operational Risk

Operational risk is the potential for loss from failed systems and processes, staff incompetence and misconduct and uncontrolled external events. These risks are monitored and controlled in the Bank through well designed operating manuals that reflect the main operating procedures, business continuity planning, reconciliations, internal audit and timely and reliable management reporting.

### Interest Rate Risk

Interest rate risk is the only financial risk that has a materially different impact across the assets and liabilities categorized in the Bank's assets and liabilities management framework.

## CAPITAL

### The Objectives of Capital Management

The primary objective of capital management in the Bank is to ensure that:

- it complies with the minimum stated capital requirement of Bank of Ghana and the regulatory capital requirement that enables it to meet the minimum Capital adequacy Ratio requirements of Bank of Ghana.
- its operations would assure it of increasing level of profitability and shareholder value the achievement of the above objectives is monitored through regular reports on the performance of the Bank and the Bank's returns submitted to Bank of Ghana regularly.

### Capital Description

The Bank's Capital is its Shareholders' funds comprising Stated Capital, Reserves and Income Surplus, which includes current and previous year's retained earnings.



**ENYAN DENKYIRA RURAL BANK PLC**  
**COMPUTATION OF CAPITAL ALLOWANCE FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>POOL 1</b>	<b>POOL 2</b>	<b>POOL 3</b>	<b>POOL 4</b>	<b>T/24 SOFTWARE</b>	<b>TOTAL</b>
	<b>40%</b>	<b>30%</b>	<b>20%</b>	<b>10%</b>	<b>1/10</b>	
	<b>GHC</b>	<b>GHC</b>	<b>GHC</b>	<b>GHC</b>	<b>GHC</b>	<b>GHC</b>
W.D.V 1/1/2023	48,157	25,864	452,368	95,745	205,503	827,638
Additions	<u>49,751</u>	<u>19,442</u>	<u>193,929</u>	<u>35,300</u>	<u>-</u>	<u>298,422</u>
	<b>97,908</b>	<b>45,306</b>	<b>646,297</b>	<b>131,045</b>	<b>205,503</b>	<b>1,126,060</b>
Less Capital All.	<u>39,163</u>	<u>13,592</u>	<u>129,259</u>	<u>3,530</u>	<u>20,550</u>	<u>206,095</u>
<b>W.D.V 31/12/2023</b>	<b><u>58,745</u></b>	<b><u>31,714</u></b>	<b><u>517,038</u></b>	<b><u>127,515</u></b>	<b><u>184,953</u></b>	<b><u>919,965</u></b>

**INCOME TAX COMPUTATION-2023**

	<b>2023</b>	<b>2022</b>
	<b>GHC</b>	<b>GHC</b>
Net Profit / (Loss) before tax	1,529,545	467,168
Add back:		
Depreciation and Amortization	223,347	222,098
Donations	28,805	39,884
Impairment Loss	115,552	262,732
Penalty	12,000	-
<b>Assessable Income</b>	<b><u>1,909,249</u></b>	<b><u>991,882</u></b>
<b>Less : Capital Allowance</b>	<b><u>(206,095)</u></b>	<b><u>(181,316)</u></b>
<b>Chargeable Income</b>	<b><u>1,703,154</u></b>	<b><u>810,566</u></b>
<b>Tax Charge @ 25%</b>	<b>425,788</b>	<b>202,641</b>
<b>Growth and Sustainability Levy @ 5%</b>	<b>63,868</b>	<b>-</b>

**DEFERRED TAX COMPUTATION**

	<b>2023</b>	<b>2022</b>
	<b>GHC</b>	<b>GHC</b>
Carrying Amount of Property, Plant and Equipment	1,041,403	964,413
Carrying Amount of Intangible Asset-31-Dec.-2023	101,751	117,572
Less: Work-in-Progress	(100,000)	-
<b>Net Carrying Amount as @ 31-Dec. 2023</b>	<b>1,043,154</b>	<b>1,081,985</b>
Less: Carrying fwd of Capital Allowance-31 Dec.- 2023	(919,965)	(827,638)
<b>Temporary Difference</b>	<b>123,189</b>	<b>254,347</b>
<b>Deferred Tax Liability @ 25%</b>	<b><u>30,797</u></b>	<b><u>63,587</u></b>

**SCHEDULE OF APPENDICES FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>2023</b>	<b>2022</b>
	<b>GH¢</b>	<b>GH¢</b>
<b><u>APPENDIX I – STAFF COST</u></b>		
Salaries	2,077,453	1,840,423
Staff Training Expenses	81,331	74,865
Staff Medical	71,246	42,660
Clothing Allowance	67,486	52,663
Bonus	135,732	78,984
SSF Employer Contribution	<u>131,770</u>	<u>107,591</u>
<b><u>TOTAL (PAGE 16)</u></b>	<b><u>2,565,018</u></b>	<b><u>2,197,186</u></b>
<b><u>APPENDIX II- OCCUPANCY COST</u></b>		
Rent, Rates and Taxes	36,150	35,695
Electricity and Water Expenses	161,603	123,878
Generator Expenses	57,266	61,141
Police Guard and Private Security	<u>227,832</u>	<u>189,764</u>
<b><u>TOTAL (PAGE 16)</u></b>	<b><u>482,851</u></b>	<b><u>410,478</u></b>
<b><u>APPENDIX III - ADMINISTRATIVE AND OTHER EXPENSES</u></b>		
Board Meeting Expenses	360,554	189,736
Travelling and Transport	251,630	170,400
Specie Movement	22,575	37,410
Printing and Stationery	228,280	175,548
Postal and Telecommunications	38,965	38,936
Annual General Meeting Expenses	144,570	62,900.00
Insurance	167,280	109,711
Periodicals and Subscriptions	40,108	15,583
Mobilisation Expenses	443,260	195,598
Motor Vehicle Running Expenses	284,011	285,774
Office Expenses	177,645	203,809
Bank Charges	2,231	1,235
Penalties	12,000	-
Computerization Expenses	368,402	209,885
Motor Bike Expenses	-	22,923
Sundry Expenses (OEX)	139,278	164,831
Business Promotion	47,113	31,015
Legal Expenses	18,885	32,333
Entertainment	2,800	-
Audit Expenses	22,375	9,200
Repairs & Maintenance	98,657	67,406
Cheque Clearing Expenses	13,548	10,523
Cashiers Shortages	-	400
Loan Recovery Expenses	1,764	10,409
<b><u>TOTAL (PAGE 16)</u></b>	<b><u>2,885,931</u></b>	<b><u>2,045,565</u></b>



**ENYAN DENKYIRA RURAL BANK PLC**  
**CAPITAL ADEQUACY FOR THE YEAR ENDED 31ST DECEMBER 2023**

<u>ITEM</u>	<u>2023</u> GH¢	<u>2022</u> GH¢
1 Paid-Up Capital	2,628,833	1,443,624
2 Disclosed Reserves	1,868,162	1,386,805
3 <b>Tier 1 Capital (1+2)</b>	4,496,995	2,830,429
<b><u>Less:</u></b>		
4 Goodwill/Intangibles – Preliminary Expenses		
5 Losses not Provided For		
6 Investments in Unconsolidated Subsidiaries		
7 Investment in the capital of other Banks & Fin Insts.	100,910	69,660
8 Connected Lending of Long Term Nature		
9 <b>Net Tier 1 Capital (3-4-5-6-7-8)</b>	4,396,085	2,760,769
<b><u>Add:</u></b>		
10 Revaluation Reserves		
11 Subordinated Term Debt (Limited to 50% of 3)		
12 Hybrid Capital		
13 <b>Tier 2 Capital (9+10+11+12)(Limited to 100% of 3)</b>		
14 <b>ADJUSTED CAPITAL BASE (9 +12)</b>	4,396,085	2,760,769
15 TOTAL ASSETS(Less contra items)	41,973,514	31,903,145
<b><u>Less:</u></b>		
16 Cash on Hand	1,200,663	1,436,152
<b><u>Claim on Banks:</u></b>		
17 i. 5% Deposit ARB	1,618,238	1,140,898
18 ii. Clearing Account Balance	(41,358)	88,420
19 iii. ACOD and REPO	2,950,000	850,000
20 iv. Balances with other Banks	934,869	201,809
<b><u>Claims on Government</u></b>		
21 i) Treasury Securities (Bills and Bonds)	8,300,000	8,000,000
22 ii) Stocks –Call Account		
23 80% of Cheques drawn on other banks		
24 Goodwill/Intangibles		
25 Investments in Unconsolidated Subsidiaries		
26 Investments in the Capital of Other Banks & Fin Institutions	100,910	69,660
27 Connected Lending of Long Term Nature		
28 80% of claims on Discount Houses		
29 80% of claims on Other Banks	2,040,719	1,350,897
30 50% of claims on Other Insts. (Public Sector)		
31 80% of loans guaranteed by government		
32 80% of loans guaranteed by multilateral banks		
33 50% of Residential Mortgage Loans		
34 50% of Export Financing Loans		
35 <b>Adjusted Total Assets (15-(16+17 to 34)</b>	24,786,757	18,765,309
<b><u>Add:</u></b>		
36 100% of 3yrs Average Annual Gross Income	8,624,358	6,548,059
37 <b>ADJUSTED ASSET BASE (35+36)</b>	33,411,115	25,313,368
38 Adjusted Capital Base as percentage of	13.16%	10.91%
39 <b>CAPITAL SURPLUS/DEFICIT (14 – (10% of 35)</b>	1,054,973	229,432

**ENYAN DENKYIRA RURAL BANK PLC**  
**LIQUIDITY RATIO FOR THE YEAR ENDED 31ST DECEMBER 2023**

	<u>2023</u>	<u>2022</u>
	<u>GHC</u>	<u>GHC</u>
<b><u>DEPOSITS</u></b>		
1 Demand Deposit	4,652,795	3,757,408
2 Savings Deposit	11,139,984	9,889,780
3 Time Deposit	14,358,437	9,262,255
4 Other Deposit	3,230,346	1,999,298
5 Sub-Total (1+2+3+4)	<u><u>33,381,562</u></u>	<u><u>24,908,741</u></u>
<b><u>LIQUID ASSETS (ACTUAL)</u></b>		
<b><u>A PRIMARY</u></b>		
6 Cash on Hand	1,200,663	1,436,152
7 ACOD	2,950,000	850,000
8 Other Banks Balances	2,511,749	1,431,127
9 Sub - Total (6+7+8)	<u><u>6,662,412</u></u>	<u><u>3,717,279</u></u>
<b><u>B SECONDARY</u></b>		
10 Call Account	-	-
11 Other Investments	2,550,899	1,688,621
12 Treasury Bills	8,300,000	8,000,000
13 Total (10+11+12)	<u><u>10,850,899</u></u>	<u><u>9,688,621</u></u>
14 Primary Reserve % of 9/5	19.96	14.92
15 Secondary Reserve % of 13/5	32.51	38.90
<b><u>Required Reserves</u></b>		
16 Primary 13% ( of No. 5)	4,339,603	3,238,136
17 Secondary 30% (of No. 5)	10,014,469	7,472,622
<b><u>EXCESS RESERVES</u></b>		
<b><u>Primary Reserve</u></b>		
18 Available Reserve (No. 9)	6,662,412	3,717,279
19 Required Reserve (No. 16)	4,339,603	3,238,136
20 Excess Reserve (18-19) (i)	<u><u>2,322,809</u></u>	<u><u>479,143</u></u>
<b><u>Secondary Reserve</u></b>		
21 Available Reserve (No. 13)	10,850,899	9,688,621
22 Required Reserve (No. 17)	10,014,469	7,472,622
Excess Reserve (21 - 22) (ii)	<u><u>836,430</u></u>	<u><u>2,215,999</u></u>
<b><u>TOTAL EXCESS/(DEFICIT) RESERVE</u></b>		
Total Excess/(Deficit) Reserves (i) + (ii)	<u><u>3,159,239</u></u>	<u><u>2,695,142</u></u>



# PROXY AUTHORISATION



I/We.....or.....  
 being a member .....hereby appoint.....  
 of.....or failing  
 him/her .....of.....  
 ..... as my/our proxy to vote on my/our behalf at the Annual General Meeting of  
 Enyan Denkyira Rural Bank Plc to be held on Saturday, 6th July, 2024 at Nsaakoah Hotel,  
 Ajumako Onwane and any adjournment thereof.

This 6th June, 2024

Signed:.....

