

**SOUTH BIRIM RURAL BANK PLC**

**FINANCIAL STATEMENTS**

**31<sup>ST</sup> DECEMBER, 2024**



**BENNING, ANANG & PARTNERS**

**(Chartered Accountants and Management Consultants)**

**Adjacent TotalEnergies Filling Station**

**Pigfarm Junction**

**C135 Olusegun Obasanjo Road**

**P. O. Box AN 12266**

**Accra-North**

**Ghana**

**SOUTH BIRIM RURAL BANK PLC**  
**FINANCIAL STATEMENTS 2024**

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## **SOUTH BIRIM RURAL BANK PLC**

### **CORPORATE INFORMATION**

**Directors:**

Mr. Paul Asiedu	-	Chairman – Appointed May 2024
Mr. Augustus Ennin Attafuah	-	Vice Chairman
Mrs. Bernadette Addo-Dankwa	-	Member
Ms Lucy Aboagye-Nuamah	-	Member
Mr. Emmanuel Odoom	-	Member
Mr. George Niako	-	Member

**Secretary:** Candy Frimpong Boakye

**Registered office:** House No. 56, Opposite Achiase PBC  
P.O. Box 60  
Akim Achiase  
Eastern Region  
Ghana

**Digital Address:** EZ-0478-9571

**Auditors:** Benning, Anang & Partners  
Chartered Accountants and Management Consultants  
Adjacent TotalEnergies Filling Station  
Pigfarm Junction  
C135 Olusegun Obasanjo Road  
Accra

**Bankers:** ARB Apex Bank PLC, Accra  
National Investment Bank Limited (NIB), Akim Oda  
SDC Finance Company Limited

## **SOUTH BIRIM RURAL BANK PLC**

### **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 39<sup>th</sup> Annual General Meeting of the South Birim Rural Bank PLC will be held on ..... at Bank premises, Akim Achiase, Eastern Region at 10.00 a.m. to transact the following Business.

#### **Agenda**

1. To receive and adopt the Report of Directors and the Financial Statements for the year ended 31<sup>st</sup> December, 2024 together with the Auditors' Report thereon.
2. To elect Directors in place of retiring Directors.
3. To approve Directors remuneration.
4. To authorize directors to appoint auditors.
5. To authorize Directors to fix the remuneration of the Auditors.
6. To transact any other business appropriate to be dealt with at an Annual General Meeting.

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

By Order of the Board

(Sgd)

.....  
Secretary

Dated this .....2025.



## **SOUTH BIRIM RURAL BANK PLC**

### **REPORT OF DIRECTORS**

The Directors in submitting to the shareholders their report and Financial Statements of the Bank for the year ended 31<sup>st</sup> December, 2024 report as follows:

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

The Bank's Directors are responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2019 (Act 992), and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930); and for such internal control as the Directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

#### **Financial Result**

**GH¢**

Profit for the year ended 31 <sup>st</sup> December, 2024 before taxation is	5,334,172
from which is deducted taxation of	(1,660,542)
giving a profit for the year after taxation	3,673,630
to which is added balance brought forward on retained earnings of	3,766,170
Prior year adjustment of	(576,777)
giving a balance before distribution of	6,863,023
transfer to statutory reserve fund of	(459,204)
leaving a balance carried forward on retained earnings of	6,403,819

#### **Nature of Business**

The Bank is licensed to carry out the business of Banking in Ghana. There was no change in the nature of the Bank's business during the year.

#### **Corporate Social Responsibilities**

The Bank spent a total of GH¢39,340 on corporate social responsibilities during the year. These are mainly in the form of sponsorships of major social events.

#### **Audit fee payable**

The audit fee payable as at the date of this report amounted to GH¢48,000.

#### **Capacity of directors**

The Bank ensures that only fit and proper persons are appointed to the Board after obtaining the necessary approval from the regulator, Bank of Ghana. Relevant training and capacity building programs, facilitated by the Ghana Banking College and the Bank of Ghana, are put in place to enable the directors discharge their duties. Many of the directors have been certified for attending such training during the year.

#### **Directors**

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

## **SOUTH BIRIM RURAL BANK PLC**

### **REPORT OF DIRECTORS (continued)**

#### **Profile of Directors of the Bank**

##### **Mr. Paul Asiedu**

Mr. Asiedu was appointed to the Board of Directors in 2019 and appointed the Board Chairman in May 2024. He has Teacher's Certificate A qualification and holds a Diploma in Public Administration from the University of Ghana, Legon.

##### **Mr. Augustus Ennin Attafuah**

Mr. Attafuah was appointed to the Board of Directors in 2015. He holds a BA (Hons) from University of Cape Coast and MPHIL (ED Admin) also from the University of Cape Coast. He is a Lawyer with BL from Ghana School of Law.

##### **Mrs. Bernadette Addo-Dankwa**

Mrs. Addo-Dankwa was the Chairperson of the Board of Directors from November 2019 to April 2024. She is a senior official at National Investment Bank Limited. She holds a BSc Admin. (Banking and Finance) and an MBA Finance from the University of Ghana, Legon.

##### **Ms. Lucy Aboagye-Nuamah**

She was appointed in 2015. She holds Bachelor of Commerce Degree from the University of Cape Coast, MBA (Banking & Finance) from Kwame Nkrumah University of Science & Technology, Chartered Accountant from the Institute of Chartered Accountants, Ghana and a member of Chartered Institute of Taxation.

##### **Mr. Emmanuel Odoom**

Mr. Odoom was appointed in 2019. He holds HND (Marketing) from Accra Technical University, BSc Marketing from University of Cape Coast and MPHIL (Health Service Management) from the University of Ghana.

##### **Mr. George Niako**

He was appointed in 2019. He holds HND (Electric Power) from Accra Technical University and Postgraduate Certificate in Finance and Administration from University of Liverpool.

#### **Profile of Key Management Personnel**

##### **Chief Executive Officer- Ms. Gladys Okyere**

She was employed into the Bank on the 1st September, 1987 and appointed as the Chief Executive Officer in January, 2018. She holds a BA (Banking & Finance) from the University of Cape Coast and has 37 years Banking experience.

##### **Deputy Chief Executive Officer- Mrs. Ambretha Akosua Adutwum**

She was employed by the Bank on 1st August, 2011 and rose through the ranks until her appointment into the role on 1st June, 2023. She holds a Master of Science degree in Microfinance from the University of Cape Coast and a Bachelor of Arts in Political Studies from the Kwame Nkrumah University of Science & Technology, Kumasi.

##### **Head of ICT-Mr. Ansah Anobaah S.G.**

He was appointed into the Bank in April 2007. He holds a BSc Computer Science, Commonwealth Executive (CIMBA), MBA Finance all from Kwame Nkrumah University of Science & Technology, Kumasi.

**REPORT OF DIRECTORS (continued)****Profile of Key Management Personnel (continued)****Head of Credit-Elias McCarius Aluma Azasiya**

He was employed into the Bank on the 3rd April, 2023 with over 23 years of experience in Banking. He is a Member of the Association of Chartered Institute of Bankers, Ghana and also a Member of the Association of Certified Chartered Accountants (ACCA), UK. He also holds a Bachelor of Commerce degree from the University of Cape Coast.

**Accountant-Mr. Kingsley Kwadwo Ansah**

He was employed by the Bank in September 2011 and rose through the ranks until his appointment into the role on the 4th June, 2018. He holds a Master's degree in Business Administration in Accounting and Finance from the University of Professional Studies, Accra. He also has a degree in Management Studies – Bachelor of Management Studies from the University of Cape Coast and currently a Level 3 student of Institute of Chartered Accountants, Ghana.

**Loans Monitoring Manager-Mr. Paul Adusei**

He was employed by the Bank in May 2017 with over 20 years of experience in Rural Banking. He holds a first degree in BA Sociology and Social work from the Kwame Nkrumah University of Science and Technology, Kumasi.

**Head of Internal Audit-Mr. Kenneth Mawuli Dakey**

He was engaged in April 2018. He is a Certified Chartered Accountant from the Institute of Chartered Accountants, Ghana, and a Member of the Institute of Internal Auditors, Ghana. He also holds BSc Business Administration (Accounting option) from the University of Cape Coast.

**Human Resource Manager-Mr. Daniel Adade**

He was employed by the Bank on 2nd January, 2023 with over 16 years of experience from both Universal and Rural and Community Banking sector. He holds a first degree in Philosophy and study of Religions from the University of Ghana, Legon. He is a trainer for Banking Operations with extensive knowledge in Branch operations and Administration.

**Company Secretary- Ms. Candy Frimpong Boakye**

She was employed into the Bank in February 2017. She holds an MBA in Corporate Governance from University of Professional Studies, Accra. She also holds B.A Arts (English & Linguistic) from the University of Cape Coast. She is an Associate member of the Institute of Directors, Ghana.

**Risk and Compliance Manager-Mr. Michael Nti Adu**

He was employed by the Bank on the 1st October, 2011 and rose through the ranks until his appointment to the role on 1st September, 2023. He holds Bachelor of Commerce degree from the University of Cape Coast and an HND in Accountancy from the Koforidua Technical University. He is a member of the Institute of Internal Auditors, Ghana and a Level 3 student of Institute of Chartered Accountants, Ghana.

**Administrative Manager- Mrs. Esther Fosua Odame**

She was employed by the Bank in March 2005. She holds a Master's degree in Human Resource Management, a first degree in Management Studies, a Diploma in Management Studies and a Diploma in Business Studies (Secretarial option), all from the University of Cape Coast.

**Going Concern**

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


**Auditors**

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

**Approval of the Financial Statements**

The Financial Statements of the Bank were approved by the Board of Directors on

28-04-25 and were signed on its behalf by:

  
.....  
Director

  
.....  
Director



## **SOUTH BIRIM RURAL BANK PLC**

### **CORPORATE GOVERNANCE REPORT**

#### **Corporate Governance Directive for Rural and Community Banks, 2021**

Corporate Governance is important to the South Birim Rural Bank PLC as it seeks to implement the ideals of fairness, transparency, accountability and responsibility in its dealings with all stakeholders. The Bank also recognizes the critical nature of its relationships with its Regulators in executing its vision and safeguarding the deposits of the general public and other lenders. To this end, the Bank ensures that the interests of stakeholders are taken into account in a balanced and transparent manner. The Bank believes that only good corporate governance can deliver sustainable good business performance. The Bank of Ghana Corporate Governance Directive sets out the structures and processes that are followed by the Bank to build credibility, ensure transparency and accountability.

The South Birim Rural Bank PLC operate in accordance with the Corporate Governance Directives issued by the Bank of Ghana. The principles and practices therein are based on the Basel Committee standards on corporate governance, which constitute the best of international practice in this area.

#### **The Board of Directors**

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

As of 31<sup>st</sup> December, 2024, the Board of Directors of the Bank consisted of six (6) members made up of an independent Non-Executive Chairman and five (5) Non-Executive Directors. These Board members have wide experience and in-depth knowledge of management, industry and the financial market, which enable them make informed decisions and valuable contributions to the Bank's business.

#### **Term limit**

Non-Executive Director shall be elected for a period of three (3) years at a time and shall be eligible for re-election provided that no individual shall serve as a director for a cumulative period of more than nine (9) years. The term of the Chairman shall not exceed six (6) years.

#### **Board Meetings**

The Board met five (5) times during the year. The Board has delegated various aspects of its work to the Audit Committee, Risk and Compliance Committee and Credit Committee

<b>Directors</b>	<b>Role</b>	<b>Year Appointed</b>	<b>Qualification</b>	<b>Attendance</b>
Mr. Paul Asiedu	Chairman	2019	Teacher's Certificate A Diploma in Public Admin.	5
Mr. Augustus Ennin Attafuah	Non Executive Director	2015	B.A Hons Degree, MPHIL (BED Admin, BL)	5
Mrs. Bernadette Addo-Dankwa	Non Executive Director	2015	BSc. Admin (Banking and Finance, MBA (Finance)	5
Ms Lucy Aboagye-Nuamah	Non-Executive-Director	2015	BSc Commerce, MBA Banking & Finance, Chartered Accountant Chartered in Taxation	5
Mr. Emmanuel Odoom	Non-Executive Director	2019	HND (Marketing) BSc Marketing, MPHIL (Health Service Management)	4
Mr. George Niako	Non-Executive Director	2019	HND (Electric Power), Postgraduate Cert. In Finance & Admin	5

#### **Biographical Information of Directors**

<b>Up to 40 Years</b>	<b>Age 41-60</b>	<b>Above 60 Years</b>
None	5	1

#### **External Auditors**

External auditors are appointed through a bidding process and on a rotational basis for a period outlined by the Banks and Specialised Deposit-Taking Institutions Act 2016, (Act 930). The External auditors present and discuss their audit findings with the Board of Directors.

## **SOUTH BIRIM RURAL BANK PLC**

### **CORPORATE GOVERNANCE REPORT (continued)**

#### **Corporate Governance Directive for Rural and Community Banks, 2021**

##### **Internal Auditors**

Internal Audit provides independent, objective audit assurance designed to add value and improve the Rural Bank's operations while ensuring the effectiveness of risk management, control and governance processes.

##### **Board Evaluation**

The Board has adopted standard evaluation tools that help assess the performance of the board, its committees and individual members on an annual basis.

The Board of Directors are also periodically evaluated by an independent external firm in order to assess the effectiveness of the board as well as the contribution of the individual Directors

##### **Business Continuity Plan**

The South Birim Rural Bank PLC has a business continuity and disaster recovery plan that will enable it respond to unplanned significant interruptions in essential business functions that can lead to the temporary suspension of operations. It provides guidelines to fully recover operations and ensure coordinated processes of restoring systems, data and infrastructure to enable essential client needs to be met until normal operations are resumed. The plan is tested at least three times every year to assess the readiness of the Rural Bank to respond to unplanned interruptions of operations.

##### **System of Internal Control**

The South Birim Rural Bank PLC has a well-established internal control system for identifying, managing and monitoring risks. These are designed to provide reasonable assurance that risks faced by the Bank are reasonably controlled. The internal audit and compliance function of the Bank plays a key role in providing an objective view and continuing assessment of the effectiveness of the internal control systems in the business. The systems of internal control are implemented and monitored by appropriately trained personnel, with clearly defined duties and reporting lines.

##### **Code of Business Ethics**

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

##### **Anti-Money Laundering**

The Bank also has an established anti-money laundering system in place in compliance with requirements of Ghana's Anti-Money Laundering Act, 2020, (Act 1044).

These include due diligence for opening new accounts, customer identification, monitoring of high risk accounts, record keeping and training and sensitization of staff on money laundering, which assist in reducing regulatory and reputational risks to its business. Staff members receive training on anti-money laundering policies and practices.

##### **Annual Certificate on Corporate Governance**

The Board of Directors hereby certifies as follows:-

- The Board has independently assessed and documented that the corporate governance process of the South Birim Rural Bank PLC is effective and has successfully achieved its objectives.
- Members of the Board of Directors of the South Birim Rural Bank PLC are aware of their responsibilities to the Bank as persons charged with governance.

# baap BENNING, ANANG & PARTNERS

(Chartered Accountants & Management Consultants)

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TIN No. C0003734072

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Mobile +233 (0) 0244-806509  
Fax +233 (0)302-246628  
E-mail benninganang@gmail.com

Our Ref. MIS:101  
Your Ref.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOUTH BIRIM RURAL BANK PLC

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying Financial Statements of South Birim Rural Bank PLC set out on pages 14 to 46, which comprise the Statement of Financial Position at 31<sup>st</sup> December, 2024, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and the notes to the Financial Statements, which include a summary of significant accounting policies and other explanatory notes, as set out on pages 18 to 47.

In our opinion, the Financial Statements give a true and fair view of the Financial Position of South Birim Rural Bank PLC as at 31<sup>st</sup> December, 2024 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), the Companies Act, 2019, (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

#### Basis of Opinion

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

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

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

#### Key Audit Matters

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

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

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF SOUTH BIRIM RURAL BANK PLC (continued)**

#### **Impairment of advances – Refer to Note 7 & 12 to the Financial Statements**

##### **The key audit matters**

Due to the significance of the Bank's advances to customers (which represents 15.01% of the Bank's total assets) and the related estimated uncertainty of the provision for impairment, this is considered a key audit risk.

The appropriateness of loan loss provisions is a key area of judgment for management. The identification of impairment and the determination of the recoverable amount are inherently uncertain processes involving various assumptions and factors including the financial condition of the customer, expected future cash flows and the estimated time to realization of collaterals.

##### **How the matter was addressed in our audit**

We assessed the systems and related controls instituted by management to ensure the accurate determination of provisions.

We reviewed the process of aging and categorization of the various loans and the application of related provision rates.

We tested a sample of these provisions based on our overall risk assessment of this account.

#### **IFRS Financial Instrument: Refer to Note 2(e) (viii) of the Financial Statements**

##### **The key audit matters**

The Bank complied with IFRS 9 to the Financial Statements as at 31<sup>st</sup> December, 2024. The Financial Instruments held by the Bank have been assessed in accordance with the standard.

##### **How the matter was addressed in the audit:**

- Reviewed management capability to effectively apply the IFRS 9 and make the necessary disclosures in the Financial Statements as at 31<sup>st</sup> December, 2024.
- Assessed Bank's advances provision using Bank of Ghana guidelines.
- Used externally available data on exposures and our knowledge of IFRS 9 experience in the Banking Industry.

#### **Long Term Investments refer to Note 14 of the Financial Statements**

##### **The key audit matters**

The significance of the Bank's investment assets is in SDC Finance Limited (which represents 28.07% of the Bank's long term investment and 1.47% of the Bank's total assets) and the related economic uncertainty of payment receipt from the fund managers to the Bank when their investment is matured and the Bank's failure to assess or test the investment as at 31<sup>st</sup> December, 2024, we considered short and medium investment as a key audit matter.

##### **How the matter was addressed in the audit:**

- Reviewed the Bank's investment management criteria, the risk appetite for selecting long term investment and the approval of fund managers for the Bank.
- Evaluate all long term investments which included analysis of the investment with SDC Finance Limited.
- Assessed the maturity periods and redeemed amount of the investment with SDC Finance Limited to verify the accuracy of the amount received.
- Sent a confirmation letter on the Bank's investment as at 31<sup>st</sup> December, 2024 to ensure the amount included in the Financial Statements is not misstated.



## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF SOUTH BIRIM RURAL BANK PLC (continued)**

#### **Responsibilities of Board of Directors for the Financial Statements**

The Board of Directors is responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) and for such internal control as the Board of Directors determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the Bank's financial reporting process.

#### **Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.



**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF SOUTH BIRIM RURAL BANK PLC (continued)**

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

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

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

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

**Report on Other Legal and Regulatory Requirements**

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

- (i) We were able to obtain all relevant information and explanations required for the efficient performance of our duties as auditors.
- (ii) The Bank's transactions were within its powers.
- (iii) The Bank has complied with provisions of the Anti - Money Laundering Act, 2020 (Act 1044), the Anti-Terrorism Act, 2008 (Act 762) and the Regulations made under these enactments.
- (iv) The Bank complied with the relevant provisions of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

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

# baap BENNING, ANANG & PARTNERS

(Chartered Accountants & Management Consultants)

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF SOUTH BIRIM RURAL BANK PLC (continued)

We confirm that:-

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit.
- (ii) In our opinion:
  - proper books of accounts have been kept by South Birim Rural Bank PLC, so far as appears from our examination of these books.
  - The information and explanations given us were in the manner required by the Companies Act, 2019 (Act 992) and give a true and fair view of the:
    - a. Statement of Financial Position of the Bank at the end of the financial year and
    - b. Statement of Comprehensive Income for the year.
- (iii) South Birim Rural Bank PLC Statement of Financial Position and Statement of Comprehensive Income are in agreement with the books of account.
- (iv) We are independent of the Bank, pursuant to section 143 of Companies Act, 2019 (Act 992).

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

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

  
Benning, Anang & Partners (ICAG/F/2025/045)

Chartered Accountants

Adjacent TotalEnergies Filling Station

Pig Farm Junction

C135 Olusegun Obasanjo Road

Accra, Ghana

April 28, 2025

**BENNING, ANANG & PARTNERS**  
**CHARTERED ACCOUNTANTS**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31ST DECEMBER, 2024**

		<b>2024</b>	<b>2023</b>
	<b>Note</b>	<b>GH¢</b>	<b>GH¢</b>
Interest income	3	23,387,933	16,307,864
Interest expenses	4	(1,761,457)	(1,349,881)
<b>Net interest income</b>		<b>21,626,476</b>	<b>14,957,983</b>
Commission and fees	5	1,307,252	943,591
Other operating income	6	913,845	654,052
<b>Operating income</b>		<b>23,847,573</b>	<b>16,555,626</b>
Impairment on Loans and Advances	7	(86,623)	(83,068)
<b>Net operating income</b>		<b>23,760,950</b>	<b>16,472,558</b>
Staff costs	8	(8,886,239)	(6,384,282)
Operating expenses	9	(8,812,768)	(6,440,005)
Depreciation	15	(727,771)	(475,296)
<b>Total operating expenses</b>		<b>(18,426,778)</b>	<b>(13,299,583)</b>
Profit before taxation		5,334,172	3,172,975
Growth and sustainability levy	19	(266,709)	(158,649)
Taxation	19	(1,393,833)	(853,207)
<b>Profit for the year</b>		<b>3,673,630</b>	<b>2,161,119</b>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>3,673,630</b>	<b>2,161,119</b>
<b>Earnings per Share</b>			
Basic and Diluted Earnings per Share (GH¢)	21	1.01	0.67
<b>Retained Earnings for the year ended 31st December, 2024</b>			
Balance at 1st January		3,766,170	1,611,219
Prior year adjustment	30	(576,777)	263,972
Restated balance		3,189,393	1,875,191
Profit for the year		3,673,630	2,161,119
Transfer to statutory reserve		(459,204)	(270,140)
<b>Balance at 31st December</b>		<b>6,403,819</b>	<b>3,766,170</b>

The Financial Statements should be read in conjunction with the notes to the Financial Statements on pages 18 to 47.

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

		2024	2023
ASSETS	Note	GH¢	GH¢
Cash and short term funds	10	16,788,274	9,878,041
Short and medium term investments	11	93,813,655	43,482,737
Advances	12	21,944,734	21,723,518
Other assets accounts	13	<u>1,654,007</u>	<u>5,642,626</u>
		<b>134,200,670</b>	<b>80,726,922</b>
Long term investment	14	7,675,686	6,314,622
Property, plant and equipment	15	4,275,820	2,008,284
Current taxation	19	-	33,860
Growth and Sustainability Levy	19	70,858	-
Deferred taxation	19	-	<u>23,365</u>
<b>Total Assets</b>		<b><u>146,223,034</u></b>	<b><u>89,107,053</u></b>
<b>Liabilities</b>			
Deposits and current accounts	16	126,139,593	74,423,822
Interest payable and other liabilities	17	6,704,067	6,514,109
Borrowings	18	2,385,288	834,109
Current taxation	19	45,015	-
Growth and Sustainability levy	19	-	1,009
Deferred taxation	19	66,795	-
Dividend payable	20	<u>327,042</u>	<u>101,384</u>
<b>Total Liabilities</b>		<b>135,667,800</b>	<b>81,874,433</b>
<b>Equity</b>			
Stated capital	22	1,661,120	1,258,902
Retained earnings	23	6,403,819	3,766,170
Statutory reserve fund	24	2,209,967	1,750,763
Capital Reserves	25	218,251	218,251
Regulatory Credit Risk Reserves	26	62,077	238,534
Other Reserves	27	-	-
<b>Total Equity</b>		<b><u>10,555,234</u></b>	<b><u>7,232,620</u></b>
<b>Total Liabilities and Equity</b>		<b><u>146,223,034</u></b>	<b><u>89,107,053</u></b>
<b>Net Assets Value per share (Ghana cedi per share)</b>		<b>2.89</b>	<b>2.25</b>

The Board of Directors approved the Financial Statements on 28-04-2025  
and signed on its behalf by

 ..... **Director**

 ..... **Director**

The Statement of Financial Position should be read in conjunction with the notes  
to the Financial Statements on pages 18 to 47.

## SOUTH BIRIM RURAL BANK PLC

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31ST DECEMBER, 2024

	Stated Capital GH¢	Retained Earnings GH¢	Statutory Reserve GH¢	Regulatory Credit Risk Reserve GH¢	Capital Reserves GH¢	Other Reserves GH¢	Total GH¢
<b>2024</b>							
Balance at 1st January, 2024	1,258,902	3,766,170	1,750,763	238,534	218,251	-	7,232,620
Profit for the year	-	3,673,630	-	-	-	-	3,673,630
Prior year adjustment	-	(576,777)	-	-	-	-	(576,777)
Credit Risk reserve	-	-	-	(176,457)	-	-	(176,457)
Statutory reserve	-	(459,204)	459,204	-	-	-	459,204
Issue of Shares	55,730	-	-	-	-	-	55,730
Bonus Share issue	346,488	-	-	-	-	-	346,488
<b>Balance at 31st December, 2024</b>	<b>1,661,120</b>	<b>6,403,819</b>	<b>2,209,967</b>	<b>62,077</b>	<b>218,251</b>	<b>0</b>	<b>10,555,234</b>
<b>2023</b>							
Balance at 1st January, 2023	1,233,250	1,611,219	1,480,623	502,506	218,251	184,933	5,230,782
Profit for the year	-	2,161,119	-	-	-	-	2,161,119
Prior year adjustment	-	263,972	-	(263,972)	-	-	-
Statutory reserve	-	(270,140)	270,140	-	-	-	-
End of service benefit reclassified	-	-	-	-	-	(184,933)	(184,933)
Issue of Shares	25,652	-	-	-	-	-	25,652
<b>Balance at 31st December, 2023</b>	<b>1,258,902</b>	<b>3,766,170</b>	<b>1,750,763</b>	<b>238,534</b>	<b>218,251</b>	<b>0</b>	<b>7,232,620</b>



**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31ST DECEMBER, 2024**

	<b>2024</b>	<b>2023</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>Cash Flows from operating activities</b>		
Profit before taxation	5,334,172	3,172,976
Depreciation	727,771	475,295
Impairment on Loans	86,623	83,068
Defalcation written off	-	3,185
Non-Cash movement	(146,881)	(271,186)
<b>Cash flow from operating activities before changes in operating assets and liabilities</b>	<b>6,001,685</b>	<b>3,463,338</b>
(Increase) in advances	(221,216)	(5,153,259)
(Increase) in investments	(51,691,982)	(17,404,949)
Decrease/(Increase) in other assets	3,988,619	(2,660,878)
Increase in customer deposits and current accounts	51,715,771	20,099,244
Increase/(Decrease) in interest payable and other liabilities	189,958	2,431,419
Increase/(Decrease) in borrowings	1,551,179	625,776
	<b>5,532,329</b>	<b>(2,062,647)</b>
Net Cash from Operating Activities	11,534,014	1,400,691
Tax paid	(1,563,374)	(1,387,245)
<b>Net Cash from operating activities</b>	<b>9,970,640</b>	<b>13,446</b>
<b>Cash flows from investing activities:</b>		
Property, plant and equipment	(2,995,307)	(1,678,469)
<b>Net cash used in/from investing activities</b>	<b>(2,995,307)</b>	<b>(1,678,469)</b>
<b>Net cash used before financing</b>	<b>6,975,333</b>	<b>(1,665,023)</b>
<b>Cash flows from financing activities</b>		
Dividend paid	(120,830)	(91)
Proceeds from issue of Shares	55,730	25,652
<b>Net cash used in/from financing activities</b>	<b>(65,100)</b>	<b>25,561</b>
<b>Net increase in cash and cash equivalents</b>	<b>6,910,233</b>	<b>(1,639,462)</b>
<b>Analysis of Cash and Cash Equivalents</b>		
Balance at 1 January	9,878,041	11,517,503
Net increase in Cash and Cash equivalents	6,910,233	(1,639,462)
<b>Balance at 31 December</b>	<b>16,788,274</b>	<b>9,878,041</b>

## **SOUTH BIRIM RURAL BANK PLC**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2024**

#### **1. Reporting entity**

South Birim Rural Bank PLC is a company registered under the Companies Act, 2019, (Act 992). The address of its registered office and principal place of business is House No. 56, Akim Achiase, P. O. Box 60, Akim Achiase. Its headquarters is at Akim Achiase in the Achiase District in the Eastern Region. It is a Public Limited Liability Company, licenced to operate Business of Banking in Ghana. The Bank has seven (7) agencies namely: Akim Achiase, Akim Oda, Aperade, Akim Asene, Akwatia, Asamankese, New Abirem and one (1) microfinance unit located in Akim Oda.

#### **2. Significant Accounting policies**

##### **a. Basis of preparation**

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

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

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

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

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

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

##### **b. Presentation of Financial Statements**

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

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

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

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

##### **c. Revenue recognition**

Revenue is recognised as follows:

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

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

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

## **SOUTH BIRIM RURAL BANK PLC**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2024 (continued)**

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

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

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

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

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

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

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

Income tax expense comprises current and deferred tax.

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

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

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

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

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

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

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

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

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



## **SOUTH BIRIM RURAL BANK PLC**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2024 (continued)**

##### **(iii) Offsetting**

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

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

##### **(iv) Amortised cost measurement**

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

##### **(v) Fair value measurement**

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

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

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

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

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

## **SOUTH BIRIM RURAL BANK PLC**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2024 (continued)**

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

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

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

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

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

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

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

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

## SOUTH BIRIM RURAL BANK PLC

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2024 (continued)**

**(viii) IFRS 9 financial instruments****(a) Classification and measurement**

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

Loans and advances to customers are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest. The Bank analysed the contractual cash flow characteristics of those instruments and concluded that they meet the criteria for amortised cost measurement under IFRS 9.

**(b) Impairment overview**

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

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

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

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

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

## **SOUTH BIRIM RURAL BANK PLC**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2024 (continued)**

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

For 'low risk' FVOCI debt securities, the Bank intends to apply a policy which assumes that the credit risk on the instrument has not increased significantly since initial recognition and will calculate ECL. Such instruments will generally include Ghana Government and Bank of Ghana Treasury bills which the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Bank will not consider instruments to have low credit risk simply because of the value of collateral. Financial instruments are also not considered to have low credit risk simply because they have a lower risk of default than the Bank's other financial instruments.

When estimating lifetime ECL for undrawn loan commitments, the Bank will:-

- Estimate the expected portion of the loan commitment that will be drawn down over the expected life of the loan commitment and
- Calculate the present value of cash shortfalls between the contractual cash flows that are due to the entity if the holder of the loan commitment draws down that expected portion of the loan and the cash flows that the entity expects to receive if that expected portion of the loan is drawn down for financial guarantee contracts, the Bank will estimate the lifetime ECLs based on the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the guarantor expects to receive from the holder, the guarantor expects to receive from the holder, the debtor or any other party. If a loan is fully guaranteed, the ECL estimate for the financial guarantee contract would be the same as the estimated cash shortfall estimate for the loan subject to the guarantee.

For revolving facilities such as overdrafts, the Bank measures ECLs by determining the period over which it expects to be exposed to credit risk, taking into account the credit risk management actions that it expects to take once the credit risk has increased and that serve to mitigate losses.

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

## **SOUTH BIRIM RURAL BANK PLC**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2024 (continued)**

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

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

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

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

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

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

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

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

#### **i. Investment**

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

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

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

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

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



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2024 (continued)**

**j. Property, plant and equipment**

**(i) Recognition and measurement**

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

**(ii) Subsequent costs**

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

**(iii) Depreciation**

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

		<u>Years</u>
Furniture and Fittings	20%	5
Office Equipment	25%	4
Motor Vehicles	20%-33.3%	3-5
Building	5%-10%	10-20
Computers	25%-40%	2.5-4

Gains and losses on disposal of property, plant and equipment are determined by comparing the disposal proceeds with the carrying amount and are included in the statement of comprehensive income.

**k. Intangible assets**

**Software**

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

**l. Impairment of non-financial assets**

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

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

## **SOUTH BIRIM RURAL BANK PLC**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2024 (continued)**

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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

#### **m. Provisions**

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

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

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

#### **n. Employee benefits**

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

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

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

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

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

The Bank contributes to a defined contributions schemes (the Social Security Fund and Provident Fund) on behalf of employees

## **SOUTH BIRIM RURAL BANK PLC**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2024 (continued)**

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

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

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

The Bank has a Provident Fund Scheme for all permanent employees. Employees contribute 5% of their basic salary to the Fund whilst the Bank contributes 8%. The Bank's obligation under the plan is limited to the relevant contribution which is invested at interest rates agreed by the Trustees of the scheme and the Bank.

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

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

#### **o. Stated capital**

##### **Ordinary Shares**

Ordinary shares are classified as equity.

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

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

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



## **SOUTH BIRIM RURAL BANK PLC**

### **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2024 (continued)**

**p. Earnings per share**

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

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

**q. Dividends**

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

**r. Financial risk management**

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

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

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

**Risk Management Structure**

The Board of directors is ultimately responsible for identifying and controlling risks.

However, there are separate operating units responsible for managing and monitoring risks.

**Board of Directors**

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

**Risk Committees**

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

- (i) Credit risk committee - quarterly
- (ii) Asset and liabilities committee - quarterly
- (iii) Market risk committee – bi-monthly
- (iv) Operational risk committee - quarterly

**SOUTH BIRIM RURAL BANK PLC****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2024 (continued)****Risk Management**

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

**Bank Treasury**

The Bank's treasury which is under the Assets and Liabilities Committee (ALCO) is responsible for managing the Bank's assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks management of the Bank.

**Internal Audit**

The Bank's policy is that risk management processes throughout the Bank are audited annually by the internal audit function, which examines both the adequacy of the procedures and the Bank's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to the Board. The most significant risks which the bank is exposed to and how they are managed are as below:-

**Credit Risk**

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

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

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

Risk ratings are subject to regular revision

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

## SOUTH BIRIM RURAL BANK PLC

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2024 (continued)**

The credit committee also monitors the portfolio of loans and debt collection operations. In this capacity, it does:-

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

At 31<sup>st</sup> December, 2024, the bank's credit exposures were categorized as follows:-

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

The balances for each category have been analysed below:-

	<b>December 2024</b>	<b>December 2023</b>
	<b>Loans and Advances to customers GH¢</b>	<b>Loans and Advances to customers GH¢</b>
Neither past due nor impaired	22,524,010	21,596,725
Past due but not impaired	196,408	540,579
Individually impaired	<u>1,486,988</u>	<u>1,762,262</u>
<b>Gross</b>	<b>24,207,406</b>	<b>23,899,567</b>
Less allowance for impairment	<u>(2,262,672)</u>	<u>(2,176,049)</u>
<b>Net amount</b>	<b><u>21,944,734</u></b>	<b><u>21,723,518</u></b>

## SOUTH BIRIM RURAL BANK PLC

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2024 (continued)**
**Liquidity risk and Structural interest rate risk****Liquidity Risk**

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

**STATUTORY LIQUIDITY RESERVES****31<sup>ST</sup> DECEMBER, 2024**

		<b>2024</b>	<b>2023</b>
	<b>DEPOSITS</b>	<b>GHC</b>	<b>GHC</b>
1	Demand Deposit	21,449,710	14,169,211
2	Savings Deposit	71,912,627	41,380,952
3	Time Deposit	9,027,337	5,616,546
4	Susu Deposit/E-zwich/Ghana Pay	23,749,919	13,257,113
5	<b>Sub-Total (1+2+3+4)</b>	<b>126,139,593</b>	<b>74,423,822</b>
	<b>LIQUID ASSETS (ACTUAL)</b>		
	<b>A. PRIMARY</b>		
6	Cash on Hand	6,996,470	2,938,002
7	Current A/C with Apex Bank	1,601,606	1,537,409
8	Apex Certificate of Deposits (ACOD)	2,000,000	-
9	Balances with Other Banks	2,512,236	1,857,139
10	<b>Sub-total (6+7+8+9)</b>	<b>13,110,312</b>	<b>6,332,550</b>
11	5% Deposit with Apex Bank	5,677,962	3,545,491
12	<b>Sub-total (10+11)</b>	<b>18,788,274</b>	<b>9,878,041</b>
	<b>B. SECONDARY</b>		
13	Treasury Bills Bonds & stock	96,168,395	44,722,659
14	Other Investments	3,320,946	3,000,000
15	Apex Certificate of Deposits (ACOD)	-	2,000,000
16	<b>Sub-Total (13+14+15)</b>	<b>99,489,341</b>	<b>49,722,659</b>
17	<b>Primary Reserve % of (10/5)</b>	<b>10.39</b>	<b>8.51</b>
18	<b>Secondary Reserve % of (16/5)</b>	<b>78.87</b>	<b>66.81</b>
	<b>Required Reserves</b>		
19	Primary Reserve 8% of (No. 5)	10,091,167	5,953,906
20	Secondary Reserve 30% of (No. 5)	37,841,878	22,327,146
	<b>EXCESS RESERVES</b>		
21	Available Primary Reserve (No. 10)	13,110,312	6,332,550
22	Required Primary Reserves (No. 19)	10,091,167	5,953,906
23	<b>Excess Reserve (21 - 22) (i)</b>	<b>3,019,145</b>	<b>378,644</b>
24	Available Secondary Reserve (No. 16)	99,489,341	49,722,659
25	Required Secondary Reserves (No. 20)	37,841,878	22,327,146
26	<b>Excess Reserve (24 - 25) (ii)</b>	<b>61,647,463</b>	<b>27,395,513</b>
27	<b>TOTAL EXCESS/(DEFICIT) RESERVE (i)+(ii)</b>	<b>64,666,608</b>	<b>27,774,157</b>

## **SOUTH BIRIM RURAL BANK PLC**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2024 (continued)**

#### **Operational Risk**

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

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

Operational procedures are documented in an Operations Manual

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

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

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

#### **Capital**

##### **Capital Management**

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

##### **(a) Capital Definition**

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

##### **(b) Stated Capital**

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

##### **(c) Retained Earnings**

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

## SOUTH BIRIM RURAL BANK PLC

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2024 (continued)**

**(d) Capital Reserves**

This amount comprises revaluation of property, plant and equipment.

**(e) Statutory Reserve**

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

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

**(f) Regulatory Credit Reserve**

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

**(g) Regulatory Capital**

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

**Capital****Capital Adequacy**

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

**CAPITAL ADEQUACY RATIOS**  
**AS AT 31ST DECEMBER, 2024**

	<b>2024</b>	<b>2023</b>
	<b>GH¢</b>	<b>GH¢</b>
Paid-up Capital	1,661,120	1,258,889
Disclosed reserves	8,613,786	5,516,947
Tier 1 Capital (1+2)	<b>10,274,906</b>	<b>6,775,836</b>
<b>Less:</b>		
Investment in the capital of other banks & financial institutions	(132,432)	(74,700)
Adjusted Tier 1 capital	<b>10,142,474</b>	<b>6,701,136</b>
Revaluation reserve	109,126	109,126
	<b>10,251,600</b>	<b>6,810,262</b>
Adjusted Risk weighted assets	29,912,620	30,267,902
100% Of 3 years Average Annual Gross Income	18,834,600	12,698,343
<b>ADJUSTED ASSET BASE</b>	<b>48,747,220</b>	<b>42,966,245</b>
Adjusted Capital base as a percentage of Adjusted asset Base:	<b>21.03%</b>	<b>15.85%</b>



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2024 (continued)**

	<b>2024</b>	<b>2023</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>3. Interest Income</b>		
Treasury bills	13,664,376	8,125,144
Loans and advances	9,723,557	8,182,720
	<b>23,387,933</b>	<b>16,307,864</b>
<b>4. Interest Expenses</b>		
Savings	902,243	695,491
Fixed deposits	760,209	545,202
Borrowings	98,940	109,159
Ghanapay	65	29
	<b>1,761,457</b>	<b>1,349,881</b>
<b>5. Commission and Fees</b>		
Commitment fees	584,222	382,979
Commissions	723,030	560,612
	<b>1,307,252</b>	<b>943,591</b>
<b>6. Other Operating Income</b>		
Sundry Income	486,152	360,412
SMS Charges	49,560	17,458
Interest Received) (clearing account)	22,578	17,738
Cheque Clearing Fees	223,825	166,925
ATM Fees	19,129	11,268
Processing Fees	33,751	64,304
Bad and Debts Recovered	15,988	13,618
Interest Received for Remittances	62,862	2,329
	<b>913,845</b>	<b>654,052</b>
<b>7. Impairment on Loans and Advances</b>		
Balance as at 1st January	2,537,707	2,454,639
Increase in the year	86,623	83,068
Credit Risk Reserve Adjustment	(361,658)	-
Amount written off	-	-
Provision as at 31st December	<b>2,262,672</b>	<b>2,537,707</b>
<b>8. Staff Cost</b>		
Salaries, wages and allowances	4,778,010	3,458,251
Medical expenses	131,675	74,776
Staff training	172,839	122,027
Other Staff Cost	2,935,471	2,104,654
Provident Fund	340,009	240,588
SSF employer's contribution	528,235	383,986
	<b>8,886,239</b>	<b>6,384,282</b>
The number of persons employed by the Bank at the end of the year was 128 (2023: 123).		
<b>9. Operating Expenses</b>		
Occupancy cost (9a)	1,056,661	1,032,471
Audit fees	48,000	40,000
Directors remuneration	543,825	416,400
Insurance	556,196	171,733
Board expenses	214,761	190,660
Other operating expenses (9b)	6,393,325	4,588,741
	<b>8,812,768</b>	<b>6,440,005</b>

## SOUTH BIRIM RURAL BANK PLC

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

<b>(continued)</b>	<b>2024</b>	<b>2023</b>
	<b>GHC</b>	<b>GHC</b>
<b>9a Occupancy Cost</b>		
General Repairs and Maintenance	240,968	250,391
Rent and rates	207,100	210,416
Electricity and water expenses	314,640	365,434
Generator running cost	107,564	53,930
Police guard and private security/fire	49,489	152,300
Private Security Expenses	136,900	-
	<b>1,056,661</b>	<b>1,032,471</b>
<b>9(b) Other Operating Expenses</b>		
Postal and Telecommunication	79,689	81,796
Specie expenses	108,684	66,188
Printing and stationery	169,227	175,509
Travelling and transport	1,528,625	1,082,692
Subscription and periodicals	170,671	232,178
Advertising and publicity	32,026	83,200
Annual General Meeting expenses	165,225	82,863
Motor vehicle running expenses	320,135	229,066
Donations and charitable contribution	39,340	17,586
Office expenses	225,727	207,481
Cleaning and sanitation	102,105	74,146
ATM Expenses	115,135	119,226
Computerisation expenses	73,387	76,403
Motor vehicle repairs and maintenance	114,114	40,784
Bank charges	8,642	16,564
Loan recovery expenses	437,336	210,315
Cheque clearing expenses	27,730	33,651
Sundry expenses	17,821	12,319
Business promotion	182,910	166,576
Legal expenses	75,249	107,283
Mobilization	1,120,092	839,602
Microfinance expenses	12,883	31,263
Student attachment	17,239	6,367
Software expenses	589,765	472,623
End of year party	47,594	37,697
Teller efficiency expense	10,330	6,240
Penalty	12,000	-
Cashiers over and shortages	528	(8.00)
Consultancy fee	13,409	36,000
Defalcation written-off	-	3,185
Impairment on investment (bond)	545,260	-
Funeral grant	30,450	39,946
	<b>6,393,328</b>	<b>4,588,741</b>



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2024 (continued)**

		<b>2024</b>	<b>2023</b>
		<b>GH¢</b>	<b>GH¢</b>
<b>10. Cash and Short Term Funds</b>			
Cash on hand		6,996,470	2,938,002
Cash at bank:-			
5% Deposit with Apex Bank		5,677,962	3,545,491
Balance with Apex Bank		1,601,606	1,537,409
Balances with other Banks		2,512,236	1,857,139
		<b>16,788,274</b>	<b>9,878,041</b>
<b>11. Short and Medium Term Investments</b>			
<b>a</b> Government of Ghana treasury bills		91,813,655	38,482,737
<b>b</b> Fixed Deposit		-	3,000,000
ARB Apex Bank ACOD		2,000,000	2,000,000
		<b>93,813,655</b>	<b>43,482,737</b>
<b>a</b> 91 day Treasury Bill		78,830,921	27,500,003
182 day Treasury Bill		3,000,000	1,000,000
1 Year Note		9,982,734	9,982,734
		<b>91,813,655</b>	<b>38,482,737</b>
<b>b Fixed Deposit</b>			
SDC Finance Limited		-	3,000,000
		-	<b>3,000,000</b>
<b>12. Advances</b>			
Loans		21,797,316	20,091,997
Overdraft		2,410,090	3,807,570
		<b>24,207,406</b>	<b>23,899,567</b>
Less:			
Impairment of loans and advances		(2,262,672)	(2,176,049)
		<b>21,944,734</b>	<b>21,723,518</b>
	<b>Advance Provision</b>		
<b>12a. Classification of Advance</b>	<b>%</b>		
Current	1	660,870	253,751
Other Loan Especially Mentioned (OLEM)	10	8,861	19,450
Substandard	25	7,749	32,455
Doubtful	50	98,204	108,131
Loss	100	1,486,988	1,762,262
		<b>2,262,672</b>	<b>2,176,049</b>
<b>12(a) Other Statistics</b>			
(i) Loan Loss Provision Ratio		<b>6.14%</b>	<b>7.37%</b>
(ii) Gross Non Performing Loans Ratio		<b>6.59%</b>	<b>8.82%</b>
(iii) Twenty (20) Largest Exposure		<b>12.99%</b>	<b>15.94%</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2024 (continued)**

	<b>2024</b>	<b>2023</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>12(b) Analysis by Type of customers</b>		
Individuals	14,617,207	10,965,563
Private Enterprise	1,979,388	2,045,634
Public Enterprise	-	190,193
Others	5,335,772	9,098,447
Staff	2,275,039	1,599,730
Gross loans and advances	<b>24,207,406</b>	<b>23,899,567</b>
<b>12(c) Analysis by Industry Sector</b>		
Agriculture	557,477	1,565,004
Cottage industries	2,203,972	1,594,799
Trading	10,620,625	10,705,054
Transport	252,260	509,956
Others	10,573,072	9,524,754
Gross loans and advances	<b>24,207,406</b>	<b>23,899,567</b>
<b>13. Other Assets Accounts</b>		
Sundry debits (a)	924,854	4,691,286
Stationery stock	340,211	316,124
Rent prepaid	57,240	80,920
Office account	180,370	3,365
Insurance prepaid	139,405	67,958
Ezwich	11,927	482,973
	<b>1,654,007</b>	<b>5,642,626</b>
<b>(a) Sundry debits</b>		
Interest in arrears	548,118	902,257
Migration suspense	(11,524)	-
Uncleared effect	(3,634)	(201)
Interest and commission accrued	391,415	467,863
ATM card stock	-	10,920
Expected investment income	-	3,310,447
GhanaPay	478	-
	<b>924,853</b>	<b>4,691,286</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2024 (continued)**

	<b>2024</b>	<b>2023</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>14. Long Term Investment</b>		
ARB Apex Bank PLC shares	132,432	74,700
SDC Finance-Fixed Deposit	2,154,699	-
Government of Ghana Bond	4,354,740	5,206,107
Amalgamated Fund	1,033,815	1,033,815
	<u><b>7,675,686</b></u>	<u><b>6,314,622</b></u>

**Government of Ghana Bond**

This is an investment in Government of Ghana Bonds.

**Amalgamated Fund**

This is an investment in a defunct fund management company, validated and taken over by GCB Bank PLC.

SDC Finance Fixed Deposit	<u><b>2,154,699</b></u>	<u><b>-</b></u>
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<b>ARB Apex Bank PLC Shares</b>	<b>Share</b>	<b>Value</b>		
Ordinary shares in ARB Apex Bank PLC	36,634	0.725	26,590	26,590
Ordinary shares in ARB Apex Bank PLC	39,117	1.230	48,110	48,110
Ordinary shares in ARB Apex Bank PLC	46,940	1.230	57,732	-
	<u><b>122,691</b></u>	<u><b>1.079</b></u>	<u><b>132,432</b></u>	<u><b>74,700</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2024 (continued)**

**15. Property, Plant & Equipment**

<b>Cost</b>	<b>Land &amp; Building</b>	<b>Furniture &amp; Fittings</b>	<b>Office Equipment</b>	<b>Cost of Land</b>	<b>WIP</b>	<b>Motor Vehicles</b>	<b>Computers &amp; Accessories</b>	<b>Total</b>
<b>2024</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>
Balance at 1st January, 2024	624,443	663,802	947,871	33,500	50,927	1,620,595	1,036,385	4,977,523
Additions	86,762	127,571	329,727	-	455,679	1,915,264	80,304	2,995,307
Balance at 31st December, 2024	711,205	791,373	1,277,598	33,500	506,606	3,535,859	1,116,689	7,972,830
<b>Depreciation</b>								
Balance at 1st January, 2024	432,462	465,556	809,959	-	-	482,938	778,324	2,969,239
Charge for the year	32,503	50,315	120,149	-	-	439,208	85,596	727,771
Balance at 31st December, 2024	464,965	515,871	930,108	0	0	922,146	863,920	3,697,010
<b>Net Book Value</b>								
As at 31st December, 2024	246,240	275,502	347,490	33,500	506,606	2,613,713	252,769	4,275,820
<b>2023</b>								
Balance at 1st January, 2023	654,443	494,767	829,220	-	50,927	475,241	794,456	3,299,054
Additions	3,500	169,035	118,651	-	-	1,145,354	241,929	1,678,469
Adjustment	-33,500	-	-	33,500	-	-	-	-
Balance at 31st December, 2023	624,443	663,802	947,871	33,500	50,927	1,620,595	1,036,385	4,977,523
<b>Depreciation</b>								
Balance at 1st January, 2023	401,353	427,494	691,195	-	-	274,740	699,161	2,493,943
Charge for the year	31,109	38,062	118,764	-	-	208,198	79,163	475,296
Deletion/Adjustment	-	-	-	-	-	-	-	-
Balance at 31st December, 2023	432,462	465,556	809,959	0	0	482,938	778,324	2,969,239
<b>Net Book Value</b>								
As at 31st December, 2023	191,981	198,246	137,912	33,500	50,927	1,137,657	258,061	2,008,284

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2024 (continued)**

**16. Deposits and Current Accounts**

	2024 GH¢	2023 GH¢
Current accounts	21,449,710	14,169,211
Savings accounts	71,912,627	41,380,952
Fixed deposits	9,027,337	5,616,546
Susu accounts and E-zwich Holdings	23,749,919	13,257,113
	<b>126,139,593</b>	<b>74,423,822</b>
<b>Analysis by type of depositors</b>		
Individuals	50,106,417	50,106,418
Other Private Enterprises	1,957,159	1,957,159
Public Enterprise	421,822	421,822
Others	73,654,195	21,938,423
	<b>126,139,593</b>	<b>74,423,822</b>
Ten (10) Largest depositors to total deposit ratio	4.93%	6.97%

**17. Interest Payable and Other Liabilities**

Office Account	350,628	323,276
Audit Fees	48,000	40,000
Accrued Interest on savings account	264,382	136,685
Unearned interest on Government bonds	-	306,107
Sundry Creditors (a)	6,041,057	5,708,041
	<b>6,704,067</b>	<b>6,514,109</b>
<b>(a) Sundry creditors</b>		
Bill payable	50,751	114,392
Unearned discount on treasury bills	4,335,869	4,833,797
Sundry liabilities	47,372	23,610
Unearned interest	-	1,138
Managed fund	53,724	125,150
Police guard	8,400	25,200
Ghanapay operations	11	1,514
Other provisions	1,284,217	357,506
Interest suspense	260,713	225,735
	<b>6,041,057</b>	<b>5,708,042</b>

**18(a). Borrowings**

Balance at 1st January	834,108	208,333
ARB Apex Bank Loan	1,846,100	839,447
Repayment	(294,920)	(213,671)
Balance at 31st December	<b>2,385,288</b>	<b>834,109</b>

**(b) ARB Apex Bank Loan**

Loan Type	Principal GH¢	Interest Rate	Interest Amount GH¢	Value Date	Maturity Date	Outstanding Balance GH¢
New Vehicle loan-2022	250,000	17.00%	69,375	04/05/2022	05/06/2025	41,667
Verification Device	139,445	12.00%	117,433	30/12/2022	31/12/2029	99,604
New Vehicle loan-2023	450,000	19.50%	143,131	07/03/2023	07/04/2026	200,000
New Vehicle loan (CEO)- 2023	250,000	7.00%	55,286	25/09/2023	25/09/2029	197,917
Vehicle loan (Armoured Bullion Van -2024)	1,846,100	17.00%	799,138	06/01/2025	06/12/2029	1,846,100
<b>TOTAL</b>	<b>2,935,545</b>		<b>1,184,363</b>			<b>2,385,288</b>



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2024 (continued)**

**19. Taxation**

	2024 GH¢	2023 GH¢		
<b>(i) Tax Expenses</b>				
Current tax	1,303,673	845,043		
Deferred Tax	90,160	8,164		
<b>Total to Statement of Comprehensive Income</b>	<b>1,393,833</b>	<b>853,207</b>		
<b>(ii) Reconciliation of effective Tax Rate</b>				
Profit before Tax	5,334,172	3,172,976		
Income Tax @ 25%	1,333,543	793,244		
Tax effect on Non-deductible Expenses	292,881	241,430		
Tax effect of Allowances utilised	(322,751)	(189,631)		
Origination of Temporary Difference	90,160	8,164		
<b>Current Tax charge in Statement of Comprehensive Income</b>	<b>1,393,833</b>	<b>853,207</b>		
<b>Effective Tax Rate</b>	26.00%	26.63%		
<b>(iii) 2024 Year of Assessment</b>				
	<b>Balance at 1.1.2024 GH¢</b>	<b>Charge to profit/loss GH¢</b>	<b>Payment during the year GH¢</b>	<b>Balance at 31.12.2024 GH¢</b>
2020	(18,335)	-	-	(18,335)
2021	-	-	-	-
2022	18,335	-	-	18,335
2023	(33,860)	-	-	(33,860)
2024	-	1,303,673	(1,224,798)	78,875
	<b>(33,860)</b>	<b>1,303,673</b>	<b>(1,224,798)</b>	<b>45,015</b>
<b>2023 Year of Assessment</b>				
	<b>Balance at 1.1.2023 GH¢</b>	<b>Charge to profit/loss GH¢</b>	<b>Payment during the year GH¢</b>	<b>Balance at 31.12.2023 GH¢</b>
2020	(18,335)	-	-	(18,335)
2021	-	-	-	-
2022	369,037	-	(350,702)	18,335
2023	-	845,043	(878,903)	(33,860)
	<b>350,702</b>	<b>845,043</b>	<b>(1,229,605)</b>	<b>(33,860)</b>
<b>Growth and Sustainability levy</b>				
<b>2024 Year of Assessment</b>				
	<b>Balance at 1.1.2024 GH¢</b>	<b>Charge to profit/loss GH¢</b>	<b>Payment during the year GH¢</b>	<b>Balance at 31.12.2024 GH¢</b>
2023	1,009	-	-	1,009
2024	-	266,709	(338,576)	(71,867)
	<b>1,009</b>	<b>266,709</b>	<b>(338,576)</b>	<b>(70,858)</b>
<b>2023 Year of Assessment</b>				
	<b>Balance at 1.1.2023 GH¢</b>	<b>Charge to profit/loss GH¢</b>	<b>Payment during the year GH¢</b>	<b>Balance at 31.12.2023 GH¢</b>
2023	-	158,649	(157,640)	1,009
	<b>-</b>	<b>158,649</b>	<b>(157,640)</b>	<b>1,009</b>
<b>9 (iv) Deferred Tax Computation</b>		<b>2024 GH¢</b>	<b>2023 GH¢</b>	
Net Book Value of Property, Plant and Equipment		3,735,714	1,923,858	
Written Down Value of Capital Allowance		3,468,534	2,017,317	
Temporary Difference		267,180	(93,459)	
Tax @ 25%		<b>66,795</b>	<b>(23,365)</b>	

## SOUTH BIRIM RURAL BANK PLC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2024 (continued)

	2024 GH¢	2023 GH¢
(v) <b>Deferred Tax Account</b>		
Balance at January 1	(23,365)	(31,529)
Released during the year	90,160	8,164
Balance at December 31	<u>66,795</u>	<u>(23,365)</u>

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

<b>Comprising</b>		
Corporate Tax	1,303,673	845,043
Others	90,160	8,164
	<u>1,393,833</u>	<u>853,207</u>

	2024 GH¢	2023 GH¢
<b>20. Dividend Payable</b>		
Balance at 1st January	101,384	101,475
50% cash dividend	376,617	-
8% withholding tax on cash dividend	(30,129)	-
Payment during the year	<u>(120,830)</u>	<u>(91)</u>
<b>Balance at 31st December</b>	<u>327,042</u>	<u>101,384</u>

**21 Earnings per Share**

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

	2024 GH¢	2023 GH¢
Profit/(Loss) attributable to share holders of the Bank (GH¢)	3,652,640	2,161,120
Weighted average number of outstanding ordinary shares	<u>3,652,640</u>	<u>3,210,643</u>
<b>Basic Earnings per Share (GH¢)</b>	<u>1.01</u>	<u>0.67</u>

**22. Stated Capital**

	2024 Number	Value GH¢	2023 Number	Value GH¢
<b>Authorised Shares</b>				
Ordinary shares of no par value	10,000,000		10,000,000	
Preference share of no par value	<u>125,000</u>		<u>125,000</u>	
<b>Issued</b>				
Preference Shares	125,000	13	125,000	13
Ordinary Shares				
Balance at 1st January	3,210,643	1,258,889	3,182,454	1,233,237
Addition	61,241	55,730	28,189	25,652
Transfer from Retained Earnings	380,756	346,488	-	-
<b>Balance at 31st December</b>	<u>3,652,640</u>	<u>1,661,107</u>	<u>3,210,643</u>	<u>1,258,889</u>
<b>Preference and Ordinary Shares</b>	<u>3,777,640</u>	<u>1,661,120</u>	<u>3,335,643</u>	<u>1,258,902</u>

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

## SOUTH BIRIM RURAL BANK PLC

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2024 (continued)

	2024 GH¢	2023 GH¢
<b>23. Retained Earnings</b>		
Balance at 1st January	3,766,170	1,611,219
Prior year adjustment (Note 30)	(576,777)	263,972
	<b>3,189,393</b>	<b>1,875,191</b>
Profit for the year	3,673,630	2,161,119
Transfer to statutory reserve fund	(459,204)	(270,140)
<b>Balance at 31st December</b>	<b>6,403,819</b>	<b>3,766,170</b>
<b>24. Statutory Reserve Fund</b>		
Balance at 1 January	1,750,763	1,480,623
Transfers from Retained Earnings	459,204	270,140
<b>Balance at 31 December</b>	<b>2,209,967</b>	<b>1,750,763</b>
Statutory reserve represent the cumulative amount set aside from annual profit after tax as required by Section 34 of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).		
<b>25. Capital Reserves</b>		
Balance at 1 January	218,251	218,251
Transfers from Retained Earnings	-	-
<b>Balance at 31 December</b>	<b>218,251</b>	<b>218,251</b>
<b>26. Regulatory Credit Risk Reserve</b>		
Balance at 1st January	238,534	502,506
Addition/Deduction	(176,457)	(263,972)
<b>Balance at 31 December</b>	<b>62,077</b>	<b>238,534</b>
The deduction relates to Bank of Ghana provision below the IFRS 9 computation. (IFRS GH¢2,438,629, BoG GH¢2,262,172, Difference GH¢176,457)		
<b>27. Other Reserves</b>		
Balance at 1st January	-	184,933
Addition	-	(184,933)
Payment	-	-
<b>Balance at 31 December</b>	<b>-</b>	<b>-</b>

## SOUTH BIRIM RURAL BANK PLC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2024 (continued)

## 28. Analysis of Financial Assets and Liabilities

2024	Designated at fair value Through P/L GH¢	Available for Sale Financial Asset GH¢	Held to Maturity Investment GH¢	Loans and Receivable GH¢	Total Amount GH¢
Financial Assets					
Loans and Advances	-	-	-	21,944,733	21,944,733
Short Term Investments	-	-	93,813,655	-	93,813,655
Long Term Investment	-	-	7,543,254	-	7,543,254
Cash and Cash Balances	16,788,274	-	-	-	16,788,274
Equity Investments	-	132,432	-	-	132,432
Account Receivables	-	-	-	924,854	924,854
<b>Total Financial Assets</b>	<b>16,788,274</b>	<b>132,432</b>	<b>101,356,909</b>	<b>22,869,587</b>	<b>141,147,202</b>
<b>Total Non Financial Assets</b>					<b>5,075,832</b>
<b>Total Assets</b>					<b>146,223,034</b>
Customer Deposits					126,139,593
Creditors and Accruals					6,704,067
<b>Total Financial Liabilities</b>					<b>132,843,660</b>
<b>Total Non-Financial Liabilities</b>					<b>13,379,374</b>
<b>Total Liabilities and Shareholders' Fund</b>					<b>146,223,034</b>
<b>2023</b>	<b>Designated at fair value Through P/L GH¢</b>		<b>Held to Maturity Investment GH¢</b>	<b>Loans and Receivable GH¢</b>	<b>Total Amount GH¢</b>
Financial Assets					
Loans and Advances	-	-	-	21,723,517	21,723,517
Short Term Investments	-	-	43,482,737	-	43,482,737
Long Term Investment	-	-	6,314,622	-	6,314,622
Cash and Cash Balances	9,878,041	-	-	-	9,878,041
Equity Investments	-	74,700	-	-	74,700
Account Receivables	-	-	-	4,691,287	4,691,287
<b>Total Financial Assets</b>	<b>9,878,041</b>	<b>74,700</b>	<b>49,797,359</b>	<b>26,414,804</b>	<b>86,164,904</b>
<b>Total Non Financial Assets</b>					<b>2,942,149</b>
<b>Total Assets</b>					<b>89,107,053</b>
<b>Financial Liabilities</b>					
Customer Deposits					74,423,822
Creditors and Accruals					7,450,611
<b>Total Financial Liabilities</b>					<b>81,874,433</b>
<b>Total Non-Financial Liabilities</b>					<b>7,232,620</b>
<b>Total Liabilities and Shareholders' Fund</b>					<b>89,107,053</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2024 (continued)

**29. Related Party Transactions**

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

	<b>2024</b>	<b>2023</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>(i) Deposit of Directors</b>		
Balance at 1st January	337,570	273,712
Deposit Received	6,404,957	6,703,699
Withdrawal	(6,417,728)	(6,639,841)
<b>Balance at 31st December</b>	<b><u>324,799</u></b>	<b><u>337,570</u></b>
<b>(ii) Key Management Personnel</b>		
Balance at 1st January	496,629	419,347
Loans disbursed	312,300	405,316
Amount repaid	(134,684)	(328,034)
<b>Balance at 31st December</b>	<b><u>674,245</u></b>	<b><u>496,629</u></b>
<b>(iii) Other Employees</b>		
Balance at 1st January	1,092,981	510,983
Loans disbursed	1,427,800	1,015,100
Amount repaid	(919,987)	(433,102)
<b>Balance at 31st December</b>	<b><u>1,600,794</u></b>	<b><u>1,092,981</u></b>
<b>(ii) &amp; (iii)</b>	<b><u>2,275,039</u></b>	<b><u>1,589,610</u></b>

**30. Prior Year Adjustment**

Decrease in Credit Risk Reserve for 2024	176,457	263,972
Dividend declared for 2023	(753,234)	-
	<u>-</u>	<u>-</u>
	<b><u>(576,777)</u></b>	<b><u>263,972</u></b>

**31. Contingent Liabilities**

The Bank has four (4) pending legal issues against four (4) ex-staff. No provision has been made in the Financial Statements as the Bank's management does not consider that there is any probable loss.

**Legal proceedings involving former employees****Plaintiffs vrs South Birim Rural Bank PLC**

The plaintiffs are ex-staff of the Bank who allegedly embezzled funds for which the Bank is in court. Management is confident of winning the case.

**Plaintiffs vrs South Birim Rural Bank PLC**

The plaintiffs are former staff of the Bank who have allegedly misappropriated the Bank's funds and are in court. The plaintiffs have also filed a claim against the Bank for wrongful dismissal.

The matter remain before the court. Management is confident of winning the case.

**32. Capital Commitments**

There were no capital commitments

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

No significant event occurred after the end of the reporting date which is likely to affect these Financial Statements.



## SOUTH BIRIM RURAL BANK PLC

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2024 (continued)

## 34. Value Added Statement

	2024 GH¢	2023 GH¢
Interest earned and other operating income	25,609,030	17,905,507
Direct cost of services	(9,815,640)	(7,182,826)
<b>Value added by Banking Services</b>	<b>15,793,390</b>	<b>10,722,681</b>
Impairment	(86,623)	(83,068)
<b>Value added</b>	<b>15,706,767</b>	<b>10,639,613</b>
<b>Distributed as follows:</b>	15,706,767	10,639,613
<b>To Employees:</b>		
Directors	(758,585)	(607,060)
Other Employees	(8,886,239)	(6,384,282)
<b>To Government:</b>		
Income tax	(1,660,542)	(1,011,856)
<b>To Providers of Capital:</b>		
Dividends to shareholders	-	-
<b>To Expansion and Growth:</b>		
Depreciation	(727,771)	(475,295)
<b>Retained Earnings</b>	<b>3,673,630</b>	<b>2,161,120</b>

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

**SHAREHOLDER INFORMATION**

Range	No of Shareholders	Percentage	Total Number of	
			Shares	Percentage
1 - 50,000 shares	1,595	99.60	2,677,480	73.3
50,001 - 500,000 shares	7	0.40	975,160	26.7
500,001 - 1,000,000 shares	-	-	-	-
<b>Total</b>	<b>1,602</b>	<b>100.00</b>	<b>3,652,640</b>	<b>100.0</b>

**Top 20 ordinary shareholders**

Achiaseman	210,976	5.78
Emmanuel Ankomah Aboagye	202,115	5.53
Augustus Ennin-Attafuah	169,330	4.64
Birim District Council	161,973	4.43
Mr. Kwaku Atta Owusu	97,184	2.66
George Niako	68,792	1.88
Nana Owusu Twum Barima	64,789	1.77
Robert Kwasi Amoah	48,396	1.32
Mr. S.A. Boahene	32,394	0.89
Madam Comfort Love Arthur	32,394	0.89
Madam Hilda Awuah	32,394	0.89
Mr. Kwame Asiedu	32,394	0.89
Mr. Samuel K. Asiedu	32,394	0.89
Mr. Albert Kofi Ampofo	32,394	0.89
Mr. Yaw Brako	32,394	0.89
Mr. Baffour P. Antwi-Boasiako	32,394	0.89
Mr. Hayford K. Brew	32,394	0.89
Mr. C.B.S. Kwarko	32,394	0.89
Mr. Emmanuel Kofi Boafo	32,394	0.89
Madam Pat A. Attafuah	25,916	0.71
	<b>1,405,805</b>	<b>38.51</b>

**Directors shareholding**

Mr. Augustus Ennin Attafuah	169,330	4.64
Mrs. Bernadette Addo-Dankwa	14,744	0.40
Ms Lucy Aboagye-Nuamah	8,402	0.23
Mr. Emmanuel Odoom	11,301	0.31
Mr. Paul Asiedu	21,380	0.59
Mr. George Niako	68,792	1.88
	<b>293,949</b>	<b>8.05</b>