



FIASEMAN

RURAL BANK PLC

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2023

K AND A ACCOUNTING SERVICES
CHARTERED ACCOUNTANTS
P. O. BOX 8361
ACCRA - NORTH

TEL: 0302 - 8194 12 / 0243 104 911

CONGRATULATIONS

ON BEHALF OF THE BOARD, MANAGEMENT AND STAFF, WE WISH TO CONGRATULATE YOU ON YOUR INDUCTION INTO THE HALL OF FAME, CORPORATE GHANA

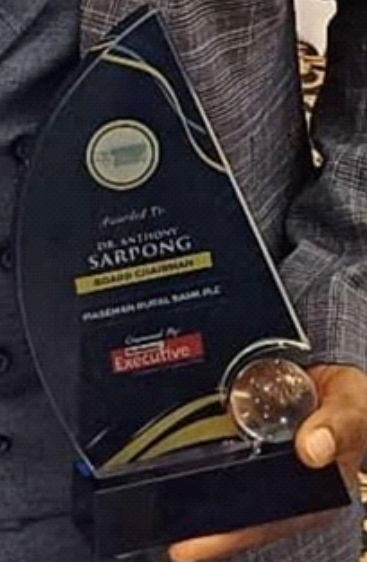


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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 35th Annual General Meeting of Fiaseman Rural Bank PLC will be held at the St Augustine's Senior High School-Bogoso, on Saturday 29th June, 2024 at 10:am to transact the following business:

AGENDA

1. To read the purpose convening the meeting
2. To consider and adopt the Statement of Accounts of the Bank for the year ended 31st Day of December, 2023 together with the Reports of the Directors and Auditors thereon.
3. To receive the Board of Directors' Report
4. To Declare dividend
5. To authorise the Directors to negotiate the fees of the Auditors.
6. To introduce the new External Auditor of the Bank
7. To fix the Directors' Remuneration.
8. To elect Directors in respect of those retiring by rotation.

NOTE:

Admission:-Strictly by producing Share Certificate. Those without Share Certificates can pick admission slips at the Head Office or Branches of the Bank.

Any Shareholder wishing to contest the Directorship position should pick up a Directorship Form at the Chief Executive Office and submit the completed form on or before 16th June, 2024.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his/her/its stead. A proxy needs not to be a member of the Company.

DATED THIS 22ND DAY OF MAY, 2024.

BY ORDER OF THE BOARD

Signed
DR. GODFRED FRANK OPOKU
(BOARD SECRETARY)

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Dr. Anthony Sarpong Board Chairman (Appointed 24th July 2021)
End of Term (23rd November, 2024)

Mr. Frank Amo Owusu Vice Chairman (Appointed 1st August 2022)
End of Term Date (31st July 2025)

Mrs. Comfort Danso Yeboah Member (Appointed 18th November 2021)
End of Term Date (23rd November 2024)

Mr. Clement Eshun Member (Appointed 6th September 2022)
End of Term Date (5th September 2025)

Mr. Godfred Kwame Anokye Member (Appointed 6th September 2022)
End of Term Date (5th September 2025)

CEO/COMPANY SECRETARY:

Mr. Godfred Frank Opoku

AUDITORS:

K and A Accounting Services
49 Boundary Road (Coastal)

Off Spintex Road, Baatsonaa Accra
P. O. BOX 8361, Accra North

REGISTERED OFFICE:

Fiaseman Rural Bank PLC
P. O. Box 80,
Bogoso, Western Region
Ghana
Email: fiasemanruralbankltd@yahoo.com
Website: www.fiasemanruralbank.com.gh

BANKERS:

ARB Apex Bank Ghana Limited
Consolidated Bank Ghana Limited
Zenith Bank (Ghana) Limited

GCB Bank PLC

OmniBSIC Bank Ghana Limited

CalBank PLC





BOARD OF DIRECTORS

DR. ANTHONY KWAKU SARPONG
BOARD CHAIRMAN

GODFRED K. ANOKYE
BOARD MEMBER

FRANK AMO-OWUSU
VICE BOARD CHAIRMAN

MRS. COMFORT DANSO YEBOAH
BOARD MEMBER

CLEMENT ESHUN
BOARD MEMBER



MINUTES OF THE 34TH ANNUAL GENERAL MEETING OF THE MEMBERS OF FIASEMAN RURAL BANK PLC AT THE GOLDEN HOTEL LIMITED- BOGOSO ON SATURDAY, THE 18TH OF NOVEMBER, 2023 AT 10:30 AM

DIRECTORS PRESENT:

- | | | | |
|----|--------------------------|---|----------------|
| 1. | DR. ANTHONY SARPONG | - | BOARD CHAIRMAN |
| 2. | MR. FRANK AMO-OWUSU | - | VICE CHAIRMAN |
| 3. | MRS COMFORT DANSO YEBOAH | - | BOARD MEMBER |
| 4. | MR. GODFRED KWAME ANOKYE | - | BOARD MEMBER |
| 5. | MR. CLEMENT ESHUN | - | BOARD MEMBER |

IN ATTENDANCE

- | | | | |
|----|---------------------------|---|---------------------------|
| 1. | MR. GODFRED FRANK OPOKU | - | BOARD SEC. /CEO |
| 2. | MR. SETH OFORI LARBI | - | K & A ACCOUNTING SERVICES |
| 3. | ALHAJ ADAM AL-HASSAN | - | MINUTES RECORDER |
| 4. | MR. VINCENT K.A. ABUTIATE | - | MC |

SOME OF THE KEY INVITEES:

- | | | | |
|----|----------------------------|---|-------------------------------|
| 1. | TETRETE OKUAMOAH SEKYIM II | - | OMANHENE- WASA AMENFI TRAD. |
| 2. | DR. TONY AUBYNN | - | BOARD CHAIRMAN- ARB APEX BANK |
| 3. | MR. ALEX KWESI AWUAH | - | MD- ARB APEX BANK PLC |
| 4. | MR. ERIC DANING (ESQ) | - | VICE CHAIR – ARB APEX BANK |
| 5. | VINCERT BLAYCHIE ESHUN | - | PRESIDENT - WERBA |
| 6. | NANA SOMPREH | - | CHIEF OF BOGOSO |

MEMBERS / PROXIES:

Members/ proxies: - 1,064

Proxies present: - -

INVITED GUEST - About 60

AGENDA AND PROGRAMME OF ACTIVITIES

1. 8:30 – 10:00am Arrival of Invited Guest and Shareholders
2. Opening Prayer - Rev. P. K. Osafo
3. Introduction of Chairman - The CEO
4. Chairman's Opening Remarks
5. Introduction of Board Members & Invited Guests – CEO of FRBPLC

MAIN BUSINESS:

A. To receive the notice convening the Meeting – CEO

B. REPORTS

- Board Chairman’s Report
- Director’s Report
- Auditor’s Report

C. Acceptance and Discussion of Reports

D. Motions

- Auditors Remuneration
- To declare dividend
- Directors’ Fees
- To authorize the Directors to search for new External auditors for the Bank

E. RESOLUTIONS

- To set aside 5% in appropriation for Corporate Social Responsibilities

6. ADDRESSES

- a. Keynote Address for the commemoration of the 40th Anniversary by Mr. Alex Kwasi Awuah, M D ARB Apex Bank PLC

b. Executive Director- ARB –Ghana- Madam Comfort Owusu

c. Other Addresses

7. Awards

8. Election of Directors to fill the two vacancies

9. Vote of Thanks - MC

10. Closing Prayer

11. Refreshment



Opening Prayers

The meeting was opened with a prayer by Reverend P. K. Osafo of Emmanuel Presbyterian Church of Bogoso to commence the proceedings at exactly 10:30 am prompt.

Introduction of Chairman and Board Members

Mr. Godfred Frank Opoku, the Chief Executive Officer (CEO) of the Bank, introduced the chairman for the occasion, the Board Chairman of Fiaseman Rural Bank Limited, Dr. Anthony Sarpong.

Chairman's Opening Remarks

Dr. Anthony Sarpong, Chairman of the General Meeting, took the chair. The Chairman extended a warm and hearty welcome to shareholders present at the Annual General Meeting of the Bank.

The Chairman after confirming that the requisite quorum was present called the Annual General Meeting to order.

Introduction of Board Members and Invited Guests- The CEO

The CEO of the Bank, Mr. Opoku also introduced other Board Members of the bank as well as the invited Guests including Dr. Tony Aubynn and Mr. Alex Kwasi Awuah, the Board Chair and MD of ARB Apex Bank respectively and also representatives from some sister Rural Banks, key shareholders, Nananom and the print and mass media.

MAIN BUSINESS

To receive the notice convening the meeting- CEO

Mr. Opoku, the CEO of the bank read the notice for convening the 34th Annual General Meeting of the Bank stating the purpose of the meeting, the date, venue, time, and the agenda for the day's business as follows:

AGENDA

1. To read the purpose convening the meeting
2. To consider and adopt the Statement of Accounts of the Bank for the year ended the 31st day of December, 2022 together with the Reports of the Directors and Auditors thereon.
3. To receive the Board of Directors' Report
4. To Declare dividend
5. To authorize the Directors to negotiate the fees of the auditors.
6. To authorize the Directors to search for new External Auditors for the Bank.
7. To fix the Directors Remunerations
8. To elect Directors in respect of those retiring by rotation

REPORTS

CHAIRMAN'S REPORT:

The Chairman addressed the members and briefed them about the performance of the Bank during the year under review ending 31st December 2022. He also enumerated the achievements made by the Bank during the period.

HIGHLIGHTS OF THE CHAIRMAN'S REPORT

40TH ANNIVERSARY

The Chairman expressed the bank's profound gratitude to the forefathers who thought it wise to establish the noble bank which is now celebrating its 40th anniversary with the theme: Four Decades of Trust and Commitment. He thanked them for the sacrifices made all these years.



Financial Performance

INDICATOR	2022 GHS	2021 GHS	%CHANGE
Profit Before Tax	14,398,799.00	11,099,819.00	29.72%
Total Assets	351,893,819.00	240,708,290.00	46.19%
Stated Capital	5,311,362.00	4,400,677.00	20.69%
Total Deposits	308,273,143.00	208,240,331.00	48.04%
Loans & Advances	111,579,190.00	86,429,373.00	29.10%
Investments	175,373,811.00	109,216,538.00	60.57%
Shareholders Fund	31,555,106.00	24,507,753.00	28.76%
CSR	163,518.00	112,804.00	44.96%

The Chairman reminded members about the economic outlook of the Ghanaian Economy during the fiscal year under review including but not limited to the impact of inflation of 54.1%; GDP declined from 5.1% in 2021 to 3.1% in 2022, National deficit financing of 11.3%, The Government Debt Service reached 117.7% of GDP.

The Rural Banking Industry

The Chairman also said the rural Banking industry recorded some improvement in the year under review.

He summarized the improvement as presented in the table below:

RCB,S INDUSTRY INDICATORS	2022	2021	VARIANCE
Profit Before Tax	GHS164Million	GHS133.3 Mn	44.8%
Total Assets	GHS 8.4Billion	GHS6.7Billion	25.6%
Deposit	GHS7.4Billion	GHS5.9 Billion	25.4%
Loan & Advances	GHS2.6 Billion	GHS2.2Billion	18.2%
CAR	10.7%	9.9%	-
NPL	11.2%	10.8%	-

Directorship

The Chairman reminded members about the need to uphold to the tenet of good corporate governance in all aspect of the banks dealings and in one such case starting from the Board room is to work in line with the companies Act 2019 (Act 992). By this, the zonal system of selecting the Board is replaced with one general constituency in accordance with Public Limited Liability procedures in the companies Law of Ghana (Act 992).

Fiaseman & Twifu Collaboration

The Chairman informed the members at the general meeting that Bank of Ghana has approved all the three representatives of the Bank to serve on the Twifu Board. He also sate the permission of the meeting to restore the Bank share to 60% due to dilution of the minority shareholders.

Awards & Others

The Bank according to the chairman also received several awards notable among them are Ghana Club 100 (53rd Position), Best Regional Bank (western region) - Association of Rural Bank (ARB) and Wassaman Top 15 companies in 2022.

New Branch Opening

The Chairman also informed the general meeting that Bank of Ghana did not allow the bank to open a branch at Kumasi which according to Bank of Ghana is as a result of internal procedures.

Outlook for 2024

He said the Bank plan to execute the following activities in 2024:

- Invest in Human Capital;
- State of the Art Technology to serve our customers and
- Collaboration with Apex to take advantage of Mobile and Agency Banking.

Declaration of Dividend

The Board recommend a dividend payout ratio of 30% of Profit After Tax. And per the number of shareholdings certified in our annual report, dividend per share will be GHS0.086.

DIRECTORS' REPORTS

Mr. Frank Amo-Owusu read the director's report with emphasis on Directors' mandate on Corporate Reporting as required by the Companies Act, 2019, Act 992 and the Bank's and Specialised Deposit Taking Institutions Act, 2016 (Act 930), and in accordance with IFRS.

Mr. Amo-Owusu assured members that the corporate reports have complied with Act 992, Act 930, the Anti-Money Laundering Act, 2020 (Act 1044) and the International Financial Reporting Standards (IFRS).

The Directors' also emphasized to members that the going concern of the Bank is assured, and for that matter since the end of the last financial year they are not aware of any matter or circumstances arising that could have a material effect on the financial position of the Bank.

AUDITOR'S REPORT

The Chairman then requested K & A Accounting Services (The Bank's Auditor) to read the Statutory Auditor's

Report and the comments of the Statutory Auditors on the Annual Accounts. The Statutory Auditors' Report and the comments of the Report were then read out by the Bank Auditor's represented by Mr. Seth Ofori Larbi.

The Bank Auditor's stated that the Bank has received 'Nil' comments from the Statutory Auditors of the Bank and as such having complied with all the relevant standards and Laws, the account is true and fair.

MOTION FOR ACCEPTANCE AND DISCUSSION OF REPORTS

The Chairman then invited members to move for the adoptions or otherwise of the accounts and the reports for discussions.

Mr. Samuel Dadzie, a shareholder and an Accra resident moved the motion for the adoption of the reports as below and was seconded by all shareholders present;

"MOVED that, the Audited Statement of Financial Position as at 31st December, 2022 and the Statement of Comprehensive Income for the year ended 31st December 2022, the Directors' Report, the Auditor's Report and Chairman's Report thereon be and the same are hereby received and adopted for discussion."

Shareholders with a unanimous voice seconded the motion

There was no counter motion, the above motion was unanimously carried.

Discussions of Reports and Matters Arising

- Mr. Odeefoo Karteng, a member and Chief of Grade One, Bogoso expressed concern about the too much technicalities of the Independent Auditors Report and requested that the Board in future should consider appointing auditors who can interpret their report in Twi.

b. Mr. Emmanuel Kwesi Ayensu of Prestea Hi man, a member said the Board should continue discussion with Bank of Ghana to open a branch at Kumasi instead of pursuing the refund of the rent advance as mentioned by the CEO.

c. Mr. Samuel Dadzie, a shareholder from Accra and an Investment Analyst disagree with an earlier suggestion by a member that the Independent Auditors should read their report in Twi and rather suggested that it is rather the responsibility of the Board to do that.

He further commended the Board, Management and staff for posting strong Financial Position, financial Performance and Cash flow statements and out of overjoy describe his bank as the face of future RCB.

More so he said the year 2022 is so far the best performance of FRBPLC hence the Board has a lot to offer to shareholders.

d. Mr. Ken Kwame Anto of Himan Prestea said Kumasi is the market centre in Ghana so the Board should further highlight on the hurdles being face so that if any member can be of assistance.

e. Mr. Joseph Kweku Ampaw said to the best of his knowledge the Board of Directors are entitled to sitting allowance and not monthly stipend or salary and as such requires more education on the matter.

f. Osagyefo Amanfu Edu VI in reference to page six of the annual report requested the Chairman and the CEO to explain the source of the growth of 28.76% of the shareholders' fund.

Responses from Board and CEO

The Board and the CEO responded as follows:

- The Board said the growth of the shareholders' fund is largely due to the year under review retained earnings as well as the mandatory statutory reserve.

- That Board fee is different from sitting allowance. The latter is earned only when one attends meeting which is once per quarter but the former however is earned monthly. All Board remuneration are by law approved at AGM and approved by Bank of Ghana.

Second Sessions of Discussions

a. Mr. Sylvester Kwabena Wiredu of Huni-Valley wanted to know the status of the 2017 AGM resolution authorizing the 20% dividend payout retention for shares for five (5) years.

b. Mr. Joseph Kwaku Poku of Obuasi suggested that on the occasion of the 40th Anniversary all shareholders should be considered for the anniversary cloth and not only staff.

Mr. A.A. Asare (Alias Mampong Badu) of Aboso wanted to know whether as a shareholder, herbalist and a farmer if the Bank can give him machine to enhance his herbalist business.

Board Response to Shareholders Questions & Concerns

Again the Board took time to response to the concerns of the shareholders.

- In response to a question and concern raised by Mr. S. Kwabena Wiredu of Huni-Valley on 20% retention on dividend payout, Mr. Opoku, the Board Secretary said the Bank implemented the decision for only two years but could not continue due to the covid-19 pandemic.

- He said the Bank could not afford the huge cost of the anniversary cloth hence produced only for staff to supplement the Friday wear in response to a question by Mr. Joseph Kwaku Poku of Obuasi.

- With regard to financial support for shareholders who double as entrepreneur, he stated that such entrepreneurs who requires a personal loan should visit the Bank to be educated on the qualifying criteria.



MOTIONS

Fixing of Auditor's Remuneration

The Board Chairman moved the motion, that the general meeting authorize the Board to fix the remuneration of auditors for the ensuing financial year.

The motion was seconded by Mr. Samuel Dadzie and was unanimously carried by members at the general meeting.

The chairman then invited from members any comments or questions regarding the motion. No questions, objections, or abstention were put forward by members within the allotted time.

The general meeting concluded the motion as carried and, "MOVED THAT, authorization be and is hereby given to the Board of Directors to fix the remuneration of the Auditor's for the financial year 2024.

To Declare Dividend

The Board Chairman on behalf of the Board moved a motion for a dividend payout ratio of 30% of Profit After Tax and dividend per share of GHS0.086 based on the certified number of shares in the annual report. The motion was seconded by Mr. Joseph Kwaku Poku.

Directors' Remuneration

In introducing a motion for an upward review of the Directors Fees and Sitting Allowance currently fixed at GHS700 and GHS650, the Board Chairman informed the Shareholders that the current remuneration predate Covid-19 hence required a review and therefore moved a motion proposing a sitting allowance net of tax of **GHS2,500** for Chairman and **GHS2,000** for other Board Members and **GHS1,500** Board Monthly Fees across board.

Mr. Samuel Dadzie seconded the motion

The Board Chairman also put forward a motion to review the existing adhoc fuel subsidy and replaced it with determination based on location of a Directors to the Meeting venue (GH¢/Km/Lt)

Honourable Matthew Evans Adjei of Huni Valley seconded the motion.

To Authorize the Directors to Search for New External Auditors for the Bank

The Board Chairman moved a motion that the Board should be empowered to rotate the existing independent auditors after their tenure ends after auditing the 2023 financial reports.

The motion was seconded by Mr. Patrick Obeng of Prestea.

RESOLUTIONS

To set aside 5% in appropriation for Corporate Social Responsibilities

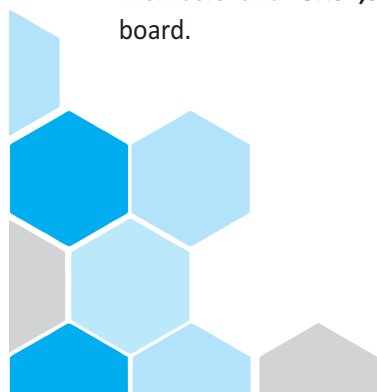
The Board Chairman moved the motion that the General Meeting should allocate 5% of profit after tax yearly for corporate Social Responsibilities (CSR) in the catchment areas.

Mr. Enock Awere seconded the motion.

ADDRESSES:

a. Tetrete Okuamoah Sekyim II – Omanhene of Wassa Amenfi

The Omanhene of Wassa Amenfi Traditional Area felicitate with the Bank on the occasion of the 40th Anniversary and expressed great appreciation to the Board, Management, Staff and Shareholders for contributing to this feat.



He also encouraged Shareholders to increase their shares in the Bank.

The Omanhene said he was delighted to see two of Wassra Banks doing exceptionally well and further called for more collaboration between Amenfi and Fiase.

b. By MD, ARB Apex Bank PLC - Mr. Alex Awuah

Mr. Awuah expressed great delight about continuous success of the Bank by commending the Board, Management and the Staff.

The Economy

He said the year 2017 presented a monumental challenge to the banking industry in Ghana yet most RCB’s managed to survive the threat.

Technology

MD expressed the readiness of the ARB Apex Bank to deploy a cutting edge technology to assist the RCB’s serve their customers better.

Digital Banking

The MD further said over 1,800 RCB staff have been registered for mobile banking in preparation to improve service to clients.

c. By Association of Rural Bank (ARB)

Mr. Eric Daning (ESQ), the vice president of ARB who stood in for the ARB congratulate the bank for celebrating its 40th anniversary. He also praised the legacy of the former Board and Management members with special mention of Osagyefo Amanfu Edu VI and Mr. Evans Aidoo.

He also reiterates the need for effective corporate governance by continuing training of the Board.

In conclusion, he use the occasion to talked about the impending biennial conference to be held at Sunyani. He said the conference will also be use to inaugurate for the first time Women in RCB conference.

AWARDS

The Bank used the special occasion to reward several pioneers who has contributed to the Bank success. The pioneers include:

- i. Mrs. Sophia Ekuban – First Female Staff of the Bank
- ii. Mr. Joseph Paintsil - Pioneer Staff
- iii. Mr. Celestine Dzadzrah - Pioneer Board
- iv. Mr. AAK Bebe - Founding Board Member
- v. Mr. Joseph Effie Cudjoe - First Board Chairman
- vi. Mr. George Kwesi Acheampong – Second Board Chairman
- vii. Mr. Emmanuel Kudjoe Brempong – Past CEO 2003 - 2009
- viii. Mr. Evans Aidoo – CEO 2009 -2017
- ix. Mr. Kaedabi Donkor – Former CEO 2017 to 2020
- x. Osagyefo Amanfu Edu VI – Past Board Chairman
- xi. Mr. Seth Victor Gyimah – Past Board Member
- xii. Mr. Peter Anane Assan - Past Board Member
- xiii. Mr. Emmanuel Effie Cudjoe – Past Board Member
- xiv. Lawyer Kojo Appiah Annin - Past Board Chairman
- xv. Mr. E. K. Ayensu – Past Board Member
- xvi. Mr. A. A. K. Dzeame – Past Board Member

d. By Past Chairman - Osagyefo Amanfu Edu VI (Awardee)

Osagyefo Amanfu Edu VI on behalf of all awardees thank the Bank for the honour done to them. He further touched on the 2022 accounts especially the payment of dividend by paying homage to Professor Stephen Addae, a member of the Bank.

Osagyefo also advice that the Bank should enhance gender balance and cross professional on the Board. He further advice the Board to implement effective succession so that no one person can control the Bank.

Mineral Resources – Lithium

In concluding his remarks, Osagyefo said the Nation, Ghana, is preparing to mine lithium at Mankessim and that he will be excited to see his Bank (FRBPLC) positioning itself to take advantage of opportunities the mines presents. Osagyefo assured the Bank of a modern banking premises at Mankessim should the Bank decide to open a branch.



d. Nana Kwasi Sompseh II - Divisional Chief of Bogoso, Kokoase

Nana Sompseh also took turn to express his heartfelt appreciation to the pioneering members, board and staff.

ELECTION OF DIRECTORS

The District Electoral Commission present the following five people/ members to the General Meeting to elect two (2) members to the Board. They are:

Mr. Evans Aidoo

Mr. Samuel William Derby

Mr. Robert Kojo Yeji

George Kennedy Mills (Esq)

Mr. Ebenezer Sonadze Mensah.

Election Results

S/N	Name	Total Shares	%
1	Mr. Evans Aidoo	2,695,618	13.01
2	Mr. Samuel William Derby	9,167,839	44.23
3	Mr. Robert Kojo Yeji	2,636,097	12.72
4	George Kennedy Mills (Esq)	737,807	3.55
5	Mr. Ebenezer Sonadze Mensah	5,490,135	26.49
	Total	20,727,496	100.00

The Constituency Electoral Officer of Prestea Huni Valley declares that the following Members are duly elected to serve on the Board of the Bank:

1. Mr. Samuel William Derby
2. Mr. Ebenezer Sonadze Mensah

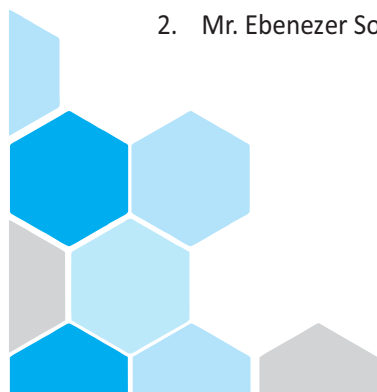
Vote of Thanks and Closing Prayer - MC

Mr. Vincent Abutiate expressed gratitude to each p erson in attendance, on behalf of the Board of Directors and their active participation in the AGM.

The Chairman announce the close of the Meeting closed at 3:50 p.m.

Closing Prayer

Mr. Godfred Kwame Anokye said the prayer to close the Meeting at 3:55 p.m



35TH ANNUAL GENERAL MEETING CHAIRMAN'S REPORT



DR. ANTHONY SARPONG
BOARD CHAIRMAN

INTRODUCTION

Nananom, Distinguished Shareholders, Fellow Board Members, the Managing Director ARB Apex Bank, the Executive Director ARB-Ghana, Our Business Partners, the MP Prestea Huni Constituency, the MCE, Prestea Huni Valley Municipal Assembly, Friends from the Media, Management and Staff of Fiaseman Rural Bank PLC, the CEOs and Directors of Sister Rural Banks, Ladies and Gentlemen, all protocols observed.

It is indeed a great pleasure to welcome you all to the 35th Annual General Meeting of Fiaseman Rural Bank PLC and to present to you the Audited Financial Statements for the year ended 31st December 2023.

GHANAIAN ECONOMY

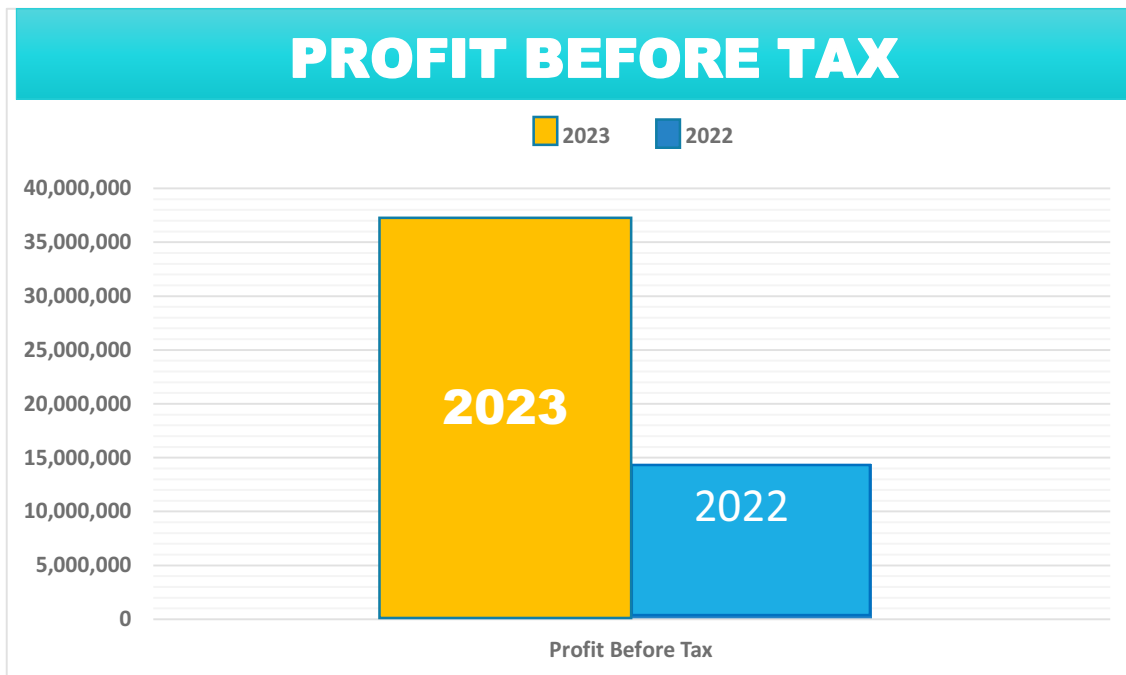
Following the macroeconomic crisis experienced in 2022, Ghana witness some improvements in its economic conditions throughout 2023. However, persistent challenges remain notably characterized by elevated inflation, subdued growth and substantial pressure on public finances and debt sustainability. The country encountered significant external shocks that exacerbated existing fiscal and debt vulnerabilities, resulting in a constrained access to international market, limited domestic financing options and increase reliance on monetary measures to support government expenditures. Year on year inflation fell from 53.4% in January, 2023 to 23.2% in December, 2023 reflecting more stable exchange rates and the effects of monetary Policy tightening in 2022 to 2023.

THE BANK'S PERFORMANCE

Cherished Shareholders, notwithstanding the economic challenges enumerated above, your bank performed incredibly well by recording an impressive profits before tax of GHS36,976,180 in 2023 as against of GHS14,398,799 in 2022 representing a growth of 156.8%.

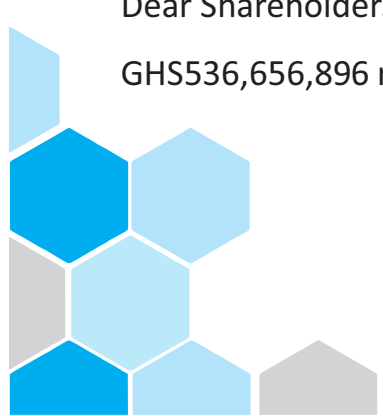
This was as a result of shrewd leadership style by the Board, Management and Staff to ensure better returns for all stakeholders.

Figure 1



TOTAL ASSET

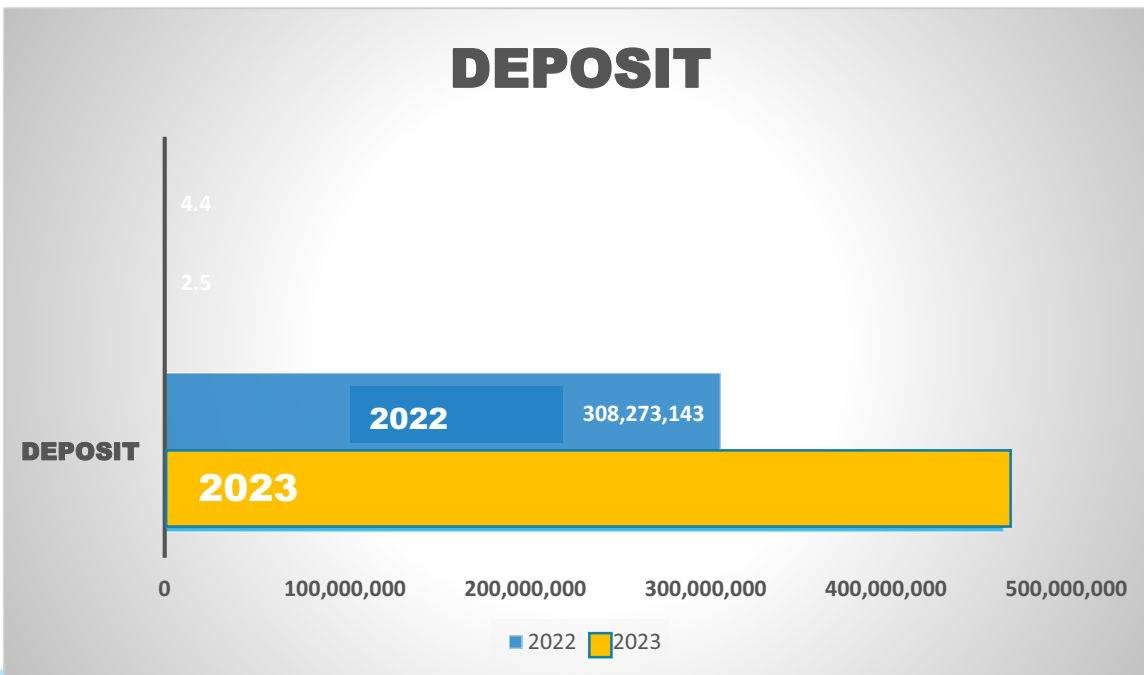
Dear Shareholders, the Total Assets of the bank grew from GH351,893,819 in 2022 to GHS536,656,896 representing 52.5% growth in 2023.





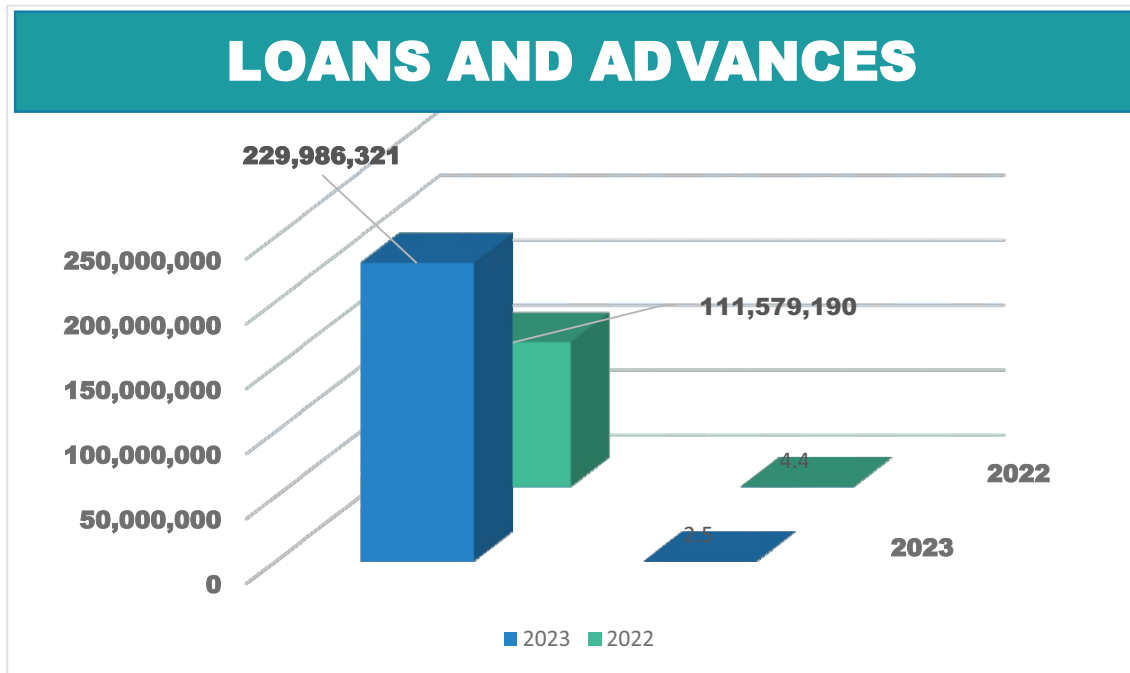
DEPOSIT

Ladies and Gentlemen, everyone bank thrives on deposit and I am glad to inform you that the deposit of the bank grew from GHS308,273,143 in 2022 to GHS465,189,588 representing 50.9%.



LOANS AND ADVANCES

Distinguished Shareholders, Total Loans and Advances also grew from GHS111,579,190 in 2022 to GHS229,986,321 in 2023 representing 106.12% growth.



STATED CAPITAL

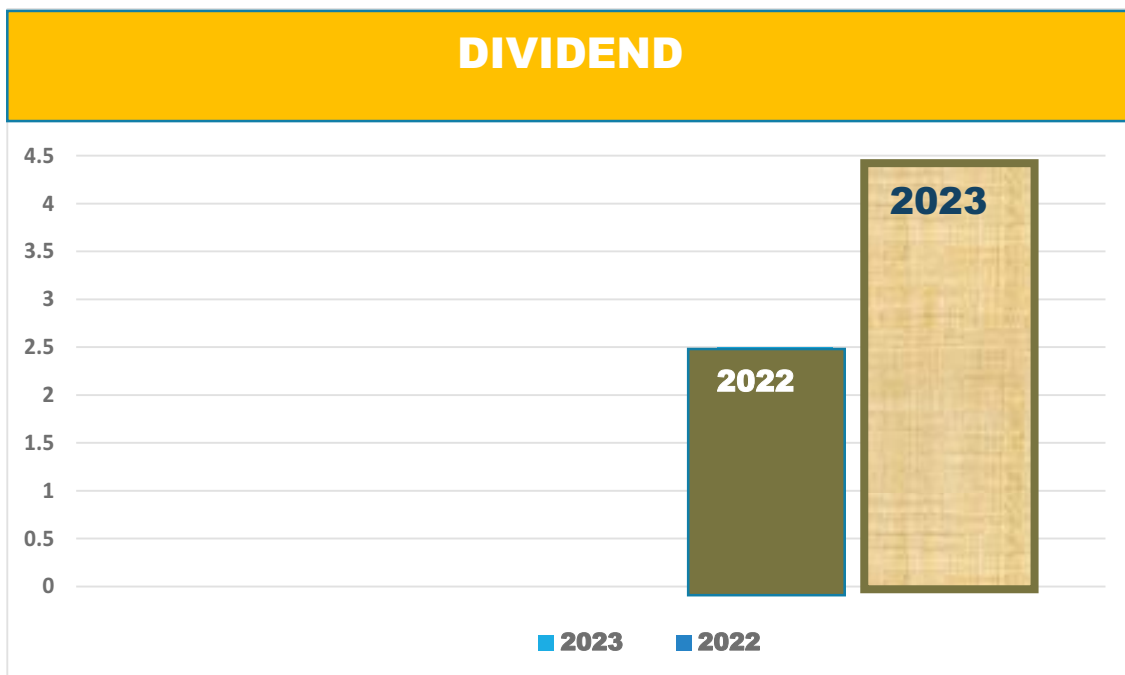
Fellow Shareholders, the Stated Capital of the Bank grew from GHS5,311,362 in 2022 to GHS8,193,558 in 2023 representing 54.26%, which is above the regulatory requirement of GHS1,000,000.

I wish humbly to appeal to you all to buy more shares so that we shall enjoy the benefits of investments in the coming years.



DIVIDEND

Dear Shareholders, the unprecedented performance for the year under review has compelled the Board to propose the payment of a dividend per share of GHS0.13 amounting to GHS7,369,778. 91 for the year under review as against GHS0.086 per share amounting to GHS2762 384.10 as at 2022.



INVESTMENT

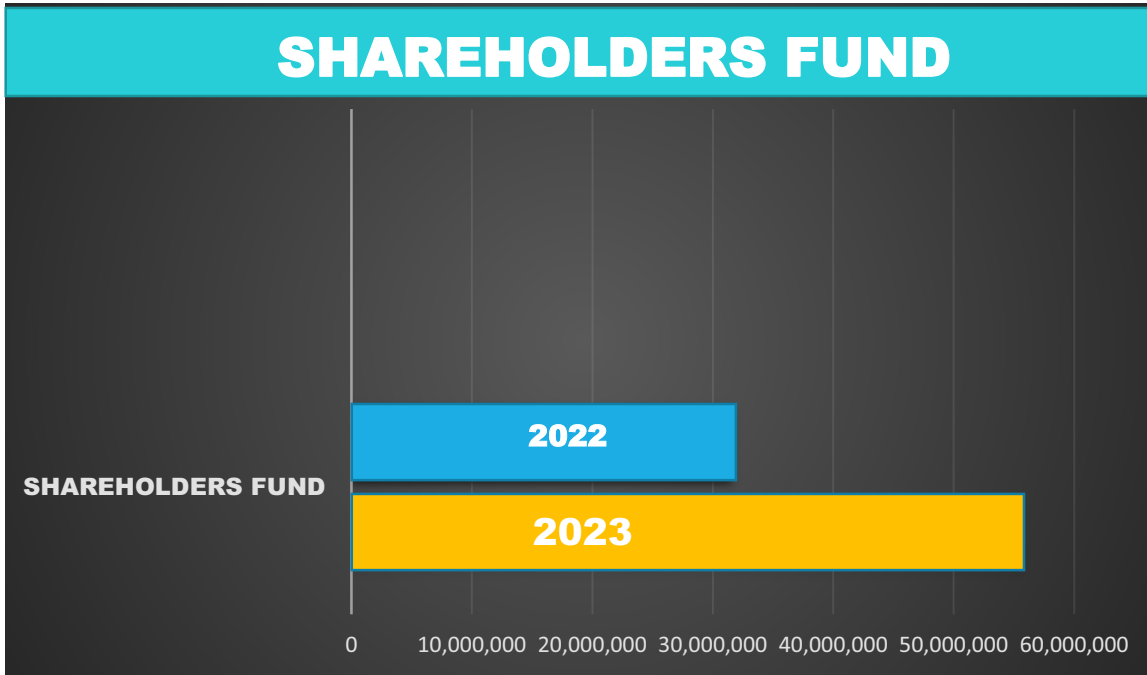
Our investment in Treasury Bills and other investment increased from GHS175,373,811 in 2022 to GHS192,136,980 representing a growth of 9.56%.

Our medium term investment in Government Bonds exchanged in (Domestic Debt Exchange Program)(DDEP) as at 31st December,2023 stood at GHS20,138,699.00 .



SHAREHOLDERS FUND

Fellow Shareholders, I am delighted to inform you that the shareholders' funds appreciated by 77.06% from GHS31,555,106 in 2022 GHS55,873,143 in 2023.



CORPORATE SOCIAL RESPONSIBILITY (ENVIRONMENTAL SOCIAL GOVERNANCE)

Dear Shareholders, during the year under review, a total of GHS158,423 was spent in relation to Corporate Social Responsibility and the details is as follows

S/N	PURPOSE	AMOUNT GHS
1	scholarship to 28 Tertiary Students	83,000
2	Refurbishment of motor vehicle for Ghana Police Service at Bogoso	65,423
3	2023 Farmers Day Celebration	10,000
	TOTAL	158,423



DIRECTORSHIP

During the 2023 financial year, two (2) new Directors were elected at the 34th Annual General Meeting to serve their first terms, they were however approved by Bank of Ghana in March 2024. The two (2) Directors are in the persons of Messres. William Samuel Derby and Ebenezer Sonandze Mensah.

Also, Two directors are due for retirement by rotation, the Directors are in the persons of Mrs. Comfort Danso Yeboah who has completed her first term and offered to continue to serve the bank of which the other directors have agreed and endorsed her candidature; and Dr. Anthony Kwaku Spong, the Board Chairman, who has completed his second term but does not intend to continue; and wish to express his gratitude to the Shareholders for the honors done him.

It is our wish that you retain the only lady on the Board to continue with the good works during the voting.

FIASEMAN AND TWIFU COLLABORATION

Dear shareholders, I wish to inform you that Twifu Rural Bank Limited made a loss Before Tax of GHS668,492 for the year ending 31st December, 2023 as a result of the decision taken by the Board to take up all losses in suspense to clean the books.

It is our hope that having cleaned the books, the way is clear to make some profit in the coming years.

It is set that a five (5) member Board of Directors would handle the affairs of the Twifu Rural Bank PLC consisting of three (3) members from Fiaseman Rural Bank PLC and the remaining two (2) from Twifu Rural Bank PLC. We now have the full complements of Borad Members of the Twifu Rural Bank Plc. Thus the Twifu Board is to operate automously. The Fiaseman Investment Trust would be enhanced to monitor progress of the investment in the Twifu Rural Bank Plc.



AWARDS AND OTHER ACHIEVEMENT

Cherish Shareholders, I am delighted to inform you that your bank received the following awards for the year under review

1. Ghana Club 100 positioned 45th Best Company in Ghana and Second Best in the Rural Banking Industry
2. Ghana Excellence Award by Chartered Institute of Credit Management Ghana and ranked Best Rural Bank in Ghana
3. African public services optimum award and ranked Outstanding Rural Bank in Financial Inclusion
4. The Corporate Excellence Diamond Awards and the CEO was adjudged the Most Outstanding Personality under Rural Banking
5. CEMBA Africa Business Excellence Award and the CEO was adjudged the Most Outstanding Industry CEO Merit Awards and Fiaseman Rural Bank PLC was also adjudged the Most Outstanding Economic Development Rural Banking

The above goes to signify that your bank performed exceptionally well in the year under review.

Fellow Shareholders, I wish to inform you that we have been able to recover an amount of GHS200,000 paid as rent advance to rent a space for banking operations in Kumasi as directed by the Bank of Ghana.

OUTLOOK

Distinguished Shareholders, considering our quest to continue to be the Most Profitable Rural Bank in the Country, a lot is expected of the Board of Directors, Management and the entire Staff, which all stone will be left on unturned to achieve this enviable feat in the coming years.



Fiaseman Rural Bank PLC will continue to remain focused in the Pursuit of its market dominance agenda and I assure you that the Board shall continue to develop proving strategies to ensure the sustainability of your bank whilst creating sustainable returns to shareholders through intensive deposit, shares mobilization and loans recovery drives as well as cost management programmes.

We shall also continue to invest in technology by exploring other business opportunity in the digital space whilst minimizing and addressing all potential risks within the banking industry.

APPRECIATION

Fellow Shareholders, Nananom, Ladies and gentlemen, I wish on behalf of the Board of Directors to express my profound gratitude to our partner in development, our Regulators, Nananom, esteemed Shareholders, cherished Customers, past and present Directors, Management and Staff for your untiring support and dedication.

God bless you all for your attention.

Long live Fiaseman Rural Bank PLC

Long Live Prestea Huni Valley Municipality

Long live Ghana.



CORPORATE GOVERNANCE REPORT

TO THE MEMBERS OF FIASEMAN RURAL BANK PLC

Fiaseman Rural Bank PLC has a good governance practice and ensures that governance is at the centre of its core values. The Bank implements effective corporate governance principles in its business operations as a whole. The Bank ensures that the Bank complies with the available legislation on corporate governance in the Banks and Specialized Deposit - Taking Institutions Act, 2016 (Act 930) and the Companies Act, 2019 (Act 992) as well as the principles of the best practices. The Bank has structures and processes set out in its regulations and policies, including the Board's Charter which promotes transparency, disclosures and accountability.

The Board of Directors

The Board of Directors of the Bank have the overall responsibility for ensuring compliance with the legal and regulatory provisions on corporate governance. The Board is ultimately responsible for ensuring that the best practices of corporate governance are maintained and adhered to by the Bank. In order to promote effective governance of the Bank, the following structures have been put in place for the execution of the Bank's Corporate Governance Strategy:

1. Board of Directors
2. Board Committees
3. The Chief Executive Officer

As at 31st December, 2023 , Fiaseman Rural Bank PLC had five (5) Members of the Board of Directors .

1. Dr. Anthony Kwaku Sarpong - Chairman
2. Mr. Frank Amo – Owusu - Vice Chairman
3. Mrs. Comfort Danso Yeboah - Member
4. Mr. Godfred Kwame Anokye - Member
5. Mr. Clement Eshun -Member

The Board of Directors executed its mandate and responsibility through its Committees. The Committees include the following :



- a . Audit , Finance , Risk & Compliance ;
- b . Credit
- c . Strategic Development - HR / ICT / Marketing / Procurement

The Committees have laid down policies and procedures with governance issues as the underlining principles.

Key Responsibility

The mandate of the Board of Directors is to act in the best interest of the Bank by ensuring that the core purpose of the Bank is achieved. The Board ensures this by protecting the interest of the Shareholders as well as other Stakeholders of the Bank.

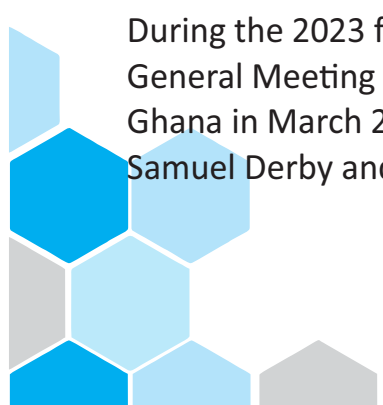
The Board provides overall guidance policy direction and oversight in the Bank's strategic direction, policy formulation and is the ultimate decision - making body of the Bank.

The roles of the Chairman, the non - executive Directors and the Chief Executive Officer are separated and clearly defined.

The Chairman of the Board and the Directors are primarily responsible for the overall governance, policy and strategic formulation of the Bank whilst the Chief Executive Officer is responsible for the day - to - day operations of the business in accordance with the Board's strategic plans and policy direction. The Board is ultimately responsible for the Bank's structure and areas of operation, financial reporting, as well as ensuring that there is an effective system of internal control and risk management and compliance. The Board has the authority to delegate matters to Directors, Committees, the Chief Executive Officer and the Management Committee. The Board regularly reviews the Bank's performance, matters of strategic concerns and any other matters it regards as material. The Board meets quarterly and additional meetings are convened as the need arises. The Board evaluates itself on an annual basis.

Directorship

During the 2023 financial year, two (2) new Directors were elected at the 34th Annual General Meeting to serve their first terms, they were however approved by Bank of Ghana in March 2024. The two (2) Directors are in the persons of Messrs. William Samuel Derby and Ebenezer Sonandze Mensah.



Also, Two (2) Directors are due for retirement by rotation , the Directors are in the persons of Mrs. Comfort Danso Yeboah who has completed her first term and offered to continue to serve the Bank of which the other directors have agreed and endorsed her candidature ; and Dr. Anthony Kwaku Sarpong , the Board Chairman , who has completed his second term but does not intend to continue ; and wish to express his gratitude to the Shareholders for the honors done him .

Succession Plan

The Bank, by an open and transparent selection and vetting processes, shall ensure that the normal rotational processes are made to suit new directors to replace those exiting from time to time. Accordingly, the Board Charter emphasizes on the recruitment of highly qualified management staff and very qualified directors with proven integrity and shall ensure that the Board is made up of persons who must possess qualifications in the area of Accounting, Banking, and Law, Management and Education and very recognizable banking experience. The succession plan is as follows:

1. The current Vice Chairman, Mr. Frank Amo - Owusu would end his second term in 2025 ; but would have the opportunity to serve the third term and exit in 2028 .
2. Messrs . Godfred Kwame Anokye and Clement Eshun would complete their first terms in 2026 and both have the opportunity to serve the Bank for two (2) more terms exiting in 2031
3. Mrs. Comfort Danso Yeboah if re - elected would have the opportunity to serve a third term and exit in 2030 .
4. Messrs . William Samuel Derby and Ebenezer Sonandze Mensah both have an opportunity to serve for nine (9) years exiting in 2032

Attendance at Board Meetings

Membership and attendance at Board Meetings during the year are set out below :

S / N	Name of Director	No. of Meetings	No. of Times Present	Percentage Attendance
1	Dr. Anthony Kwaku Sarpong	8	8	100
2	Mrs. Comfort Danso Yeboah	8	8	100
3	Mr. Frank Amo Owusu	8	8	100
4	Mr. Godfred Kwame Anokye	8	7	87.5
5	Mr. Clement Eshun	8	8	100

Directors ' Shareholdings

The shareholdings of Directors are as follows :

S / N	Name of Director	No. of Shares	Percentage Shareholding
1	Dr. Anthony Kwaku Sarpong	874,638	1.4486
2	Mrs. Comfort Danso Yeboah	83,712	0.1386
3	Mr. Frank Amo - Owusu	105,478	0.1747
4	Mr. Godfred Kwame Anokye	3,113,760	5.157
5	Mr. Clement Eshun	502,963	0.833
	TOTAL	4,680,551	7.7519

Financial Reporting

The Board has presented a balanced assessment of the Bank's position and prospects. The Board is mindful of its responsibilities and is satisfied that in the preparation of its Financial Report, it has met its obligation under the Board Charter and applicable legal provisions. The Directors make themselves accountable to the Shareholders through regular publication of the Bank's Annual Financial Reports and holding of Annual General Meeting (AGM) . The Board has ensured that the Bank's reporting procedure is conveyed on the most recent infrastructure to ensure accuracy. This procedure involves the monitoring of performance throughout the financial year, in addition to monthly reporting of the key performance indicators. K & A Auditing Services acted as External Auditors to the Bank during the 2023 financial year.

Internal Control

The Bank is mindful of the importance of its Internal Control functions in the general operations and has put in place effective control systems to ensure that the Bank's operations are carried in a safe, objective and effective manner. The Board reviews the effectiveness of the system through regular reports and reviews which is submitted at Committee and Board Meetings.

1. Anti - Money Laundering

The Board and Management of the Bank are committed to ensuring compliance with the statutory provisions in the Anti - Money Laundering Act, 2020 (Act 1044) and the applicable regulations and guidelines . Staff are continuously trained on the Bank's anti - money laundering policies to ensure strict compliance .



2. Conflicts of Interest

The Bank has a comprehensive policy on conflict of interest and disclosures and the Bank ensures strict compliance with the legal provisions on conflicts of interest and disclosures. The Bank has an Interests Register where Directors and Key Management Personnel record their interests. The laid down policies and procedures of the Bank's businesses ensures that the law is strictly complied with to reduce any conflicts of interest that may arise and where there are conflicts, there are effective means of disclosing the conflict of interest.

3. Shareholdings Rights

The Board ensures that general meetings are held regularly in accordance with law and the Shareholders are provided with all information as required by statute in respect of the Bank's general operations. Shareholders are treated equally and provided adequate time and equal opportunity to seek clarifications on the Bank's published Financial Statements at General Meetings.

4. Annual Certification

The Board certifies that for the financial year ended 31st December, 2023, the Bank has complied with the provisions of the Corporate Governance as contained in Act 930 and Act 992 as well as the best practice, including but not limited to :

- a . Board qualification and composition
- b . Board size and structure
- c . Other engagements of Directors
- d . Board Committees

In addition, the Board certifies that :

1. It has independently assessed and resolved that the Bank's corporate governance process is effective and has successfully achieved its objectives.
2. Directors are aware of their responsibilities to the Bank as persons charge with governance.



REPORT OF THE DIRECTORS

The Directors have the pleasure in submitting their Thirty-Five (35th) annual report together with the Statement of Comprehensive Income for the year ended December 2023, Statement of Financial Position as at 31st December 2023, Statement of Cash flows for the year ended 31st December 2023 and Statement of Changes in Equity for the year ended 31st December 2023.

Directors' Responsibilities

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

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

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

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

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the Bank and which enable them to ensure that the financial statements comply with the Companies Act 2019 (Act 992), the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930), Anti-Money Laundering Act, 2008 (Act 749) as amended by the Anti-Money Laundering (Amendment) Act, 2014 (Act 874) and the International Financial Reporting Standards (IFRS).

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

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



▪Principal Activities

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

▪Operational Results

The results of operations for the year ended 31st December, 2023 are set out in the Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and the Notes to the financial statements from page 4 to 33.

A summary of the results is as follows:

	2023 GH¢	2022 GH¢
Profit after tax	<u>24,734,212</u>	<u>9,207,947</u>
Total Comprehensive Income	134,428,088	75,740,048
Total Assets	<u>536,656,896</u>	<u>351,898,302</u>

▪ Dividend Policy

The Board proposed a 30% dividend on the Bank’s net profit subject to Bank of Ghana approval.

▪ Going Concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that future operations, the realization of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

▪ Corporate Social Responsibility

During the fiscal year, a total of GHS 158,423 was spent in relation to corporate social responsibility. Details as follows.

PURPOSE	AMOUNT GHS
Refurbishment of Motor Vehicle for Ghana Police Service (Bogoso)	65,423
2023 Farmers Day Celebration	10,000
Scholarship to 28 Tertiary Students	83,000
Total	158,423

▪ Events after reporting date (31 December 2023)

In finalizing the Account, it was obvious that the bank’s loan asset with FGR employees have had their credit risk increased significantly hence in line with IAS 10, all FGR related loans moved to stage two and three of the



Expected Credit Loss (ECL) assessment. This affected the overall provision for bad and doubtful debt made on the loan portfolio by an upwards adjustment of GHS 2,898,148.

▪ **Capacity building of directors to discharge their duties.**

On appointment to the Board, Directors are provided with full, formal and tailored programmes of induction, to enable them gain in-depth knowledge about the Bank’s business, the risks and challenges faced, the economic knowledge and the legal and regulatory environment in which the Bank operates. Programmes of strategic and other reviews, together with other training programmes, ensure that Directors continually update their skills, knowledge, and familiarity with the Bank’s businesses. This further provides insights about the industry and other developments to enable them effectively to fulfil their role on the Board and committees of the Board.

The Board of Directors had a successful training programme on Financial Management Training Programme at the Ghana Institute of Management and Public Administration (GIMPA) from 21st of August to 25th of August 2023.

▪ **Directors’ interest in contracts**

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

▪ **Auditor’s Remuneration**

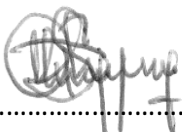
Audit fee for the year ended 31st December 2023 amounted to GHS 85,330 VAT inclusive.

▪ **Appointment of Auditors**

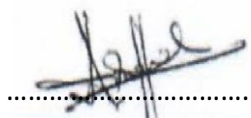
Messrs K and A Accounting services have ended their office as auditors to the Bank for the ensuing year in accordance with the provision of Section 139 (5) of Ghana Companies Act 2019-Act 992.

The Directors hereby will be replacing them in the subsequent year.

▪ The report of the directors of the bank was approved by the Board of Directors on and signed on its behalf by Dr. Anthony Sarpong and Mr. Frank Owusu Amo as required by Section 135(1b) of the Companies Act, 2019 Act 992.



CHAIRMAN



DIRECTOR

Date : 28th APRIL,2024

Date : 28th APRIL,2024



REPORT OF THE INDEPENDENT AUDITOR'S TO THE MEMBERS OF FIASEMAN RURAL BANK PLC

Report on the Audit of the Financial Statements.

We have audited the accompanying financial statements of **Fiaseman Rural Bank Plc** which comprise the statement of comprehensive income for the year ended 31 December 2023, statement of financial position as at 31 December 2023, the statement of cash flows, and the statement of changes in equity for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 8 to 33

Opinion

In our opinion, the accompanying financial statements show a true and fair view of the financial position as at 31 December 2023, and of its financial performance and cash flows for the year then ended in accordance with the Companies Act 2019-Act 992, the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), the Anti-Money Laundering Act, 2008 (Act 749), the International Financial Reporting Standards (IFRS).

Basis for Opinion

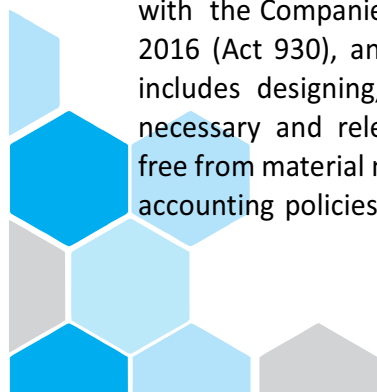
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Bank in accordance with the International Code of Ethics for Professional Accountants (Including International Independence Standards) (The Code) issued by the International Ethics Standards Board for Accountants and the independence requirement of section 143 of the Companies Act, 2019 (Act 992). We have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

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

Responsibilities of Management and Directors for the Financial Statements

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



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

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

Report on Other Legal and Regulatory Requirements

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

We confirm that:

- 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 account have been kept by the Bank, so far as appears from our examination of those books, and
- iii. The statement of financial position, the statement of profit or loss and other comprehensive income, the statement of cash flows are in agreement with the books of account.

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

- i. The financial statements give a true and fair view of the state of affairs as at 31 December 2023 of the Bank and the results for the year ended on that date.
- ii. We obtained all the information and explanation required for the efficient performance of our audit.
- iii. The transactions of the Bank are within their powers; and
- iv. The Bank has generally complied with the provisions of the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930); the Anti-Money Laundering Act, 2008 (Act 749) and the Anti-Terrorism Act, (Act 762).

The Engagement Partner on the audit resulting in this independent auditor's report was Kwadwo Kwarteng (ICAG/P/1097).



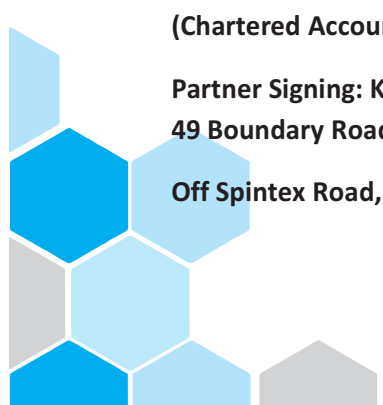
K & A ACCOUNTING SERVICES
CHARTERED ACCOUNTANTS

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

Partner Signing: Kwadwo Kwarteng
49 Boundary Road (Coastal)

Off Spintex Road, Baatsonaa (Accra)

Date: 28TH APRIL, 2024



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

	<u>NOTES</u>	<u>2023</u> GH¢	<u>2022</u> GH¢
Interest Income	3	125,466,528	68,739,344
Interest Expenses	4	<u>(14,419,243)</u>	<u>(8,841,626)</u>
Net Interest Income		111,047,285	59,897,718
Commissions and Fees	5	5,330,973	3,840,956
Other Operating Income	6	<u>3,630,587</u>	<u>3,159,748</u>
Total Operating Income		120,008,845	66,898,422
Impairment Gain / (Loss) on Financial Assets	7	(5,294,456)	(6,149,678)
Operating Expenses	8	(77,738,209)	(46,349,945)
Operating Profit Before Taxation		36,976,180	14,398,799
Income Tax Expense	18 c	<u>(12,241,968)</u>	<u>(5,190,852)</u>
Net Profit After Tax		<u>24,734,212</u>	<u>9,207,947</u>
Transfer to Corporate Social Responsibility		(1,236,711)	(184,159)
Transfer to Statutory Reserve		(6,183,553)	(2,301,987)
Transfer to Human Capital Fund		(2,473,421)	(920,795)
Development Fund		(2,473,421)	-
Transfer to Income Surplus		(12,367,106)	(5,801,006)



STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

ASSETS

	NOTES	2023 GHC	2022 GHC
Cash and Short Term Funds	9	68,148,979	46,199,515
Investments	10(a)	216,682,458	179,361,688
	10(b)	2,996,904	451,882
Interest on Investment Receivable	11	229,986,321	111,579,190
Loans and Advances to Customers	12	11,133,053	7,452,890
Other Assets Account	18 (b)	(12,693)	4,484
Deffered Tax Asset	15	312,883	391,107
Intangible Assets	14	7,408,991	6,457,546
Property, Plant & Equipment		536,656,896	351,898,302
TOTAL ASSETS			

LIABILITIES AND SHAREHOLDERS' FUND

LIABILITIES

Deposits and Current Accounts	16	465,189,588	308,273,143
Creditors and Accruals	17	13,832,631	12,183,312
Current Tax	18 (a)	1,761,533	(113,258)

TOTAL LIABILITIES

480,783,752

320,343,197

SHAREHOLDERS' FUNDS

Stated Capital	19	8,193,558	5,311,362
Preference Shares	19	13	13
Statutory Reserve	20	14,615,204	8,431,651
Other Funds	21	9,346,205	3,698,637
Income Surplus	22	20,794,642	13,989,924
Credit Risk Reserve		2,800,003	-
Capital Surplus	23	123,519	123,519

TOTAL SHAREHOLDERS' FUNDS

55,873,143


31,555,106

TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS

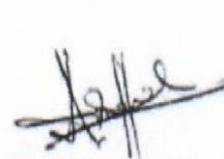
536,656,896

351,898,302

Approved by the Directors on 28th April, 2024 and signed by;



CHAIRMAN



DIRECTOR

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

	<u>2023</u> <u>GH¢</u>	<u>2022</u> <u>GH¢</u>
<u>CASHFLOW FROM OPERATING ACTIVITIES</u>		
Net Profit Before Tax	36,976,180	14,398,799
<u>ADJUSTMENTS TO RECONCILE OPERATING PROFIT</u>		
<u>TO NET CASH PROVIDED BY OPERATING ACTIVITIES</u>		
Depreciation and Amortisation	2,400,110	1,752,720
Charge for Loan Impairment	5,294,456	6,149,678
Deferred Income	593,992	257,555
<u>NET CASH FLOW FROM OPERATING ACTIVITIES BEFORE</u>		
<u>CHANGES IN OPERATING ASSETS AND LIABILITIES</u>	45,264,738	22,558,752
(Increase)/ Decrease in Loans and Advances to Customers	(119,025,490)	(31,299,494)
(Increase)/ Decrease in Interest Receivable	(2,545,022)	(451,882)
(Increase)/ Decrease in Other Assets	(3,680,163)	(2,186,473)
Increase/ (Decrease) in Deposits Liability	156,916,445	100,032,832
Increase/ (Decrease) in Creditors and Accruals	1,055,328	4,156,744
Corporate Tax Paid	<u>(10,350,000)</u>	<u>(5,499,707)</u>
NET CASH INFLOW FROM OPERATING ACTIVITIES	67,635,836	87,310,772
<u>INVESTING ACTIVITIES</u>		
Change in Investments	(41,996,868)	(66,157,274)
Long Term Investments		(1,804,597)
	(3,959,467)	(2,357,956)
Purchase of Property, Plant and Equipment	<u>686,136</u>	<u>(243,800)</u>
Addition/(Release) to Work in Progress	(45,270,199)	(70,563,627)
NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES		
<u>FINANCING ACTIVITIES</u>		
Other Funds	(535,985)	(541,917)
Proceeds from Issue of Shares	2,882,196	910,685
Payment of Dividend	<u>(2,762,384)</u>	<u>(2,529,462)</u>
NET CASH (OUTFLOW) FROM FINANCING ACTIVITIES	(416,173)	(2,160,694)
Net Increase / (Decrease) in Cash and Cash Equivalents	21,949,464	14,586,452
Cash and Cash Equivalents as at 1/1/	46,199,515	31,613,063
Net Increase / (Decrease) in Cash and Cash Equivalents	<u>21,949,464</u>	<u>14,586,452</u>
Cash and Cash Equivalents as at 31/12/	<u>68,148,979</u>	<u>46,199,515</u>

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

	<u>Stated Capital</u>	<u>Preference Shares</u>	<u>Other Funds</u>	<u>Statutory Reserves</u>	<u>Capital Surplus</u>	<u>Credit Risk Reserve</u>	<u>Income Surplus</u>	<u>Total</u>
	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>
Balance as at January 1	5,311,362	13	3,698,637	8,431,651	123,519	-	13,989,924	31,555,106
Dividend Payment	2,882,196	-	-	-	-	-	(2,762,384)	(2,762,384)
Issue of Shares	-	-	-	-	-	-	12,367,105	12,367,105
Net Profit for the Year	-	-	(535,985)	-	-	-	-	(535,985)
Payment from Other Funds	-	-	6,183,553	6,183,553	-	-	-	6,183,553
Transfer to Other Funds	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve	-	-	-	-	-	2,800,003	(2,800,003)	-
Transfer to Credit Risk Reserve	-	-	-	-	-	-	-	-
Balance as at December 31	8,193,558	13	9,346,205	14,615,204	123,519	2,800,003	20,794,642	55,873,144

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

	<u>Stated Capital</u>	<u>Preference Shares</u>	<u>Other Funds</u>	<u>Statutory Reserves</u>	<u>Capital Surplus</u>	<u>Credit Risk Reserve</u>	<u>Income Surplus</u>	<u>Total</u>
	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>
Balance as at January 1	4,400,677	13	1,478,170	6,129,665	123,519	-	12,375,810	24,507,854
Dividend Payment	-	-	-	-	-	-	(2,529,462)	(2,529,462)
Net Profit for the Year	910,685	-	-	-	-	-	4,143,576	4,143,576
Proceeds from Issue of Shares	-	-	2,762,384	-	-	-	-	910,685
Transfer to Other Funds	-	-	(541,917)	-	-	-	-	2,762,384
Payments	-	-	-	-	-	-	-	(541,917)
Transfer to Statutory Reserve	-	-	-	2,301,986	-	-	-	2,301,986
Balance as at December 31	5,311,362	13	3,698,637	8,431,651	123,519	-	13,989,924	31,555,106

FIASEMAN RURAL BANK PLC

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

1.0 CORPORATE INFORMATION

1.1 Registration and Nature of Business

The bank was incorporated on January 18th, 1983 and issued with certificate to commence business on December 3rd. 1991 with license (number c-21,796) under the Banking Law 1970, ACT 339, now replaced by the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930). The nature of the business the bank is authorized to carry on includes the provision of current and deposit as well as savings and time deposit accounts for its customers. It also acts as agent of the other financial institutions in the country, accepts and discounts bills of exchange and provides finance for small scale farmers, merchants, industrialists, etc.

1.2 Compliance with International Financial Reporting Standards (IFRSs)

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

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

2.0 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of Accounting

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

2.2 Functional and Presentation Currency

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



2.3 Revenue Recognition

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

- i. Interest Income and expenses are recognized on interest bearing assets and liabilities on accrual basis.
- ii. Commissions and fees income and expenses that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate.

Other fees and commission income, including account servicing fees, investment management fees and placement fees, are recognized as the related services are performed.

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

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

2.4 Income Tax

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

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

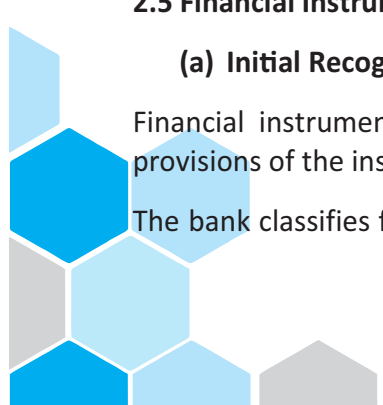
Deferred tax assets and liabilities are offset when they arise in the same tax reporting entities and relate to income taxes of the same taxation authority, and when a legal right to set off exists. The carrying amount of deferred tax assets is reviewed at each balance sheet date and adjusted to the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

2.5 Financial Instruments

(a) Initial Recognition and Measurement

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

The bank classifies financial instruments, or their component parts, on initial recognition as a financial



asset, a financial liability or an equity instrument in accordance with the substance of the instrument. These are initially measured at fair value (including transaction costs for assets and liabilities not measured at fair value through profit or loss).

(b) Subsequent Measurement

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

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

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

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

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

- (a) Is designated as such upon initial recognition, or
- (b) Meets the recognition of 'held for trading'

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

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

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



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

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

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

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

(c) Derecognition Of Financial Assets And Liabilities

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

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

2.6 The Amortized Cost of a Financial Asset or Financial Liability

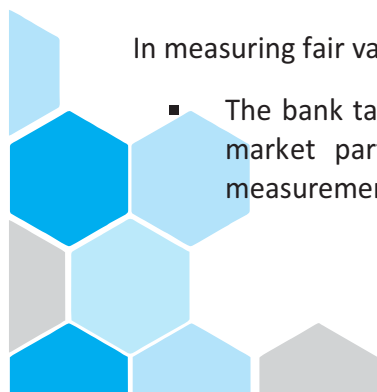
The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that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

2.7 Fair Value Measurement

The bank defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurement assumes an orderly transaction between market participants at the measurement date under current market conditions.

In measuring fair value:

- The bank takes into account the characteristics of the asset or liability being measured that a market participant would take into account when pricing the asset or liability at the measurement date.



- The bank determines classes of asset or liability for disclosure purposes on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy within which the fair value measurement is categorized.

2.8 Impairment of financial assets

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

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

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

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

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the income statement.

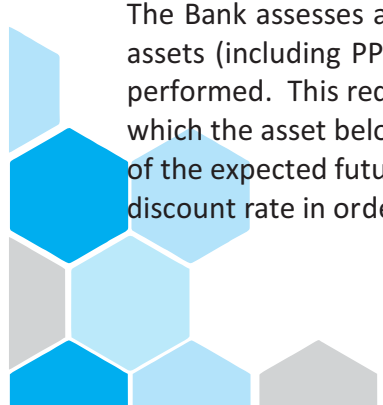
If, in a subsequent year, the amount of the estimated impairment allowance increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account.

Assets together with the associated allowances are written off when there is no realistic prospect of future recovery and all collateral have been utilized.

If a future write-off is later recovered the recovery is credited to 'credit loss expense'. The present value of the estimated future cash flows is determined using the financial asset's original effective interest rate.

2.9 Impairment of Non-Financial Assets (Including Property Plant & Equipment (PPE))

The Bank assesses at least at each financial year end whether there is any evidence that non-financial assets (including PPE) may be impaired. Where indicators of impairment exist, an impairment test is performed. This requires an estimation of the 'value in use' of the asset or the cash-generating units to which the asset belong. Estimating the value in use amount requires management to make an estimate of the expected future cash flows from the asset or the cash generating unit and also to select a suitable discount rate in order to calculate the present value of those cash flows.



2.10 Property, plant and equipment

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

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

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

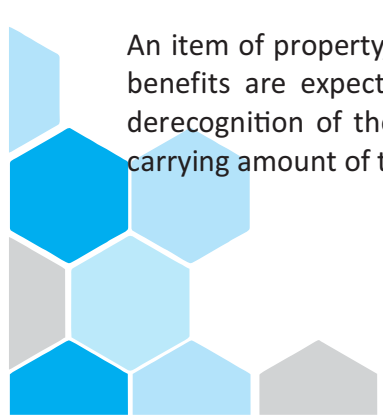
▪ Motor Vehicle	33.33%
▪ Building	5%
▪ Office Furniture	20%
▪ Equipment	25%
▪ Computers	25%
▪ Solar Panel	12.5%

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

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

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

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



2.11 Foreign Currency

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

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

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

2.12 Cash & Cash Equivalents

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

2.13 Provisions

The bank recognizes provisions when it has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the bank expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

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

2.14 Events after the Reporting Period

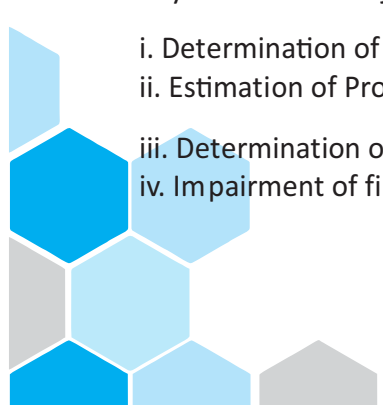
Events subsequent to the reporting date are reflected only to the extent that they relate directly to the financial statements and the effect is material. The Bank's total exposure to all FGR workers (A Mining Company in distress) as at the reporting date was GHS 9,628,148.07. Events after the reporting date indicated a high risk of default in payment. Thus, an additional IFRS 9 provision of GHS 2,898,148.16 was made to cover highly probably default payment of those facilities.

2.15 Use of Estimates and Judgments

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

Key areas in which judgment is applied include:

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



2.16 Employee Benefits

▪ Short-Term Benefits

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

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

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

▪ Social Security and National Insurance Trust (SSNIT)

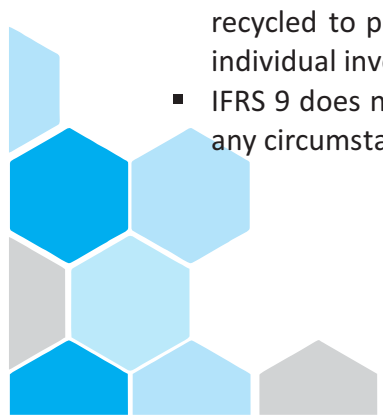
Under a National Deferred Benefit Pension Scheme, the Bank contributes 13% of employees' basic salary to SSNIT for employee pensions. The Bank's obligation is limited to the relevant contributions, which are settled on due dates. The pension liabilities and obligations, however, rest with SSNIT.

▪ Provident Fund

The Bank has a Provident Fund Scheme for all permanent employees. Employees contribute 4.5% of their basic salary to the Fund whilst the Bank contributes 12%. 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.

2.17 IFRS 9 Financial Instruments

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



FIASEMAN RURAL BANK PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 CONTINUED

	<u>2023</u>	<u>2022</u>
	GH¢	GH¢
3		
<u>INTEREST INCOME</u>		
Investment	44,368,047	20,357,829
Advances	<u>81,098,481</u>	<u>48,381,515</u>
TOTAL	<u>125,466,528</u>	<u>68,739,344</u>
4		
<u>INTEREST EXPENSES</u>		
Interest on Deposit	14,419,243	8,841,626
TOTAL	<u>14,419,243</u>	<u>8,841,626</u>
5		
<u>COMMISSION AND FEES</u>		
Commitment Fees	4,656,508	3,210,970
Commission Received	<u>674,465</u>	<u>629,986</u>
TOTAL	<u>5,330,973</u>	<u>3,840,956</u>
6		
<u>OTHER OPERATING INCOME</u>		
Miscellaneous Income	<u>3,630,587</u>	<u>3,159,748</u>
TOTAL	<u>3,630,587</u>	<u>3,159,748</u>
7a		
<u>Impairment Allowance on Loans</u>		
Provision at the Beginning 1st January,	14,386,862	8,237,184
Prior Year Adjustment	-	-
Bad Debts Written-Off/	-	-
Charge for the year	<u>618,359</u>	<u>6,149,678</u>
Provision at the End 31st December,	<u>15,005,221</u>	<u>14,386,862</u>
7b		
<u>Impairment Allowance on Investment</u>		
Provision at the Beginning 1st January,	-	-
Bad debt Written off	-	-
Charge for the year	<u>4,676,097</u>	<u>-</u>
Provision at the End 31st December,	<u>4,676,097</u>	<u>-</u>
	<u>5,294,457</u>	<u>6,149,678</u>
Charge for the year(Loans and Investment)		
8		
<u>OPERATING EXPENSES</u>		
Staff Cost- Appendix I	50,861,122	28,603,008
Occupancy Cost - Appendix II	4,255,479	2,619,220
Administrative and Other Expenses - Appendix III	19,699,925	12,981,268
Directors' remuneration	255,160	274,543
Audit Fees	85,330	63,388
Depreciation and Amortization	2,400,110	1,752,720
Donation	<u>181,083</u>	<u>55,798</u>
TOTAL	<u>77,738,209</u>	<u>46,349,945</u>



FIASEMAN RURAL BANK PLC

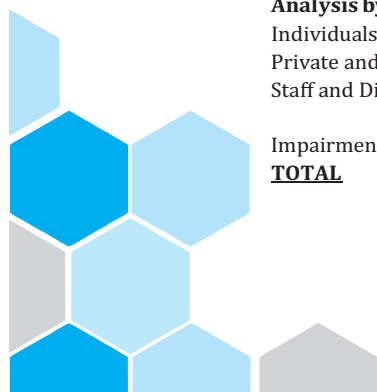
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023 CONTINUED

	2023	2022
	GH¢	GH¢
9 <u>CASH AND SHORT TERM FUNDS</u>		
Cash on Hand	17,182,654	8,874,531
ARB Apex Bank (5% Deposit)	22,387,619	13,160,172
ARB Apex Bank (Clearing Account)	8,321,870	8,883,054
Other Banks	20256836	15,281,758
TOTAL	<u>68,148,979</u>	<u>46,199,515</u>
10(a) <u>INVESTMENT</u>		
Government Securities	183,694,617	165,480,940
Other Investments	4,442,363	5,892,871
ACOD	4,000,000	4,000,000
Sub Total	<u>192,136,980</u>	<u>175,373,811</u>
10(b) Medium Term Investment	11,068,175	-
10(c) Long Term Investment	18,153,401	3,987,877
TOTAL	<u>221,358,556</u>	<u>179,361,688</u>
Less: Impairment on Investment	(4,676,097)	-
	<u>216,682,458</u>	<u>179,361,688</u>
10 (d) <u>INTEREST ON INVESTMENT RECEIVABLE</u>		
	2023	2022
	GH¢	GH¢
Interest Suspense on Government Security	35,323,912	22,920,444
Discount on Government Security not Earned	(32,327,008)	(22,468,562)
	<u>2,996,904</u>	<u>451,882</u>

Accounting policies for financial instruments have been applied to the following line items.

	2023		
	AT		
	AMORTIZED	FAIR VALUE TP&L	TOTAL
10(e) <u>FINANCIAL ASSETS BY CATEGORY</u>	COST	GH¢	GH¢
Description	GH¢	GH¢	GH¢
Cash and Short Term Funds	-	68,148,979	68,148,979
Investment	192,136,980	-	192,136,980
Loans and advances to Customers	229,986,321	-	229,986,321
TOTAL	<u>422,123,301</u>	<u>68,148,979</u>	<u>490,272,280</u>
	2022		
Cash and short term funds	-	46,199,515	46,199,515
Investment	179,361,688	-	179,361,688
Loans and advances to Customers	111,579,190	-	111,579,190
TOTAL	<u>290,940,878</u>	<u>46,199,515</u>	<u>337,140,393</u>
10 (f) <u>FINANCIAL LIABILITIES BY CATEGORIES</u>			
Deposits and Current Accounts 2023	<u>465,189,588</u>	-	<u>465,189,588</u>
Deposits and Current Accounts 2022	<u>308,273,143</u>	-	<u>308,273,143</u>

	2023	2022
	GH¢	GH¢
11 <u>LOANS AND ADVANCES TO CUSTOMERS</u>		
Analysis by type of customer		
Individuals	100,099,906	63,002,445
Private and Public Enterprises	135,463,457	56,310,161
Staff and Directors	9,428,179	6,653,446
	244,991,542	125,966,052
Impairment allowance	(15,005,221)	(14,386,862)
TOTAL	<u>229,986,321</u>	<u>111,579,190</u>



FIASEMAN RURAL BANK PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 CONTINUED

	2023 GH¢	2022 GH¢
11 Analysis by type of Sector		
Agriculture	19,076,284	11,592,180
Transport, Storage & Communication	26,005,537	8,331,656
Trading	144,196,188	64,788,644
Miscellaneous	<u>55,713,533</u>	<u>41,253,572</u>
	244,991,542	125,966,052
Impairment Allowance	<u>(15,005,221)</u>	<u>(14,386,862)</u>
TOTAL	<u>229,986,321</u>	<u>111,579,190</u>
Analysis by type of Advance		
loans	206,960,306	105,949,781
Overdraft	<u>38,031,236</u>	<u>20,016,271</u>
	244,991,542	125,966,052
Impairment Allowance	<u>(15,005,221)</u>	<u>(14,386,862)</u>
TOTAL	<u>229,986,321</u>	<u>111,579,190</u>
Analysis by Performance		
Performing	224,114,204	116,267,946
Non-Performing	<u>20,877,338</u>	<u>9,698,106</u>
	244,991,542	125,966,052
Impairment Allowance	<u>(15,005,221)</u>	<u>(14,386,862)</u>
TOTAL	<u>229,986,321</u>	<u>111,579,190</u>
Ratio of Non-Performing to Total	<u>8.52%</u>	<u>7.70%</u>
12 OTHER ASSETS ACCOUNT		
Stationery Stocks	503,816	381,451
Prepayment-Rent	745,851	881,654
ATM Card Stock	7,322	7,322
Interest In Arrears	3,074,778	1,940,033
CCC Uncleared Effect Account	-	-
Insurance prepaid	114,570	74,397
Interest and commision accrued	5,973,337	2,141,263
E-Zwich Debit	97,895	53,938
Office Accounts DR.	615,484	1,972,834
GL Diff and & Mismatch	-	-
TOTAL	<u>11,133,053</u>	<u>7,452,890</u>
13a LONG TERM INVESTMENT		
Government Bond	14,107,984	-
ARB Werba Investment	125,293	125,293
8% Redeemable Preference Share (Twifo Rural Bank)	1,804,597	1,804,597
PBC Shares	200	200
ARB Apex Bank Ltd	265,327	207,787
Fiaseman Investment Trust	<u>1,850,000</u>	<u>1,850,000</u>
TOTAL	<u>18,153,401</u>	<u>3,987,877</u>



FIASEMAN RURAL BANK PLC

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2023 CONTINUED

14 PROPERTY, PLANT AND EQUIPMENT

COST / VALUATION	Freehold Land	Building	Computers & Accessories	Furniture, Fixtures & Fittings	Office Equipment	Motor Vehicles	Solar Panel	Work In Progress	TOTAL
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Gross value as at January 1, 2023	21,411	3,235,337	2,032,381	1,070,422	2,690,393	4,992,276	552,817	1,048,374	15,643,412
Additions for the Year	162,000	49,734	2,252,631	362,062	563,474	569,566	-	-	3,959,467
Disposal/Transfer	-	-	-	-	-	-	-	(686,136)	(686,136)
Gross value as at December 31, 2023	183,411	3,285,071	4,285,012	1,432,484	3,253,867	5,561,842	552,817	362,238	18,916,743
ACCUMULATED DEPRECIATION									
Balance as at 01/01/2023	-	1,254,244	1,115,925	817,787	1,824,476	3,998,775	174,659	-	9,185,866
Charge for the Year	-	172,302	828,168	158,928	435,434	657,952	69,102	-	2,321,886
Disposal	-	-	-	-	-	-	-	-	-
Balance as at 31/12/2023	-	1,426,546	1,944,093	976,715	2,259,910	4,656,727	243,761	-	11,507,752
NET BOOK VALUE									
Balance as at 31/12/2023	<u>183,411</u>	<u>1,858,526</u>	<u>2,340,919</u>	<u>455,769</u>	<u>993,957</u>	<u>905,115</u>	<u>309,056</u>	<u>362,238</u>	<u>7,408,991</u>
Balance as at 31/12/2022	<u>21,411</u>	<u>1,981,094</u>	<u>916,456</u>	<u>252,635</u>	<u>865,917</u>	<u>993,501</u>	<u>378,158</u>	<u>1,048,374</u>	<u>6,457,546</u>

FIASEMAN RURAL BANK PLC CONTINUED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2022

14 PROPERTY, PLANT AND EQUIPMENT

COST / VALUATION	Land GH¢	Building GH¢	Computers & Accessories GH¢	Furniture, Fixtures & Fittings GH¢	Office Equipment GH¢	Motor Vehicles GH¢	Solar Panel GH¢	Work In Progress	TOTAL GH¢
Gross value as at January 1, 2022	21,411	3,235,337	2,032,381	1,070,422	2,690,393	4,992,276	552,817	1,048,374	15,643,412
Additions for the Year	-	49,734	2,252,631	362,062	563,474	569,566	-	-	3,797,467
Disposal	-	-	-	-	-	-	-	-	-
Gross value as at December 31, 2022	21,411	3,285,071	4,285,012	1,432,484	3,253,867	5,561,842	552,817	1,048,374	19,440,879
ACCUMULATED DEPRECIATION									
Balance as at 01/01/2022	-	1,098,454	830,860	660,054	1,499,680	3,295,882	105,557	-	7,490,486
Charge for the Year	-	155,790	285,065	157,733	324,796	702,893	69,102	-	1,695,380
Disposal	-	-	-	-	-	-	-	-	-
Balance as at 31/12/2022	-	1,254,244	1,115,925	817,787	1,824,476	3,998,775	174,659	-	9,185,866
NET BOOK VALUE									
Balance as at 31/12/2022	<u>21,411</u>	<u>2,030,828</u>	<u>3,169,087</u>	<u>614,697</u>	<u>1,429,391</u>	<u>1,563,067</u>	<u>378,158</u>	<u>1,048,374</u>	<u>10,255,013</u>
Balance as at 31/12/2021	<u>21,411</u>	<u>2,136,884</u>	<u>1,201,521</u>	<u>410,369</u>	<u>1,190,714</u>	<u>1,696,394</u>	<u>447,260</u>	<u>1,048,374</u>	<u>8,152,926</u>

FIASEMAN RURAL BANK PLC

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2023 CONTINUED

15 INTANGIBLE ASSETS

	Payroll Software GH¢	Susu Software GH¢	T24 License	Smart Loan Software	Share Management Software	Total GH¢
Gross value as at January 1, 2023	25,968	10,600	449,230	31,601	35,000	552,399
Additions for the Year	-	--	-	-	-	-
Disposal	-	-	-	-	-	-
Gross value as at December 31, 2023	25,968	10,600	449,230	31,601	35,000	552,399
ACCUMULATED DEPRECIATION						
Balance as at 01/01/2023	25,968	10,600	112,307	6,584	5,833	161,292
Charge for the Year	-	-	44,923	15,801	17,500	78,224
Disposal	-	-	-	-	-	-
Balance as at 31/12/2023	25,968	10,600	157,230	22,385	23,333	239,516
NET BOOK VALUE						
Balance as at 31/12/2023	-	-	292,000	9,216	11,667	312,883
Balance as at 31/12/2022	-	-	336,923	25,017	29,167	391,107

FIASEMAN RURAL BANK PLC

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2022 CONTINUED

2022

15 INTANGIBLE ASSETS

COST / VALUATION	Payroll Software GH¢	Susu Software GH¢	T24 License	Smart Loan Software	Share Management Software	TOTAL GH¢
Gross value as at January 1, 2022	25,968	10,600	449,230	-	-	485,798
Additions for the Year	--	-	-	31,601	35,000	66,601
Disposal	-	-	-	-	-	-
Gross value as at December 31, 2022	25,968	10,600	449,230	31,601	35,000	552,399
ACCUMULATED DEPRECIATION						
Balance as at 01/01/2022	25,968	10,600	67,384	-	-	103,952
Charge for the Year	-	--	44,923	6,584	5,833	57,340
Disposal	-	-	-	-	-	-
Balance as at 31/12/2022	25,968	10,600	112,307	6,584	5,833	161,292
NET BOOK VALUE						
Balance as at 31/12/2022			336,923	25,017	29,167	391,107
Balance as at 31/12/2021			381,846	-	-	381,846

FIASEMAN RURAL BANK PLC
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023 CONTINUED

16	DEPOSIT ACCOUNTS				2023	2022	
					GHC	GHC	
	Savings Accounts				141,113,199	101,062,025	
	Current Account Deposit				58,342,380	49,244,960	
	Time Deposits				117,474,027	65,717,248	
	Other Deposits				148,259,982	92,248,910	
	TOTAL				<u>465,189,588</u>	<u>308,273,143</u>	
17	CREDITORS AND ACCRUALS						
	Office Account				4,817,324	6,278,356	
	Audit Fees				85,330	63,388	
	Payment Orders				93,289	31,051	
	Interest Suspense				2,318,746	1,540,247	
	Provision for AGM				23,770	161,534	
	Accrued Interest on Fixed Deposits				3,747,394	2,043,840	
	Dividend Payable				776,322	477,677	
	Head Office Inter-branch				-	8,228	
	Police Guard				196,529	298,713	
	U-Connect Top-up				94	94	
	ATM Suspense				-	1,216	
	RDF				-	-	
	Sundry Liabilities				23,608	10,931	
	LD & Mismatch resolution				7	7	
	Managed Fund				-	111,803	
	Deffered Income				<u>1,750,218</u>	<u>1,156,227</u>	
	TOTAL				<u>13,832,631</u>	<u>12,183,312</u>	
18 (a)	CURRENT TAX	Years	Bal. at 1st Jan.	Tax Charge	Tax Paid	Tax Adjustment	Bal. at 31 Dec.
			GHC	GHC	GHC	GHC	GHC
		2022	(113,258)	-	-	-	(113,258)
		2023	-	12,224,791	(10,350,000)	-	1,874,791
	TOTAL		<u>(113,258)</u>	<u>12,224,791</u>	<u>(10,350,000)</u>	<u>-</u>	<u>1,761,533</u>
18 (b)	DEFERRED TAX				2023	2022	
					GHC	GHC	
	Balance as at 1st January,				(4,484)	(8,595)	
	Charge for the Year				17,177	4,110	
	Balance as at 31st December,				<u>12,693</u>	<u>(4,484)</u>	
18 c	INCOME INCOME TAX EXPENSE				2023	2022	
					GHC	GHC	
	Current Tax Charge				(12,224,791)	(5,186,742)	
	Deferred Tax Charge				(17,177)	(4,110)	
	TOTAL				<u>(12,241,968)</u>	<u>(5,190,852)</u>	
18 (d)	RECONCILIATION OF TAX EXPENSE TO PRODUCT OF ACCOUNTING PROFIT AND APPLICABLE RATE				2023	2022	
					GHC	GHC	
	Profit Before Taxation				<u>36,976,180</u>	<u>14,398,799</u>	
	Tax @ Applicable Rate @ 25%				9,244,045	3,599,700	
	Add / Deduct: Tax Effect of Non-Deductible Expenses				2,008,767	2,004,684	
	Tax Effect of Capital Allowances				(622,558)	(417,642)	
	Add Origination of Temporary Difference				17,177	4,110	
	Total Income Tax Expense				<u>10,647,431</u>	<u>5,190,852</u>	
	Growth and Sustainability Levy				<u>1,594,537</u>	-	
					<u>12,241,968</u>	<u>5,190,852</u>	
	Effective Tax Rate				33%	36%	

FIASEMAN RURAL BANK PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 CONTINUED

19 **STATED CAPITAL**

The Bank is registered with an authorised capital of 200,000,000 Ordinary Shares of no par value. The Stated Capital (Shares) of GH¢8,193,558 is made up of ;GH¢5,311,362 in 2022 and the cash consideration of ordinary shares sold in 2023 amounting to GH¢2,882,196

ISSUED SHARES	2023		2022	
	Number	GH¢	Number	GH¢
For Cash Consideration	54,345,942	8,111,555	39,934,962	5,229,359
Other Than Cash Consideration	<u>2,344,665</u>	<u>82,003</u>	<u>2,344,665</u>	<u>82,003</u>
Sub-Total	56,690,607	8,193,558	42,279,627	5,311,362
Preference Shares	125,000	13	125,000	13
TOTAL	<u>56,815,607</u>	<u>8,193,571</u>	<u>42,404,627</u>	<u>5,311,375</u>

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

20 **STATUTORY RESERVE FUND - GHS 14,615,204 (GHS 8,431,651 - 2022)**

This represents the cumulative amounts set aside as non-distributable reserve from annual net profit after tax in accordance with section 34, of the Banks and Special Deposit-Taking Institution Act 2016, (Act 930)

21 **OTHER FUNDS - GHS 9,346,205 (GHS 3,698,637 - 2022)**

This is made up of appropriations to human capital fund, development fund and the corporate social responsibility fund.

22 **INCOME SURPLUS- GHS 20,794,642 (GHS-13,989,924 -2022)**

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

23 **CAPITAL SURPLUS - GHS 123,519 (GHS 123,519 - 2022)**

This represents WERBA project Levy and Bonus shares issued by ARB Apex Bank Limited as bonus to its Shareholders.

24 **CONTINGENCIES AND CAPITAL EXPENDITURE COMMITMENTS**

There were neither contingent liabilities nor contingent assets as at the financial statement date.

25 **CAPITAL EXPENDITURE COMMITMENTS**

There were no capital commitments as at the financial position date.

26 **PROPOSED DIVIDEND**

The board proposed a 30% dividend on the Bank's net profit subject to Bank Of Ghana approval

27 **RELATED PARTY TRANSACTIONS**

Advances include the following amounts lent to related parties.

Directors

Staff

Directors and Employees

Remuneration of Directors

Directors remuneration and advances were at arm's length transaction.

Staff loans were at 10% interest per annum, which differ from the arm's length transaction

2023	2022
GH¢	GH¢
299,245	102,046
<u>9,128,934</u>	<u>6,551,400</u>
<u>9,428,179</u>	<u>6,653,446</u>
<u>255,160</u>	<u>274,543</u>

FIASEMAN RURAL BANK PLC
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 CONTINUED

28 VALUE ADDED STATEMENT	2023	2022
	GH¢	GH¢
Interest earned and other operating income	134,428,088	75,740,048
Direct cost of services	(38,641,060)	(24,561,300)
Value added by Banking Services	95,787,028	51,178,748
Impairment	(5,294,456)	(6,149,678)
Value Added	90,492,572	45,029,070
Distributed as follows:	90,492,572	45,029,070
To employees:		
Directors	(255,160)	(274,543)
Other Employees	(50,861,122)	(28,603,008)
To Government:		
Income Tax	(12,241,968)	(5,190,852)
To Providers of Capital		
Dividend to Shareholders	-	(2,762,384)
To Expansion and Growth		
Depreciation	(2,400,110)	(1,752,720)
Retained Earnings	24,734,212	6,445,563
29 QUANTITATIVE DISCLOSURES	2023	2022
Capital Adequacy Ratio	12.44%	13.85%
Liquidity Ratio	110.02%	107.55%
Loan Impairment Provision Ratio	6.12%	8.70%
Gross Non-Performing Loan Ratio	8.52%	6.87%



FIASEMAN RURAL BANK PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 CONTINUED

RECONCILIATION OF LOAN IMPAIRMENT PROVISION

30	IFRS PROVISION GH¢	BOG PROVISION GH¢	DIFFERENCE GH¢
2023	15,005,221	17,805,224	(2,800,003)
2022	14,386,862	14,237,194	149,668

31 TOP 20 SHAREHOLDERS LIST

	2023 NUMBER	2023 PERCENTAGE
1 Godfred Kwame Anokye	3,113,760	5.60%
2 Joseph Ansah	2,526,768	4.19%
3 Christine Lydia Armah	2,480,484	4.12%
4 Stephen Adei	2,072,403	3.44%
5 Albert Olarbi	1,500,000	2.49%
6 Osagyefo Amanfo Edu VI	1,000,010	1.66%
7 Anthony Kweku Sarpong	874,638	1.45%
8 Cynthia Quaidoo	857,734	1.42%
9 Godfred Frank Opoku	675,639	1.12%
10 Priority Insurance Company Ltd	516,435	0.86%
11 Clement Eshun	502,963	0.83%
12 Samuel Dadzi	502,333	0.83%
13 Seth Ofori-Larbi	500,000	0.83%
14 Elijah Ntiamoah	500,000	0.83%
15 Matthew Kweku Atta	500,000	0.83%
16 Desmond Afutu Nartey	487,344	0.81%
17 Rev. Nana Yaw Boachie	399,977	0.66%
18 Francis Quartey	399,977	0.66%
19 Thomas Amon Asiedu	312,967	0.52%
20 Emmanuel Ayeh-Kumi	307,473	0.51%
	<u>20,030,905</u>	<u>33.67%</u>



32.0 RISK MANAGEMENT

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

Other risks include operational risk and interest risk.

32.1 Credit Risk

Credit risk arises from the potential that a debtor or counterparty is either unwilling or unable to perform an obligation resulting in economic loss to the bank. The principal sources of credit risk inherent in the bank's operations are balances with the banks, loans and advances to customers and investments.

To minimize the risk from these sources the bank only deposits cash, with grants credits and restricts investments to major banks, institutions and individuals of good repute and high credit standing.

32.2 Market Risk

Market risk is the potential of losses arising from movements in market prices such as interest rates, exchange rates, and equity and commodity prices. The bank's current operation exposes it to interest rate risk. The interest rate risk is inherent in the bank's investments with other financial institutions which are affected by changes in interest rates by the Bank of Ghana.

The bank manages this risk by closely monitoring the inflation rates and other economic indicators that are germane, with a view to avoiding or minimizing losses arising from interest rate risk.

32.3 Liquidity Risk

Liquidity risk is the risk that the bank will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The bank manages liquidity risk through an ongoing review of future commitments and credit facilities. The bank has minimized its liquidity risk by ensuring that it has adequate banking funds.

32.4 Operational Risk

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

32.5 Interest Rate Risk

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

33.0 CAPITAL

33.1 The Objectives of Capital Management

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



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

33.2 Capital Description

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



FIASEMAN RURAL BANK PLC
COMPUTATION OF CAPITAL ALLOWANCE FOR THE YEAR ENDED 31 DECEMBER 2023

	POOL 1 40% GH¢	POOL 2 30% GH¢	POOL 3 20% GH¢	POOL 4 / POOL 5 10% GH¢	T/24 SOFTWARE 1/10 GH¢	FENCE WALL	TOTAL GH¢
W.D.V 1/1/2023	543,832	1,462,418	1,872,875	1,408,530	425,985	104,578	5,818,218
Additions	<u>2,252,631</u> 2,796,463	<u>569,566</u> 2,031,984	<u>925,536</u> 2,798,411	<u>49,734</u> 1,458,264	<u>-</u> 425,985	<u>-</u> 104,578	<u>3,797,467</u> 9,615,685
Less Capital Allowance	<u>1,118,585</u>	<u>609,595</u>	<u>559,682</u>	<u>145,826</u>	<u>44,923</u>	<u>11,620</u>	<u>2,490,232</u>
W.D.V 31/12/2023	<u>1,677,878</u>	<u>1,422,389</u>	<u>2,238,729</u>	<u>1,312,438</u>	<u>381,062</u>	<u>92,958</u>	<u>7,125,453</u>

INCOME TAX COMPUTATION

	<u>2023</u> GH¢	<u>2022</u> GH¢
Net Profit / (Loss) before tax	36,976,180	14,398,799
Add back:		
Depreciation and Amortization	2,400,110	1,752,720
Donations	181,083	55,798
Funeral Grant	159,418	60,542
Impairment Loss	<u>5,294,457</u>	<u>6,149,678</u>
Assessable Income	45,011,246	22,417,537
<u>Less : Capital Allowance</u>	<u>(2,490,232)</u>	<u>(1,670,569)</u>
Less : Bad Debt written off	<u>-</u>	<u>-</u>
	42,521,014	20,746,968
<u>LESS : Tax @ 25%</u>	10,630,254	5,186,742
Tax Charge	1,594,537	-
Growth and Sustainability Levy @ 5% 3 quarters	12,224,791	5,186,742



SCHEDULE OF APPENDICES FOR THE YEAR ENDED 31 DECEMBER 2023

	<u>2023</u> GH¢	<u>2022</u> GH¢
<u>APPENDIX I – STAFF COST</u>		
Salaries	14,499,609	10,451,233
Staff Training Expenses	1,022,577	226,639
Staff Medical	562,882	274,949
Other Staff Cost	<u>34,776,054</u>	<u>17,650,187</u>
<u>TOTAL</u>	<u>50,861,122</u>	<u>28,603,008</u>
 <u>APPENDIX II- OCCUPANCY COST</u>		
General Repairs and Maintenance	1,551,755	507,579
Rent, Rates and Taxes	371,691	273,129
Electricity and Water Expenses	1,052,258	681,114
Cleaning & Sanitation	206,617	128,399
Generator Expenses	357,273	170,891
Bungalow Expenses	850	1,632
Police Guard expenses	<u>715,035</u>	<u>856,476</u>
<u>TOTAL</u>	<u>4,255,479</u>	<u>2,619,220</u>
 <u>APPENDIX III - ADMINISTRATIVE AND OTHER EXPENSES</u>		
Board Meeting Expenses	743	110
Directors Transportation	94,760	110,599
Travelling and Transport	574,743	290,408
Specie Movement	283,080	213,072
Printing and Stationery	608,319	384,117
Postal and Tele communications	156,257	102,720
Annual General Meeting Expenses	749,999	400,000
Insurance	1,510,583	1,081,361
Advertising and Publicity	80,324	71,876
Periodicals and Subscriptions	763,517	300,830
Susu Agent Commission	4,110,811	2,884,645
Motor Vehicle Running Expenses	1,844,741	1,584,388
Funeral Grants	159,418	60,542
Computerization Expenses	1,309,137	723,677
Bank Charges	7,626	3,366
Penalties	12,000	48,000
Business Promotion	3,676,084	1,011,347
Legal Expenses	78,000	70,745
Entertainment	252,334	171,770
Audit Expenses	40,482	20,767
Mobilization Expenses	102,430	64,440
Committee Meeting Expenses	60,120	71,055
Motor Vehicle Repairs & Maintenance	2,026,818	953,057
Cheque Clearing Expenses	97,366	54,816
Sundry Expenses	881,882	2,052,244
Cashiers Shortages	280	316
Loan Recovery Expenses	145,073	185,000
Staff End of Year Party	73,000	66,000
<u>TOTAL</u>	<u>19,699,925</u>	<u>12,981,26</u>



APPENDIX 4
LIQUIDITY RATIO FOR THE YEAR ENDED 31ST DECEMBER, 2023

	2023	2022
	<u>GH¢</u>	<u>GH¢</u>
DEPOSITS		
1 Demand Deposit	58,342,380	49,244,960
2 Savings Deposit	141,113,199	101,062,025
3 Time Deposit	117,474,027	65,717,248
4 Other Deposits	<u>148,259,982</u>	<u>92,248,910</u>
5 Sub-Total (1+2+3+4)	465,189,588	308,273,143
LIQUID ASSETS (ACTUAL)		
A. PRIMARY		
6 Cash on Hand	17,182,654	8,874,531
7 ACOD	4,000,000	4,000,000
8 Current Account with Apex	8,321,870	8,883,054
9 Balances with Other Banks	20,256,836	15,281,758
10 5% Deposit with Apex Bank	<u>22,387,619</u>	<u>13,160,172</u>
11 Sub-total (9+10)	72,148,979	50,199,515
B. SECONDARY		
12 Treasury Bills	<u>183,694,617</u>	<u>165,480,940</u>
13 Other Investment	<u>29,618,522</u>	<u>5,892,871</u>
14 Sub-Total (12+13)	213,313,139	171,373,811
15 Primary Reserve % of (11/5)	15.51%	16.28%
16 Secondary Reserve % of (14/5)	45.86%	55.59%
Required Reserves % (Including 5% ARP Reserves)		
Required Reserves		
17 Primary Reserve 13% of (no. 5)	60,474,646	40,075,509
18 Secondary Reserve 30% of (no. 5)	139,556,876	92,481,943
EXCESS RESERVES		
19 Primary Reserve (no. 11)	72,148,979	50,199,515
20 Required Reserves (No. 17)	60,474,646	40,075,509
20 Excess Reserve (19 - 20) (i)	11,674,333	10,124,006
20 Secondary Reserve (No. 13)	213,313,139	171,373,811
21 Required Reserves (No. 17)	139,556,876	92,481,943
22 Excess Reserve (20 - 21) (ii)	73,756,262	78,891,868
TOTAL EXCESS / (DEFICIT) RESERVE (i)+(ii)	85,430,595	89,015,874



APPENDIX 5

CAPITAL ADEQUACY FOR THE YEAR ENDED 31ST DECEMBER, 2023

<u>ITEM</u>	2023 <u>GHC</u>	2022 <u>GHC</u>
1 Paid - Up Capital	8,193,558	5,311,362
2 Disclosed Reserves	35,409,846	22,421,575
3 Permanent Preference Shares	13	13
4 Tier 1 Capital (1+2+3)	43,603,417	27,732,950
Less:		
5 Goodwill / Intangibles - Preliminary Expenses	-	-
6 Losses not Provided For	-	-
7 Investment in Unconsolidated Subsidiaries	-	-
8 Investment in the capital of other Banks & Fin Insts	4,045,417	3,987,877
9 Connected Lending of Long Term Nature		-
10 Net Tier 1 Capital (4-5-6-7-8-9)	39,558,000	23,745,073
Add:		
11 Revaluation Reserves	-	-
12 Subordinated Term Debt (Limited to 50% of 4)	-	-
13 Hybrid Capital	-	-
14 Tier 2 Capital (11+12+13)(Limited to 100% of 4)	-	-
15 ADJUSTED CAPITAL BASE (10+14)	39,558,000	23,745,073
16 TOTAL ASSETS(Less contra items)	536,656,896	351,898,302
Less:		
17 Cash on Hand	17,182,654	8,874,531



18 **Claim on Bank**

i. 5% Deposit ARB	22,387,619	13,160,172
ii. Clearing Account Balance	8,321,870	8,883,054
iii. ACOD	4,000,000	4,000,000
iv. Balance with other banks	20,256,836	15,281,758
	54,966,325	41,324,984

19 **Claims on Government**

i) Treasury Securities (Bills and Bonds)	208,870,776	165,480,940
ii) Stocks –Call Account	-	-

20 80% of Cheques drawn on other banks - -

21 Goodwill/Intangibles - -

22 Investments in Unconsolidated Subsidiaries - -

23 Investments in the Capital of Other Banks & Fin Ins - -

24 80% of claims on Discount Houses 4,045,417 3,987,877

25 80% of claims on Other Banks - -

26 50% of claims on Other Insts. (Public Sector) 19,759,359 16,939,703

27 Adjusted Total Assets (16-17-26)
Add: - -

28 100% of 3yrs. Average Annual Gross Income

29 ADJUSTED ASSET BASE (27+28) 227,786,948 111,302,390

30 Adjusted Capital Base as percentage of
Adjusted Asset Base: (15/29 x 100) 90,150,722 60,188,662

317,937,670 171,491,052

12.44% **13.85%**

31 CAPITAL SURPLUS/(DEFICIT) (15 – (10% of 29) 7,764,233 6,595,968





2ND GHANA BUSINESS LEAGUE AWARDS 2024

Congratulations



**OUTSTANDING CEO OF THE YEAR
(RURAL BANKING)**

DR GODFRED FRANK OPOKU
CEO FIASEMAN RURAL BANK PLC

CEMBA-AFRICA-BUSINESS AWARD

ON BEHALF OF THE BOARD, MANAGEMENT AND STAFF, WE WISH TO CONGRATULATE YOU ON YOUR CORPORATE EXCELLENCE DIAMOND AWARD AND

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DR GODFRED FRANK OPOKU
CEO FIASEMAN RURAL BANK PLC

FIASEMAN RURAL BANK PLC

PROXY FORM

NOTICE IS HEREBY GIVEN that the 35th Annual **General Meeting** of **Fiaseman Rural Bank PLC** will be held at the St Augustine’s Senior High School- Bogoso, on **Saturday 29th June, 2024 at 10:am** to transact the following business:

I / We.....being a member/members of Fiaseman Rural Bank Limited hereby appoint.....as my/our proxy to vote for me /us on my/our behalf at the Annual General Meeting of the Company to be held on..... and at any adjournment to read the purpose convening the meeting

A G E N D A

1. To read the purpose convening the meeting
2. To consider and adopt the Statement of Accounts of the Bank for the year ended 31st Day of December, 2023 together with the Reports of the Directors and Auditors thereon.
3. To receive the Board of Directors’ Report
4. To Declare dividend
5. To authorise the Directors to negotiate the fees of the Auditors.
6. To introduce the new External Auditor of the Bank
7. To fix the Directors’ Remuneration.

To elect Directors in respect of those retiring by rotation

FOR	AGAINST

SIGNED.....

DATED THIS.....**DAY OF****2024**

Please indicate with an 'x' in the appropriate square how you wish your votes to be cast on the resolutions set out above. Unless otherwise instructed the proxy will vote or abstain from voting at his/her discretion.

NOTE:

completed Proxy Form should reach the secretary, Fiaseman Rural Bank Limited at the Head Office, Bogoso - W/R not less than Forty-Eight (48) hours prior to the time of the meeting

Unless otherwise instructed the proxy will vote or abstain from voting at his/her discretion.

