

# **SISSALA RURAL BANK PLC**

## **REPORT AND FINANCIAL STATEMENT**

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**FOR**

**THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

**RUYAN CONSULT**

**(CHARTERED ACCOUNTANTS)**

**P.O.BOX LA 730**

**ACCRA**

**Mobile : 0200612725/0248361718/0244 601067 / 0208542509**

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**SISSALA RURAL BANK LIMITED**

**AUDITED FINANCIAL STATEMENTS-2022.**

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# SISSALA RURAL BANK LIMITED

## CORPORATE INFORMATION

### Board of Directors

Sulley Adam Usman	Chairman
Evelyn Denchern Braimah	Vice Chairman
Rashid Fuseini N-dei	Member

**Secretary** Awini Thomas Fortunate

<b>Management</b>	Awini Thomas Fortunate	Chief Executive Officer
	Sallam Narima	Operations Officer/Accountant/Projects
	Wasiu Baku	Internal Auditor
	Charles Subie	Systems Administrator
	George Yenumme Laar	Risk & Compliance Officer

**Registered Office** Sissala Rural Bank Limited  
P. O. Box 98  
Head Office - Tumu  
Sissala East Municipal  
Upper West Region

**Auditors** Ruyan Consult  
Chartered Accountants  
P O Box LA 730  
Accra - Ghana

**Legal Advisor** Clement Eledi  
Eledi Law Consult & Associates  
Wa-Upper West Region

**Bankers** ARB Apex Bank Limited  
Accra

**REPORT OF THE DIRECTORS TO THE MEMBERS OF  
SISSALA RURAL BANK LIMITED  
YEAR ENDED 31 DECEMBER, 2022**

The Directors in submitting to the shareholders their report and financial statements of the bank for the year ended 31 December, 2022 report as follows:

**DIRECTORS' RESPONSIBILITY STATEMENT**

The Bank's Directors are responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act, 2019, Act 992, and the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930), and for such internal controls as the Directors determine are necessary to enable the preparation of Financial Statements that are free from material misstatements, whether due to fraud or error. The Directors have made an assessment of the ability of the Bank to continue as a going concern and have no reason to believe that the Bank will not be a going concern in the year ahead.

**NATURE OF BUSINESS**

The Bank is authorized to carry on the business of rural/community banking. There was no change in the nature of the Bank's business during the year.

**FINANCIAL RESULTS**

The Bank's operating results for the year are set out in the attached financial statements, highlights of which are as follows:

	<b>2022</b>	<b>2021</b>
	<b>GH¢</b>	<b>GH¢</b>
The Bank recorded a Net Profit/(Loss) before taxation of	(790,155)	(724,074)
From which is deducted income tax expense of	<u>                    </u>	<u>                    </u>
Giving a Net Profit/(Loss) after tax of	(790,155)	(724,074)
There was a transfer to Statutory Reserves of	<u>                    </u>	<u>                    </u>
Leaving a Profit/(Loss) for the year after tax and transfer to Statutory Reserve of	(790,155)	(724,074)
When added to the opening balance on the Income Surplus account as of 1 January	(3,099,671)	(1,307,483)
Prior-Year Adjustments/Additional Impairment Provision of	(657,725)	(1,210,985)
And aligning the opening balance with the figure of	10,804	142,871
From which is deducted: Dividend declared of		
Bonus Shares of	<u>                    </u>	<u>                    </u>
Leaving a closing balance on the Retained Earnings account of	<u><u>(4,536,747)</u></u>	<u><u>(3,099,671)</u></u>

**STATED CAPITAL**

The Bank's Stated Capital relating to Ordinary Shares issued increased from GH¢611,714 as at the end of the previous year to GH¢619,044; recording an increase of GH¢7,330.00 as at close of the year. The number of issued shares stood at 1,238,086 as at 31/12/2022.

**DIVIDEND**

The Directors do not recommend the payment of any dividend for the year.

**CORPORATE GOVERNANCE**

The Board of Directors is committed to ensuring good corporate governance as a means of determining the direction and performance of the Bank. To this end, the Bank aims to comply generally with best practices in corporate governance and the Bank of Ghana Corporate Governance Directives.

**DIRECTORS REPRESENTATION**

The Directors confirm that no matters have arisen since 31st December, 2022 which materially affect the financial statements as presented.

**APPROVAL OF THE FINANCIAL STATEMENTS**

The Financial Statements were approved by the Board of Directors on ..... and were signed on their behalf by the following:



.....  
**BOARD CHAIRMAN**



.....  
**DIRECTOR**

## CORPORATE GOVERNANCE REPORT

A new board was constituted in September 2022 and this new move brought about a revival of the corporate governance machinery of the Bank. Since then the Bank has experienced a some improvement in its strategic policy direction.

### Board Minutes file

There were only three(3) Board meetings recorded in 2022 as follows:

22<sup>nd</sup> September, 2022

28<sup>th</sup> September, 2022. And

13 January, 2022. (representing December, 2022 meeting).

The Board did not conduct self- assessment for the period under review.

There was no independent Board assessment during the year under review. This was because the Bank did not have a well constituted board in place, until the later part of the year..

### Board Committees

The following board committees were instituted after the inauguration of the new board of directors:

Finance/Accounts and Human Resources

Audit, Risk and Compliance

Credit, strategy, information and cyber security

### Board Members' Files with Documentation Gaps

The three (3) newly elected board members have all been approved by the Bank of Ghana. There is however the need to add two (2) more board members in order to meet the recommended minimum of five (5).

### Approval of Corporate Governance Report

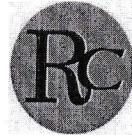
This Corporate Governance Report was approved by the Board of Directors on ..... and was signed on their behalf by the following:



.....  
BOARD CHAIRMAN



.....  
DIRECTOR



RUYAN CONSULT

(Chartered Accountants & Management Consultants)

P. O. Box LA 730, Accra, / P. O. Box TL 1761, Tamale, Ghana Tel: +233-(0)20 8202352, (0) 244,601067, (0)200-612725  
Location: H/No. 33, Kokomlemle, on Nsawam-Circle Road (Adjacent Church of Christ) Accra-Ghana

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF  
SISSALA RURAL BANK LIMITED  
YEAR ENDED 31 DECEMBER, 2022**

**Report of the Independent Auditors to the Shareholders**

We have audited the accompanying financial statements of the Sissala Rural Bank Limited. These statements comprise the Statement of Financial Position as at 31st December, 2022, the Statement of Comprehensive Income and the Statement of Changes in Equity and Cash Flow Statements for the year then ended and a summary of significant accounting policies and other explanatory notes.

**Directors' Responsibilities**

The directors are responsible for the preparation and fair presentation of these statements in accordance with International Financial Reporting Standards (IFRS) and with the requirements of the Ghana Companies Act, 2019 (Act 992) and the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930). This responsibility includes: designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditors' Responsibilities**

Our responsibilities are to express an independent opinion on those financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements, plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risk of material misstatements of the financial statements.

Misstatement can arise from fraud or error, and either:

- i) Describe that they are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements; or
- ii) Provide a definition or description of materiality in accordance with the applicable financial reporting framework.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedure that are appropriate in the circumstance but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

**Basis of Opinion**

We conducted our audit in accordance with International Standards on auditing (ISAS). Our responsibility under those standards are further described in the Auditor's Responsibility for the Audit of the Financial Statement section of our

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

**Opinion**

The bank's accounting records were not satisfactory and its stated capital and the Capital Adequacy Ratio were far less than the Bank of Ghana's minimum requirements of GH¢ 1,000,000 and 10% respectively. In our opinion, the financial statements do not give a true and fair view of the financial position of the Bank as at 31st December, 2022 and of the financial performance and cash flows of the bank for the year then ended.

**Report on Other Legal Requirements**

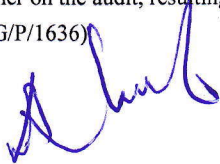
The Companies Act, 2019 (Act 992) requires that in carrying out our audit, we consider and report on the following matters. We confirm that:

- i) we did not obtain 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 not been satisfactorily kept by the bank, so far as appears from our examination of those books; and
- iii) We cannot confirm that the bank's Statement of Financial Position and Statement of Comprehensive Income are in agreement with the books of account.

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

- i) We did not obtain all the information and explanations required for the efficient performance of our duties as auditors;
- ii) That the bank's transactions are within its powers; and
- iii) That the bank has complied with the provisions of the Banks and Special Deposit-taking Institutions Act, 2016 (Act 930), except the bank's inability to meet the prevailing minimum capital requirements.

The Engagement Partner on the audit, resulting in this Independent Auditor's Report is Dr. Alhaji Chief Yahaya Abdul-Rahman (ICAG/P/1636)



.....  
*For and on behalf of Ruyan Consult (ICAG/F/092)*  
*(Chartered Accountants)*  
*Accra*

**RUYAN CONSULTANTS**  
**(CHARTERED ACCOUNTANTS &**  
**MANAGEMENT CONSULTANTS)**  
**P. O. BOX LA 730, ACCRA**

SISSALA RURAL BANK LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
YEAR ENDED 31 DECEMBER, 2022

	(NOTES)	2022 GH¢	2021 GH¢
Interest Income	(5)	313,518	304,769
Interest Expense	(5)	237,209	207,561
<b>Net Interest Income</b>		<b>76,309</b>	<b>97,208</b>
Fees & Commission Income	(6)	93,628	106,700
Fees & Commission Expense	(6)	23,961	23,053
<b>Net Fees &amp; Commission Income</b>		<b>69,666</b>	<b>83,646</b>
<b>Other Operating Income</b>	(7)	<b>21,679</b>	<b>23,035</b>
<b>Total Operating Income</b>		<b>167,654</b>	<b>203,889</b>
Net Impairment Loss on Financial Assets	(14)	50,000	57,000
Personnel Expenses	(8)	460,807	411,048
Depreciation and Amortisation	(9)	50,000	70,000
Other Expenses	(10)	397,004	389,916
<b>Total Expenses</b>		<b>957,810</b>	<b>927,963</b>
<b>Profit/Loss Before Income Tax</b>		<b>(790,155)</b>	<b>(724,074)</b>
Income Tax Expense	(11)	-	-
<b>Profit/Loss For The Year</b>		<b>(790,155)</b>	<b>(724,074)</b>

The attached notes are an integral part of these financial statements.


SISSALA RURAL BANK LIMITED


STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER, 2022

		2022	2021
ASSETS	(NOTES)	GH¢	GH¢
Cash and Cash Equivalents	(12)	2,307,874	986,318
Investment in Securities	(13)	1,902,344	1,952,344
Loans and Advances to Customers	(14)	1,985,999	2,255,056
Other Assets	(15)	1,627,552	985,060
Other Investments	(16)	41,404	41,404
Property, Plant & Equipment	(25)	810,215	844,348
<b>Total Assets</b>		<b>8,675,389</b>	<b>7,064,532</b>
<b>LIABILITIES</b>			
Deposits from Customers	(17)	8,055,917	6,208,678
Current Tax Liabilities	(11)	-	-
Other Liabilities	(19)	1,676,826	1,241,186
Institutional Borrowings	(18)	245,988	145,988
<b>Total Liabilities</b>		<b>9,978,731</b>	<b>7,595,852</b>
<b>EQUITY AND RESERVES</b>			
Stated Capital	(20)	619,044	611,714
Income Surplus		(4,536,747)	(3,099,671)
Statutory Reserve	(21)	163,505	163,505
Capital Surplus	(22)	582,146	582,146
Credit Risk Reserve	(23)	1,868,711	1,210,985
<b>Total Equity and Reserves</b>		<b>(1,303,341)</b>	<b>(531,321)</b>
<b>Total Liabilities and Equity</b>		<b>8,675,390</b>	<b>7,064,532</b>

The attached notes are an integral part of these financial statements.

The financial statements were approved by the Board of Directors on .....  
and signed on its behalf by:

  
.....  
BOARD CHAIRMAN

  
.....  
DIRECTOR

**SISSALA RURAL BANK LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**

2022	Stated Capital GH¢	Income Surplus GH¢	Statutory Reserve GH¢	Capital Surplus GH¢	Total GH¢
<b>Balance as at Jan. 1, 2022</b>	611,714	(3,099,671)	163,506	582,146	(1,742,306)
Alignment (263) & depr reduction 11,067		10,804			<b>10,804</b>
Profit/loss for the year		(790,155)			<b>(790,155)</b>
<b>Total Equity</b>	<b>611,714</b>	<b>(3,879,022)</b>	<b>163,506</b>	<b>582,146</b>	<b>(2,521,656)</b>
<b>Transactions with Equity Holders</b>					
Shares issued	-				-
Bonus Shares					-
Dividend Declared/Payable		-			-
<b>Total Equity Holders transactions</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>Regulatory &amp; Other Transfers</b>					
Transfer to Statutory Reserve					
Additional Impairment-Cr. Risk Reserve		(657,725)			<b>(657,725)</b>
<b>Total Regul. &amp; Other Transfers</b>	<b>-</b>	<b>(657,725)</b>	<b>-</b>	<b>-</b>	<b>(657,725)</b>
<b>Balance as at Dec. 31, 2022</b>	<b>611,714</b>	<b>(4,536,747)</b>	<b>163,506</b>	<b>582,146</b>	<b>(3,179,381)</b>

Any transfer to the Reserve Fund is according to Section 34 of the Banks & Specialised Deposit-Taking Institutions Act 2016 (Act 930).

2021	Stated Capital GH¢	Income Surplus GH¢	Statutory Reserve GH¢	Capital Surplus GH¢	Total GH¢
<b>Balance as at Jan. 1, 2021</b>	611,114	(1,307,483)	163,506	582,146	49,282
Alignment		142,871			<b>142,871</b>
Profit/loss for the year		(724,074)			<b>(724,074)</b>
<b>Total Equity</b>	<b>611,114</b>	<b>(1,888,686)</b>	<b>163,506</b>	<b>582,146</b>	<b>(531,920)</b>
<b>Transactions with Equity Holders</b>					
Shares issued	600				600
Bonus Shares					-
Dividend Declared/Payable		-			-
<b>Total Equity Holders transactions</b>	<b>600</b>	<b>-</b>	<b>-</b>		<b>600</b>
<b>Regulatory &amp; Other Transfers</b>					
Transfer to Statutory Reserve					
Additional Impairment-Cr. Risk Reserve		(1,210,985)			<b>(1,210,985)</b>
<b>Total Regul. &amp; Other Transfers</b>	<b>-</b>	<b>(1,210,985)</b>	<b>-</b>	<b>-</b>	<b>(1,210,985)</b>
<b>Balance as at Dec. 31, 2021</b>	<b>611,714</b>	<b>(3,099,671)</b>	<b>163,506</b>	<b>582,146</b>	<b>(1,742,305)</b>

Any transfer to the Reserve Fund is according to Section 34 of the Banks & Specialised Deposit-Taking Institutions Act 2016 (Act 930).

SISSALA RURAL BANK LIMITED

STATEMENT OF CASH FLOWS  
YEAR ENDED 31 DECEMBER, 2022

	(NOTES)	2022 GH¢	2021 GH¢
<b>Cash flows from operating activities</b>			
Profit/(Loss) before tax		(790,155)	(724,074)
<b>Adjustments for:</b>			
Depreciation & amortisation		50,000	70,000
Impairment on financial assets		50,000	57,000
		<b>(690,155)</b>	<b>(597,074)</b>
Change in loans and advances & adjustments		268,793	(506,941)
Change in other assets		(642,491)	(358,834)
Change in deposits from customers		1,847,239	(23,149)
Change in other liabilities/creditors & accruals		435,640	715,325
		<b>1,219,026</b>	<b>(770,673)</b>
Tax paid			
<b>Net cash flows from operating activities</b>		<b>1,219,026</b>	<b>(770,673)</b>
<b>Cash flows from investing activities</b>			
Change in Investment in Securities		-	600,000
Change in Property & Equipment and adjustments		(4,800)	(83,925)
<b>Net cash flows used in investing activities</b>		<b>(4,800)</b>	<b>516,075</b>
<b>Cash flows from financing activities</b>			
Dividend paid		-	-
Change in borrowings		100,000	(394,405)
Issue of ordinary shares		7,330	600
<b>Net cash flows used in financing activities</b>		<b>107,330</b>	<b>(393,805)</b>
<b>Net change in cash and cash equivalents</b>		<b>1,321,556</b>	<b>(648,403)</b>
Cash and cash equivalents at 1 January		986,318	1,634,721
<b>Cash and cash equivalents at 31 December</b>	(12)	<b>2,307,874</b>	<b>986,318</b>

The attached notes are an integral part of these financial statements.

**SISSALA RURAL BANK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER, 2022**

**1. Reporting entity**

Sissala Rural Bank Limited is a limited liability company incorporated under the Companies Act, 2019 (Act 992) and domiciled in Ghana. The bank is located in Tumu in the Sissala East Municipality, within the Upper West Region of Ghana.

**2. Basis of Preparation**

**a) Statement of Compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB).

**b) Basis of Measurement**

The financial statements have been prepared on the historical cost basis except loans and advances which are measured at fair value.

**c) Functional and Presentational Currency**

The financial statements are presented in Ghana Cedis (GH¢), which is the Bank's functional and presentational currency.

**d) Use of Estimates and Judgements**

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the notes.

**3. Significant Accounting Policies**

The significant accounting policies set out below have been applied consistently to all periods presented in these financial statements.

**a) Interest**

Interest revenue is generally recognised when future economic benefits of the underlying assets will flow to the organisation and it can be reliably measured. It is income derived from use of an entity's assets and hence the interest is mostly dependent on the underlying agreement. Interest income and expense are however generally recognised in the income statement on straight-line basis using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability.

The calculation of the effective interest rate includes all fees paid or received, transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.

Interest income and expense presented in the P&L and OCI include:

- Interest on financial assets and liabilities at amortised cost on an effective interest rate basis and
- Interest on available-for-sale investment securities on an effective interest basis.

## **b) Fees and Commissions**

Fees and Commission 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 special statement request are recognised as the related services are performed. When a loan commitment is not expected to result in the draw-down of a loan, loan commitment fees are recognised 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.

## **c) Net Trading Income**

Net trading income comprises gains less losses related to trading assets and liabilities, and includes all realised and unrealised fair value changes, interest and dividends.

## **d) Financial Assets and Liabilities**

### **i) Recognition**

The bank initially recognises loans and advances, deposits and debt securities issued on the date that they are originated.

All other financial assets and liabilities (including assets and liabilities designated at fair value through profit or loss) are initially recognised on the trade date at which the bank becomes a party to the contractual provisions of the instrument.

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

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

The bank de-recognises a financial liability when its contractual obligations are discharged or cancelled or expired. The bank enters into transactions whereby it transfers assets recognised on its balance sheet, but retains all risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not de-recognised from the balance sheet. Transfers of assets with retention of all or substantially all risks and rewards include, for example, securities lending and repurchase transactions.

### **iii) Offsetting**

Financial assets and liabilities are set off and the net amount presented in the financial position when, and only when, the bank has a legally enforceable right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from similar transactions.

### **iv) Amortised Cost Measurement**

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

**v) Fair Value Measurement**

The determination of fair values of financial assets and financial liabilities is based on quoted market prices or dealer price quotations for financial instruments traded in active markets. For all other financial instruments fair value is determined by using valuation techniques. Valuation techniques include net present value techniques, the discounted cash flow method, comparison to similar instruments for which market observable prices exist and valuation models.

**vi) Identification and Measurement of Impairment**

At each reporting date the bank assesses whether the

The notes sets out the amount of each class of financial asset or liability that has been designated at fair value through profit or loss. A description of the basis for each designation is set out in the note for the relevant asset or liability class.

**e) Cash and Cash Equivalents**

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

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

**f) Trading Assets and Liabilities**

Trading assets and liabilities are those assets and liabilities that the bank acquires or incurs principally for the purpose of selling or repurchasing in the near term, or holds as part of a portfolio that is managed together for short-term profit or position taking. Trading assets and liabilities are initially recognised and subsequently measured at fair value in the statement of financial position with transaction costs taken directly to profit or loss. All changes in fair value are recognised as part of net trading income in profit or loss. Trading assets and liabilities are not reclassified subsequent to their initial recognition.

**g) Loans and Advances**

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

When the bank is the lessor in a lease agreement that transfers substantially all of the risks and rewards incidental to ownership of an asset to the lessee, the financial asset is recognised within loans and advances.

When the bank purchases a financial asset under a commitment to sell the asset (or a substantially similar asset) at a fixed price on a future date ("reverse repo or stock borrowing"), the financial asset is accounted for as a loan, and the underlying asset is not recognised in the bank's financial statements.

Loans and advances are initially measured at fair value plus incremental direct transaction costs, and subsequently measured at their amortised cost using the effective interest method, except when the bank chooses to carry the loans and advances at fair value through profit or loss as described in the accounting policy.

**h) Investment Securities**

Investment securities are initially measured at fair value plus incremental direct transaction costs and subsequently accounted for depending on their classification as either held-to-maturity, fair value through profit or loss, or available-for-sale.

**i) Held-to-Maturity**

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

Held-to-maturity investments are carried at amortised cost using the effective interest method. It must be noted that IFRS 9 only considers fair value and amortised cost based on the business models for managing the financial asset and the contractual cash flow characteristics of the financial asset. Thus all HTM assets are classified as amortised cost.

**(ii) Fair Value through Profit or Loss**

The bank carries some investment securities at fair value, with fair value changes recognised immediately in profit or loss as described in the accounting policy.

**(iii) Available-for-Sale**

Available-for-sale investments are non-derivative investments that are not designated as another category of financial assets. Unquoted equity securities whose fair value cannot be reliably measured are carried at cost. All other available-for-sale investments are carried at fair value.

Interest income is recognised in profit or loss using the effective interest method. Dividend income is recognised in profit or loss when the bank becomes entitled to the dividend.

Other fair value changes are recognised directly in equity until the investment is sold or impaired and the balance in equity is transferred to profit or loss.

Other fair value changes are recognised directly in equity until the investment is sold or impaired and the balance is transferred to profit or loss.

## **i) Property, Plant and Equipment**

### **(i) Recognition and Measurement**

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

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When components of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

### **(ii) Subsequent Costs**

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

### **(iii) Revaluation Model**

After recognition of an asset, an item of property, plant and equipment whose fair value can be measured reliably shall be carried at a revalued amount, being the fair value at the date of the revaluation less any subsequent accumulated depreciation and accumulated impairment losses.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Revaluation model is used for only property and surpluses on such revaluations are restricted to tier two capital with respect to capital adequacy ratio computation.

### **(iv) Depreciation**

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

Buildings	2%
Computers & Accessories	12.50%
Office Equipment	16.65%
Furniture and Fittings	12.50%
Motor Vehicles	25%

Depreciation methods, useful lives and residual values are reassessed at each reporting date.

## **j) Provisions**

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

Before a provision is established, the bank recognises any impairment loss associated with it.

**k) Employee Benefits**

The bank contributes to two defined contribution schemes (Social Security Fund and Provident Fund) on monthly basis on behalf of employees and the last month outstanding contribution is included in creditors and accruals.

**i) Social Security and National Insurance Trust (SSNIT)**

Under a National Deferred Benefit Pension Scheme, the Bank contributes 13% of employee's basic salary in addition to 5.5% deduction from employees basic salary to SSNIT for employee pensions; and the 2nd Tier contributions to Fund Managers.

The bank's obligation is limited to the relevant contributions, which were settled on due dates.

The pension liabilities and obligations, however, rest with SSNIT.

**ii) Provident Fund**

The bank has a provident fund scheme for all employees who have completed probation with the bank. Employees contribute 5% of their basic salary to the fund whilst the bank contributes 12.5%. The obligation under the plan is limited to the relevant contribution and these are settled on due dates.

**(iii) Termination Benefits**

Termination benefits are recognised as an expense when the bank is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to employees who have reached their statutory retirement date.

**(iv) Short-Term Benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognised for an amount expected to be paid under short-term cash if the bank has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

## **l) Share Capital and Reserves**

### **(i) Ordinary Shares**

The bank classifies capital instruments as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instrument.

### **(ii) Share Issue Costs**

Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

### **m) Dividend**

Dividend declared is treated as an appropriation of profits in the year of approval, whilst dividend proposed is disclosed as a note to the financial statements.

### **n) Offsetting of Financial Assets and Liabilities**

Financial assets and liabilities are offset and the net amount reported on the statement of financial position when there is a legally enforceable right of set-off and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### **o) Borrowings (Liabilities to Banks and Customers)**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method, any differences between proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings. Borrowings and other forms of financial liabilities shall be de-recognised from the books only when they are extinguished, ie when the obligation specified in the contract is discharged or cancelled or expired.

## **4. Financial Risk Management**

### **a) Introduction and Overview**

The bank has exposure to the following risks arising from the use of financial instruments. Typical of such risks are as follows:

- credit risk
- liquidity risk
- market risk
- operational risk.

This note presents information about the Bank's exposure to each of the above risks, the Bank's objectives, policies and processes for measuring and managing risk, and the Bank's management of capital. Further quantitative disclosures are included throughout these financial statements.

### **Risk Management Framework**

This depends mainly on the Risk Management framework set out by the Central Bank. Bank specific framework based on the overall structure of the bank ensures that the Board of Directors has overall responsibility for the establishment and oversight of the bank's risk management framework. The Board has established the necessary committees which are responsible for developing and monitoring the Bank's risk management policies. These committees include members of the Bank's Management Committee and report regularly to the Board of Directors on their activities.

The Bank's risk management policies are established to identify and analyse the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Bank through its training and management standards and procedures, has developed disciplined and constructive control environment, in which all employees understand their roles and obligations.

The Bank Risk, Audit, Finance & Compliance Committee (RAFC), which is yet to be comprehensively operationalised, is responsible for monitoring compliance with the bank's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Bank.

**a) Credit Risk**

Credit risk is the risk of financial loss to the Bank if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the bank's loans and advances to customers and other Banks and investment securities.

**b) Liquidity Risk**

The Bank defines liquidity risk as the risk that the Bank will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

**Management of Liquidity Risk**

The Bank's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses that will damage the bank's reputation.

It is the policy of the Bank to maintain adequate liquidity at all times. Liquidity risk management is governed by the Asset and Liability Management Committee (ALCO), which is headed by the General Manager. ALCO is responsible for both statutory and prudential liquidity. These responsibilities include the provision of authorities, policies and procedures, maintaining a liquidity crisis contingency plan.

**c) Market Risk**

The Bank recognizes market risk as the exposure created by potential changes in market prices and rates, such as interest rates. The Bank is exposed to market risk arising principally from customers driven transactions.

Market risk is governed by the Bank's risk office which is supervised by RAFC through the ALCO, which is yet to be est

**d) Operational Risks**

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the bank's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the bank's operations and are faced by all business entities.

The bank's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the bank's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity. The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall bank standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorisation of transactions
- requirements for the reconciliation and monitoring of transactions
- compliance with regulatory and other legal requirements
- documentation of controls and procedures
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- requirements for the reporting of operational losses and proposed remedial action
- development of contingency plans
- training and professional development
- ethical and business standards
- risk mitigation, including insurance where this is effective.

Compliance with the bank standards is supported by a programme of periodic reviews undertaken by Internal Audit, which is in the process of being established. The results of Internal Audit reviews are discussed with the management of the business unit to which they relate, with summaries submitted to the Audit Committee and senior management of the bank.

SISSALA RURAL BANK LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER, 2022

	2022	2021
	GH¢	GH¢
<b>5. Net Interest Income</b>		
<b>Interest income</b>		
Loans and advances to customers	197,589	235,061
Investment securities	115,929	69,708
<b>Total Interest Income</b>	<b>313,518</b>	<b>304,769</b>
<b>Interest Expense</b>		
Deposits from customers	219,798	194,897
Interest on Borrowings	17,411	12,665
<b>Total interest expense</b>	<b>237,209</b>	<b>207,561</b>
<b>Net Interest Income</b>	<b>76,309</b>	<b>97,208</b>
<b>6. Net Fees and Commission Income</b>		
<b>Fees and Commission Income</b>		
Commitment Fees		
Commission	90,814	105,135
Commission on Cheques Clearing	2,814	1,565
<b>Total Fees and Commission Income</b>	<b>93,628</b>	<b>106,700</b>
<b>Fees and Commission Expense</b>		
Cheques Clearing Fees	1,798	1,463
Susu/mobilization expenses	22,163	21,590
<b>Total Fees and Commission Expense</b>	<b>23,961</b>	<b>23,053</b>
<b>Net Fees and Commission Income</b>	<b>69,667</b>	<b>83,647</b>
<b>7. Other Operating Income</b>		
Asset Disposal	-	-
Bad Debt Recovered	-	-
Sundry Income	21,679	23,035
<b>Total Other Operating Income</b>	<b>21,679</b>	<b>23,035</b>
<b>8. Personnel Expenses</b>		
Salaries, Wages and Allowances	432,199	374,501
Medical Expenses	-	162
Staff training	28,609	36,385
<b>Total Personnel Expenses</b>	<b>460,807</b>	<b>411,048</b>

SISSALA RURAL BANK LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER, 2022

	2022 GH¢	2021 GH¢
<b>9. Depreciation and Amortisation</b>		
Depreciation of property & equipment	50,000	63,582
Amortisation of purchased software	-	6,418
<b>Total Depreciation and Amortisation</b>	<b>50,000</b>	<b>70,000</b>
<b>10. Other Expenses</b>		
Audit Fees	29,164	4,000
Audit Expenses	12,681	1,890
Directors Remuneration	2,320	4,500
Board Meeting Expenses	4,211	6,635
Traveling Expenses	395	2,350
Printing and Stationery	4,658	2,646
Vehicle Repairs & Maintenance	8,322	39,158
Vehicle Running Cost	40,414	12,171
Postage and Communication	2,310	1,777
Insurance	43,389	51,276
Entertainment & Business Promotion	1,168	100
Adverts & Publicity	1,010	5,076
Fees, Subscriptions and Periodicals	22,995	8,757
AGM/Anniversary Expenses	10,000	-
Donations & charitable contributions	3,200	4,330
Penalties	-	-
Computerization & software licence	61,080	54,689
Police/Security Guard Expenses	27,827	27,496
Specie Movement	27,033	19,940
Generator Running Cost	8,420	7,478
Repairs and Maintenance	10,834	17,114
Legal Expenses/Fees	8,800	13,993
Housing Expenses	786	1,012
Rent and Rates and Taxes	4,618	7,800
Electricity and Water	32,503	41,040
Office & Admin. Expenses	-	4,430
Office/Sundry Expenses	24,770	43,013
Loan Recovery Expenses	280	2,903
Cleaning & Sanitation Exps	1,996	1,737
Bank charges	1,819	2,608
<b>Total Other Expenses</b>	<b>397,004</b>	<b>389,916</b>

**SISSALA RURAL BANK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER, 2022**

	<b>2022</b>	<b>2021</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>11. Income Tax Expense</b>		
Current Income Tax (a)	-	-
	-	-

**(a) Current income tax**

Year of Assessment	Opening Balance	Charged to P& L	Payments during the year	Closing Balance
	GH¢	GH¢	GH¢	GH¢
2018				-
2019				-
2020				-
2021				-

	<b>2022</b>	<b>2021</b>
<b>12. Cash and Cash Equivalents</b>		
Cash balance	715,468	192,234
Unrestricted balance with ARB Apex bank & others	1,164,962	385,882
Restricted balance at ARB Apex bank- 5% placement	427,445	408,202
	<b>2,307,874</b>	<b>986,318</b>

**13. Investments in Securities**

Gov't of Ghana Treasury Bills & Other Investments		
Government of Ghana Treasury Notes		
Investment with Gold Coast Fund Management	1,902,344	1,952,344
Apex Certificate of Deposits (ACOD)	-	-
	<b>1,902,344</b>	<b>1,952,344</b>

SISSALA RURAL BANK LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER, 2022

	2022 GH¢	2021 GH¢
<b>14. Loans and Advances to Customers</b>		
Overdrafts	754,585	711,284
Term Loans	1,765,621	2,027,981
	<b>2,520,207</b>	<b>2,739,264</b>
Allowances for impairment	(534,208)	(484,208)
Allowance for Interest in Suspense		
	<b>1,985,999</b>	<b>2,255,056</b>
<b>Analysis by business segment to retail customers:</b>		
Agriculture	214,204	223,556
Cottage industries	156,470	229,009
Transport	2,341	2,913
Commerce	647,615	362,178
Others	1,499,577	1,921,608
	<b>2,520,207</b>	<b>2,739,264</b>
<b>Allowances for impairment</b>		
Balance at 1 January	858,625	801,625
<b>Impairment loss for the year:</b>		
Charge for the year	50,000	57,000
Additional Provision		
	908,625	858,625
Alignment/Adjustments	(374,417)	(374,417)
<b>Balance at 31 December</b>	<b>534,208</b>	<b>484,208</b>
<b>Loan statistics</b>		
i) Twenty (20) largest exposure	916,377	886,891
i) Twenty (20) largest exposure to total exposures	36.36%	32.38%
ii) Loan loss provision ratio	21.20%	17.68%

	Rates	2022		2021	
		Gross Amount	Impairment	Gross Amount	Impairment
		GH¢	GH¢	GH¢	GH¢
Current (Not past due)	1%	2,155,133	21,551	2,266,735	22,667
OLEM (Past due 30-90 days)	10%	1,115	111	2,568	257
Sub-Standard (Past due 91-180 days)	25%	202,995	50,749	275,164	68,791
Doubtful (Past due 181-360 days)	50%	14,443	7,222	17,664	8,832
Loss (past due above 360 days)	100%	146,521	146,521	177,133	177,133
<b>Total</b>		<b>2,520,207</b>	<b>226,154</b>	<b>2,739,264</b>	<b>277,680</b>

**Accuracy of classification is very doubtful, because the figure of 146,521 as LOSS loans is a big understatement.**

Of the 20 largest advances, 883,879 were in LOSS category, attracting an IMPAIRMENT of 883,879.

Additional impairment charge (provision for bad debts) will be at least 657,725 (ie 883,879 minus 226,154 above)

**SISSALA RURAL BANK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER, 2022**

	2022	2021
	GH¢	GH¢
<b>15. Other Assets</b>		
Stationery Stocks	63,208	68,980
Others	955,284	634,037
Office Account	25,559	30,323
Interest & Commission Accrued	2,561	11,844
Uncleared effects	345,337	209,235
Interagency Account	230,298	30,298
	<b>1,622,246</b>	<b>984,715</b>
Insurance Prepaid	4,960	
Rent Prepaid	345	
Migration Suspense	0	345
	<b>1,627,552</b>	<b>985,060</b>
<b>16. Other Investment Securities</b>		
Investment in ordinary shares of ARB Apex bank	41,404	41,404
	<b>41,404</b>	<b>41,404</b>
<b>17. Deposits from Customers</b>		
Retail customers:		
Demand deposits	523,275	526,418
Savings deposits	6,105,791	4,546,391
Time deposits	252,450	228,650
E-zwich/Other deposits	1,174,401	907,220
	<b>8,055,917</b>	<b>6,208,678</b>
10 largest depositors	1,029,555	751,589
Deposit concentration ratio	12.8%	12.1%
<b>18. Institutional Borrowings</b>		
ARB Apex Bank	100,000	
Managed Funds	145,988	145,988
	<b>245,988</b>	<b>145,988</b>

**SISSALA RURAL BANK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER, 2022**

	2022	2021
	GH¢	GH¢
<b>19. Other Liabilities</b>		
Provision for Audit Fees/Expenses		
Interagencies		
Provision-Annual General Meeting	13,796	12,000
Office Account (Credit)	137,531	126,395
Bills Payable	16,913	9,770
Accrued Interest	15,295	7,461
Unearned Investment Income & T/Bills discount	90,839	62,715
Others	1,385,607	1,000,434
Others-Provident Fund, Ezwich operations	16,844	22,411
<b>Sub-Total</b>	<b>1,676,826</b>	<b>1,241,186</b>
Dividend Payable	-	-
<b>Total</b>	<b>1,676,826</b>	<b>1,241,186</b>

**20. Stated Capital**

<b>Authorised shares (of no par value)</b>	<u>5,000,000</u>	<u>5,000,000</u>
<b>Issued and Fully Paid Shares</b>		
Number of shares at start	1,222,227	1,108,774
Shares issued during the year	15,859	113,453
Number of shares at End	<u>1,238,086</u>	<u>1,222,227</u>
<b>Amount of Share Proceeds</b>		
Amount at start	611,114	554,387
Share proceeds received in the year (GHC0.50 each)	7,930	56,727
Amount at End	<u>619,044</u>	<u>611,114</u>

**Shares in Treasury: There is no share in treasury and no call or instalment unpaid on any share.**

<b>Capital Adequacy Ratio</b>	<b>-67.73%</b>	<b>-2.51%</b>
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SISSALA RURAL BANK LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 YEAR ENDED 31 DECEMBER, 2022

	2022	2021
<b>21. Statutory Reserve</b>		
Balance at Beginning	163,505	163,505
Transfer from Retained Earnings		
<b>Balance at End</b>	<b>163,505</b>	<b>163,505</b>
<b>22. Capital Surplus</b>		
Balance at beginning	582,146	582,146
Transfer of Revaluation Reserve	-	-
<b>Balance at end</b>	<b>582,146</b>	<b>582,146</b>
<b>23. Credit Risk Reserve</b>		
Balance at beginning	1,210,985	
Addition/change		1,210,985
<b>Balance at end</b>	<b>1,210,985</b>	<b>1,210,985</b>
<b>24 Prior -Year Adjustments</b>		

**SISSALA RURAL BANK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER, 2022**

**25 Property, Plant and Equipment**  
**2022**

Cost/Valuation	Balance at 1st Jan 2022 GH¢	Additions in the year GH¢	Transf/Adjust /Disposals GH¢	Balance at 31st Dec 2022 GH¢
Land and Buildings	883,000			883,000
Furniture & Fittings	20,161			20,161
Plant & Machinery	136,208			136,208
Office Equipment	246,746			246,746
Computers & Accessories	96,634	4,800		101,434
	<b>1,382,749</b>	<b>4,800</b>	-	<b>1,387,549</b>

Plant & Machinery includes motor vehicles

Depreciation	correct depr	Balance at 1st Jan 2022 GH¢	Charge for the year GH¢	Transf/Adjust /Disposals GH¢	Balance at 31st Dec 2022 GH¢
Land and Buildings		131,688	1,500	16,160	149,348
Furniture & Fittings		18,093	-	2,067	20,160
Plant & Machinery		132,288	17,500	(13,581)	136,207
Office Equipment		244,137	17,500	(14,892)	246,745
Computers & Accessories		12,195	13,500	(821)	24,874
		<b>538,401</b>	<b>50,000</b>	<b>(11,067)</b>	<b>577,334</b>

Carrying Amount	2022 GH¢	2021 GH¢
Land and Buildings	733,652	751,312
Furniture & Fittings	1	2,068
Plant & Machinery	1	3,920
Office Equipment	1	2,609
Computers & Accessories	76,560	84,439
	<b>810,215</b>	<b>844,348</b>

**25. Property, Plant and Equipment**  
**2021**

<b>Cost/Valuation</b>	<b>Balance at 1st Jan 2021 GH¢</b>	<b>Additions in the year GH¢</b>	<b>Transf/Adjust /Disposals GH¢</b>	<b>Balance at 31st Dec 2021 GH¢</b>
Land and Buildings	883,000			883,000
Furniture & Fittings	20,161			20,161
Plant & Machinery	136,208			136,208
Office Equipment	242,996	3,750		246,746
Computers & Accessories	96,634	-		96,634
	<b>1,378,999</b>	<b>3,750</b>	<b>-</b>	<b>1,382,749</b>

Plant & Machinery includes motor vehicles

<b>Depreciation</b>	<b>Balance at 1st Jan 2021 GH¢</b>	<b>Charge for the year GH¢</b>	<b>Transf/Adjust /Disposals GH¢</b>	<b>Balance at 31st Dec 2021 GH¢</b>
Land and Buildings	119,978	15,710	(4,000)	131,688
Furniture & Fittings	16,450	1,643		18,093
Plant & Machinery	110,085	22,203		132,288
Office Equipment	231,396	12,741		244,137
Computers & Accessories	12,910	17,703	(18,418)	12,195
	<b>490,819</b>	<b>70,000</b>	<b>(22,418)</b>	<b>538,401</b>

<b>Carrying Amount</b>	<b>2021 GH¢</b>	<b>2020 GH¢</b>
Land and Buildings	751,312	733,652
Furniture & Fittings	2,068	1
Plant & Machinery	3,920	1
Office Equipment	2,609	1
Computers & Accessories	84,439	76,560
	<b>844,348</b>	<b>810,215</b>

**SISSALA RURAL BANK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER, 2022**

**26. Nature of Contingent Liabilities**

Guarantees are generally written by a bank to support performance by a customer to third parties. The bank will only be required to meet these obligations in the event of the customer's default.

An acceptance is an undertaking by the bank to pay a bill of exchange drawn on the customer. The bank expects most acceptances to be presented and reimbursed by the customer immediately.

As at 31/12/2021, there were no outstanding guarantees or acceptances

**27. Comparative Figures**

Where necessary, figures within notes have been restated to either conform to changes in presentation in the current year or for the adoption of new IFRS requirement.

**SISSALA RURAL BANK LIMITED  
INCOME TAX COMPUTATION  
2022 YEAR OF ASSESSMENT**

	GH¢
Net Profit/(Loss)	(790,155)
Add back:	
Donations	3,200
Depreciation & amortization	50,000
Impairment provision	<u>50,000</u>
	<u>103,200</u>
<b>Adjusted Profit</b>	<b>(686,955)</b>
Less Capital Allowance	<u>(132,941)</u>
Chargeable Income	<b>(819,896)</b>
Tax thereon @25%	NIL

**SISSALA RURAL BANK LIMITED  
COMPUTATION OF CAPITAL ALLOWANCE  
2022 YEAR OF ASSESSMENT**

Items	Pool	Rate	WDV b/fwd	Additions	Total	Capital Allowance	WDV c/fwd
Computers & Data Processing Eqmt	1	40%	80,453	4,800	85,253	34,101.20	51,152