

Ghana
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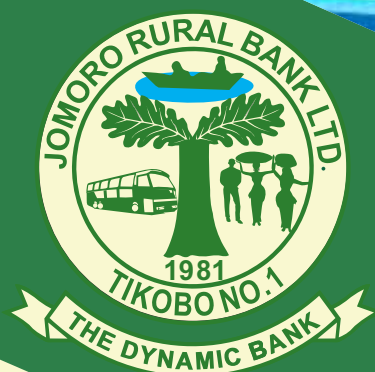


Corporate
Hall of F

4TH EDITION

PROF. COSMAS C

BOARD CHAIRMAN
JOMORO RURAL BANK



JOMORO RURAL BANK LTD.

2021

ANNUAL REPORT

JOMORO RURAL BANK LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2021

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**JOMORO RURAL BANK LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2021
BASIC INFORMATION**

DATE OF INCORPORATION:	DATE OF INCORPORATION:	20-Jan-81
CERTIFICATE NUMBER:	CERTIFICATE NUMBER:	CS209792017
DATE OF COMMENCEMENT	DATE OF COMMENCEMENT	12-Mar-81
DATE LICENCE WAS ISSUED:	DATE LICENCE WAS ISSUED:	10-Jan-84
BANK OF GHANA LICENCE NUMBER	BANK OF GHANA LICENCE NUMBER	44
OLD TIN	OLD TIN	163B000002
NEW TIN	NEW TIN	C0009062300

BOARD OF DIRECTORS:

CHAIRMAN:	PROF. COSMAS COBBOLD
VICE CHAIRMAN:	MR. SAMUEL ALEX BERVELL
MEMBER:	MRS. GIFTY ERZOA-BEBODU
MEMBER:	MR. NTI ACHEAMPONG
MEMBER:	MR. DANIEL B. NDEDE
MEMBER:	MR. ERNEST KOFIE
MEMBER:	MR. COLLINS EHWIE

SECRETARY: MR. ADORMAH MAWUNYO

CHIEF EXECUTIVE OFFICER: MR. ADORMAH MAWUNYO

BRANCH NETWORK

TIKOBO NO. 1
HALF ASSINI
ELUBO
TIKOBO NO. 2
AIYINASI
JEMA
BOINSO

CLEARING BANK: ARB APEX BANK, TAKORADI

REGISTERED OFFICE: JOMORO RURAL BANK LIMITED PREMISES
WJ-1728-0757
P. O. BOX 21
TIKOBO NO. 1, WESTERN REGION

EMAIL ADDRESS info@jomororuralbank.com

WEBSITE www.jomororuralbank.com

AUDITORS: SOFTWIND OA CONSULT
(CHARTERED ACCOUNTANTS)
DANSOA ROAD, SWANLAKE, NORTH KANESHIE
ACCRA
P. O. BOX AN-6891
ACCRA-NORTH

SOLICITORS CANN, QUARSHIE & CO.
MBRANAN CHAMBERS
P. O. BOX MC 0108, TAKORADI

BOARD OF DIRECTORS



Prof. Cosmas Cobbold
(Board Chairman)



Mr. Samuel Alex Bervell
(Vice Chairman)



Mr. Ernest Kofie
(Director)



Mr. Nti Acheampong
(Director)



Mr. Daniel Bulu Ndede
(Director)



Mrs. Gifty Erzoa-Bebodu
(Director)



Mr. Collins Ehwie
(Director)

MANAGEMENT TEAM



Mr. Adormah Mawunyo
(General Manager)



Mr. Kwame-Arhin Obed Anthony
(Head, Banking Operations)



Mr. Duah Richard Kusi
(Head, Internal Audit)



Mr. Daniel Adonle Ackah
(Head, Credit)



Mr. Isaac Anglow
(Head, Compliance)



Miss Mary Magdalene Adebah
(Head, Micro Finance)



Mr. Caesar Julius Komla
(Head, IT)

JOMORO RURAL BANK LIMITED
NOTICE AND AGENDA OF 24TH ANNUAL GENERAL MEETING

Notice is hereby given that the 24th Annual General Meeting of Shareholders of Jomoro Rural Bank Ltd., will be held at the forecourt of the Bank's Head Office Building, Tikobo No. 1, on Saturday, 30th April, 2022, at 10:00 am for the following purpose:

1. To read the Notice convening the meeting;
2. To receive the Chairman's report;
3. To receive the reports of the Board of Directors and Auditors and approve the Financial Statements for the years ended 31st December, 2020 and 31st December 2021;
4. To authorize the Directors to negotiate the Auditor's Remuneration;
5. To elect Directors in place of those retiring;
6. To approve Directors' remuneration;
7. To change the name of the Bank from Jomoro Rural Bank Ltd., to Jomoro Rural Bank PLC in line with subsection (1)(b) of section 21 of the Companies Act, 2019 (Act 992);
8. To consider and approve the Bank's Constitution;
9. To transact any other business that may be transacted at an Annual General Meeting.

Note: A member of the Bank entitled to attend and vote can appoint a Proxy to attend and vote instead of him/her. A proxy need not be a member of the Bank. All completed proxy forms should be deposited at the Bank's Head Office, Tikobo No. 1, not less than 48 hours before the meeting. Copies of the Directors Report and the Accounts are available for collection at the Bank's Head Office, and branches. Enquiries about the AGM should be directed to the Board Secretary on 0501257627.

Dated 29th March, 2022.

By order of the Board



Adormah Mawunyo
(Board Secretary)

JOMORO RURAL BANK LIMITED

CHAIRMAN'S REPORT TO THE 24TH ANNUAL GENERAL MEETING OF SHAREHOLDERS HELD ON 30TH APRIL, 2022.

1. INTRODUCTION

Nananom, Distinguished Shareholders, Ladies and Gentlemen. I welcome you all on behalf of the Board and Management to the 24th Annual General Meeting of the Bank. We had our first ever virtual AGM in February last year due to the outbreak of the coronavirus pandemic which required that certain protocols be adhered to. I am glad to see you once again and for the opportunity to present to you the annual report for the years ended 31st December, 2020 and 2021.

2. ECONOMIC ENVIRONMENT

Globally, economic activities started rebounding from the Covid-19 pandemic in 2021 following improved public health measures, rollout of vaccines, as well as monetary and fiscal support offered by central banks across the globe.

Economic activities in Ghana gathered momentum after Covid-19 induced restrictions were relaxed, albeit land borders remained closed. GDP growth is expected to exceed the 2021 target of 4.4%, whilst inflation inched up from 10.6% in 2020 to 12.6% as at the end of December 2021. The Ghana cedi depreciated by 4.1% against the U.S. dollar, and 3.1% against the pound sterling, but appreciated by 3.5% against the Euro.

3. OPERATIONAL RESULTS

Distinguished shareholders, the financial performance of the Bank in the year 2021 was very impressive. There were significant improvements on all the key performance indicators as summarized below:

Financial performance for 2020 and 2021

Fin. Indicator	2021 (GHS)	2020 (GHS)	Change (GHS)	Percentage Change
Total Deposits	37,462,460.00	31,195,043.00	6,267,417.00	20.09
Cash & Short-term Funds	5,160,458.00	5,649,052.00	(488,594.00)	(8.65)
Investments	23,693,381.00	18,435,481.00	5,257,900.00	28.52
Advances (Net)	10,727,997.00	8,240,953.00	2,487,044.00	30.18
Total Income	7,799,340.00	5,143,369.00	2,655,971.00	51.64
Total Expenditure	6,795,379.00	5,058,253.00	1,737,126.00	34.34
Profit Before Tax	1,003,960.00	85,117.00	918,843.00	1,079.51
Profit After Tax	828,874.00	63,838.00	765,036.00	1,198.40
Paid-up Capital	1,171,180.00	1,156,060.00	15,120.00	1.31
Shareholders Fund	2,808,841.00	1,964,847.00	843,994.00	42.95
PPE (Net)	872,452.00	964,489.00	(92,037.00)	(9.54)
Other Assets	368,308.00	247,296.00	121,012.00	48.93
Total Assets	41,265,970.00	34,043,110.00	7,222,860.00	21.22

4. DIVIDEND

Distinguished shareholders, paragraph three of Bank of Ghana's Notice number BG/GOV/SEC/2020/03 reads **"to further ensure that Banks and SDI's are better able to support their customers throughout the COVID-19 pandemic, to absorb any potential operational losses for Banks and SDI's from the COVID-19 pandemic, the Bank of Ghana now directs that all banks and SDI's desist from declaring or paying dividends or distributing reserves to customers and from making any irrevocable commitments regarding the declaration or payment of dividends to shareholders until further notice."** Pursuant to the directive, coupled with the prevalence of COVID-19, compounded by the Ukraine and Russia conflict, the Directors did not recommend payment of dividend for the year ended 31st December 2021.

5. CORPORATE GOVERNANCE DIRECTIVE

The Bank of Ghana in May 2021 issued the Corporate Governance Directive for RCBs which, among other things, limited the term of office of Directors to three years, renewable for two additional terms. Per the directive, a

Chairman's Report Continued

Chief Executive Officer of an RCB shall hold office for four years and shall not hold office for more than three terms. The effective date for implementation of the Corporate Governance Directive is 31st March, 2022. As a Board, we shall ensure full compliance with the directive.

6. DIRECTORS

Paragraph 75 of the Corporate Governance Directive states that **“a Director who prior to the coming into force of this directive has served in that capacity for nine (9) years or more shall not be eligible for another term upon the expiration of the current term in that RCB.”** In line with the directive, two of our Directors, Mrs. Gifty Erzoa-Bebodu and Mr. Daniel B. Ndede have stepped down at this AGM having served for more than 10 years. Pursuant to section 325 (e) of the Companies Act 2019 (Act 992) and in line with the Board Charter, I shall, in the course of the meeting, present to members two (2) applicants for election to the Board of the Bank subject to Bank of Ghana's approval. May I at this juncture, on behalf of the Board, express my heartfelt thanks to our hard-working outgoing Directors for their selfless dedication to the course of the Bank during the past eleven years.

7. CHANGE OF NAME

Distinguished shareholders, Companies in Ghana used to operate under the Companies Code, 1963 (Act, 179). In 2019 the Companies Code was replaced with the Companies Act, 2019 (Act 992). Provisions in section 7 of the Companies Act, 2019 (Act 992) states that a company limited by shares with more than 50 shareholders is a public company, which by virtue of section 21 (1) (b) of the Act shall have the words **“Public Limited Company”** or the abbreviation **“PLC”** at the end of its name. As you are already aware, your Bank, Jomoro Rural Bank Limited had 5,588 Shareholders as at the end of December 2021 and ought to have the abbreviation PLC at the end of its name. Therefore, a resolution will be passed at this meeting to change the name of the Bank from Jomoro Rural Bank Limited to Jomoro Rural Bank PLC. There shall also be a resolution to adopt the constitution in the third schedule of Act 992.

8. ENCROACHMENT ON ELUBO LAND

The land case involving the Bank and the Chief of Elubo has travelled all the way to the Supreme Court. The Defendants after losing the case at the High Court, Sekondi, took the matter to the Appeal Court in Cape Coast where the decision of the High Court was affirmed. Not satisfied with the decision of the Appeal Court, the Defendants/Appellants filed a motion for stay of execution at the Supreme Court, but the motion was on 25th January, 2022, unanimously dismissed by a five-member panel of the Apex Court as having no merit whatsoever. The Board of Directors has initiated the necessary processes to take possession of the entire 0.92 acres of land.

9. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Distinguished shareholders, your Bank gave back to society a portion of its profit for the years 2020 and 2021 in the form of corporate social responsibility. A total amount of GHS76,572.00 was spent on CSR in the years under review as follows:

Ghana National Fire Service	1,000.00
2020 election peace campaign	500.00
Covid-19 Trust Fund	2,500.00
Donation of PPEs	2,700.00
Education support	11,450.00
Farmers' Day celebration	8,100.00
Construction of a 6-seater toilet facility with two bathrooms for Tikobo No. 1 Clinic (ongoing)	40,489.00
Construction of patient's waiting shed for Ekabaku Clinic (ongoing)	8,133.00
Vulnerable Orphanage, Nzema Students, and others	1,700.00
Total	76,572.00

10. HUMAN CAPITAL DEVELOPMENT

Mindful of the critical role staff play in the operations of the Bank, staff members were given the opportunity to attend various training programmes and workshops in the years under review. Most of the staff members are also undertaking various programmes of study in higher institutions of learning to upgrade themselves.

11. OUTLOOK FOR 2022 AND BEYOND

Ladies and Gentlemen, the passage of the E-Levy Act, rising inflation, rising fuel prices, exchange rate depreciation, and developments in Ukraine are expected to impact the Ghanaian economy in the short to medium term. Despite these developments, business activities are expected to rebound fully with the reopening of the borders and rolling out of Covid-19 vaccines, and the Board and Management are poised to delivering greater value for our shareholders in the years ahead.

12. CONCLUSION

I would like to conclude by saying a big thank you to my colleague Directors, especially the two outgoing ones, Mrs. Gifty Erzoah-Bebodu and Mr. Daniel B. Ndede, for the selfless service they have rendered to the Bank since 2011. I would also like to thank Management and Staff for the outstanding performance. Finally, to our cherished invited guests, shareholders, customers, and business partners, I say thank you for continuing to keep faith with us. We will count on your continuous support for a better Jomoro. Thank you all for your attention, and may the good Lord bless us all.

Prof. Cosmas Cobbold

Board Chairman

5th April, 2022.

JOMORO RURAL BANK LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2021
DIRECTORS' REPORT TO THE MEMBERS

The Directors present herewith the audited Financial Statements of the Bank for the year ended 31st December, 2021 and report thereon as follows:

DIRECTORS' RESPONSIBILITY STATEMENT

The Bank's Directors are responsible for the preparation and fair presentation of the Financial Statements, comprising the Statement of Financial Position as at 31st December, 2021, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended and the Notes to the Financial Statements which include a summary of significant accounting policies and other explanatory notes in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies' Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016, (Act 930) and Anti-Money Laundering Act, 2020, (Act 1044) (AML).

The Directors' responsibilities include: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of Financial Statements that are free from material misstatement, making accounting estimates that are reasonable in the circumstances.

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

FINANCIAL STATEMENTS AND DIVIDEND

	2021 GH¢	2020 GH¢
Profit for Year, after Taxation, ended 31st December,	828,874	63,838
Opening Retained Earnings Account brought forward of	133,753	88,075
Prior Year Error	-	(2,201)
Adjusted Opening Retained Earnings Account brought forward of	962,627	149,712
Transfers From/(to)/Dividend Payable		
Transfer to Stated Capital	-	-
Reserve Fund	(207,219)	(15,959)
Credit Risk Reserve	-	-
Dividend	-	-
	(207,219)	(15,959)
Leaving the balance Income Retained Earnings Account carried forward of	755,408	133,753
TOTAL ASSETS	41,265,970	34,043,109

In accordance with Section 139 of the Companies Act, 2019, (Act 992), the Auditors, Messrs' Softwind OA Consult continue in office as auditors of the Bank.

The Directors do not recommend the payment of dividend in respect of the year year ended 31st December, 2021; (2020: Nil).

NATURE OF BUSINESS

The Bank is registered to carry out the business of banking.

There was no change in the activities of the Bank.

APPROVAL OF THE FINANCIAL STATEMENTS

The Financial Statements of the Bank as indicated above were approved by the Board of Directors on the date stated below.

Directors' Assessment of the State of the Bank's Affairs

The Bank has put in place strategies to meet the Financial Reporting Guidelines on Bank's Financial Statement ending December 31, 2021. This is a requirement as directed and published in the 'Guide for Financial Publication for Banks & BOG Licensed Financial Institutions for all Financial Statements ending December 31, 2016.

The Directors consider the Bank's State of Affairs to be satisfactory and have a reasonable expectation that the Bank will continue in operational existence into the foreseeable future and have therefore used the Going Concern basis in preparing these Financial Statements.

Particulars of Entries in the Interests Register

There were no entries in the Interests Register.

Corporate Social Responsibility

The following expenses were incurred in respect of corporate social responsibility in the course of the year.

	2021 GH¢	2020 GH¢
Ghana National Fire Service - Elubo	-	1,000
National Service Personnel Association - Jomoro	-	300
COVID-19 Trust Fund	-	2,500
Donation of COVID-19 PPEs	-	2,700
Education Support	6,450	5,000
Farmers' Day Celebration	4,200	3,900
Sundry Support	1,400	-
Health Support	48,622	-
Election 2020 Peace Campaign - SDA Church	-	500
	60,672	15,900

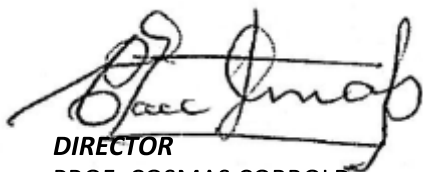
Audit Fees

Audit fees payable amounts to Twenty-Two Thousand Ghana Cedis exclusive of VAT (GH¢22,000).

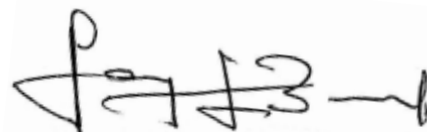
Steps Taken to Build the Capacity of Directors

The Directors were taken through the following training programs during the year:

- Training on the Companies Act 2019, (Act 992).
- Administrative Law in Banking.



DIRECTOR
PROF. COSMAS COBBOLD
TIKOBO NO. 1



DIRECTOR
MR. SAMUEL ALEX BERVELL
4-Mar-22

JOMORO RURAL BANK LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2021
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Report on the Audit of the Financial Statements

We have audited the Financial Statements of Jomoro Rural Bank Limited, which comprise the Statement of Financial Position as at 31st December, 2021, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, which include a summary of significant accounting policies as set on pages 12 to 24.

Opinion

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the Financial Position of the Bank as at 31st December, 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies' Act, 2019 (Act 992), Banks and Specialised Deposit-Taking Institutions Act, 2016, Act 930 and Anti-Money Laundering Act, 2020, (Act 1044) (AML).

Basis of Opinion

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

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

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

Key Audit Matters

The Bank is engaged in training to ensure full compliance with Bank of Ghana Guide for Financial Publication for Banks and Bank of Ghana Licensed Financial Institutions.

Independence

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the Financial Statements in accordance with Companies Act, 2019, (Act 992), Banks and Specialised Deposit-Taking Institutions Act, 2016, (Act 930), and Anti-Money Laundering Act, 2020, (Act 1044) (AML) and the International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error. In preparing the Financial Statements, 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. Those charged with governance are responsible for overseeing the Bank's Financial reporting process.

Auditor's responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Management's use of the Going Concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a Going Concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a Going Concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Bank or business activities within the Bank to express an opinion on the Financial Statements. We are responsible for the direction, supervision and performance of the Bank audit. We remain solely responsible for our audit opinion.

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

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

Report on Other Legal and Regulatory Requirements

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

- a) We have obtained all the information and explanations which we considered necessary for the performance of the audit.
- b) In our opinion, proper books of account have been kept by the Bank, so far as appears from our examination of those books; and
- c) The Statement of Financial Position (Balance Sheet) and Statement of Comprehensive Income (Profit or Loss Account) of the Bank are in agreement with the books of account.
- d) In compliance with section 143 of the Companies Act, 2019, (Act 992), we are independent of the Bank.

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 of the Bank and its results for the year under review;
- ii) We were able to obtain all the information and explanations required for the efficient performance of our duties as auditors;
- iii) The Bank has complied with the provisions in the Banks and Specialised Deposit-Taking Institutions Act, 2016, (Act 930), Anti-Money Laundering Act, 2020, Act 1044 (AML) and Anti-Terrorism Act, 2008, (Act 762).

softwind OA Consult

osei yaw asamoah (ICAG/P/1179)

softwind OA consult (ICAG/F/2021/260)
(chartered accountants)

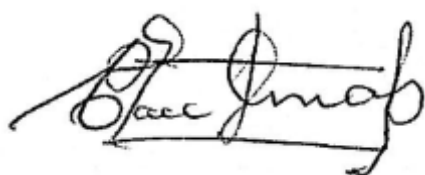
ACCRA
4-Mar-22

dansoa house, swanlake, north kaneshie
p. o. box 6891, accra-north
JOMORO RURAL BANK LTD.

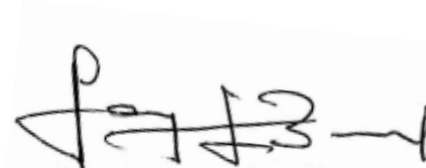
JOMORO RURAL BANK LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2021
STATEMENT OF FINANCIAL POSITION

<u>ASSETS</u>	<u>NOTES</u>	2021	2020
<u>CURRENT ASSETS</u>		<u>GH¢</u>	<u>GH¢</u>
Cash and Short-Term Funds	13	5,160,458	5,649,052
Short-Term Investments	14	23,693,381	18,435,481
Advances	15	10,727,997	8,240,953
Inventories	16	55,773	46,745
Investment Securities	18	223,206	223,206
Taxation	19	-	57,829
Other Assets	17	368,308	247,296
		40,229,123	32,900,561
<u>NON CURRENT ASSETS</u>			
Intangibles	26	164,396	178,059
Property, Plant and Equipment	27	872,452	964,489
TOTAL ASSETS		41,265,970	34,043,109
<u>LIABILITIES AND SHAREHOLDERS FUNDS</u>			
Deposits and Current Accounts	20	37,462,460	31,195,043
Other Liabilities	21	938,567	844,377
Taxation	19	17,258	-
Deferred Taxation	19	38,844	38,844
		38,457,129	32,078,263
FINANCED AS FOLLOWS:			
Stated Capital	22	1,171,180	1,156,060
Revaluation Surplus		43,070	43,070
Retained Earnings		755,408	133,753
Credit Risk Reserve		40,000	40,000
Statutory Reserve		799,182	591,964
		2,808,841	1,964,847
Shareholders Fund		2,808,841	1,964,847
TOTAL LIABILITIES AND SHAREHOLDERS FUND		41,265,970	34,043,110

These Financial Statements were approved at a meeting of the Board held on the date below.



DIRECTOR
PROF. COSMAS COBBOLD
TIKOBO NO. 1



DIRECTOR
MR. SAMUEL ALEX BERVELL
4-Mar-22

JOMORO RURAL BANK LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2021
STATEMENT OF COMPREHENSIVE INCOME

	<u>NOTES</u>	2021 Bank GH¢	2020 Bank GH¢
Interest Income	8	6,632,682	4,200,767
Interest Expenses	9	(1,297,240)	(879,649)
Net Interest Income		5,335,442	3,321,118
Commission and Fees Income	10	990,843	825,323
Commission and Fees Expense	11	-	-
Net Fees and Commission		990,843	825,323
Net Trading Income		6,326,285	4,146,441
Other Operating Income	12	175,815	117,279
Operating Income		6,502,099	4,263,720
Net Impairment Loss on Financial Assets	28	(413,919)	(201,711)
Personnel Expenses	25.1	(2,437,772)	(1,821,311)
Depreciation and Amortisation	25.2	(179,558)	(176,208)
Operating Cost	25.3	(2,466,890)	(1,979,374)
		(5,498,139)	(4,178,604)
Profit Before Taxation		1,003,960	85,117
Tax Expense	19	(175,086)	(21,279)
Net Profit for the Year		828,874	63,838
OTHER COMPREHENSIVE INCOME			
Revaluation of Property, Plant and Equipment		-	-
Defined Benefit Plan Actuarial Gain/(Loss)		-	-
Other Comprehensive Inc. for the Year (Net of Tax)		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			
Profit attributable to:			
Controlling Equity Holders of the Bank		828,874	63,838
Non-Controlling Interest		-	-
Profit for the Year		828,874	63,838
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			
Basic Earnings per Share		-	-
Total Comprehensive Income for the year		828,874	63,838
Earnings per Share GH¢		0.0297	0.0023
Diluted Earnings per Share GH¢		0.0297	0.0023

JOMORO RURAL BANK LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2021

STATEMENT OF CHANGES IN EQUITY

BANK

2021	Stated Capital	Reserve Fund	Revaluation Surplus	Retained Earnings	Credit Risk Reserves	TOTAL
	GH¢	GH¢	GH¢	GH¢	GH¢	
Balance b/f	1,156,060	591,963	43,070	133,753	40,000	1,964,847
Prior Year Error	-	-	-	-	-	-
Total Comp. Profit	-	-	-	828,874	-	828,874
	1,156,060	591,963	43,070	962,627	40,000	2,793,721
Dividend	-	-	-	-	-	-
	1,156,060	591,963	43,070	962,627	40,000	2,793,721
Transfers						
Reversal	-	-	-	-	-	-
Tax paid on transfers	-	-	-	-	-	-
Reserve Fund	-	207,219	-	(207,219)	-	-
Credit Risk Reserve	-	-	-	-	-	-
	-	207,219	-	(207,219)	-	-
Share Acquisition	15,120	-	-	-	-	15,120
	1,171,180	799,182	43,070	755,408	40,000	2,808,841

BANK

2020	Stated Capital	Reserve Fund	Revaluation Surplus	Retained Earnings	Credit Risk Reserves	TOTAL
	GH¢		GH¢		GH¢	GH¢
Balance b/f	1,138,295	576,004	43,070	88,075	40,000	1,885,444
Prior Year Error	-	-	-	(2,201)	-	(2,201)
Total Comp. Income	-	-	-	63,838	-	63,838
	1,138,295	576,004	43,070	149,712	40,000	1,947,081
Dividend	-	-	-	-	-	-
	1,138,295	576,004	43,070	149,712	40,000	1,947,081
Transfers						
Reversal	-	-	-	-	-	-
Tax Paid on Transfers	-	-	-	-	-	-
Reserve Fund	-	15,959	-	(15,959)	-	-
Credit Risk Reserve	-	-	-	-	-	-
	-	15,959	-	(15,959)	-	-
Sale of Shares	17,766	-	-	-	-	17,766
	1,156,060	591,963	43,070	133,753	40,000	1,964,847

JOMORO RURAL BANK LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2021

STATEMENT OF CASH FLOWS

	2021	2020
	GH¢	GH¢
Cash Flow from Operating Activities		
Net Profit Before Tax	1,003,960	85,117
Prior Year Error	-	(2,201)
Bad Debt Written Off	(460,834)	(252,156)
Impairment Loss	413,919	201,711
Depreciation	158,889	148,678
Amortisation	20,669	27,530
	1,136,604	208,679
(Increase)/Decrease in Advances	(2,440,129)	(768,086)
(Increase)/Decrease in Inventories	(9,028)	(5,730)
(Increase)/Decrease in Other Assets Account	(121,012)	(45,804)
Increase/(Decrease) in Deposits & Current Accounts.	6,267,418	11,418,569
Increase/(Decrease) in Other Liabilities	94,190	204,061
Net Changes in Working Capital	3,791,439	10,803,010
Cash Flow from Operating Activities	4,928,042	11,011,689
Tax Paid	(100,000)	(65,440)
Net Cash Flow from Operating Activities	4,828,042	10,946,249
Cash Flow from Investing Activities		
Additions		
Intangibles	(7,005)	(184,239)
Purchase of Fixed Assets	(66,853)	(308,946)
	(73,858)	(493,186)
	4,754,185	10,453,064
Financing Activities		
Stated Capital	15,120	17,766
Dividends Paid	-	(191)
	15,120	17,575
Net Inc./(Dec.) in Cash and Cash Equivalent	4,769,305	10,470,638
Opening Cash and Cash Equivalent	24,084,533	13,610,997
Net Inc./(Dec.) in Cash and Cash Equivalent	4,769,305	10,470,638
Closing Cash and Cash Equivalent	28,853,838	24,081,635
Represented by Cash and Cash Equivalents	28,853,838	24,084,533

JOMORO RURAL BANK LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2021

NOTES TO THE FINANCIAL STATEMENTS

1 NATURE OF OWNERSHIP AND OPERATIONS

The Bank was incorporated as a Public Limited Liability Company on 20th January, 1981 with Registration No. C0009062300 under the Companies' Act 2019 (Act 992) in Ghana. The Bank was issued with a licence on 13th November, 1981, with Licence No. 044 by Bank of Ghana to operate a business of Banking. The registered address of the Bank is JOMORO Rural Bank Premises, P. O. Box 21, Tikobo No. 1 referred to as the "Bank"). The Bank primarily is involved in Rural Banking being Corporate and Retail.

1.1 Functional and Presentational Currency and Level of Approximation

The Financial Statements are presented in Ghana Cedis (GH¢) which is the Company's functional currency. The level of approximation is to the nearest Ghana Cedi.

2 ACCOUNTING POLICIES

The significant Accounting Policies adopted by the Bank and which have been applied in preparing these Financial Statements are stated below:

2.1 Basis of Accounting

These Financial Statements have been prepared under the historical cost convention but modified in appropriate areas by the adoption of Fair Value measurement basis. The Bank of Ghana Guideline 'Guide for Financial Publication for Banks and BOG Licensed Financial Institutions' for 2016 and 2018 require certain disclosures to be completely complied with in applicable areas. These guidelines have been, to a large extent, complied with and to this extent, the Financial Statements are in compliance with International Financial Reporting Standards, IFRS.

2.2 Revenue Recognition

Revenue is recognised on accrual basis and to the extent of the economic benefits are expected to flow to the Bank and that the Revenue can be reliably measured as provided hereunder.

2.2.1 Interest Income and Expense

Interest income and expense are recognised in the Statement of Comprehensive Income in respect of interest bearing Financial Instruments including Loans and Advances as interest accrues using the Effective Interest Rate method. This method calculates the amortised cost of a Financial Asset or Liability and allocates the Interest Income or Interest Expense also the discount rate applicable to future cash flows (receipts or payments), over the life of the Financial Asset or Liability to its net carrying amount.

2.2.2 Non-Interest Income

Commission and Fees are earned on accrual basis on services such as Funds Transfer on completion of the transaction.

2.3 Income Tax

Income Tax comprises Current Tax and Deferred Tax.

Current Tax relates to determination of expected payable tax from the Profits of the Financial Statements in relations to Tax obligations imposed from by legislation of Ghana.

Deferred Income Tax relates to Tax Provision on all Temporary differences at the Financial Position date arising from Tax bases of assets and liabilities and their carrying amounts. Deferred Tax Assets are the recoverable taxes of future periods which include deductible Temporary differences. Deferred Tax Liabilities are the recognised payable Taxable Temporary differences on future taxable profits. Deferred taxes(Assets or Liabilities) are calculated using the enacted rate expected to be applicable in the period when the asset is realised 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 amounts of Deferred Tax Assets or Liabilities are reviewed at the end of each reporting date and adjusted to reflect the new values through the Profit or Loss.

2.4 Financial Instruments Categorisation, Initial Recognition and Subsequent Measurement

2.4.1 Categorisation

The Bank classifies its Financial Assets into those measured at Fair Value through Profit or Loss and those measured at Amortised Cost; and Financial Assets measured at Fair Value through Other Comprehensive Income.

2.4.2 Date of Recognition

Purchases and Sale of Financial Assets are recognised on the Transaction date.

2.4.3 Initial Recognition of Financial Instruments

Financial Instruments are initially recognised at their fair value plus, in the case of Financial Assets or Financial Liabilities not at Fair Value through Profit or Loss, transaction costs that are directly attributable to the acquisition or issue of the Financial Asset or Financial Liability.

2.4.4 Subsequent Measurement of Financial Instruments

(a) Financial Assets at Fair Value Through Profit or Loss

A Financial Asset at fair value through Profit or Loss is that which meets either of the following conditions.

Held for Trading

A Financial Asset is classified as Held for Trading if it is acquired principally for the purpose of selling in the near future, or 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.

Designated at Fair Value through Profit or Loss

Upon initial recognition as Financial Asset, it is designated at fair value through Profit or Loss. Financial Assets at fair value through Profit or Loss are measured at fair value subsequent to initial recognition. Gains or Losses upon subsequent measurement are treated in Profit or Loss.

All equity instruments are measured at fair value.

(b) Financial Assets Measured at Amortised Cost

A Financial Asset is measured at amortised cost if the following conditions are met:

- (i)** The Asset is held within a business model whose objective is to hold assets in order to collect contractual Cash Flows.
- (ii)** 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.

Term Loans to customers come under this category. They are initially recognised when cash is advanced to the borrowers at fair value, inclusive of transaction costs. Subsequent to initial recognition, Term Loans are measured at amortised cost less impairment losses.

(c) Financial Assets Measured at Fair Value Through Other Comprehensive Income

Securities including investments in money market and equity shares, other than those classified as trading securities, or at fair value through Profit or Loss, are classified and recognised in the Statement of Financial Position at their fair value. Other Financial Assets that are neither cash nor categorised under any other category also come under this classification.

Financial Assets measured at fair value through Other Comprehensive Income are measured at Fair Value with gains and losses arising from changes in Fair Value recognised directly in Other Comprehensive Income until the Financial Asset is either sold, becomes impaired, or matures, at which time the cumulative gain or loss previously recognised in equity is recognised in Profit or Loss.

Interest calculated using the effective interest method is recognised in the Statement of Comprehensive Income. Dividends on equity instruments are recognised in the income statement when the Bank's right to receive payment is established.

(d) Financial Liabilities

Financial Liabilities are classified as non-trading, held for trading or designated as at fair value through Profit and Loss. Non-Trading Liabilities are measured subsequent to initial recognition at Amortised Cost applying the effective interest method. Held for Trading Liabilities or Liabilities designated as at fair value through Profit or Loss, are measured at fair value. All Financial Liabilities shown in the Statement of Financial Position are non-trading liabilities.

2.5 Determination of Fair Value of Financial Instruments

2.5.1 Availability of Active Market

The fair value of a financial instrument traded in active markets such as the Ghana Stock Exchange (GSE) at the reporting date is based on its quoted market price without any deduction of transaction costs.

2.5.2 Non-Availability of Active Market

Equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. However, Fair Values for such equity investments, are determined from the declaration of capital appreciations by the investee organisation of amounts so declared in the form of additional shares in the equity holdings. Investments whose fair value can be reliably measured are measured professionally through the use of valuation techniques.

2.5.3 Short-Term Receivables

The fair value of short term receivables approximate book value and are measured as such.

2.5.4 Offsetting of Financial Instruments

Financial Assets and Financial Liabilities are offset when there is a legally enforceable right to do so and the net amount stated in the Statement of Financial Position. This happens when there is the intention settle on net basis or realise the Financial Asset and redeem the Financial Liability.

2.5.5 Derecognition of Financial Assets and Liabilities

A Financial Asset or a portion thereof, is derecognised 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 derecognised when the obligation is discharged, cancelled or has expired.

2.5.6 Impairment of Financial Assets

(a) Framework for measuring impairment of Financial Assets .

At each reporting 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

Evidence of impairment may include indications that the borrower or a group of borrowers is/are 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.

(b) Loans and Advances and Amounts due from Banks & other Financial Institutions

For loans and advances to customers and amounts due from banks and other financial institutions carried at amortised cost, the Bank first assesses individually whether objective evidence of impairment exists individually for Financial Assets that are individually significant, or collectively for Financial Assets that are not individually significant. If the Bank determines that no objective evidence of impairment exists for an individually assessed Financial Asset, whether significant or not, it includes the asset in a group of Financial Assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognized, are not included in a collective assessment of impairment.

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 recognised in the Profit or Loss.

Loans together with the associated allowances are written off when there is no realistic prospect of future recovery and all collaterals have been utilised or have been transferred to the Bank and all the necessary procedures have been completed.

If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the Allowance Account. If a write-off is later recovered, the recovery is credited to the Profit or Loss and charged to the Allowance Account ('Credit Loss Expense').

The present value of the estimated future cash flows is determined using the Financial Asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

For the purposes of collective evaluation of impairment, Financial Assets are grouped on the basis of the Bank's internal credit grading system that considers credit risk characteristics, such as asset type, industry, geographical location, collateral type, past-due status and other relevant factors.

(c) Other Financial Assets

The Bank assesses at each reporting date whether there is objective evidence that an investment or group of investments is impaired.

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

In the case of other debt instruments, impairment is assessed based on the same criteria as Financial Assets carried at amortised cost. If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the Income Statement, the impairment loss is reversed through the Income Statement.

(d) Derecognition of Financial Assets and Liabilities

A Financial Asset or a portion thereof, is derecognised 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 derecognised when the obligation is discharged, cancelled or has expired.

2.6 Derecognition of Financial Assets and Liabilities

A Financial Asset or a portion thereof, is derecognised 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 derecognised when the obligation is discharged, cancelled or has expired.

3 Regulatory Credit Risk Reserve

To cater for any difference between the Bank of Ghana's Credit Loss Provision requirements and Loans and Advances Impairments based on IFRS Principles, a charge or credit is made to Income Surplus in respect of the difference required to bring up the cumulative provision to the level required under the Bank of Ghana regulations. Under current regulations the Credit Risk Reserve does not qualify as Tier **1 Capital** for the computation of Capital Adequacy.

4 Property, Plant and Equipment

The Bank recognises 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 or revalued amount 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 which is determined in percentages. The depreciable amount of each asset is the difference between the cost/revaluation and the residual value which is set to zero of the asset. No depreciation is provided on Land.

The residual value is the estimated amount, net of disposal costs, that 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. In the last year or period of the charge of depreciation to Profit or Loss, the depreciation amount is reduced by GH¢1 so that the asset has GH¢1 value to give an indication of the existence of the item of Property, Plant and Equipment.

The current Annual Depreciation rates for each class of Property, Plant and Equipment are as follows:

Buildings	5.0%
Branch Development	20.0%
Bungalow Furniture & Fittings	15.0%
Computers	15.0%
Office Equipment	25.0%
Motor Vehicles	33.3%
Office Furniture & Fittings	15.0%
Plant and Machinery	25.0%

**Branch Development is for a useful life of 5 years, that is, 20% or the lease period which ever is earliest.

Costs associated with routine servicing and maintenance of assets are expensed as incurred. Subsequent expenditure is only capitalised 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 derecognised 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 derecognised.

Residual values, useful lives and methods of depreciation for Property, Plant and Equipment are reviewed and adjusted if appropriate, at each financial year end.

5 Use of Estimates and Judgement

The preparation of Financial Statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the Financial Statements are described in Notes 4.

6 RISK MANAGEMENT

The Bank's operations come with these risks: Credit, Market, Liquidity and Operational.

6.1 Credit Risk

To the Bank, Credit Risk is the likelihood that a receivable from a financial instrument issued by the Bank to a borrower is unlikely to be received regarding the principal with or the interest according to the terms contained in the financial instrument. This will result in economic loss to the Bank.

The Credit Risk arises from largely Loans and Advances to customers.

The Credit Risk is managed through the systems and controls established by the Credit Department that ensures that periodic review of the status of the receivable at every stage from application to completion of the repayment of the advance by the borrower. The Credit Department submits reports of the performance of the Loans and Overdrafts to a Credit Committee which takes appropriate actions for recovery. Credit facilities are monitored for early warning signals of non-performance.

6.2 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. Currently, the Bank's activities expose it to Interest Rate risks with no exposure to exchange rate, equity or commodity price risks. The Interest Rate risk is inherent in the Bank's Financial Assets and Liabilities such as Loans, Customer Deposits and Borrowings.

6.3 Liquidity Risk

Liquidity Risk is the potential loss to the Bank arising from either its inability to meet its maturing Short-Term obligations as they fall due or to fund increases in assets without incurring unacceptable costs. The management of this risk enables the Bank to minimise the timing of cash flows relating to its Assets and Liabilities to ensure that it regularly maintains the Primary Reserve requirement of 13% of Total Deposits as required by Bank of Ghana and ARB Apex Bank.

6.4 Operational Risk

Operational Risk is direct or indirect loss resulting from inadequate or failed internal and processes, staff and systems. These are managed by well designed operating manuals that reflect the main operating procedures, business continuity planning, reconciliations, internal audit and timely and reliable management reporting.

7 CAPITAL

7.1 The Objectives of Capital Management

The Capital Management Objective of the Bank is to ensure the financial net assets at the end of the financial year exceeds the financial amount of the net assets at the beginning of the year after deducting distributions to and adding contributions from the owners.

The objective is also to ensure that, at any time, the Stated Capital requirement by Bank of Ghana could be met and also to comply with the Capital Adequacy Ratio Regulatory requirements of Bank of Ghana. This is achieved by maintaining the appreciable level of profits to meet the expected Capital increases by Bank of Ghana.

7.2 Capital Description

The Bank's Capital is its Shareholders' funds comprising Stated Capital, Statutory Reserves and Income Surplus, which includes current and previous year's retained earnings. The current level of the Bank's capital complies with the existing minimum Stated Capital requirement of Bank of Ghana.

7.3 Regulatory Capital

The Bank's Regulatory Capital consists of both Tier 1 and Tier 2 capital.

Tier 1 Capital consists of Stated Capital, Statutory Reserves and Income Surplus, after deductions of Intangible Assets and Other Regulatory Adjustments relating to items that are included in equity but are treated

differently for Capital Adequacy purposes.

Tier 2 Capital consists of Convertible Debentures and Revaluation Surpluses. Total Tier 2 Capital is limited to 100% of the Net Tier 1 Capital.

The Bank's Regulatory Capital position as at 31st December, is summarised below:

7.4 The Level of Capital Adequacy

Tier 1 Capital

	2021 Bank GH¢	2020 Bank GH¢
Ordinary Share Capital	1,171,180	1,156,060
Disclosed Reserves	1,637,661	808,787
Less Intangible Assets	(532,703)	(178,059)
Other Regulatory Adjustments	(223,206)	(223,206)
Total	2,052,931	1,563,581

Tier 2 Capital

Fair Value Reserve for Available for Sale Equity Securities		
Revaluation Reserve	43,070	43,070
Qualifying Subordinated Liabilities	-	-
Total	43,070	43,070
Total Regulatory Capital	2,096,002	1,606,651

Risk Weighted Assets

Total Adjusted Assets	19,827,215	15,784,236
Net Contingent Liabilities	-	-
Operational Risk	-	-
Market Risk	-	-
Total Risk Weighted Assets	19,827,215	15,784,236

Capital Ratios

Total Regulatory Capital Expressed as a Percentage of Total Risk Weighted Assets	10.57%	10.18%
Total Tier 1 Capital Expressed as a Percentage of Risk Weighted Assets.	10.35%	9.91%

I) Dividend

Dividend payable is recognised as a liability in the period in which they are approved at the AGM.

8 INTEREST INCOME

	2021 Bank GH¢	2020 Bank GH¢
Advances - Loans	3,882,704	2,912,558
Advances - Overdrafts	94,979	85,365
Investment	2,654,999	1,202,844
	6,632,682	4,200,767

9 INTEREST EXPENSES

Savings Deposits	187,555	127,799
Time Deposits	1,109,685	751,850
	1,297,240	879,649

10 COMMISSIONS AND FEES

Commissions on Turnover	531,812	371,113
Commitment & Processing Fees	458,327	389,845
Cheque Clearing/Domestic Money Transfer Fee	705	64,364
	990,843	825,323

11 COMMISSIONS AND FEES EXPENSE

	-	-
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12 OTHER INCOME

Bad Debts Recovered	81,596	31,852
Sundry Income	94,219	85,428
	175,815	117,279

13 CASH AND SHORT TERM FUNDS

Cash on Hand	2,126,407	2,018,834
ARB Apex Bank - ACOD 7	700,000	1,100,000
ARB Apex Bank - Current	335,390	1,009,657
ARB Apex Bank - Reserve (5% Placement)	1,856,453	1,459,205
Momo	92,208	61,356
GCB Bank	50,000	-
	5,160,458	5,649,052

14 SHORT-TERM INVESTMENTS

Treasury Bills 91 Days	1,839,000	7,465,361
Other Bills & Notes (Amal Fund Gh Ltd)	5,220,581	5,270,581
GOG Bonds	16,149,539	5,699,539
	23,209,119	18,435,481
Interest Receivable on Investment	484,262	-
	23,693,381	18,435,481

15 LOANS AND ADVANCES

	2021 GH¢	2020 GH¢
Loans	11,220,020	8,769,479
Overdraft	131,636	142,048
	11,351,656	8,911,527
Impairment Loss	-	-
	11,351,656	8,911,527
Impairment Loss Brought Forward	(670,574)	(721,019)
Bad Debts Writen-Off	460,834	252,156
Current Year Provision	(413,919)	(201,711)
	(623,659)	(670,574)
	10,727,997	8,240,953

16 INVENTORIES

Stationery	37,307	33,977
Other Stores	18,466	12,768
	55,773	46,745

17 OTHER ASSETS

Prepaid Rent	43,015	42,909
Insurance prepaid	57,908	53,134
Office Account	1,500	3,176
E-zwich	7,881	8,962
Defalcation	-	31,489
Interest Receivable	258,004	102,045
Interest In Arrears	-	5,581
	368,308	247,296

18 INVESTMENT SECURITIES

ARB Apex Bank	151,928	151,928
ARB - WERBA	71,278	71,278
	223,206	223,206

19 TAXATION

19a BANK

Tax Years	Balance 1-Jan-21 GH¢	Charges for Year GH¢	Payments GH¢	Balance 31-Dec-21 GH¢
Up to 2019	(13,668)	-	-	(13,668)
2020	(44,161)	-	-	(44,161)
2021	(57,829)	-	-	(57,829)
	-	175,086	(100,000)	75,086
	(57,829)	175,086	(100,000)	17,258
Deferred Tax	38,844	-	-	38,844
	(18,985)	175,086	(100,000)	56,101

RECONCILIATION/COMPUTATION OF EFFECTIVE TAX RATE

	2021 GH¢	2020 GH¢
Chargeable income	1,003,960	85,117
Income Tax Using Applicable Tax Rate 25%	175,086	21,279
Deferred Tax		
Balance 31-Dec	38,844	38,844
Adjustment to Prior Years	-	-
Balance 31-Dec	38,844	38,844
Profit Before Tax Expense		
Deferred Tax	-	-
Total	-	-
Effective Tax Rate %	-	-

20 DEPOSIT AND CURRENT ACCOUNT

	2021 GH¢	2020 GH¢
Current Accounts	5,759,162	4,490,600
Savings Accounts	15,652,331	12,675,434
Time	9,077,495	8,586,288
Susu Deposits and Others	6,628,169	5,160,838
Others	345,304	281,882
	37,462,460	31,195,043

20.1 CURRENT ACCOUNTS

Individuals	3,622,434	2,379,402
Private Enterprises	415,503	283,302
Public Enterprises	99,694	106,283
Other Financial Institutions	183,259	301,911
Current Darmant	850,507	927,643
Others	587,765	492,059
	5,759,162	4,490,600

20.2 SAVINGS ACCOUNTS

Individuals	11,140,034	8,565,396
Private Enterprises	670,881	511,349
Public Enterprises	660,917	531,694
Group	987,071	886,736
Savings Dormant	837,933	1,042,439
Others	1,355,495	1,137,819
	15,652,331	12,675,434

20.3 TIME DEPOSIT ACCOUNTS

Individuals	7,898,248	7,417,874
Private Enterprises	177,050	224,010
Public Enterprises	326,247	352,456
Group	55,500	7,300
Other Financial Institutions	170,000	120,000
Others	450,450	464,648
	9,077,495	8,586,288

20.4 SUSU ACCOUNTS

Individuals	6,628,169	5,160,838
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20.5 OTHER DEPOSITS

E-Zwich	345,304	281,882
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21 OTHER LIABILITIES

	2021 GH¢	2020 GH¢
Sundry Creditors	13,179	10,286
Dividend Payable	-	-
Audit Fees	22,000	15,000
Bills Payable	49,637	60,788
Accrued Interest	353,249	349,822
Provision for AGM	60,000	-
Unearned Discount on Bills	33,602	160,041
Managed Fund	221,855	94,221
T24 Licence Fee	46,795	109,188
Office Account	138,251	45,031
	938,567	844,377

22 STATED CAPITAL**Authorised:**

Ordinary Share of no par value	40,000,000
Preference Share of no par value	10,000,000

DETAILS

		NO. OF SHARES 2021 Number	Amount GH¢	NO. OF SHARES 2020 Number	Amount GH¢
NO. OF SHARES CONSIDERATION					
Opening Ordi	Cash	27,872,737	1,156,047	27,837,206	1,138,282
Additions	Cash	30,240	15,120	35,531	17,766
	Bonus	-	-	-	-
		27,902,977	1,171,167	27,872,737	1,156,047
Opening Ordinary		-	-	-	-
Transfer from Surplus		-	-	-	-
		27,902,977	1,171,167	27,872,737	1,156,047
Total Opening Balance		27,872,737	1,156,047	27,837,206	1,138,282
Additions		30,240	15,120	35,531	17,766
Closing Balance		27,902,977	1,171,167	27,872,737	1,156,047
Preference Shares		125,000	13	125,000	13
		28,027,977	1,171,180	27,997,737	1,156,060

There is no liability on any share and there is no share in treasury.

23 OCCUPANCY

34,605	32,136
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24 DEPRECIATION AND AMORTISATION

179,558	176,208
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25 OTHER OPERATING EXPENSES**25.1 Staff Costs**

Salaries, Wages & Allowances	1,990,137	1,382,239
Medical Expenses	7,350	4,747
Staff Training	90,348	-
Others	349,936	434,325
	2,437,772	1,821,311

25.2 Depreciation & Amortisation

Depreciation	158,889	148,678
Amortisation	20,669	27,530
	179,558	176,208

25.3 Operating Costs

Repairs & Maintenance	74,672	77,101
Rent and Rates	34,605	32,136
Insurance	60,892	58,671
Donations	71,293	25,540
Police Guard	161,723	144,874
Generator Expenses	71,217	56,513
Electricity & Water	175,365	130,978
Audit Fees	22,000	15,000
Administrative	1,795,124	1,438,562
	2,466,890	1,979,374

25.4 Directors Remuneration

Included in the Administrative Cost under Operating Costs were the following:

Directors Fees	67,416	73,412
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26 INTANGIBLE ASSETS

26.1 BANK

26.1.1 Cost

	Developed Software GH¢	Additions/ Deletions	Developed Software GH¢
Balance at 1 January, 2020	33,700		33,700
Acquisitions	184,239		184,239
Balance at 31 December, 2020	217,939	-	217,939
Balance at 1 January, 2021	217,939	-	217,939
Acquisitions	7,005		7,005
Balance at 31 December, 2021	224,944	-	224,944

26.1.2 Amortisation and Impairment

Balance at 1 January, 2020	12,350	-	12,350
Amortisation for the Year	27,530	-	27,530
Impairment Loss	-	-	-
	39,880	-	39,880
Balance at 31 December, 2020	178,059	-	178,059
Balance at 1 January, 2021	39,880	-	39,880
Amortisation for the Year	20,669		20,669
Impairment Loss	-	-	-
Balance at 31 December, 2021	60,549	-	60,549

26.1.3 Carrying Amounts

Balance at 1 January, 2020	21,350	-	21,350
Balance at 31 December, 2020	178,059	-	178,059
Balance at 31 December, 2021	164,396	-	164,396

27 PROPERTY, PLANT & EQUIP.

27.1 2021

27.1.1 COST

	GH¢	GH¢	GH¢	GH¢
	BALANCE		ADJUSTMENT/	BALANCE
	<u>1-Jan-21</u>	<u>ADDITIONS</u>	<u>DISPOSAL</u>	<u>31-Dec-21</u>
Land	20,879	11,000	-	31,879
Buildings	846,282	2,200	-	848,482
Capital Works in Progress	-	-	-	-
Branch Development	31,000	-	-	31,000
Office Furn. & Fittings	186,985	2,500	(54,123)	135,363
Computers	244,442	28,482	(54,110)	218,813
Motor Cycle	48,745	16,800	(21,050)	44,495
Bungalow Fittings and Furniture	5,278	-	(5,278)	-
Office Equipment	220,554	5,871	(97,993)	128,432
Motor Vehicles	215,168	-	-	215,168
	1,819,333	66,853	(232,554)	1,653,632

2021

27.1.2 DEPRECIATION

	BALANCE	CHARGED	ADJUSTMENT/	BALANCE
	<u>1-Jan-21</u>	<u>FOR YEAR</u>	<u>DISPOSAL</u>	<u>31-Dec-21</u>
Land	-	-	-	-
Buildings	264,487	42,314	-	306,801
Office Furn. & Fittings	86,642	21,973	(54,123)	54,492
Computers	109,867	49,998	(54,110)	105,755
Motor Cycle	34,301	10,576	(21,050)	23,827
Bungalow Fittings and Furniture	5,292	-	(5,278)	14
Office Equipment	139,092	34,028	(97,993)	75,127
Motor Vehicles	215,164	-	-	215,164
	854,845	158,889	(232,554)	781,181

27.1.3 NET BOOK VALUE

964,489 **872,452**

2020

27.2 PROPERTY, PLANT & EQUIP.

27.2.1 COST

	GH¢	GH¢	GH¢	GH¢
	BALANCE			BALANCE
	<u>1-Jan-20</u>	<u>ADDITIONS</u>	<u>DISPOSAL</u>	<u>31-Dec-20</u>
Land	20,879	-	-	20,879
Buildings	729,463	116,820	-	846,282
Branch Development	-	31,000	-	31,000
Office Furn. & Fittings	168,968	18,017	-	186,985
Computers	156,592	87,849	-	244,442
Motor Cycle	29,650	19,095	-	48,745
Bungalow Fittings and Furniture	8,178	-	(2,900)	5,278
Office Equipment	184,388	36,166	-	220,554
Motor Vehicles	215,168	-	-	215,168
	1,513,287	308,946	(2,900)	1,819,333

27.2.2 DEPRECIATION

	BALANCE	CHARGED		BALANCE
	<u>1-Jan-20</u>	<u>FOR YEAR</u>	<u>DISPOSAL</u>	<u>31-Dec-20</u>
Land	-	-	-	-
Buildings	227,310	37,177	-	264,487
Office Furn. & Fittings	62,769	23,872	-	86,642
Computers	71,590	38,277	-	109,867
Motor Cycle	26,097	8,204	-	34,301
Bungalow Fittings and Furniture	7,917	275	(2,900)	5,292
Office Equipment	108,935	30,157	-	139,092
Motor Vehicles	204,449	10,716	-	215,164
	709,067	148,678	(2,900)	854,845

27.2.3 NET BOOK VALUE

804,220 **964,489**

28 IMPAIRMENT/CHARGES

	2021	2020
	GH¢	GH¢
Loan Impairment Charges	(413,919)	(201,711)
	(413,919)	(201,711)

29 DIVIDEND

Balance 01 January	-	191
Approved Dividend	-	-
	-	191
Dividend Paid	-	(191)
Balance 31 December	-	-
Dividend per Share	-	-

31 RELATED PARTIES

a. Transactions with Key Management Personnel

31.1 Key Management Personnel and their immediate relatives have transacted with the Bank during the period as follows:

	2021	2020
	Max. Balance	Max. Balance
	GH¢	GH¢
Mortgage Lending and Other Secured Loans	-	-
Other Loans	105,216	53,216
	105,216	53,216

31.2 Key management personnel compensation for the year comprised

	2021	2020
	GH¢	GH¢
Short-Term Employee Benefits	299,815	299,815

The Bank does not have any share options policy in place for its Executive Officers.

There were no Mortgages and therefore no Secured Loans granted over any Properties of a borrowers.

No impairment losses have been recorded against balances outstanding during the period with key management personnel, and no specific allowance has been made for impairment losses on balances with Key Management Personnel and their immediate relatives at the period end.

31.3 Loans and Advances to Employees

	2021	2020
	GH¢	GH¢
Balance at 1 January	364,304	355,090
Loans Advanced during the Year	423,500	276,533
Loans Repayments Received	(309,662)	(267,319)
Balance at 31 December	478,143	364,304

31.4 Loans and Advances to Directors and their Associates

The Bank has entered into transactions with its directors and/or their Associates, Associate's Companies or Directors as follows:

	2021	2020
	GH¢	GH¢
Gross Amount at 1 January	-	9,433
Interest Charged	-	-
Loans Disbursed	-	-
Cash Received	-	(9,433)
Net Movement in Overdraft Balances	-	-
Net Amount at 31 December	-	-

Included in Loans and Advances is nil (2020: GH¢0) advanced to the Board of Directors.

There is no subsidiary in which some of the Board of Directors have interest therefore no deposit due to subsidiary companies in which some of the Board of Directors have interest.

All the transactions with the Related Parties are priced on arm's length basis and have been entered into in the normal course of business.

The related interest income in 2021 was nil (2020:GH¢).

31.5	List of Related Parties	Designation	Period	
			From	To
	Prof. Cosmas Cobbold	Director	1-Jan-21	31-Dec-21
	Mr. Samuel Alex Bervell	Director	1-Jan-21	31-Dec-21
	Mrs. Gifty Erzoa-Bebodu	Director	1-Jan-21	31-Dec-21
	Mr. Nti Acheampong	Director	1-Jan-21	31-Dec-21
	Mr. Daniel B Ndede	Director	1-Jan-21	31-Dec-21
	Mr. Ernest Kofie	Director	1-Jan-21	31-Dec-21
	Mr. Collins Ehwi	Director	1-Jan-21	31-Dec-21

31.6	Key Management Personnel	Name	Designation	Period	
				From	To
		ADORMAH MAWUNYO	CHIEF EXECUTIVE OFFICER	1-Jan-21	31-Dec-21
		OBED ANTHONY KWAME ARHIN	HEAD OF OPERATIONS	1-Jan-21	31-Dec-21
		RICHARD KUSI DUAH	HEAD OF INTERNAL AUDIT	1-Jan-21	31-Dec-21
		DANIEL ADONLE ACKAH	HEAD OF CREDIT	1-Jan-21	31-Dec-21
		ISAAC ANGLow	HEAD OF RISK & COMPLIANCE	1-Jan-21	31-Dec-21
		MARY MAGDALENE ADEBAH	HEAD OF MICRO-FINANCE	1-Jan-21	31-Dec-21
		JULIUS CAESAR	HEAD OF ICT	1-Jan-21	31-Dec-21

31.7	a. Number of Shareholders	2021	2020
		Bank	Bank
		5,588	5,030

b. Twenty Largest Shareholders	2021		2020	
Name	No. of Shares	%Percentage	No. of Shares	%Percentage
SEME JOHN	995,215	3.57	995,215	3.57
EWULLEY EKONIA AUGUSTINE	497,611	1.78	497,611	1.78
BLAY LAWRENCE K.	248,805	0.89	248,805	0.89
MIEZAH KOFI	248,805	0.89	248,805	0.89
AYEKPAH PAUL KINGSLEY	248,805	0.89	248,805	0.89
CUDJOE JOHN A.	248,805	0.89	248,805	0.89
ANDOH SAMUEL BLAY	248,805	0.89	248,805	0.89
EHOMAH PATRICK SOMIAH	248,805	0.89	248,805	0.89
SENE JOHN	248,805	0.89	248,805	0.89
YANKEY M.B.N.	228,898	0.82	228,898	0.82
ANDOH M.B.	227,658	0.82	227,658	0.82
ARMAH ALBERT A.	170,432	0.61	170,432	0.61
BLAY / KAKU FRANK TANOE / GEORGE	124,402	0.45	124,402	0.45
EHOMAH PATRICK SOMIAH	124,402	0.45	124,402	0.45
ASSAMOAH JOHN E.	124,402	0.45	124,402	0.45
ANDOH ISHAMEL BINEY	124,402	0.45	124,402	0.45
AMPOH JERONE	124,402	0.45	124,402	0.45
ENWUNLI B.W.	111,963	0.40	111,963	0.40
AMOAKAH EDWARD KWAME	99,520	0.36	99,520	0.36
BLAY JOHN NDA	99,520	0.36	99,520	0.36
	4,794,462	17.18	4,794,462	17.18

31.8	Number of Employees	96	89
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JOMORO RURAL BANK LIMITED

PROXY NOTE

I/Weof.....
being a member.....
hereby appoint.....of.....or failing him/her
.....of
.....as

My/our proxy to vote on my/our behalf at the Annual General Meeting of Jomoro Rural Bank Limited to be held onat.....and any adjournment thereof.

Signed.....thisday of
.....2022

Please cut along this line

JOMORO RURAL BANK LIMITED
24TH ANNUAL GENERAL MEETING OF SHAREHOLDERS
HELD AT THE FORECOURT OF THE BANK'S
HEAD OFFICE BUILDING ON SATURDAY, 30TH APRIL, 2022

PROGRAMME

09.30 am	Arrival of Shareholders and Invited Guests
10.00 am	Opening Prayer – Mr. Nti Acheampong
10.05 am	Introduction of Chairman – Mr. Adormah Mawunyo (CEO)
10.10 am	Chairman's Opening Remarks
10.20 am	Introduction of Board Members and Invited Guests – Mr. Adormah Mawunyo

MAIN BUSINESS

10.30 am	Reading of Notice Convening the Meeting – Mr. Adormah Mawunyo
10.35 am	Board Chairman's Report – Prof. Cosmas Cobbold
11.00 am	Directors' Report – Mr. Samuel Alex Bervell
11.10 am	Auditor's Report – External Auditors
11.20 am	Motion for acceptance of reports – Shareholder
11.25 am	To consider and Pass Resolutions to:
i.	Change the name of the Bank to Jomoro Rural Bank PLC
ii.	Adopt the Constitution in the third schedule of Act 992
iii.	Elect Directors
iv.	Authorize the Directors to fix the remuneration of the Auditors
v.	Determine the remuneration of the Directors – Prof. Cosmas Cobbold
12.00 am	Address by BOG Representative
12.10 pm	Address by the MD, ARB Apex Bank
12.20 pm	Address by the Hon. DCE of Jomoro
12.25 pm	Address by the Hon. MP for Jomoro
12.30 pm	Address by WERBA Representative
12.40 pm	Address by Awulae Annor Adjaye III
12.50 pm	Open forum
1.15 pm	Vote of Thanks – Mrs Gifty Erzoah-Bebodu
1.20 pm	Closing Prayer – Mr. Nti Acheampong
1.25 pm	Refreshment

