

Dangme Rural Bank Limited

Report and Financial Statements - 2014

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Dangme Rural Bank Limited

Report and Financial Statements - 2014

Directors:	Mr. S.N Odonkor Nene Affum Kaafrā III Hon. Nii Dortey Abotsi III Mr. E.T Narh Mr. E.N Nortey Mr. E.Q.M Hansen	Chairman Member Member Member/Secretary Member Member
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Secretary: Mr. E.T Narh

Registered Office: Bank Premises
P.O. Box 39
Prampram

Auditors: Intellisys
Chartered Accountants
Office No. 2, 1st Floor
Swanzy Arcade, Kwame Nkrumah Ave.
P. O. Box K N 4169
Kaneshie

Bankers: A.R.B. Apex Bank Limited
P.O. Box GP 20321
Accra.

Registrars: Merchant Bank Ghana Limited
P. O. Box GP 401
Accra

Dangme Rural Bank Limited

Directors' Report

For the year ended 31 December 2014

In accordance with the requirements of section 132 of the Ghana Companies Code 1963 (Act 179), we the Board of Directors of Dangme Rural Bank Limited submit our report together with the Audited Financial Statements of the Bank for the year ended 31 December 2014.

Statement of directors' responsibilities

The Directors are responsible for the preparation of Financial Statements for each financial year which give a true and fair view of the state of affairs of the Bank and of the profit and loss and cash flows for that year. In preparing those financial statements, the Directors have selected suitable accounting policies and then applied them consistently, made judgements and estimates that are reasonable and prudent and followed International Financial Reporting Standards (IFRS).

The Directors are responsible for ensuring that the Bank keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the Bank. The directors are also responsible for safeguarding the assets of the Company and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The Bank was incorporated to carry out the activities of a rural bank.

Financial results

The financial results of the Bank are set out below

	2014	2013
	GH¢	GH¢
Profit for the year before tax is	330,615	17,187
Tax Expense	(23,356)	(2,376)
Transfer to statutory reserve(12.5%)	(37,800.00)	(1,851)
Dividend declared	-	(119,037)
Net Balance	269,459	(106,077)
To which is added the balance brought forward on Income Surplus Account	245,863	351,940
Balance carried forward on Income surplus Account	515,322	245,863

The Bank's net worth stood at GH¢ 1,879,923 as at 31st December 2014 (2013 GH¢ 1,414,213)

Auditors

Messrs Intellisys have indicated their willingness to continue in office as Auditors of the Bank and in accordance with Section 134 (5) of the Companies Code 1963 (Act 179) they so continue.

On behalf of the Board of Directors

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Director

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Director

....., 2015

Independent Auditor's Report

To the Members of Dangme Rural Bank Limited

Report on the Financial Statements

We have audited the financial statements of Dangme Rural Bank Limited, which comprise the balance sheet as of 31 December 2014, the income statement, statement of changes in equity and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, and have obtained all information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with Companies Code 1963 (Act 179). These responsibilities include: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. 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 procedures that are appropriate in the circumstances, 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.

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

Opinion

In our opinion, the Bank has kept proper accounting records and the financial statements are in agreement with the records in all material respects and give in the prescribed manner, information required by the Companies Code, 1963 (Act 179). The financial statements give a true and fair view of the financial position of the Bank as at 31 December 2014, and of its performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Independent Auditor's Report

To the members of Dangme Rural Bank Limited (continued)

Report on Other Legal and Regulatory Requirements

The Ghana Companies Code, 1963, (Act 179) requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii) In our opinion proper books of accounts have been kept by the Bank so far as appears from our examination of those books, and
- iii) The Balance Sheet and Income Statement of the Bank are in agreement with the books of accounts.

The Banking Act 2004 (Act 673) section (2) requires that we state certain matters in our report. We hereby state 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's transactions were within its powers: and
- iv) The Bank has complied with the provisions in the Banking Act 2004 (Act 673), the Banking (Amendment) Act, 2008 (Act 738) and section 133 of the Companies Code (Act 179).

Signed by: Ben Korley (ICAG/P/1051)
For and on behalf of Intellisys(ICAG/F/2014/078)
Chartered Accountants
Accra, Ghana

....., 2015

Dangme Rural Bank Limited

Statement of Comprehensive Income

For the year ended 31 December 2014

	Note	2014 GH¢	2013 GH¢
Interest Income	4	4,272,192	3,448,161
Interest expense	5	<u>(580,481)</u>	<u>(326,989)</u>
Net Interest Income		3,691,711	3,121,172
Commission and fees	6	875,246	673,844
Other Operating Income	7	<u>168,324</u>	<u>130,471</u>
Operating income		4,735,281	3,925,487
Operating Expenses	8	<u>(4,099,346)</u>	<u>(3,437,921)</u>
Operating profit before impairment		635,935	487,566
Credit loss expense	11	<u>(305,320)</u>	<u>(470,379)</u>
Profit before tax		330,615	17,187
Tax Expense	9	<u>(23,356)</u>	<u>(2,376)</u>
Net Profit for the year		307,259	14,811
Other comprehensive income		<u>-</u>	<u>-</u>
Total Comprehensive income for the year		307,259	14,811

Dangme Rural Bank Limited

Statement of financial position

As at 31 December 2014

	Note	2014 GH¢	2013 GH¢
Assets			
Cash and balances with ARB Apex Bank	10	3,647,608	1,529,121
Government Securities	11	8,010,000	5,000,000
Due from other banks and financial institutions	12	62,296	93,824
Loans and advances to customers	13	6,295,364	7,122,377
Other Assets	15	1,461,877	1,125,349
Taxation	16	133,805	108,568
Unquoted Investments	17	44,600	44,600
Property, plant and equipment	18	539,946	642,645
Total Assets		20,195,496	15,666,485
Liabilities			
Customer Deposits	19	16,160,068	12,410,270
Dividend payable	20	328,535	377,406
Other Liabilities	21	1,539,640	1,006,179
Loans	22	155,440	269,952
Deferred tax liability	23	10,824	21,298
Borrowings	24	167,283	167,283
Total Liabilities		18,361,790	14,252,388
Stated Capital	25	309,688	197,338
Statutory Reserves		471,946	434,146
Capital Surplus		186,250	186,250
Building Fund		195,000	195,000
Rural Development Fund		155,500	155,500
Income Surplus		515,322	245,863
Total Shareholders' Funds		1,833,706	1,414,097
Total Liabilities and Shareholders Funds		20,195,496	15,666,485

The Accounts were approved by the Board of Directors on, 2015

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Director

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Director

Dangme Rural Bank Limited

Statement of Changes in equity

For the year ended 31 December 2014

2014	Income Surplus	Rural Dev. Fund	Building Fund	Capital Surplus	Statutory Reserve	Stated Capital	Total
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
At 1 January 2014	245,863	155,500	195,000	186,250	434,146	197,337	1,414,096
Net profit after tax	307,259	-	-	-	-	-	307,259
Transfer to Statutory reserves	(37,800)	-	-	-	37,800	-	-
Dividend declared during the year	-	-	-	-	-	-	-
Additional capital introduced	-	-	-	-	-	112,350	112,350
At 31 December 2014	515,322	155,500	195,000	186,250	471,946	309,687	1,833,705

2013	Income Surplus	Rural Dev. Fund	Building Fund	Capital Surplus	Statutory Reserve	Stated Capital	Total
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
At 1 January 2013	351,940	155,500	195,000	210,840	432,295	194,939	1,540,514
Net profit after tax	14,811	-	-	-	-	-	14,811
Transfer to Statutory reserves	(1,851)	-	-	-	1,851	-	-
Building Fund	-	-	-	(24,590)	-	-	(24,590)
Dividend declared during the year	(119,037)	-	-	-	-	-	(119,037)
Additional capital introduced	-	-	-	-	-	2,398	2,398
At 31 December 2013	245,863	155,500	195,000	186,250	434,146	197,337	1,414,096

Statement of cash flows

Dangme Rural Bank Limited

Statement of Cash flows

For the year ended 31 December 2014

	Note	2014 GH¢	2013 GH¢
Operating activities			
Net Profit from Operations		307,259	14,811
Adjustments for			
Depreciation of property, plant & equipment	18	155,120	191,813
Profit on Disposal of Property, Plant and Equipment		-	(6,951)
Provision for Tax		23,356	2,376
Provision for Bad and Doubtful debts	14	305,320	470,379
Independent Auditor's Report		791,055	672,428
Net changes in operating assets and liabilities			
Decrease/(Increase) in loans and advances to customers		521,693	(340,097)
Decrease/(Increase) in Due from other banks and financial institutions		31,528	41,667
Decrease/(Increase) in other assets		(336,528)	(242,418)
Increase/(Decrease) in Customer Deposit		3,749,798	1,379,670
(Decrease)/Increase in interest payable and other liabilities		533,461	92,259
Net Cash generated by operating activities		5,291,007	1,603,509
Tax paid		(59,067)	(24,016)
		5,231,940	1,579,493
Investing activities			
Purchase of property plant and equipment	18	(52,421)	(198,998)
Proceeds of Disposal		-	19,253
Statement of cash flows		(52,421)	(179,745)
Financing activities			
Stated Capital		112,350	2,399
Additional Borrowings		(114,512)	244,994
Dividend Paid	20	(48,871)	(36,287)
Net cash used in Financing activities		(51,033)	211,106
Increase in cash and cash equivalent		5,128,486	1,610,853
Opening Cash and bank balances		6,529,121	4,918,268
Closing cash and cash equivalent	26	11,657,608	6,529,121

Notes to the Financial Statements

For the year ended 31 December 2014

1.0 General information and summary of significant accounting policies

1.1 Corporate Information:

Dangme Rural Bank Limited (the Bank) is a Bank limited by shares and was incorporated and domiciled in Ghana. The address of the Bank's registered office is Bank Premises, P. O. Box 39, Prampram. The Bank operates with a banking license that allows it to undertake the business of banking in the rural setting.

1.2 Statement of Compliance

The financial statements have been prepared in accordance with all International Financial Reporting Standards, issued by the International Accounting Standards Board.

2.0 Summary of accounting policies

2.1 Presentation of financial statements in accordance with IAS 1 (Revised 2007)

The Bank has elected to present the 'Statement of comprehensive income' in one statement.

2.2 Basis of preparation

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) as defined by IAS 1. They have been prepared on a historical cost basis except for the following assets and liabilities that are stated at their fair values: financial instruments that are at fair value through profit or loss; financial instruments classified as available-for-sale.

2.3 Use of Estimates and Judgements

The preparation of financial statements in conformity with IFRSs requires Management to make judgment, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and the associated assumptions are based on historical experience and other factors that are reasonable under the circumstances, the results of which forms the basis of making the judgment about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimates is revised if the revision affects only that period or in the period of the revision and future periods.

2.4 Credit Impairment Allowance

The estimation of the amount of credit impairment allowance on advances, arising either due to renegotiation of the payment terms or non-performance on the part of the beneficiary, vis-a-vis the amount of loan provisioning in accordance with the Bank of Ghana Rules is the Bank's most critical accounting estimate.

Any excess of provisions in accordance with the Bank of Ghana requirements over the IRFS Credit Impairment allowance is recognized in Equity.

3.0 Summary of Significant Accounting Policies

The significant accounting policies adopted by Dangme Rural Bank Limited under the International Financial Reporting Standards (IFRSs) are set out below. The Bank has applied these policies in preparing:

Notes to the Financial Statements

For the year ended 31 December 2014

3.1 Stated Capital

Stated Capital is classified as equity when there is no obligation to transfer cash or other assets. Incremental cost directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax. Incremental costs directly attributable to the issue of equity instruments as consideration for the acquisition of a business are included in the cost of acquisition.

3.2 Interest income and expense

Interest income and expense for all interest-bearing financial instruments are recognised within 'interest income' and 'interest expense' in profit or loss within the statement of comprehensive income using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period.

3.3 Fee and commission income

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

3.4 Advances

Advances are stated in the balance sheet at the amount of principal and interest outstanding less provision for bad and doubtful debts and amount held in interest suspense.

3.5 Investments

Investments are purchased with the intention of being held to maturity and they are stated at cost. The discount is disclosed separately in interest expense.

3.6 Credit loss provision

Provision for credit losses relates to those loans that have been individually reviewed and specifically identified as bad and doubtful. Provision made during the year are charged as a separate amount in the Statement of Comprehensive Income. Loans are written off when the extent of any loss has been confirmed.

3.7 Property, Plant and Equipment

Equipment, furniture, vehicles and other tangible and intangible assets owned by the bank are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of property and equipment. Maintenance and repairs, which do not meet the criteria, are charged against income as incurred. Gains and losses on the disposal of assets are included in the income statement.

Depreciation is provided on the cost of property, plant and equipment on straight line basis to write off the difference between the cost of each asset and the residual value at the following rates over their estimated useful life:

Land/Building	5%
Office furniture and fittings	20%
Office Equipment	25%
Bundgalow furniture and fittings	20%
Safe	25%
Motor Vehicle	33.33%

Notes to the Financial Statements

For the year ended 31 December 14

Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Bank and the cost of the item can be measured reliably.

Repairs and maintenance are charged to the statement of comprehensive income when the expenditure is incurred. Improvements to Property, Plant and Equipment are capitalized.

Gains and losses on disposal of Property, Plant and Equipment are determined by reference to their carrying amount and are taken into account in determining net income.

When the carrying amount of an asset is greater than its estimated amount, it is written down immediately to its recoverable amount.

3.8 Statutory Credit Risk Reserve

IAS 36 requires the bank to recognise an impairment loss when there is objective evidence that loans and advances are impaired. However, Central Bank of Ghana prudential guidelines require the bank to set aside amounts for impairment losses on loans and advances in addition to those losses that have been recognised under IAS 36.

Any such amounts set aside represent appropriations of retained earnings and not expenses in determining profit or loss. These amounts are dealt with in the statutory credit risk reserve. The provision for this additional impairment amounts is to be made only when impairment amount provided under IFRS rules are lower than the figure to be provided under BoG Prudential Guidelines.

3.9 Social Security & National Insurance Trust

The bank contributes to the statutory Social Security & National Insurance Trust (SSNIT). This is a defined contribution scheme registered under the National Social Security Act.

The bank's obligations under these schemes are limited to specific contributions legislated from time to time and are currently limited to maximum of 13% of an employee's basic salary per month.

3.10 Cash and Cash Equivalents

Cash and cash equivalents are carried in the Statement of Financial Position at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, balance with banks and Government Securities.

3.11 Stated capital

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the bank's shareholders. Interim dividends are deducted from equity when they are declared and no longer at the discretion of the bank. Dividends for the year that are approved after the statement of financial position date are disclosed as an event after the statement of financial position date.

Dangme Rural Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2014

4 Interest Income	2014	2013
	GH¢	GH¢
Interest on Loans	2,295,163	2,285,979
Interest on Overdraft	681,786	355,301
Interest on Investment	1,295,243	806,881
	4,272,192	3,448,161

5 Interest Expense	2014	2013
	GH¢	GH¢
Interest on Savings	184,530	167,220
Interest on Time Deposits	359,922	115,477
Interest on Borrowing	36,029	44,292
	580,481	326,989

6 Commissions and fees	2014	2013
	GH¢	GH¢
Commitment fees	313,547	308,090
Commission on turnover	561,699	365,754
	875,246	673,844

7 Operating Income	2014	2013
	GH¢	GH¢
Interest bearing account	-	235
Sundry Income	29,318	28,811
Bad Debt recovered	9,482	15,267
Other Income	129,524	79,207
Gain on disposal of property, plant and equipment	-	6,951
	168,324	130,471

Dangme Rural Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2014

8 Operating Expenses	2014	2013
	GH¢	GH¢
Community Support	23,637	8,868
Depreciation	155,120	191,813
Audit fees	10,000	8,000
Administrative Expenses	1,899,672	1,680,886
Staff Costs	1,929,071	1,451,996
Training expenses	28,696	26,178
Directors Fees	53,150	68,400
	4,099,346	3,436,141
9 Tax expense	2014	2013
	GH¢	GH¢
Corporate tax	(33,830)	(7,954)
Deferred tax	10,474	5,578
	(23,356)	(2,376)
10 Cash and Bank balances	2014	2013
	GH¢	GH¢
Apex 5% deposit reserve	886,077	662,243
Cash in hand	1,319,314	693,751
Clearing Account-Apex	1,442,217	21,012
Apex REPO	-	152,115
	3,647,608	1,529,121
11 Government Securities	2014	2013
	GH¢	GH¢
Treasury bills	8,010,000	4,000,000
Fixed deposit	-	1,000,000
	8,010,000	5,000,000

Notes to the Financial Statements

For the year ended 31 December 2014

12 Due from other banks and financial institutions	2014	2013
	GH¢	GH¢
CAL Bank Limited	62,296	93,824

13a Loans and advances to customers	2014	2013
	GH¢	GH¢
Loans	6,524,538	7,341,755
Overdraft	1,484,699	1,252,070
Total	8,009,237	8,593,825
Impairment losses on advances	(1,713,873)	(1,471,448)
Net	6,295,364	7,122,377

13b Analysis by business segment	Loan	Overdrafts	2014	2013
	GH¢	GH¢	GH¢	GH¢
Agriculture			-	74,181
Cottage Industries			-	54,418
Transport	77,574	31,106	108,680	265,086
Trading	246,103	610,307	856,410	970,930
Others	5,490,846	843,286	6,334,132	6,903,935
Staff	710,015	-	710,015	325,274
Total	6,524,538	1,484,699	8,009,237	8,593,825
Provision for bad and doubtful debts			(1,713,873)	(1,471,448)
Net			6,295,364	7,122,377

13c Analysis by business segment	Loan	Overdrafts	2014	2013
	GH¢	GH¢	GH¢	GH¢
Individuals	3,206,096	824,606	4,030,702	4,694,499
Private Enterprises and Institutions	157,047	88,309	245,356	295,985
Public Enterprises and Institutions	15,801	2,740	18,541	31,859
Staff	710,015		710,015	325,274
Others	2,435,579	569,044	3,004,623	3,246,208
Total	6,524,538	1,484,699	8,009,237	8,593,825
Provision for bad and doubtful debts			(1,713,873)	(1,471,448)
Net			6,295,364	7,122,377

Dangme Rural Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2014

14 Provision for bad and doubtful debts	2014	2013
	GH¢	GH¢
	76,660	
At 1 January	1,394,788	951,046
Interest suspense	21,703	96,660
Bad debts written off	(7,938)	(46,638)
Increase in provision	305,320	470,379
	1,713,873	1,471,448

15 Other Assets	2014	2013
	GH¢	GH¢
Uncleared Effects	606,364	572,435
Office	209,311	148,809
Prepayments	71,923	53,992
Stationery stock	136,685	110,384
Staff debtors	166,157	141,907
Shai Rural Bank	100,000	-
Other receivables	171,437	97,822
	1,461,877	1,125,349

16 Taxation	Balance at 1/1/2014	Paid during year	Profit & loss account	Balance at 31/12/2014
	GH¢	GH¢	GH¢	GH¢
Corporate Tax				
Up to 2010	(15,472)	(7,984)		(23,456)
2011	(65,874)			(65,874)
2012	(11,160)	(5,000)		(16,160)
2013	(16,062)	(20,000)		(36,062)
2014		(26,083)	33,830	7,747
	(108,568)	(59,067)	33,830	(133,805)

17 Unquoted investments

These represent shares in ARB Apex Bank Limited

Dangme Rural Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2014

18 Property, Plant and Equipment

Cost	At	Additions/ Transfer	At
	01/01/14	during year	31/12/14
	GH¢	GH¢	GH¢
Bank premises	500,532	7,816	508,348
Other premises	83,432	239	83,671
Furniture, Fixtures and Equipment	240,874	25,751	266,625
Computers	213,302	18,415	231,717
Motor Vehicle	223,058	-	223,058
Land	69,200	200	69,400
Leasehold Land	3,600	-	3,600
	1,333,998	52,421	1,386,419
Depreciation	At	Charge for	At
	01/01/14	the year	31/12/14
	GH¢	GH¢	GH¢
Bank premises	222,551	25,324	247,875
Other premises	43,407	4,181	47,588
Furniture, Fixtures and Equipment	156,110	49,605	205,715
Computers	193,103	13,054	206,157
Motor Vehicle	74,472	62,596	137,068
Leasehold Land	1,710	360	2,070
	691,353	155,120	846,473
Net Book Value at 31 December 2014			539,946
Net Book Value at 31 December 2013			642,645

Dangme Rural Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2014

19 Customer Deposit	2014	2013
	GH¢	GH¢
Savings Account	8,792,993	7,683,770
Current Account	4,617,610	3,171,952
Time Deposit	2,100,930	1,064,120
Other Deposit - Susu	648,535	490,428
	16,160,068	12,410,270
20 Dividend Payable	2014	2013
	GH¢	GH¢
Balance At 1 January	377,406	294,656
Dividend declared	-	119,037
	377,406	413,693
Payment during the year	(48,871)	(36,287)
	328,535	377,406
21 Other liabilities	2014	2013
	GH¢	GH¢
Unearned Interest- CAL Deposit	-	33,316
Unearned Discount on T-Bills	-	78,092
Unearned Interest on Advances	333,967	-
Office Account	186,262	370,325
Accrued interest	61,574	32,394
Sundry payables	173,479	173,812
Cheque for collection	184,042	-
Payment Order	600,316	318,240
	1,539,640	1,006,179
22 Borrowings	2014	2013
Short Term Borrowings	GH¢	GH¢
Loan from JK Narh		155,000
Long Term Borrowings		
ARB Apex Bank- Toyota	-	114,952
Apex loan- New Toyota	60,440	-
Apex loan- Kwao brothers	95,000	-
	155,440	269,952

Dangme Rural Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2014

23	Deferred tax liability		2014	2013
			GH¢	GH¢
	At 1 January		21,298	26,876
	Income statement		(10,474)	(5,578)
	At 31 December		10,824	21,298
24	Borrowings		2014	2013
			GH¢	GH¢
	Mofa Scmp Funds		444	444
	Ministry of Women Affairs Fund		7,907	7,907
	MOWAC/Japanese Grant		5,113	5,113
	Special farmers Asst.Fund		5,460	5,460
	Ministry of Fisheries		147,200	147,200
	Poverty Alleviation fund		159	159
	WUMT Seed Fund Faculty		1,000	1,000
			167,283	167,283
25	Stated Capital		2014	2013
			GH¢	GH¢
(a)	Authorised Shares			
	Ordinary Shares of no par value shares of no par value.		150,000,000	150,000,000
	Preference Shares			
(b)	Issued		2014	2013
		No. of	Stated	Stated
		shares	Capital	Capital
		2014	GH¢	GH¢
		2013		
	Ordinary for Cash	59,566,251	309,688	197,338
	Additions	2,247,000	-	-
		61,813,251	309,688	197,338
(c)	There were no unpaid liabilities on any share and there were no calls or instalments unpaid.			
(d)	There are no treasury shares.			

Dangme Rural Bank Limited

Notes to the Financial Statements

For the year ended 31 December 2014

26 Cash and cash equivalent	2014 GH¢	2013 GH¢
Cash and bank balance	3,647,608	1,529,121
Short-term Government Securities	8,010,000	5,000,000
	<u>11,657,608</u>	<u>6,529,121</u>

Cash at bank earns interest at floating rates based on daily deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the company's cash requirements. These deposits earn interest at market rates.