Annual Report 2009

FIDELITY BANK

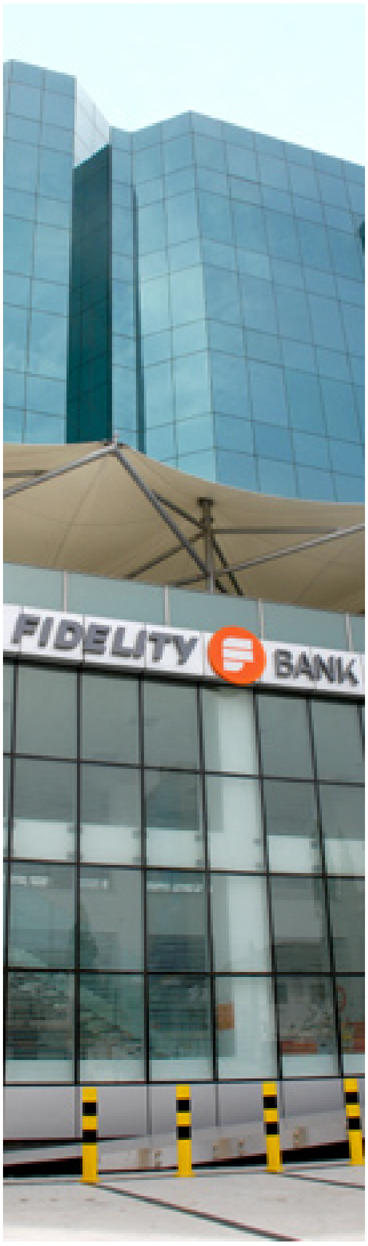
Financial Highlights

For the year ended 31 December, 2009

"Our 2009 results showed improvement in all key areas. Net operating income grew by 74% to GHS26.0 million (GHS14.9million in 2008); Total customer deposits rose by 87% to GHS295 million (GHS158 million in 2008); profit before tax increased by 22% to GHS3.3 million (GHS2.7 million in 2008)."

	2009 GHS	2008 GHS	2007 GHS	2006 GHS
Net Operating Income	25,951,513	14,903,112	7,839,423	2,713,245
Profit before Tax	3,266,185	2,663,537	477,080	(1,359,304)
Net profit after Tax	2,221,386	2,418,416	462,386	(1,485,872)
Total Shareholder's Equity	32,191,266	9,623,114	7,023,385	6,700,222
Total Customer Deposits	295,148,657	157,785,366	121,368,706	58,763,684
Total Trading Assets	275,688,226	145,926,804	92,692,683	61,908,833
Ratios				
Capital Adequacy	15.41%	11.70%	12.30%	55.30%
Cost Income Ratio	82.00%	81.70%	87.60%	-142.88%
Return on Equity	17.40%	25.10%	6.51%	-21.16%

FIDELITY BANK



Profile

Fidelity Bank was issued with its Universal Banking License on June 28th 2006, making Fidelity Bank Limited, the 22nd bank to be licensed by the Bank of Ghana under the new Banking Act, 2004 (Act 673). The Bank is owned by Ghanaian individual and institutional investors including ADB and SSNIT, and also by its senior executives.

The Bank was formerly Fidelity Discount House, the leading discount house in Ghana. After operating profitably for 8 years, the business environment in the country attracted investors to the idea of establishing a bank.

Fidelity Bank has a team of high calibre professionals with diverse skills and experience. The Bank has invested heavily in technology and continues to invest heavily in training to ensure that it is at par with the best in the world. Fidelity Bank offers a comprehensive range of products and services to meet the banking and financial needs of existing and potential customers.

Fidelity Bank has two corporate affiliates: Fidelity Capital Partners Limited (FCPL), and Fidelity Asset Management Limited (FAML).

Fidelity Capital Partners Limited (FCPL) is the leading venture capital and private equity fund manager in Ghana and manages the Fidelity Equity Fund 1.

Fidelity Asset Management Limited (FAML) is an Asset Management and Investment firm. The main objective of FAML is to create value for personal as well as corporate investors by investing in the Capital and Money markets. Their expertise is in Provident Fund Management.

Vision

Fidelity Bank's vision is to become a world-class financial institution that provides superior returns for all stakeholders as follows:

Our customers:
The best place to bank

Our shareholders:
The best place to invest

Our employees:
The best place to work

Our regulators:
The best place to benchmark

With strong people, technology and financial capital, Fidelity Bank is looking forward to active participation in the banking industry locally.

Mission

To be amongst the top five banks in Ghana by December 2013, based on all key performance indicators: deposits, fees, quality of loan book, cost to income rate, and anchored on three key pillars - our people, our service and processes, and return to stakeholders.

This will be premised on its exceptional Corporate Governance Standards', knowledge of the local market, professionalism, proactivity, innovation and above all its customer-centric culture. This will contribute positively to the development of the industry and by extension the Ghanaian economy.

Contents

Corporate Information

Directors	William Panford Bray [Chairman] Edward Effah [Managing Director] Jim Baiden [Deputy Managing Director] Kwamina Duker [Non Executive Director] Mrs Johanna Svanikier [Non Executive Director] Mr Paul Victor Obeng [Non Executive Director] Dr Percival Alfred Kuranchie [Resigned by operation of law] Peter Illiasu [Resigned September 4, 2009]
Company Secretary	Essie Humphrey-Ackumey Fidelity Bank Ridge Tower 10 Ambassadorial Enclave, West Ridge, Accra. Ghana
Registered Office	Fidelity Bank Ridge Tower, 10 Ambassadorial Enclave West Ridge, Accra, Ghana
Solicitors	Exusia Law Consult Ltd 5th Floor Trust Towers, Adabraka P. O. Box CT 6184 Cantonments, Accra
Auditors	Deloitte & Touche Chartered Accountants 4 Liberation Road P.O. Box GP 453 Accra, Ghana

Chairman's Statement

Distinguished Shareholders,

I am privileged to welcome you to the fifth Annual General Meeting of Fidelity Bank Limited and to present to you the Chairman's Statement for the year ended 2009. Fidelity Bank has chalked a number of impressive milestones in the year under review despite operating in a challenging business environment.

Operating Environment

After a peaceful transition of government, Ghana continued to enjoy a stable political environment following the Presidential and Parliamentary elections held the previous year.

The global economic downturn of 2008 rolled-over into the New Year and coupled with the massive fiscal deficit that occurred in the election year, the economy experienced further stress in 2009. Locally, the situation was evidenced by high inflationary trends and an accelerated depreciation of the Ghana Cedi throughout the first half of the year. Government's attempts to curb these negative trends led to a tight fiscal environment.

Interest rates generally remained high for most part of the year adversely affecting purchasing power and overall consumption in the economy. This affected business to the Bank as a lot of businesses and individuals did not receive payments for work done for government agencies.
Furthermore there were delays and revisions in the payment of Government contracts that the outgoing government signed with domestic and international partners. This situation adversely affected repayments of loans within the banking sector.

The squeeze in government spending facilitated the reduction of the country's budget deficit to below 10% of GDP while chalking a modest real GDP growth of 4.7%. In the last quarter of the year, the Bank of Ghana begun to adjust the prime rate downwards in tandem with declining inflationary trends; inflation has since reduced from 18% to 15.9% at end of December 2009 .

In the wake of the reduction in BoG's policy rate, coupled with the reductions in money market rates, the deposit taking banks reduced their lending rates from an average of 34% to 32% in 2008 and 2009 respectively. However, this is expected to see further reduction in the year 2010.

2009 Financial Performance

Our objective is to create superior shareholder value. Our 2009 results showed improvement in all key areas. Total income grew by 74% to GHS 26 million (GHS 14.9million in 2008); customer deposits rose by 87% to GHS 295 million (GHS 158 million in 2008); profit before tax increased by 22% to GHS 3.3 million (GHS 2.7 million in 2008).

Dividend

The Board has recommended the payment of GHS0.05 per ordinary share as dividend this year. This is in line with the mission of delivering value to our shareholders. The payment of dividend is consistent with our tradition; Fidelity Discount House paid dividend annually from the year of inception until the conversion into a bank in 2006.

Strategy

During 2009, we took several important steps to strengthen our growth. To ensure a sustainable and balanced growth of our business significantly, we increased our branch network by 50% (from 10 to 15), doubled our customer base by 100% (from 25,000 to 50,000) and expanded our ATM Network from 7 to 14. Also, we launched our e-banking suite of products (Fidelity Virtual) and introduced internet banking, SMS alert, SMS banking as well as e-mail alert.

Corporate Governance

Fidelity Bank Limited continued to exhibit an excellent corporate governance culture consistent with the mandatory legal provisions. The Board ensured good internal control processes, compliance with regulatory requirements and provisions. Committees of the Board include the Audit and Credit Committees. The Board through these committees and other management committees work to ensure sound business ethics are practiced in the Bank.

Directors

Two directors resigned from the Board. Dr. Percival Alfred Kuranchie stepped down after he was appointed as Board Chairman of National Investment Bank (NIB) in line with Bank of Ghana's requirement. Mr. Peter Illiasu also resigned from the Board due to the same reason after accepting the position of Managing Director of Merchant Bank Ghana Limited. We thank them for their services and contribution to the development of the Bank.

During the year Mrs. Johanna Svanikier was appointed as an independent non-executive director. We welcome her to the Board and look forward to her support and contribution to the Bank's development.

Capitalization

During the year, our capital base was reinforced by raising GHS 17.3 million through a successful rights issue and private placement which was oversubscribed by 30%. It is planned that we will beef up the Bank's capital with Tier-II capital and a proposed IPO within the next couple of years, to meet the Bank of Ghana's minimum capital requirement of GHS 60 million by 2012.

Awards

Fidelity Bank Limited was adjudged Second Runner up Short Term Loan Financing at the National Banking Awards for 2008.

Conclusion and Outlook for 2009

In 2010, we will build and consolidate on the initiatives we have started. We will maintain our strategy to build scale, grow the group and improve operating efficiency in order to deliver superior shareholder value.

We anticipate that this year will see the lingering effects of the previous year although we expect the economic indicators to be comparatively better in 2010 than in the previous year as a result of improvements in economic policy as well as a more favorable global sentiment. Additionally the banking industry will experience increased competition especially after the recapitalization of banks. Despite these challenges, the Board and management of the Bank is committed to creating long term sustainability through implementing a strategy that will focus on delivering its services with a more customer-centric approach while improving stakeholder value.

On behalf of the Board, I wish to acknowledge the contributions of all shareholders, stakeholders, directors, management and staff in bringing your Bank this far. We are confident that with your continued commitment and support, we will stay on course to becoming a World Class Bank in the next few years.

Thank you.

William Panford Bray
Board Chairman

Managing Director's Report

Introduction

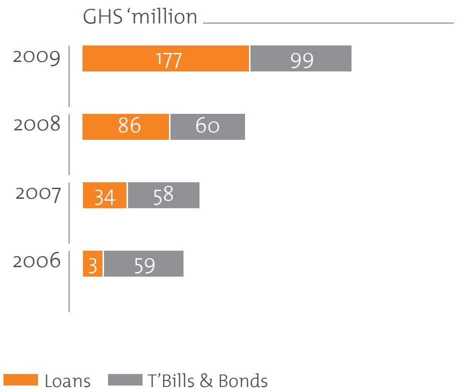
It is once again that time of the year when I take pleasure in reporting the performance of your Bank. The business environment in 2009 was characterised largely by high inflation and high interest rates for most of the year. The exchange rate regime was relatively stable with mild depreciation of the Ghana cedi during the latter part of the year. Market liquidity was reasonably good albeit at a high cost.

Financial Performance in 2009

Total trading assets for the year grew by 89% from GHS 146million in 2008 to GHS 276million in 2009.

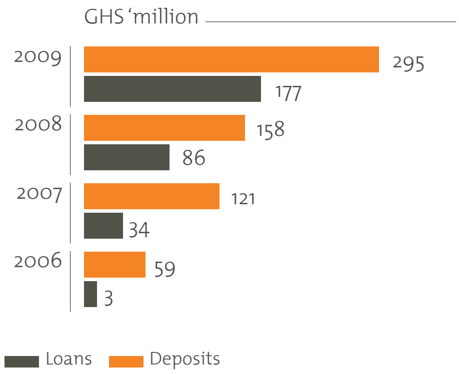
Asset composition at end of 2009 was 49% in loans and 27% in Government bills and bonds.

Total Trading Assets Composition



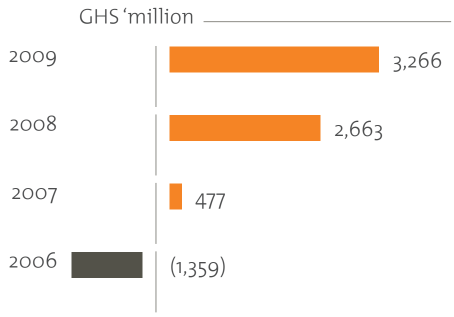
The loan portfolio grew progressively from GHS 86million at the beginning of the year to GHS 177million by the end of 2009, an increase of 106%. Customer deposits improved significantly, increasing by over GHS 137 million which represents 87% growth over the end of 2008 level of GHS 158 million to close the year 2009 at GHS 295million.

Loans and Deposits



A Profit Before Tax of GHS 3.3 million was achieved, up by 22% compared to the 2008 turnout of GHS 2.7million.

Profit Before Tax



Capital Injection

As part of the Bank's capitalisation programme, we successfully increased the stated capital by GHS 17.3 million from GHS 8.6 million to GHS 26 million through a rights issue and private placement that was over-subscribed by 30%. This was achieved with the full support of our major shareholders and some new investors.

The enhanced capital status of the Bank will enable the Bank to embark on a number of initiatives including branch expansion, upgrading of IT infrastructure, as well as funding the rollout of the Postbank venture. The funds raised will ultimately enhance the Bank's capacity to execute bigger credit mandates.

Expansion in Distribution outlets

In 2009 the Bank opened five more branches to bring the total network to 15 branches with locations in Accra, Tema, Kumasi, and Takoradi. Our customer base doubled from 25,000 to 50,000. In order to provide our increasing army of customers with convenience, accessibility, speed and reliability the Bank introduced a suite of e-banking products and services in the year under review. These included internet banking, SMS banking, SMS alert, and seven more ATM points of service. Our computer servers were upgraded with additional capacity to improve the efficiency of our back office operations. A modest, yet very efficient Call Center was set up in the course of the year to improve our client service quality from the second half of the year thus giving our customers a more pleasurable banking experience.

Members of Staff

The Bank increased its workforce (permanent and contract) to 340 from 233 in 2008. Additional personnel of 199 were retained as Sales Agents to support our retail deposit growth strategy.

Social Responsibility

In the course of the year, the Bank spent some GHS 100,000 (2008: GHS 43,600) to execute our corporate social responsibility to the community. These included sponsoring significant social projects such as part-funding and rehabilitation of the Water Network of the Military Academy and Training School to the tune of GHS 50,000. On the medical front we provided the 37 Military Hospital with GHS 20,000 to equip the building, housing a new MRI machine procured through Fidelity Bank. A further GHS 10,000 was presented to the Sports Council to support the Black Satellites for winning the juvenile World Cup in 2009.

Conclusion

We wish to acknowledge the massive support of the Board during our Capital raising activity as well as successfully guiding the direction of our business during the year. Tremendous support also came from all shareholders for which we are very grateful. Our staff are our most trusted assets and they did not fail us. That our deposit base grew by 87% ahead of an industry average of 27.18% is massive testimony to their commitment and zeal. We the management appreciate their passion and loyalty.

Our Bank is well positioned for today's challenging economy and tomorrow's changing world. We have a strong and dynamic management team, able to execute our strategy, and deliver results. By executing well and adhering to our values, we plan to differentiate ourselves from the competition and do even more to consolidate our position as the 'new standard' in banking in this country. Looking into the horizon we can only see a bigger and better Fidelity by this time next year.

Edward Effah

Edward Effah
Managing Director

FIDELITY BANK

Setting the new standard in Corporate Social Responsibility.

In the year under review, the bank spent GHS 100,000 to execute its Corporate Social Responsibility agenda. The spending covered the areas of Sports development, Education and Health.

Sports

The bank presented a cheque of GHS 10, 000 to the Black satellites in honor of the team's sterling performance that saw them win gold during the U-20 FIFA World Cup tournament in Egypt. The presentation was to support Ghana's effort to reward sportsmen and women who continue to lift the flag of the country high in world sporting events.

Education

The bank supported the development of literature for children to help improve their reading habit by co-sponsoring the Scripps Spelling Bee Competition for various Junior High Schools.
We also extended help to the Financial Aid Office of by the University of Ghana donating funds in support of bright but needy students of the University. This, we have been doing for the past 4 years.
The bank extended scholarship to three female students of the Opportunities Industrialization Center International (OIC) to enable them complete their vocational studies.

Social Amenities

Fidelity Bank in 2009 supported the Military Academy Training School (MATS) with an amount of GHS 50,000 towards the development of their water pipeline project. This was to complement government's efforts at re-equipping the Ghana Armed Forces, to enable them perform their duties effectively. This gesture was the bank's contribution to maintaining national security.

Health

Fidelity bank arranged funding of GHS 2.6m for the purchase of a Magnetic Resonance Image (MRI) Scanner for the 37 Military Hospital and further donated GHS 20,000 to equip the building housing the MRI Scanner.

Board of Directors

William Panford Bray

Chairman

Mr. William Panford Bray is a former Managing Director of the Ghana Commercial Bank – from 1999-2002. He was Acting Chairman/Chief Executive Officer of Ghana Airways between 2002 and 2003. He has over 40 years of working experience in banking and finance, including his long service at Barclays Bank where he reached the position of Deputy Managing Director. Mr Bray currently serves as the Chairman of Enyan Denkyira Rural Bank Limited; Vice Chairman, Opportunities Industrialization Centre, Ghana and Kantamanto Savings and Loans Company Limited. He is a director of Oak House Limited; Director, Association of Insolvency and Restructuring Advisors and a Member, Northern Ghana Education Trust Fund; Member, Methodist University College of Ghana Endowment Fund; Member, Rotary Club of Accra, District 9100. Mr. Bray has been honored with various awards including Life Fellow, International Biographical Association (LFIBA), International Man of the Year. Mr. Bray is an avid golfer and enjoys walking and gardening.

Edward Effah

Managing Director

Edward Effah is the Managing Director and Chief Executive Officer of Fidelity Bank Limited. He is also the founder of the Fidelity Group and has been its Chief Executive Officer since inception (1998). Edward has over 20 years experience as a Senior Finance Executive. Previous positions held include: Resident Director of Global Emerging Markets Ghana Limited (GEM), Group Risk Manager of Rudolf Wolff, the City of London based derivatives and foreign exchange trader and as a Management Consultant and Audit Manager with Coopers and Lybrand, London. Other directorships held by Edward are: Fidelity Capital Partners Limited(Chairman); Takoradi International Company Limited; Member of Council , University of Ghana; Chairman of College of Health Sciences and Africa Capital Limited. Edward is a chartered accountant by profession and is a member of the Institute of Chartered Accountants in England and Wales.

Jim Baiden

Deputy Managing Director

Jim Baiden is the Deputy Managing Director and co-founder of Fidelity Bank, with responsibilities for Treasury and Wholesale Banking amongst others. Prior to that, Jim served as Executive Director of Fidelity Discount House from 2002 after serving as the General Manager since the company's inception. He has had an illustrious 20 year career as a leading Treasury Manager and Investment Banker in the Ghanaian money markets. In the mid 1980s, Jim worked at National Investment Bank in various capacities including Eastern Regional head, overseeing branch banking and projects.

Jim has also gained extensive international experience as an alumnus of Gerard & National, London and the Darden School of Management, University of Virginia, USA. Jim holds a Masters Degree in Banking & Finance from the Finafrica Foundation, Milan, Italy and a Bachelor's degree in Economics with Statistics from the University of Ghana, Legon.

Kwamina Duker
Non Executive Director

Kwamina Duker joined OANDA as Managing Director for Asia Pacific and is responsible for overseeing the company's operations in the region. Based in Singapore, Kwamina brought with him over a decade of experience in leading major foreign exchange technology platforms in Europe, the Americas and Asia Pacific.

Prior to joining OANDA, Kwamina worked at Deutsche Bank for nearly ten years, where he headed up the bank's eFX business in Asia Pacific, originating and implementing dbFX - the first retail online forex trading platform from a major bank.

Kwamina Duker is chairman of FX Architects. He achieved his MBA from UCLA, Business School.

Mrs Johanna Svanikier
Non Executive Director

Johanna Odonkor Svanikier (LL.B, LL.M (Lond.), B.L., M.P.A. (Harvard), M.Sc (Oxon)) is a Doctoral Candidate in political science at the University of Oxford, United Kingdom and a research associate at the Oxford Centre for International Development. She is also a barrister, university lecturer and legal and development consultant. She holds Bachelors and Masters Degrees in law from the London School of Economics, UK, a Masters in Public Administration from Harvard University, U.S.A. and a Masters in Political Science from the University of Oxford, U.K. She was a Fulbright Scholar at Harvard University. She has been called to the Bar in England and Wales and in Ghana. She is the author of several publications including 'Women's Rights and the Law in Ghana'.

Mr Paul Victor Obeng
Non Executive Director

Mr. Obeng is the Executive Chairman of the O B Associates. He has held various high positions in Ghana's political structure and government. He is the Board Member of Guinness Ghana Breweries Limited. Paul is a former Chairman of the board of Ghana Investment Promotion Centre and the current Chairman of the National Development Planning Commission.

Executive Committee

Iyer Prabhu
Chief Operating Officer

Prabhu Iyer is the Chief Operating Officer for Fidelity Bank with oversight responsibilities for Banking Operations, Business Solutions, Risk Management, Credit Management, Legal, Corporate Support & Finance functions.

He has had an illustrious career of over 31 years in the banking industry handling various functions ranging from Retail Credit, Retail Operations, Corporate Credit, Trade Finance, Corporate Operations, Treasury Operations, Audit & Branch Control, Information Technology, Merchant Banking & Depositories spread across the continents of Asia and Africa.

Prabhu holds a degree as Bachelor of Commerce from the Mumbai University and is also a Certified Associate of the Indian Institute of Bankers, a Chartered Financial Analyst and an Associate member of the Institute of Company Secretaries of India.

Alex Dodoo
Director, Institutional Banking

Alex was one of the pioneers of Fidelity Discount House. He has over eighteen years experience in the industry with extensive exposure in the investment and foreign exchange business both locally and internationally. Alex joined Fidelity from Ecobank Ghana Limited.

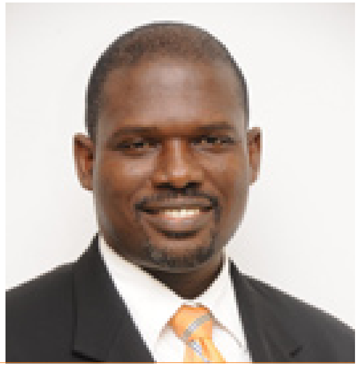
Beatrice Bridget Ofei
Director, Human Resources

Beatrice joined Fidelity Bank in 2006. With very good experience of setting up and building HR infrastructure in start-up companies, she has successfully implemented the HR strategy for Fidelity Bank and continues to direct all the HR programs and plans on an ongoing basis, with the aim of making Fidelity Bank the “employer of choice”.

Daniel Marfo
Director, Corporate Banking

Daniel is a Corporate and Investment Banker with ten years of banking experience in corporate banking and corporate finance. Prior to joining Fidelity Bank Limited, he was the Head of the large corporate business unit of Barclays Bank Ghana Limited.

Daniel also worked for Ecobank Gh. Ltd and Cal Bank.



John Sam Acquah
Director, Retail Banking

An experienced banker, Sam Acquah joined Fidelity Bank in July 2006 as the Head of Retail Banking from Standard Chartered Bank where he was for twelve years. He served in various positions, managing the Flag Ship of the Stanchart branch network. He was also the Area Manager for the Kumasi area and then the Accra West area.

Sam finally assumed the Senior Manager Shared Distribution role, co-ordinating and supporting branches in their sales efforts, and providing guidance in their operational and service delivery.

Anthony Bennin
Director, Treasury Services

Tony is a young dynamic banker with banking experience in the Treasury function dating back to 2000. He joined Fidelity from SG SSB, and holds a Masters Degree in Applied Economics from Youngstown State University, Ohio, USA

Shirley-Ann Awuletey-Williams
Head, Credit Management

Shirley-Ann Joined Fidelity in May 2008 from Merchant Bank Gh. Ltd with thirteen years banking experience in various capacities. She holds a degree in Agricultural Economics from the University of Ghana, Legon. She is also a Professional Member of the Charted Institute of Bankers Ghana.

Anthony Effah
Director, Risk Management & Compliance

Tony is a seasoned banker with nineteen years experience in Foreign Operations, Credit Management, Fixed Income Products, Trade Finance, Corporate Banking, Risk Management, and Compliance. Until his appointment as Director for Risk & Compliance, he was Director of Corporate Banking. Tony worked in several senior management positions at Merchant Bank, Fidelity Discount House, United Bank for Africa (UBA) before rejoining Fidelity Bank in 2007.

Essie Humphrey-Ackumey
Head, Legal and Company Secretary

Essie has over twenty years experience in Banking and Finance, Company Law and Practice, Investment, Human Resource Development and Labour related issues, Insurance, Due Diligence and Debt Recovery issues. She has a Degree in Law and Psychology from the University of Keele and was called to the Bar of England and Wales at Lincoln's Inn in 1987.

Kwasi Nimako
Director, Finance

Kwasi is a qualified accountant (ACCA) with more than nine years post qualification experience. Before joining Fidelity Bank as Finance Director in 2009, Kwasi consulted for a number of financial institutions including Union Savings and Loans Ltd and Fidelity Bank also.

Fidelity SMS banking.

Banking should be effortless and painless, and that's why we've added SMS Banking to our range of innovative products.

Perform balance enquiries, stop cheques, and more, right on you mobile phone, from any place, and at any time.

Join our growing family and enjoy the convenience of Fidelity Bank's SMS banking service today.

Visit any of our branches or call 030 221 4490 for more information.

Fidelity Bank Limited.
Ridge Tower, Ridge, Accra
T:+233 30 221 4490
F: +233 30 267 8868
www.fidelitybank.com.gh

FIDELITY BANK
the new standard

Location: Royal Richester Hotel, East Legon

Financial Statements

In accordance with the requirements of Section 132 of the Companies Code, 1963 (Act 179), the Directors have the pleasure in presenting the annual report for the twelve months ended 31 December, 2009.

Principal activities

The company carries on the business of financiers, bankers and banking. The company operates as a bank under the Banking Act, 2004, Act 673. The Bank is regulated by the Central Bank.

Nature of business

The bank is permitted by its regulations to carry on inter alia, the business of banking in all aspects and other businesses and agencies incidental thereto. There have been no changes in the nature of business of the Bank during the year under review. The main activities are as follows:

- To carry on the business of banking
- To undertake loan syndications, securities portfolio management and corporate finance operations;
- To carry on the business of acceptance of bills of exchange and export trade financing and development; and
- To engage in the business of high -purchase financing and the business of financing the operations of leasing companies.

Associate business

Fidelity Capital Partners Limited (FCPL), an associate company of the Bank, in the year under review, maintained its licensed business as Investment Advisors and Managers of Venture Capital Funds. The nature of the business of FCPL did not change.

Fidelity Asset Management Ltd (FAMAL), a fully owned subsidiary of the bank, also maintained its licensed business as fund managers during the year. The nature of the business of FAMAL also did not change.

Review of the business

The company traded well during the year and the directors are satisfied that the underlying quality of the business is sound and that profitable returns can be earned within the foreseeable future as planned.

Financial performance

The financial results for the year ended 31 December 2009, were generally impressive inspite of the unstable economic environment in which we operated. An operating profit before tax of GHS 3.3 million was achieved in 2009 as against an operating profit of GHS 2.7 million in 2008. Net interest income accounted for 59% of operating income while fees, commissions and other incomes provided the remaining 41%.

The bank's net worth position improve significantly to GHS 32.2 million as at 31 December 2009 compared to GHS 9.6 million at 31 December 2008. This is mainly due to money from the the rights issue, as well as the profit for the year. The focused drive to stabilise the business and to improve on our balance sheet resulted in a significant increase in total assets to GHS 362 million at 31 December 2009 against GHS 219 million at 31 December 2008. The assets were supported with total deposit liabilities of GHS 295 million as against GHS 201 million during the last comparative period.

Profit and loss account 2009	GHS
The net profit for the year ended 31 December, 2009 before taxation	3,266,185
From which is deducted taxation of	(1,044,799)
Thus leaving a balance transferred to Income surplus account of	2,221,386
Statutory reserves	(1,013,839)
Regulatory capital reserve	27,703
	1,235,250
Retained profit brought forward	7,265
Income surplus as at 31 December, 2009	1,242,515

Dividend

The directors recommend the payment of dividend of GHS 800,000 for the year (2008: no dividend) for declaration by shareholders.

Auditors

In accordance with Section 134(5) of the Companies Code, 1963, the auditors, Messrs. Deloitte & Touche, will continue as auditors of the bank.

Staff

The staff remained highly motivated throughout 2009. In line with our growth strategy, the bank continued to recruit high calibre staff across all levels and departments to improve our productivity. The total staff number increased by 80% to 684 at the end of December 2009. Generally, the entire staff exhibited keen commitment to their assignments and strong loyalty to the bank during the year.

Outlook

With the launch of five (5) new branches during 2009, plus ten (10) more by the end of June 2010 bringing to a total of twenty-six (26) branches, coupled with the sound operational structures put in place, we expect to meet our objectives for 2010, even though the banking arena will be very competitive.

We envisage a challenging banking environment as interest margins shrink within a falling interest rate regime. However, this presents opportunities to increase our lending portfolio, whilst introducing innovative solutions to our clients that will earn as good fee income. Our increased branch network and quality customer service will be the fulcrum of attracting more deposits to fund our lending activities. Furthermore, management would pursue an aggressive marketing campaign to support staff efforts. We are focused on our mission to be amongst the top five banks in Ghana by December 2013, and we strongly believe the gains we will make in this year will take us closer to that target.

On behalf of the board

William Panford Bray
Chairman

Edward Effah
Managing Director

Statement of Directors' Responsibilities

The directors are responsible for preparing financial statements for each financial period which give a true and fair view of the state of affairs of the bank at the end of the financial year and of the profit and loss of the bank for that period. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgments and estimates that are reasonable and prudent
- State whether the applicable accounting standards have been followed
- To ensure that the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the bank will continue in business.

The directors are responsible for ensuring that the bank keeps accounting records which disclose with reasonable accuracy the financial position of the bank and which enables them to ensure that the financial statements comply with the Companies Code 1963 (Act 179) and the Banking Act, 2004 (Act 673) and the Banking (Amendment) Act 2007 (Act 738). They are responsible for safeguarding the assets of the bank and hence for taking steps for the prevention and detection of fraud and other irregularities.

The above statement, which should be read in conjunction with the statement of the auditors' responsibilities on page 20, is made with a view to distinguishing for shareholders the respective responsibilities of the directors and the auditors, in relation to the financial statements.

Independent auditors' report

We have audited the accompanying financial statements of Fidelity Bank Limited on pages 21 to 55 which comprise the balance sheet as at 31 December, 2009, income statement, statement of changes in equity and cashflow statement for the year then ended, together with the 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 the Companies Code 1963, (Act 179). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' 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 as to 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 judgement, 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 Banking Act, 2004 (Act 673) as amended by the Banking (Amendment) Act of 2008 (Act 738). The financial statements give a true and fair view of the financial position of Fidelity Bank Limited as at 31 December 2009, and of its financial performance and cash flow for the year then ended and are drawn up in accordance with the International Financial Reporting Standards.

Report on other legal and regulatory requirements

The Ghana Companies Code, 1963 (Act 179) requires that in carrying out our audit work we consider and report 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 purposes 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 78 (2), requires that we state certain matters in our report. We hereby state that:

i. the accounts give a true and fair view of the state of affairs of the bank and its results for the period under review;

ii. we were able to obtain all the information and explanation required for the efficient performance of our duties as auditors;

iii. the banks transactions are within its powers; and

iv. the bank has complied with the provisions in the Banking Act 2004 (Act 673) and the Banking (Amendment) Act 2008 (Act 738).

Chartered Accountants
Accra, Ghana

Deloitte & Touche

29th March, 2010

Profit and Loss Account

For the year ended 31 December, 2009

	Note	CONSOLIDATED 2009 GHS	CONSOLIDATED 2008 GHS	THE BANK 2009 GHS	THE BANK 2008 GHS
Interest income	4	51,438,514	22,011,036	51,340,324	21,982,228
Interest expense	5	(36,190,151)	(14,976,180)	(36,190,151)	(14,976,180)
Net interest income		15,248,363	7,034,856	15,150,173	7,006,048
Fees and commissions	6	5,227,672	4,578,784	5,061,358	4,474,754
Other operating income	7	5,475,478	3,289,472	5,421,047	3,267,849
Operating income		25,951,513	14,903,112	25,632,578	14,748,651
Operating expenses	8	(21,141,913)	(12,182,543)	(21,033,822)	(12,114,361)
Impairment	10	(1,587,802)	(96,432)	(1,587,802)	(96,432)
Operating profit		3,221,798	2,624,137	3,010,954	2,537,858
Share of profit of associate		44,387	39,400	-	-
Profit before taxation		3,266,185	2,663,537	3,010,954	2,537,858
Income tax expense	11	(1,033,497)	(233,540)	(983,277)	(211,905)
Share of income tax expense of associate		(11,302)	(11,581)		
Profit/(loss) after taxation for the year transferred to income surplus account		2,221,386	2,418,416	2,027,677	2,325,953

Income Surplus Account

For the year ended 31 December, 2009

	CONSOLIDATED 2009 GHS	CONSOLIDATED 2008 GHS	THE BANK 2009 GHS	THE BANK 2008 GHS
At 1 January	7,265	(1,137,972)	(140,123)	(1,192,897)
Transfer from profit and loss account	2,221,386	2,418,416	2,027,677	2,325,953
Transfer to statutory reserves	(1,013,839)	(729,150)	(1,013,839)	(729,150)
Transfer from / (to) regulatory capital reserve	27,703	(544,029)	27,703	(544,029)
At 31 December	1,242,515	7,265	901,418	(140,123)

Balance Sheet

For the year ended 31 December, 2009

	Note	CONSOLIDATED 2009 GHS	CONSOLIDATED 2008 GHS	THE BANK 2009 GHS	THE BANK 2008 GHS
Assets					
Cash and balances with Bank of Ghana	12	34,178,159	18,826,742	34,178,159	18,826,742
Financial investments	13	99,164,429	59,501,843	99,164,429	59,318,533
Due from other banks and financial institutions	14	39,887,313	47,870,702	39,537,404	47,835,266
Loans and advances to customers	15	176,523,797	86,424,961	176,523,797	86,424,961
Other assets	17	6,566,260	2,511,730	6,512,971	2,482,117
Amounts due from associated companies	18	48,078	51,356	60,126	86,092
Investment in associate	19	126,864	93,778	161,000	161,000
Deferred tax asset	11	-	298,982	-	298,982
Property and equipment	20	5,190,366	3,312,419	5,168,681	3,292,431
Intangible assets		782,075	538,932	782,075	538,932
Total assets		362,467,341	219,431,445	362,088,642	219,265,056
Liabilities					
Customer deposits	21	295,148,657	157,785,366	295,148,657	157,785,366
Due to other banks		20,009,545	43,075,434	20,009,545	43,075,434
Interest payable and other liabilities	22	12,009,922	6,915,172	12,003,922	6,912,472
Current tax liability	11	597,253	32,359	565,651	16,058
Deferred tax liability		510,698		510,698	
Subordinated shareholders' loan	23	2,000,000	2,000,000	2,000,000	2,000,000
Total liabilities		330,276,075	209,808,331	330,238,473	209,789,330
Shareholders' fund					
Stated capital	24	25,990,088	8,617,388	25,990,088	8,617,388
Statutory reserves		2,007,421	993,582	2,007,421	993,582
Available for Sale reserves		2,434,916	(539,150)	2,434,916	(539,150)
Regulatory credit risk reserve		516,326	544,029	516,326	544,029
Income surplus		1,242,515	7,265	901,418	(140,123)
Shareholders' fund		32,191,266	9,623,114	31,850,169	9,475,726
Total liabilities and shareholders' fund		362,467,341	219,431,445	362,088,642	219,265,056

The accompanying notes form an integral part of these financial statements.

Approved by the Board on 29th March, 2010

William Panford Bray
Chairman

Edward Effah
Managing Director

Statement of changes in shareholders' fund

For the year ended 31 December, 2009

CONSOLIDATED

	Stated Capital GHS	Statutory reserves GHS	Available for Sale Reserves GHS	Regulatory credit risk reserve GHS	Income surplus account GHS	Total Shareholders' Funds GHS
Balance at 1 January 2008	7,172,388	264,432	724,537	-	(1,137,972)	7,023,385
Net profit for 2008	-	-	-	-	2,418,416	2,418,416
Call up on shares issued	3,545,000	-	-	-	-	3,545,000
Preference shares converted into ord. shares	(2,100,000)	-	-	-	-	(2,100,000)
Transfer to Statutory reserve	-	729,150	-	-	(729,150)	-
Transfer from regulatory risk reserve credit		-	-	544,029	(544,029)	-
Net unrealised loss on AFS investments		-	(1,684,916)	-	-	(1,684,916)
Tax effect of net unrealised loss on AFS investments		-	421,229	-	-	421,229
Balance at 31 December 2008	8,617,388	993,582	(539,150)	544,029	7,265	9,623,114
Balance at 1 January 2009	8,617,388	993,582	(539,150)	544,029	7,265	9,623,114
Net profit for 2009	-	-	-	-	2,221,386	2,221,386
Transfer to Statutory reserve		1,013,839	-	-	(1,013,839)	-
Transfer from regulatory risk reserve credit		-	-	(27,703)	27,703	-
Net unrealised gain on AFS investments		-	3,965,421	-	-	3,965,421
Tax effect of net unrealised loss on AFS investments		-	(991,355)	-	-	(991,355)
Rights issue and private placement of shares	17,372,700	-	-	-	-	17,372,700
Balance at 31 December 2009	25,990,088	2,007,421	2,434,916	516,326	1,242,515	32,191,266

BANK

	Stated Capital GHS	Statutory reserves GHS	Available for Sale Reserves GHS	Regulatory credit risk reserve GHS	Income surplus account GHS	Total Shareholders' Funds GHS
Balance at 1 January 2008	7,172,388	264,432	724,537	-	(1,192,897)	6,968,460
Net profit for 2008	-	-	-	-	2,325,953	2,325,953
Call up on shares issued	3,545,000	-	-	-	-	3,545,000
Preference shares converted into ord. shares	(2,100,000)	-	-	-	-	(2,100,000)
Transfer to Statutory reserve	-	729,150	-	-	(729,150)	-
Transfer from regulatory risk reserve credit	-	-	-	544,029	(544,029)	-
Net unrealised loss on AFS investments	-	-	(1,684,916)	-	-	(1,684,916)
Tax effect of net unrealised loss on AFS investments	-	-	421,229	-	-	421,229
Balance at 31 December 2008	8,617,388	993,582	(539,150)	544,029	(140,123)	9,475,726
Balance at 1 January 2009	8,617,388	993,582	(539,150)	544,029	(140,123.0)	9,475,726
Net profit for 2009					2,027,677	2,027,677
Transfer to Statutory reserve		1,013,839			(1,013,839)	-
Transfer from regulatory risk reserve credit				(27,703)	27,703	-
Net unrealised gain on AFS investments			3,965,421	-	-	3,965,421
Tax effect of net unrealised loss on AFS investments			(991,355)			(991,355)
Rights issue and private placement of shares	17,372,700					17,372,700
Balance at 31 December 2009	25,990,088	2,007,421	2,434,916	516,326	901,418	31,850,169

The transfer to statutory reserve fund represent 50% of the Bank's net profit after tax. This is in compliance with section 29 (1)(a) of the Banking Act, 2004 (Act 673).

Cash Flow Statement

For the year ended 31 December, 2009

Reconciliation of operating profit/(loss) to operating cash flows	Note	CONSOLIDATED 2009 GHS	CONSOLIDATED 2008 GHS	THE BANK 2009 GHS	THE BANK 2008 GHS
Profit before tax		3,221,798	2,624,137	3,010,954	2,537,858
Adjustments for:					
Profit on sale of property and equipment	20	(2,506)	(55)	(2,506)	(55)
Depreciation and amortisation	20	1,592,343	1,041,185	1,583,236	1,034,236
Charge in provision	10	1,587,802	96,432	1,587,802	96,432
Effective interest rate adjustment		-	328,838	-	328,838
Financial guarantee contracts		8,113	5,749	8,113	5,749
Adjustments to property and equipment		-	5,000	-	4,999
Operating cash flow before investment in working capital		6,407,550	4,101,286	6,187,599	4,008,057
Increase in loans and advances to customers	15	(91,686,638)	(52,556,852)	(91,686,638)	(52,556,852)
(Increase)/decrease in other assets	17	(4,028,564)	849,100	(4,004,888)	859,896
Increase in customer deposits	21	137,363,291	36,416,660	137,363,291	36,416,660
Increase in amounts due to Bank of Ghana		-	(1,000,000)	-	(1,000,000)
(Decrease)/increase in balances due to other banks		(23,065,889)	33,066,184	(23,065,889)	33,066,184
Increase in interest payable and other liabilities	22	5,063,948	2,282,450	5,083,337	2,283,150
Corporate tax payments	11	(650,278)	(300,060)	(615,359)	(281,449)
Increase in operating assets and liabilities		22,995,870	18,757,482	23,073,854	18,787,589
Net inflows from operating activities		29,403,420	22,858,768	29,261,453	22,795,646
Investing activities					
Cost of property, plant and equipment	21	(3,713,433)	(2,117,673)	(3,702,629)	(2,092,809)
Proceeds from sale of property and equipment	21	2,506	297	2,506	297
Increase in investment in Government securities	14	(35,693,716)	(2,810,519)	(35,877,026)	(2,762,012)
Proceeds from distribution from financial investments	14	(3,449)	23,064	(3,449)	23,064
Net outflow due to investing activities		(39,408,092)	(4,904,831)	(39,580,598)	(4,831,460)
Financing activities					
New capital contributions	24	17,372,700	3,545,000	17,372,700	3,545,000
Preference shares redeemed	24	-	(2,100,000)	-	(2,100,000)
Net inflow/(outflow) from financing activities		17,372,700	1,445,000	17,372,700	1,445,000
Increase in cash and cash equivalents		7,368,028	19,398,937	7,053,555	19,409,186
Analysis of changes in cash and cash equivalents					
Cash and cash equivalents at 1 January		66,697,444	47,298,507	66,662,008	47,252,822
Increase in cash and cash equivalents		7,368,028	19,398,937	7,053,555	19,409,186
Cash and cash equivalents at 31 December	25	74,065,472	66,697,444	73,715,563	66,662,008

1. Reporting Entity
Fidelity Bank Limited (FBL) is a banking institution registered and domiciled in Ghana. The registered office is loacted at Ridge Tower, 10 Ambassadorial Enclave, West Ridge, Accra. FBL operates under the Banking Act, 2004 (Act 673). The financial statements of FBL for the year ended 31 December 2009 were authorised for issue in accordance with a resolution of the directors on 29th March 2010.

2.1 Basis of Preparation
These consolidated financial statements have been prepared under the historical cost convention, except available for sale investments, financial assets and financial liabilities held at fair value through profit and loss that have been measured at fair value. The financial statements have been presented in Ghana cedis.

2.2 Statement of Compliance
The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB).

2.3 Basis of Consolidation
The consolidated financial statements comprise the financial statements of Fidelity Bank Limited and its subsidiary as at 31 December 2009.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date such control ceases. The financial statements of the subsidiary are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

2.4 Significant Accounting Judgements, Estimates and Assumptions

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

(a) Fair value of financial instruments
The fair value of a financial asset is determined by reference to the quoted bid price or asking price (as appropriate) in an active market. Where the fair value of financial assets and financial liabilities recorded on the balance sheet cannot be derived from an active market, it is determined using a variety of valuation techniques including the use of prices obtained in recent arms' length transactions, comparison to similar instruments for which market observable prices exist, net present value techniques and mathematical models. Input to these mathematical models is taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values.

(b) Impairment losses on loans and advances
The bank reviews its problem loans to assess whether an allowance for impairment should be recorded in the income statement. In particular, judgement by management is required in the estimation of the amount and timing of future cash flows when determining the level of allowance required. Such estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance.

In addition to specific allowances against individually significant loans and advances, the bank also makes a collective impairment allowance against exposures which, although not specifically identified as requiring a specific allowance, have a greater risk of default than when originally granted. This take into consideration factors such as any deterioration in country risk, industry, and technological obsolescence, as well as identified structural weaknesses or deterioration in cash flows.

(c) Impairment of equity investments
The bank treats available-for-sale equity investments as impaired when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exits. The bank treats 'significant' generally as 20% or more and 'prolonged' as greater than 6 months. In addition, the bank evaluates other factors such as the share price volatility.

(d) Deferred tax assets
Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

2.5 Standards, amendments and interpretations effective on or after 1 January 2009
The Bank has adopted the following new standards, amendments and interpretations as at 1 January 2009.

IFRS 7 Financial Instruments: Disclosures. The amended standard requires additional disclosures about fair value measurement and liquidity risk. Fair value measurements related to items recorded at fair value are to be disclosed by source of inputs using a three level fair value hierarchy, by class, for all financial instruments recognised at fair value. In addition, reconciliation between the beginning and ending balance for level 3 fair value measurements is now required, as well as significant transfers between levels in the fair value hierarchy. The amendments also clarify the requirements for liquidity risk disclosures with respect to derivative transactions and assets used for liquidity management. Estimated fair value is the amount at which an instrument could be exchanged in a current transaction between willing parties other than enforced or liquidation sale.

The Bank has concluded that the fair value of financial instruments approximate to their carrying amounts as they bear variable interest rates determined under market conditions. The liquidity risk disclosures are not significantly impacted by the amendments and are presented in Note 28."

IFRS 8 Operating Segments. This standard requires disclosure of information about the company's operating segments and replaced the requirement to determine primary (business) and secondary (geographical) reporting segments of the company. IFRS 8 replaces IAS 14 Segment Reporting upon effective date. IFRS 8 disclosures are shown in note 3.

IAS 1 (Revised 2007) Presentation of Financial Statements. The Standard separates owner and non-owner changes in equity. The statement of changes in equity will include only details of transactions with owners, with all non-owner changes in equity presented as a single line. In addition, the Standard introduces the statement of comprehensive income, which presents income and expense items recognised in profit or loss, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. The Bank has elected to present comprehensive income in one single statement and it has not provided a restated comparative set of financial position for the earliest comparative period, as it has not adopted any new accounting policies retrospectively, or has a retrospective restatement, or retrospectively reclassified items in the financial statements.

IAS 23 Borrowing Costs. The revised IAS 23 requires capitalisation of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. During the year, there were no borrowings for the acquisition of capital assets.

IAS 32, Amendments to IAS 32 Financial Instruments: Presentation and IAS 1 Presentation of Financial Statements - Puttable Financial Instruments and Obligations Arising on Liquidation -These amendments to IAS 32 and IAS 1 were issued in February 2008 and become effective for financial years beginning on or after 1 January 2009. The revisions provide a limited scope exception for puttable instruments to be classified as equity if they fulfil a number of specified features. The adoption of these standards had no material impact on the financial position or the performance of the Group.

IFRS 2, Amendments to IFRS 2 Share-based Payment – Vesting Conditions and Cancellations (effective from 1 January 2009). The Standard restricts the definition of "vesting condition" to a condition that includes an explicit or implicit requirement to provide services. Any other conditions are non-vesting conditions, which have to be taken into account to determine the fair value of the equity instruments granted. In the case that the award does not vest as the result of a failure to meet a non-vesting condition that is within the control of either the entity or the counterparty, this must be accounted for as a cancellation. This amendment had no material impact on the financial position or performance of the Bank.

IFRIC 13, Customer Loyalty Programmes: was issued in June 2007 and effective for accounting periods beginning 1 July 2008. This interpretation requires customer loyalty credits to be accounted for as a separate component of the sales transaction in which they are granted. A portion of the fair value of the consideration received is allocated to award credits and deferred. This is then recognized as revenue over the period that the award credits are redeemed. IFRIC 13 had no material impact on the financial position or performance of the Bank.

IFRIC 15 Agreement for the Construction of Real Estate: IFRIC 15 was issued in July 2008 and becomes effective for financial years beginning on or after 1 January 2009. The interpretation is to be applied retrospectively. It clarifies when and how revenue and related expenses from the sale of a real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of the real estate is completed. Furthermore, the interpretation provides guidance on how to determine whether an agreement is within the scope of IAS 11 or IAS 18. This standard has no material effect on the Bank's financial statements.

IFRIC 16 Hedges of a Net Investment in a Foreign Operation: IFRIC 16 was issued in July 2008 and becomes effective for financial years beginning on or after 1 October 2008. The interpretation is to be applied prospectively. IFRIC 16 provides guidance on the accounting for a hedge of a net investment. As such it provides guidance on identifying the foreign currency risks that qualify for hedge accounting in the hedge of a net investment, where within the group the hedging instruments can be held in the hedge of a net investment and how an entity should determine the amount of foreign currency gain or loss, relating to both the net investment and the hedging instrument, to be recycled on disposal of the net investment. This standard has no material impact on the Bank's financial statements.

Improvements to IFRSs

In May 2008 and April 2009, the IASB issued omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. There are separate transitional provisions for each standard. The adoption of the following amendments resulted in changes to accounting policies but did not have any impact on the financial position or performance of the Group.

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations: clarifies that the disclosures required in respect of non-current assets and disposal groups classified as held for sale or discontinued operations are only those set out in IFRS 5. The disclosure requirements of other IFRSs only apply if specifically required for such non-current assets or discontinued operations.

IFRS 8 Operating Segment Information: clarifies that segment assets and liabilities need only be reported when those assets and liabilities are included in measures that are used by the chief operating decision maker. As the Bank's chief operating decision maker does review segment assets and liabilities, the Bank has disclosed this information in Note 3.

IAS 1 Presentation of Financial Statements: Assets and liabilities classified as held for trading in accordance with IAS 39 Financial Instruments: Recognition and Measurement are not automatically classified as current in the statement of financial position. The Bank analysed whether the expected period of realisation of financial assets and liabilities differed from the classification of the instrument. This did not result in any reclassification of financial instruments between current and non-current in the statement of financial position.

IAS 7 Statement of Cash Flows: Explicitly states that only expenditure that results in recognising an asset can be classified as a cash flow from investing activities. This amendment does not impact the presentation in the statement of cash flows.

IAS 16 Property, Plant and Equipment: Replaces the term "net selling price" with "fair value less costs to sell". This did not result in any change in the financial position of the Bank.

IAS 18 Revenue: The Board has added guidance (which accompanies the standard) to determine whether an entity is acting as a principal or as an agent. The features to consider are whether the entity:

- Has primary responsibility for providing the goods or service

- Has inventory risk

- Has discretion in establishing prices

- Bears the credit risk

IAS 20 Accounting for Government Grants and Disclosures of Government Assistance: Loans granted with no or low interest will not be exempt from the requirement to impute interest. Interest is to be imputed on loans granted with below-market interest rates. This amendment did not impact the Bank.

IAS 23 Borrowing Costs: The definition of borrowing costs is revised to consolidate the two types of items that are considered components of 'borrowing costs' into one – the interest expense calculated using the effective interest rate method calculated in accordance with IAS 39. This amendment has no impact on the Bank.

IAS 36 Impairment of Assets: When discounted cash flows are used to estimate 'fair value less cost to sell' additional disclosure is required about the discount rate, consistent with disclosures required when the discounted cash flows are used to estimate 'value in use'. This amendment had no immediate impact on the financial statements of the Bank.

IAS 38 Intangible Assets: Expenditure on advertising and promotional activities is recognised as an expense when the Bank either has the right to access the goods or has received the service. This amendment has no impact on the Bank because it does not enter into such promotional activities.

Other amendments resulting from Improvements to IFRSs to the following standards did not have any impact on the accounting policies, financial position or performance of the Bank:

"- IFRS 2 Share-based Payment
- IFRS 7 Financial Instruments: Disclosures
- IAS 8 Accounting Policies, Change in Accounting Estimates and Error
- IAS 10 Events after the Reporting Period
- IAS 19 Employee Benefits
- IAS 27 Consolidated and Separate Financial Statements
- IAS 28 Investments in Associates
- IAS 31 Interest in Joint Ventures
- IAS 34 Interim Financial Reporting
- IAS 38 Intangible Assets
- IAS 40 Investment Properties
- IAS 39 Financial Instruments: Recognition and Measurement
- IFRIC 9 Reassessment of Embedded Derivatives
- IFRIC 16 Hedge of a Net Investment in a Foreign Operation"

Amendments to published standards and interpretations issued but not yet effective 1 January 2009.

The Bank has chosen not to early adopt the following standards, amendments and interpretations to existing standards that were issued, but not yet effective, for accounting periods beginning on 1 January 2009. The Bank expects that adoption of these standards, amendments and interpretations is expected not to have any significant impact on the Bank's financial statements in the period of initial application but additional disclosures will be required.

IFRS 2 Share-based Payment (Revised): The IASB issued an amendment to IFRS 2 that clarified the scope and the accounting for group cash-settled share-based payment transactions and is effective for the periods beginning on or after 1 January 2010

IFRS 3 (Revised) Business Combinations and IAS 27 (Revised) Consolidated and Separate Financial Statements (effective I July 2009)-The revised standards were issued in January 2008 and become effective for financial years beginning on or after 1 July 2009. IFRS 3R introduces a number of changes in the accounting for business combinations occurring after this date that will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. IAS 27R requires that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will it give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments were made to IAS 7 Statement of Cash Flows, IAS 12 Income Taxes, IAS 21 The Effects of Changes in Foreign Exchange Rates, IAS 28 Investment in Associates and IAS 31 Interests in Joint Ventures. The changes by IFRS 3R and IAS 27R will affect future acquisitions or loss of control and transactions with minority interests. The change in accounting policy had no material impact on the earnings per share.

IAS 24 Related Party Disclosure (Revised): The revised Standard was issued in November 2009 and shall be applied retrospectively for annual periods beginning on or after 1 January 2011. The objective of this Standard is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances, including commitments, with such parties. This Standard shall be applied in: identifying related party relationships and transactions; identifying outstanding balances, including commitments, between an entity and its related parties; identifying the circumstances in which disclosure of the items in (a) and (b) is required; and determining the disclosures to be made about those items. This Standard requires disclosure of related party relationships, transactions and outstanding balances, including commitments, in the consolidated and separate financial statements of a parent, venturer or investor presented in accordance with IAS 27 Consolidated and Separate Financial Statements. This Standard also applies to individual financial statements.

IAS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Items - These amendments to IAS 39 were issued in August 2008 and become effective for financial years]beginning on or after 1 July 2009. The amendment addresses the designation of a one-sided risk in a hedged item, and the designation of inflation as a hedged risk or portion in particular situations. It clarifies that an entity is permitted to designate a portion of the fair value changes or cash flow variability of a financial instrument as hedged item. As per the assessment per management assessment the amendment has no impact on the financial position or performance of the bank has the bank has not entered into such edges.

IFRIC 9 Reassessment of Embedded Derivatives and IAS 39 Financial Instruments: Recognition and Measurement: This amendment to IFRIC 9 requires an entity to assess whether an embedded derivative must be separated from a host contract when the entity reclassifies a hybrid financial asset out of the fair value through profit or loss category. This assessment is to be made based on circumstances that existed on the later of the date the entity first became a party to the contract and the date of any contract amendments that significantly change the cash flows of the contract. IAS 39 now states that if an embedded derivative cannot be reliably measured, the entire hybrid instrument must remain classified as at fair value through profit or loss.

IFRIC 17-Distribution of Non-Cash Assets to Owners-effective for periods beginning on or after 1 July 2009- This interpretation provides guidance on accounting for arrangements whereby an entity distributes non-cash assets to shareholders either as a distribution of reserves or as dividends. This standard has not effect on the Group's financial statements.

IFRIC 18-Transfers of Assets from Customers effective for periods beginning on or after 1 July 2009- This interpretation provides guidance on how to account for items of property, plant and equipment received from customers, or cash that is received and used to acquire or construct specific assets. This interpretation only applies to such assets that are used to connect the customer to a network or to provide ongoing access to a supply of goods or services or both. This standard has not effect on the Group's financial statements.

2.6 Summary of significant accounting policies

(a) Foreign currency

Monetary assets and liabilities denominated in foreign currencies are translated in cedis at the exchange rate ruling at the bank's year end. Transactions denominated in foreign currencies are translated at the rates ruling at the dates of the transactions. All translation differences are dealt with in arriving at the operating result.

(b) Recognition of income and expenses

(i) Interest and similar income and expense

For all financial instruments measured at amortised cost and interest bearing financial instruments classified as available-for-sale financial investments, interest income or expense is recorded at the effective interest rate, which is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest rate, but not future credit losses. The carrying amount of the financial asset or financial liability is adjusted if the bank revises its estimates of payment or receipts. The adjusted carrying amount is calculated on the original effective interest rate and the change in the carrying amount is recorded as interest income or expense.

Once the recorded value of a financial asset or a group of similar financial assets has been reduced due to an impairment loss, interest income continues to be recognized using the original effective interest rate applied to the new carrying amount.

(ii) Fee and commission income
The bank earns fee and commission income from services it provided to its customers. Fee income can be divided into the following two categories:

Fee income earned from services provided over a certain period of time

Fees earned for the provision of services over a period of time are accrued over that period. These fees include commission income and asset management, custody and other management and advisory fees. Loan commitment fees for loans that are likely to be drawn down and other credit related fees are deferred (together with any incremental costs) and recognized as an adjustment to the effective interest rate on the loan.

Fee income from providing transaction services
Fees arising from negotiating or participating in the negotiation of a transaction for a third party – such as the arrangement of the acquisition of shares or the other securities or the purchase or sale of businesses – are recognized on completion of the underlying transaction. Fees or components of fees that are linked to a certain performance are recognized after fulfilling the corresponding criteria

(iii) Dividend income
Revenue is recognized when the bank's right to receive the payment is established.

This comprises gains and losses from changes in fair value and related interest income or expense and dividends for financial assets and financial liabilities held for trading.

(c) Financial instruments – initial recognition and subsequent measurement

(i) Date of recognition
Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace are recognized on the trade date i.e. the date that the bank commits to purchase or sell the asset.

(ii) Initial recognition of financial instruments
The classification of financial instruments at initial recognition depends on the purpose for which the financial instruments were acquired and their characteristics. All financial instruments are measured initially at their fair value plus, in the case of financial assets and financial liabilities not at fair value through profit and loss, any directly attributable incremental costs of acquisition or issue.

(iii) Financial assets and liabilities held for trading
Financial assets or financial liabilities held for trading comprising financial instruments held for trading other than derivatives are recorded in the balance sheet at fair value. Changes in fair value are recognized in 'Net trading income' according to the terms of the contract or when the right to the payment has been established.

Included in this classification are debt securities, equities and short position in debt securities which have been acquired principally for the purpose of selling or repurchasing in the near term.

(iv) Financial assets and liabilities designated at fair value through profit or loss

Financial assets and financial liabilities classified in this category are designated by management on initial recognition when the following criteria are met:

· the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognized gains or losses on them on a different basis; or

· the assets and liabilities are part of a group of financial assets, financial liabilities or both which are managed and their performance evaluated on a fair value basis, in accordance with a document risk management or investment strategy; or

· the financial instrument contains an embedded derivative, unless the embedded derivative does not significantly modify the cash flows or it is clear, with little or no analysis that it would not be separately recorded.

Financial assets and financial liabilities at fair value through profit or loss are recorded in the balance sheet at fair value. Changes in fair value are recorded in 'Net gains or loss on financial assets and liabilities designated at fair value through profit or loss'. Interest earned or incurred is accrued in interest income or expense, respectively, according to the terms of the contract, while dividend income is recorded in 'Other operating income' when the right to the payment has been established.

(v) Held to maturity financial investments
Held to maturity financial investments are those which carry fixed determinable payments and have fixed maturities and which the bank has the intention and ability to hold to maturity. After initial measurement, held-to-maturity financial investments are subsequently measured at amortised cost using the effective interest rate method, less allowances for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. The amortization is included in 'interest income' in the income statement. The losses arising from impairment of such investments are recognized in the income statement line 'Impairment losses on financial investments'.

(vi) Due from banks and loans and advances to customers
'Due from banks' and 'Loans and advances to customers' are financial assets with fixed or determinable payments and fixed maturities that are not quoted in an active market. These are not entered into with the intention of immediate or short-term resale and are not classified as 'Financial assets held for trading', designated as 'Financial investments – available-for-sale' or 'Financial assets designated at fair value through profit or loss'. After initial measurement, amounts due from banks and loans and advances to customers are subsequently measured at amortised cost using the effective interest rate method, less allowance for impairment. The amortised cost is calculated by taking into account any discount on acquisition and fees and costs that are integral part of the effective interest rate. The amortization is included in 'Interest income' in the income statement. The losses arising from impairment are recognized in the income statement in 'Charge for bad and doubtful debt'.

(vii) Available for sale financial investments
Available-for-sale financial investments are those which are designated as such or do not qualify to be classified as designated at fair value through profit or loss, held-to-maturity or loans and advances. It includes equity investments, investments in mutual funds and money market and other debt instruments.

After initial measurement, available-for-sale financial investments are subsequently measured at fair value. Unrealized gains and losses are recognized directly in equity in the 'Available-for-sale reserve'. When the security is disposed of, the cumulative gain or loss previously recognized in equity is recognized in the income statement in 'Other operating income' or 'Other operating expenses'. Where the bank holds more than one investment in the same security it is deemed to be disposed off on a first-in first-out basis. Interest earned, whilst holding available-for-sale financial investments, is recognized in the income statement as 'Interest income' when the right of the payment has been established. The losses arising from impairment of such investments are recognized in the income statement in 'Impairment losses on financial investments' and removed from the available-for-sale reserve.

(viii) Borrowed funds
After initial measurement, borrowings are subsequently measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on the issue and costs that are an integral part of the effective interest rate.

(d) Derecognition of financial assets and financial liabilities
(i) Financial assets
A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized where:

• the rights to receive cash flows from the asset have expired; or

• the bank has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and

• either (a) the bank has transferred substantially all the risks and rewards of the asset, or (b) the bank has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the bank has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the asset is recognized to the extent of the bank's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the bank could be required to repay.

(ii) Financial liabilities
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit of loss.

(e) Repurchase and reverse repurchase agreements
Securities may be lent or subject to a commitment to repurchase it at specified date ('a repo'). Such securities are not derecognized but retained on the balance sheet when substantially all the risks and rewards of ownership remain with the Bank. Any cash received, including accrued interest, is recognized on the balance sheet

reflecting its economic substance as a loan to the Bank.

Conversely, securities borrowed or purchased securities subject to a commitment to resell it as a specified date (a 'reverse repo') is not recognized on the balance sheet as the transactions are treated as collateralised loans. However where the securities borrowed is sold to third parties, the obligation to repurchase the securities is recorded as a trading liability at fair value and any subsequent gain or loss included in net trading income.

(f) Impairment of financial assets

The Bank assesses at each balance sheet whether objective evidence of impairment exists for any financial asset. A financial assets is deemed to be impaired if there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (loss event), and the loss event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include indications that the borrower is experiencing significant difficulty, default or delinquency in interest or principal payments, the probability that it will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

(i) Due from banks and loans and advances to customers

For amounts due from banks and loans and advances to customers carried at amortised cost, the Bank first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant (identified impairment). 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 (unidentified impairment). Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

Where there is objective evidence of impairment, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. 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 income statement.

If a loan has a variable interest rate, the discount rate for measuring impairment loss is the current effective interest rate. The calculation of the present value of the estimated future cash flows of a collateralised financial asset reflect the cash flows that may result from foreclosure costs for obtaining and selling the collateral, whether or not foreclosure is probable.

For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of similar risk characteristics, taking into account asset type, industry, geographical location, collateral type, past-due status and other relevant factors. These characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the counterparty's ability to pay all amounts due according to the contractual terms of the assets being evaluated.

Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets in the group and historical loss experience for assets with credit risk characteristics similar to those in the group. Historical loss experience is adjusted based on current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not currently exist. The methodology and assumptions used for estimating future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

Where possible, the Bank seeks to restructure loans rather than to take possession of collateral. This may involve extending the payment arrangements and the agreement of a new loan conditions. Once the terms have been renegotiated, the loan is no longer considered past due. Management continuously reviews such renegotiated loans to ensure that all criteria are met and that future payments are likely to occur. The loans continue to be subject to an individual or collective assessment, calculated using the loan's original effective interest rate.

(ii) Held-to-maturity financial investments

For held-to-maturity investments the Bank assesses individually whether there is objective evidence 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 estimated future cash flows. The carrying amount of the asset is reduced and the amount of the loss is recognised in the income statement.

If in a subsequent year the amount of the estimated impairment loss decreases because of an event occurring after the impairment was recognised, any amounts formerly charged are credited to the 'Impairment losses on financial investments'.

(iii) Available for sale financial instruments

For available-for-sale financial investments, the Bank assesses at each balance sheet date whether there is objective evidence that an investment or a group of investments is impaired.

In the case of equity instruments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered objective evidence in determining whether impairment exists. Where such evidence exists, the cumulative net loss that has been previously recognised directly in equity is removed from equity and recognised in the income statement. Reversals of impairment of equity shares are not recognised in the income statement, increases in the fair value of equity shares after impairment are recognised directly in equity.

In the case of debt instruments classified as available for sale, impairment is assessed based on the same criteria as all other financial assets. Interest continues to be accrued at the original effective interest rate on the reduced carrying amount of the asset and is recorded as part of Interest Income. Reversals of impairment of debt securities are recognised in the income statement if in a subsequent year, the fair value of the debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the income statement.

(g) Collateral and netting

The Bank obtains collateral in respect of customer liabilities where this is considered appropriate. The collateral normally takes the form of cash or securities in respect of other credit instruments or a lien over the customer's assets and gives the Bank a claim on these assets for both existing and future liabilities. Collateral received in the form of securities is not recorded on the balance sheet. Collateral received in the form of cash is recorded on the balance sheet with a corresponding liability. These items are assigned to deposits received from bank or other counterparties. Any interest payable or receivable arising is recorded as interest payable or interest income respectively except for funding costs relating to trading activities which are recorded in net trading income.

Netting, where financial assets and liabilities are offset and the net amount reported in the balance sheet, occurs if, and only if, there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise an asset and settle the liability simultaneously. In many cases, even though master netting agreements are in place, the lack of an intention to settle on a net basis results in the related assets and liabilities being presented gross in the balance sheet.

(h) Leasing

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

1. The Bank as a lessor

Finance leases

Assets leased to customers under agreements, which transfer substantially all the risks, and rewards of ownership, with or without ultimate legal title, are classified as finance leases. When assets are held subject to a finance lease, the present value of the lease payments, discounted at the rate of interest implicit in the lease, is recognised as a receivable. The difference between the total payments receivable under the lease and the present value of the receivable is recognised as unearned finance income, which is allocated to accounting periods under the pre-tax net investment method to reflect a constant periodic rate of return.

Operating leases

Assets leased to customers under agreements, which do not transfer substantially all the risks and rewards of ownership, are classified as operating leases. The leased assets are included within property, plant and equipment on the Group's balance sheet and depreciation is provided on the depreciable amount of these assets on a systematic basis over their estimated useful lives. Lease income is recognised on a straight line basis over the period of the lease unless another systematic basis is more appropriate.

2. The Bank as a Lessee

Finance leases which transfer to the Bank substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments and included in 'Property and equipment' with corresponding liability to the lessor included in 'Other liability'. Lease payments are apportioned between the finance charges and reduction on the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income in 'Interest expense'.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Bank will obtain ownership by the end of the lease term.

Operating lease payments are not recognised in the balance sheet. Rentals payable are recognised as an expense in the income statement on a straight-line basis over the lease term unless another systematic basis is more appropriate, and included in 'Other operating expenses'.

(i) Cash and cash equivalents

Cash and cash equivalents are recorded in the balance sheet at cost. For the purpose of the cash flow statement cash and cash equivalents comprise balances with 91 days or less from the date of acquisition including cash and balances with Bank of Ghana, treasury bills and other eligible bills, amounts due from other banks and dealing securities.

(j) Investment in associate

The Bank's investment in its associate is accounted for using the equity method of accounting. An associate is an entity in which the Bank has significant influence and which is neither a subsidiary nor a joint venture.

Under the equity method, the investment in the associate is carried in the balance sheet at cost plus post-acquisition changes in the Bank's share of net assets of the associate. Losses in excesses of the cost of the investment in an associate are recognised when the Bank has incurred obligations on its behalf. Goodwill relating to an associate is included in the carrying amount of the investment and is not amortised. The income statement reflects the Bank's share of the results of the operations of the associate. Where there has been a change recognised directly in the equity of the asscociate, the Bank recognises it's share of such change and discloses this, when applicable, in the statement of changes in equity. Profits and losses resulting from transactions between the Bank and the associate are eliminated to the extent of the interest in the associate.

The reporting dates of the associate and the Bank are identical and the associate's accounting policies conform to those used by the Bank for like transactions and event in similar circumstances.

(k) Property and equipment

Property and equipment owned by the Group are stated at cost less accumulated depreciation and accumulated impairment in value. Depreciation is computed using the straight-line method so as to write off the cost over the estimated useful lives. Changes in the expected useful life are accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimate.

Property and equipment are depreciated as follows:

· Leasehold buildings and improvements	over the unexpired lease period
· Motor vehicles	25%
· Computers : hardware	25%
: software	25% - 50%
· Furniture and equipment	25%
· Machinery	25%

(l) Financial guarantees

In the ordinary course of business, the Bank gives financial guarantees consisting of letters of credit, guarantees and acceptances. Such financial guarantees are given to banks, other financial institutions and bodies on behalf of customers to secure loans, overdrafts and other banking facilities, and to other parties in connection with the performance of customers under obligations related to contracts, advance payments made by other parties, tenders, retentions and payment of import duties.

Financial guarantees are initially recognised in the financial statements at fair value on the date that the guarantee was given, in 'Other liabilities', being the fee income received. Subsequent to initial recognition, the Bank's liability under each guarantee is measured at the higher of the unamortised fee income and the best estimate of the expenditure required to settle any financial obligation arising as a result of the guarantee.

Any increases in the liability relating to financial guarantees are taken to the income statement in 'Charge for bad and doubtful debt'. The fee income received is recognized in the income statement in 'Fees and commission income' on a straight line basis over the life of the guarantee.

(m) Provisions

Provisions are recognised when the Bank has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(n) Taxes

Current tax

Income tax payable on taxable profits is recognised as an expense in the period in which the profits arise. Income tax recoverable on tax allowable losses is recognised as an asset only to the extent that it is regarded as recoverable by offset against current or future taxable profits

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered or paid to the Internal Revenue Service. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is provided on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except;

· where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and

· in respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised except;

· where deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and

· in respect of taxable temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or par of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each balance sheet date and recognised to the extent that is has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Current tax and deferred tax relating to items recognised directly in equity are also recognised in equity and not in the income statement.

Deferred and current tax assets and liabilities are only off set when they arise in the same tax reporting entity and the same taxation authority, and where there is both the legal right to set off current tax assets against current tax liabilities and the intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Segment information

The primary segment reporting format is aligned to business units based on the Bank's management and internal reporting structure. The segment information presented is in respect of the Bank's business.

The bank's business units are as outlined below;

Wholesale banking

Principally responsible for providing loans and other credit facilities, as well as deposits and other transactions and balances to corporate and institutional customers.

Treasury

Undertakes the bank's funding and centralised risk management activities through borrowings, and investing in liquid assets such as short-term placements and government debt securities.

Retail banking

Provides loans and overdrafts, as well as handles the deposits and other transactions of individual customers such as funds transfers, standing orders and ATM card services.

For the purpose of segmental reporting, interest is allocated to the business units based on a pool rate determined by Treasury using the bank's cost of funds.

Analysed below is the net income, profit and certain assets and liabilities of the business segments of the bank for the year ended 31 December 2009

	Wholesale GHS	Treasury GHS	Retail GHS	Total GHS
Net interest income	6,136,675	377,075	8,636,423	15,150,173
Net fee and commision income	4,097,741	3,240,953	3,143,711	10,482,405
Total income	10,234,416	3,618,028	11,780,134	25,632,578
Operating expenses	(8,829,531)	(1,888,822)	(11,903,271)	(22,621,624)
Operating profit	1,404,885	1,729,206	(123,137)	3,010,954
Income tax expense				(983,277)
Profit for the year				2,027,677

Analysed below is the net income, profit and certain assets and liabilities of the business segments of the bank for the year ended 31 December 2008

	Wholesale GHS	Treasury GHS	Retail GHS	Total GHS
Net interest income	3,568,566	506,725	2,930,747	7,006,038
Net fee and commision income	3,045,729	3,094,257	1,602,617	7,742,603
Total income	6,614,295	3,600,982	4,533,364	14,748,641
Operating expenses	(4,759,217)	(1,391,211)	(6,060,355)	(12,210,783)
Operating profit	1,855,078	2,209,771	(1,526,991)	2,537,858
Income tax expense				(211,905)
Profit for the year				2,325,953

		CONSOLIDATED		THE BANK	
4.	**Interest income**	2009 GHS	2008 GHS	2009 GHS	2008 GHS
	Cash and short term funds	1,830,932	1,858,224	1,830,932	1,858,224
	Investments securities	15,586,811	8,754,822	15,488,621	8,726,014
	Loans and advances	34,020,771	11,397,990	34,020,771	11,397,990
		51,438,514	22,011,036	51,340,324	21,982,228

5.	**Interest expense**	2009 GHS	2008 GHS	2009 GHS	2008 GHS
	Savings accounts	892,606	181,321	892,606	181,321
	Time and other deposits	28,765,567	9,755,111	28,765,567	9,755,111
	Overnight and call accounts	5,585,638	4,413,425	5,585,638	4,413,425
	Interest on shareholders loan	505,097	270,450	505,097	270,450
	Interest on current account	441,243	355,873	441,243	355,873
		36,190,151	14,976,180	36,190,151	14,976,180

6.	**Fees and commissions**	2009 GHS	2008 GHS	2009 GHS	2008 GHS
	Arrangement, facility & brokerage fees	1,911,396	2,620,305	1,911,396	2,620,305
	Commissions	3,316,276	1,958,479	3,149,962	1,854,449
		5,227,672	4,578,784	5,061,358	4,474,754

7.	**Other operating income**	2009 GHS	2008 GHS	2009 GHS	2008 GHS
	Gains on foreign exchange transactions	5,200,058	3,142,658	5,200,058	3,142,658
	Exchange gain on translations	134,381	110,255	134,381	110,255
	Sundry income	138,533	36,504	84,102	14,881
	Gain on disposal	2,506	55	2,506	55
		5,475,478	3,289,472	5,421,047	3,267,849

	CONSOLIDATED		THE BANK	
8. Operating expenses	2009 GHS	2008 GHS	2009 GHS	2008 GHS
Staff cost (note 9)	9,078,441	5,840,764	9,066,724	5,835,420
Depreciation	1,592,343	1,041,185	1,583,236	1,034,236
Advertising and marketing	1,863,429	965,833	1,863,429	949,646
Audit fees	33,000	26,682	30,000	24,582
Directors' remuneration	143,141	-	143,141	-
Other operating expenses	7,458,122	3,664,756	7,424,105	3,660,179
Legal and consultancy fees	408,892	309,164	365,628	278,167
Training	359,393	310,766	352,407	308,738
Donations and sponsorship	205,152	7,250	205,152	7,250
Bad debt	-	16,143	-	16,143
	21,141,913	12,182,543	21,033,822	12,114,361

9. Staff costs	2009 GHS	2008 GHS	2009 GHS	2008 GHS
Wages, salaries, bonus and allowances	6,204,667	3,737,571	6,192,950	3,732,227
Social Security Fund Contribution	574,882	340,615	574,882	340,615
Provident fund contribution	406,645	254,848	406,645	254,848
Other employee cost	1,892,247	1,507,730	1,892,247	1,507,730
	9,078,441	5,840,764	9,066,724	5,835,420

The average number of persons employed by the bank during the year was 561

10. Charge for bad and doubtful debts	2009 GHS	2008 GHS	2009 GHS	2008 GHS
Identified impairment	1,587,802	153,684	1,587,802	153,684
Unidentified impairment	-	(57,252)	-	(57,252)
	1,587,802	96,432	1,587,802	96,432

11. Taxation

The componnents for income tax for 2009 and 2008 are as follows;	2009 GHS	2008 GHS	2009 GHS	2008 GHS
Current tax				
Current income tax	1,215,172	472,330	1,164,952	450,695
Deferred tax				
Origination and reversal of temporary differences	(181,675)	(238,790)	(181,675)	(238,790)
Total income tax expense	1,033,497	233,540	983,277	211,905

CONSOLIDATED Year of assessment	At 1 Jan GHS	Paid during the year GHS	Charge for the year GHS	At 31 Dec GHS
1999 - 2005	27,913	-	-	27,913
2006	(76,331)	69,367	-	(6,964)
2007	(100,197)	99,879	-	(318)
2008	190,881	(215,946)	46,700	21,635
2009	-	(603,578)	1,168,472	564,894
	42,266	(650,278)	1,215,172	607,160
National reconstruction levy				
2001	(859)	-	-	(859)
2002	1,751	-	-	1,751
2003	(10,129)	-	-	(10,129)
2005	(670)	-	-	(670)
	-	-	-	-
	(9,907)	-	-	(9,907)
Total	32,359	(650,278)	1,215,172	597,253

BANK Year of assessment	At 1 Jan GHS	Paid during the year GHS	Charge for the year GHS	At 31 Dec GHS
1999 - 2005	28,035	-	-	28,035
2006	(71,437)	69,367	-	(2,070)
2007	(99,879)	99,879	-	-
2008	169,246	(215,946)	46,700	-
2009		(568,659)	1,118,252	549,593
	25,965	(615,359)	1,164,952	575,558
National reconstruction levy				
2001	(859)	-	-	(859)
2002	1,751	-	-	1,751
2003	(10,129)	-	-	(10,129)
2005	(670)	-	-	(670)
	(9,907)	-	-	(9,907)
Total	16,058	(615,359)	1,164,952	565,651

	CONSOLIDATED					
	2009			2008		
	Assets GHS	Liabilities GHS	Net GHS	Assets GHS	Liabilities GHS	Net GHS
Property and equipment	-	261,912	261,912	-	46,636	46,636
Impairment allowances for loan losses	(562,853)	-	(562,853)	(165,902)	-	(165,902)
Gains / losses on AFS investments	-	811,639	811,639	(179,716)	-	(179,716)
Net tax (assets)/liabilities	(562,853)	1,073,551	510,698	(345,618)	46,636	(298,982)

	BANK					
	2009			2008		
	Assets GHS	Liabilities GHS	Net GHS	Assets GHS	Liabilities GHS	Net GHS
Property and equipment	-	261,912	261,912	-	46,636	46,636
Impairment allowances for loan losses	(562,853)	-	(562,853)	(165,902)	-	(165,902)
Gains / losses on AFS investments	-	811,639	811,639	(179,716)	-	(179,716)
Net tax (assets)/liabilities	(562,853)	1,073,551	510,698	(345,618)	46,636	(298,982)

A reconciliation between tax expense and accounting profit for the years ended 31 December 2009 and 2008 is as follows:

	CONSOLIDATED		THE BANK	
	2009 GHS	2008 GHS	2009 GHS	2008 GHS
Accounting profit	3,266,185	2,663,537	3,010,954	2,537,858
Non taxable item	3,343,795	983,481	3,334,687	983,481
	6,609,980	3,647,018	6,345,641	3,521,339
Capital allowance	1,936,092	1,757,700	1,872,635	1,718,560
Chargeable income	4,673,888	1,889,318	4,473,006	1,802,779
Tax thereon - 25%	1,168,472	472,330	1,118,252	450,695

		CONSOLIDATED		THE BANK	
12.	**Cash and balances with Bank of Ghana**	2009 GHS	2008 GHS	2009 GHS	2008 GHS
	Cash in till	7,603,627	3,019,082	7,603,627	3,019,082
	Balance with Bank of Ghana	26,574,532	15,807,660	26,574,532	15,807,660
		34,178,159	18,826,742	34,178,159	18,826,742

		CONSOLIDATED		THE BANK	
13.	**Financial investment**	2009 GHS	2008 GHS	2009 GHS	2008 GHS
	Short-term government securities				
	Treasury Bills	41,316,145	54,772,967	41,316,145	54,589,657
	Discounted bills	3,234,730	1,172,323	3,234,730	1,172,323
		44,550,875	55,945,290	44,550,875	55,761,980
	Medium-term government securities				
	Government bond: 1 - 3 years	54,505,899	3,452,347	54,505,899	3,452,347
	Non quoted equity investment	107,655	104,206	107,655	104,206
	Total	99,164,429	59,501,843	99,164,429	59,318,533

Financial investments are financial assets classified as Available-for-sale, and are carried at fair value.

Non quoted equity investment relates to 2.06% preference shares in Fidelity Equity Fund I, a venture capital fund incorporated in Ghana. It is recorded at cost less distributions received from liquidation of investments by the fund. This is because the fair value cannot be reliably estimated since there is no market for this investment.

		CONSOLIDATED		THE BANK	
14.	**Due from other banks and financial institutions**	2009 GHS	2008 GHS	2009 GHS	2008 GHS
	Nostro account balances	14,691,608	18,040,150	14,691,608	18,040,150
	Items in course of collection	2,147,496	4,107,206	2,147,496	4,107,206
	Placement with other banks	23,048,209	25,723,346	22,698,300	25,687,910
		39,887,313	47,870,702	39,537,404	47,835,266

			2009 GHS	2008 GHS	2009 GHS	2008 GHS
15.	**Loans and advances to customers**					
	(a)	Analysis by type:				
		Term loans	157,234,124	75,473,169	157,234,124	75,473,169
		Overdrafts	18,430,606	10,043,637	18,430,606	10,043,637
		Staff	3,110,477	1,571,763	3,110,477	1,571,763
			-	-	-	-
		Gross loans and advances	178,775,207	87,088,569	178,775,207	87,088,569
		Provision for bad and doubtful debts (note 16)	(2,251,410)	(663,608)	(2,251,410)	(663,608)
		Net loans and advances	176,523,797	86,424,961	176,523,797	86,424,961

		2009 GHS	2008 GHS	2009 GHS	2008 GHS
(b)	Analysis by type of customer:				
	Individuals	75,242,142	40,054,558	75,242,142	40,054,558
	Private enterprises	87,375,465	39,711,726	87,375,465	39,711,726
	State enterprise and public institutions	13,047,123	5,750,522	13,047,123	5,750,522
	Staff	3,110,477	1,571,763	3,110,477	1,571,763
		-	-	-	-
		178,775,207	87,088,569	178,775,207	87,088,569
	Provision for bad and doubtful debts (note 16)	(2,251,410)	(663,608)	(2,251,410)	(663,608)
	Net loans and advances	176,523,797	86,424,961	176,523,797	86,424,961

		2009 GHS	2008 GHS	2009 GHS	2008 GHS
(c)	Analysis by business segment:				
	Agriculture, forestry and fishing	27,649	294	27,649	294
	Manufacturing	14,207,246	1,572,141	14,207,246	1,572,141
	Construction	22,438,859	2,032,394	22,438,859	2,032,394
	Electricity, gas and water	2,369,930	1,631,731	2,369,930	1,631,731
	Commerce and finance	38,932,092	24,571,650	38,932,092	24,571,650
	Transport, storage and communication	1,707,206	1,878,915	1,707,206	1,878,915
	Services	76,437,780	52,171,581	76,437,780	52,171,581
	Miscellaneous	22,654,445	3,229,864	22,654,445	3,229,864
		-	-	-	-
		178,775,207	87,088,569	178,775,207	87,088,569
	Provision for bad and doubtful debts (note 16)	(2,251,410)	(663,608)	(2,251,410)	(663,608)
	Net loans and advances	176,523,797	86,424,961	176,523,797	86,424,961

		CONSOLIDATED		THE BANK	
(d)	Key ratios on loans and advances	2009	2008	2009	2008
	(i) Loan loss provision ratio	1.26%	0.76%	1.26%	0.76%
	(ii) 50 largest exposures to total exposures	36%	21%	36%	21%

		2009 GHS	2008 GHS	2009 GHS	2008 GHS
16.	**Movement in provision for bad and doubtful debts and interest in suspense**				
	At 1 January	663,608	567,176	663,608	567,176
	Charge for the year	1,587,802	96,432	1,587,802	96,432
	At 31 December	2,251,410	663,608	2,251,410	663,608

		2009 GHS	2008 GHS	2009 GHS	2008 GHS
17.	**Other assets**				
	Prepayments	3,445,742	1,631,188	3,445,742	1,631,188
	Interest earned not collected	2,176,978	610,708	2,176,978	610,708
	Sundry assets	943,540	269,834	890,251	240,221
		6,566,260	2,511,730	6,512,971	2,482,117

		2009 GHS	2008 GHS	2009 GHS	2008 GHS
18.	**Amounts due from associated companies**				
	Fidelity Capital Partners Limited	35,093	38,371	47,141	73,107
	Fidelity Asset Management Limited	12,985	12,985	12,985	12,985
		48,078	51,356	60,126	86,092

		2009 GHS	2008 GHS
19.	**Investment in associated companies**		
	The Bank has investments in the following entities:		
	Shares in Fidelity Asset Management Limited	101,000	101,000
	Shares in Fidelity Capital Partners Limited	60,000	60,000
		161,000	161,000

Name	Nature of business	Country of incorporatn.	Type of shares	Percentage Interest
Fidelity Asset Management Limited	Fund management	Ghana	Ordinary shares	100%
Fidelity Capital Partners Limited	Investment advisory services and private equity funds management	Ghana	Ordinary shares	31%

The summarised financial information in respect of Fidelity Capital Partners Limited is as follows;

Share of associate's balance sheet	2009 GHS	2008 GHS
Assets	142,706	142,706
Liabilities	(63,471)	(63,471)
Net assets	79,235	79,235
Carrying amount of investment	126,864	93,778
Share of associate's revenue and profit		
Revenue	372,647	276,968
Profit for the year	44,387	39,400

20. Property and equipment

CONSOLIDATED	At 1 Jan GHS	Additions GHS	Disposals GHS	Movements/ adjustments GHS	At 31 Dec GHS
Cost					
Motor vehicles	452,869	685,008	(33,876)	4,578	1,108,579
Computers - Hardware	1,469,007	193,673	-	467,820	2,130,500
Equipment	862,042	430,996	-	566,542	1,859,580
Furniture and fittings	682,683	124,412	-	190,702	997,797
Leasehold improvement	1,046,925	86,252	-	584,414	1,717,591
Capital work-in-progress	476,000	1,563,314	-	(1,814,056)	225,258
	4,989,526	3,083,655	(33,876)	-	8,039,305

Depreciation	At 1 Jan GHS	Charge for the year GHS	Disposals GHS	Movements/ adjustments GHS	At 31 Dec GHS
Motor vehicles	245,605	154,187	(33,876)	-	365,916
Computers - Hardware	688,293	382,792	-	-	1,071,085
Equipment	281,904	327,315	-	-	609,219
Furniture and fittings	296,888	204,338	-	-	501,226
Leasehold improvement	164,417	137,076	-	-	301,493
	1,677,107	1,205,708	(33,876)	-	2,848,939

Carrying value:	
At 31 December, 2009	5,190,366
At 31 December, 2008	3,312,419

BANK	At 1 Jan GHS	Additions GHS	Disposals GHS	Movements/ adjustments GHS	At 31 Dec GHS
Cost					
Motor vehicles	428,574	683,075	(33,876)	4,578	1,082,351
Computers - Hardware	1,466,325	184,802	-	467,820	2,118,947
Equipment	862,042	430,996	-	566,542	1,859,580
Furniture and fittings	682,115	124,412	-	190,702	997,229
Leasehold improvement	1,046,925	86,252	-	584,414	1,717,591
Capital work-in-progress	476,000	1,563,314	-	(1,814,056)	225,258
	4,961,981	3,072,851	(33,876)	-	8,000,956

Depreciation	At 1 Jan GHS	Charge for the year GHS	Disposals GHS	Movements/ adjustments GHS	At 31 Dec GHS
Motor vehicles	239,531	147,630	(33,876)	-	353,285
Computers - Hardware	686,952	380,384	-	-	1,067,336
Equipment	281,904	327,315	-	-	609,219
Furniture and fittings	296,746	204,196	-	-	500,942
Leasehold improvement	164,417	137,076	-	-	301,493
	1,669,550	1,196,601	(33,876)	-	2,832,275

Carrying value:

At 31 December, 2009	5,168,681
At 31 December, 2008	3,292,431

Gain on disposal:	Cost GHS	Acc. Depr GHS	NBV GHS	Proceeds GHS	Gain GHS
Motor vehicles	33,876	(33,876)	-	2,506	2,506
	33,876	(33,876)	-	2,506	2,506

CONSOLIDATED

Intangible Assets

	At 1 Jan GHS	Additions GHS	Disposals GHS	Movements/ adjustments GHS	At 31 Dec GHS
Cost					
Computer Software	1,126,485	629,778		-	1,756,263

Depreciation	At 1 Jan GHS	Charge for the year GHS	Disposals GHS	Movements/ adjustments GHS	At 31 Dec GHS
	587,553	386,635	-	-	974,188
Carrying value:					
At 31 December, 2009					782,075
At 31 December, 2008					538,932

BANK

	At 1 Jan 08 GHS	Additions GHS	Disposals GHS	Movements/ adjustments GHS	At 31 Dec GHS
Cost					
Computer Software	1,126,485	629,778	-		1,756,263

Depreciation	At 1 Jan GHS	Charge for the year GHS	Disposals GHS	Movements/ adjustments GHS	At 31 Dec GHS
	587,553	386,635	-	-	974,188
Carrying value:					
At 31 December, 2009					782,075
At 31 December, 2008					538,932

		CONSOLIDATED		THE BANK	
21.	**Customer deposits**	2009 GHS	2008 GHS	2009 GHS	2008 GHS
	Current accounts	125,035,272	33,492,839	125,035,272	33,492,839
	Call accounts	25,332,148	17,816,799	25,332,148	17,816,799
	Savings accounts	16,669,862	3,880,949	16,669,862	3,880,949
	Time deposits	119,477,688	54,652,440	119,477,688	54,652,440
	Sundry deposits	8,633,687	47,942,339	8,633,687	47,942,339
		295,148,657	157,785,366	295,148,657	157,785,366
	(a) Analysis by type of depositor:				
	Individuals & other private enterprises	222,721,515	108,516,557	222,721,515	108,516,557
	Government departments & agencies	72,427,142	49,268,809	72,427,142	49,268,809
		295,148,657	157,785,366	295,148,657	157,785,366
	(b) 20 largest depositors to total deposit ratio	56%	37%	56%	37%

		2009 GHS	2008 GHS	2009 GHS	2008 GHS
22.	**Interest payable and other liabilities**				
	Accrued interest payable	9,053,732	4,345,472	9,053,732	4,345,472
	Financial guarantees	13,862	5,749	13,862	5,749
	Other creditors and accruals	2,942,328	2,563,951	2,936,328	2,561,251
		12,009,922	6,915,172	12,003,922	6,912,472

		2009 GHS	2008 GHS	2009 GHS	2008 GHS
23.	**Subordinated shareholders loans**				
	Social Security and National Insurance Trust (SSNIT)	2,000,000	2,000,000	2,000,000	2,000,000
		2,000,000	2,000,000	2,000,000	2,000,000

The subordinated shareholder loan of GH¢2m from SNNIT is for a term of 6 years with repayment due on 20 January 2012. The interest rate is variable, linked to the yield on 91 day Goverment of Ghana treasury bill and is repriced twice yearly and is payable half - yearly. As at the end of 2009 the interest rate on the loan was 25.84% (2008: 16.32%).

This financial liability is classified as borrowings and is carried at amortised cost.

24. Stated capital

	CONSOLIDATED	
	2009	2008
i) The number of shares authorized, issued and in treasury are as follows:-		
Ordinary:		
Authorized	100,000,000	100,000,000
Issued	16,000,000	10,000,000
In treasury	Nil	Nil
Preference:		
Authorized	10,000,000	10,000,000
Issued	-	-
In treasury	Nil	Nil
ii) Proceeds from the issued shares are as follows:-	2009 GH¢	2008 GH¢
Ordinary shares:		
Issued for cash	25,193,496	7,820,796
Issued for consideration other than cash	22,723	22,723
Transfer from Income Surplus Account	773,869	773,869
Total	25,990,088	8,617,388

iii) Ordinary shares

In 2009 a rights issue of shares, as well as private placement of shares was made, increasing the stated capital from ordinary shares by GH¢ 17.3 million.

25. Cash and cash equivalents

	CONSOLIDATED		THE BANK	
	2009 GHS	2008 GHS	2009 GHS	2008 GHS
Cash and balances with Bank of Ghana (note 12)	34,178,159	18,826,742	34,178,159	18,826,742
Due from banks and other financial institutions (Note 14)	39,887,313	47,870,702	39,537,404	47,835,266
	74,065,472	66,697,444	73,715,563	66,662,008

26. Related party transactions

This relates to loan balances due from the following related parties:

	CONSOLIDATED 2009	CONSOLIDATED 2008	THE BANK 2009	THE BANK 2008
Executive directors	85,692	300,791	85,692	300,791
Officers and other employees	3,024,785	1,270,972	3,024,785	1,270,972
Non executive directors	486,964	254,814	486,964	254,814
	3,597,441	1,826,577	3,597,441	1,826,577

27. Contingencies and commitments

(a) Guarantees and indemnities
The bank had outstanding guarantees and indemnities of GH¢ 4,130,989 as at the end of the year. (2008: GH¢ 1,679,572)

(b) Contingent liability
There are no other contingent liabilities at the end of the year (2008: Nil)

(c) Commitments
There no commitments outstanding at the end of the year (2008: Nil)

28. Financial risk management

(a) Introduction and overview
There is risk in every transaction the Bank undertakes and in every service it provides. It is therefore a fundamental responsibility of management to ensure that all the risks associated with each class of business, each product and each type of transaction are identified as well as manage the risks associated with the conduct of the bank's affairs. Most transactions of the Bank are subject to one or more of the following risks,

- credit risk;
- liquidity risk;
- interest rate risk;
- currency risk;
- market risk;
- operational risk;

These inherent risks are managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and controls. This is process is critical to the Bank's continued profitability and each individual within the Bank is accountable for the risk exposures relating to his or her responsibility.

Outlined in this note is information about the bank's exposure to each of the above risks, the bank's objectives, policies and processes for measuring and managing these risks, and the bank's management of capital.

(b) Risk management structure
The Board of Directors has overall responsibility for the establishment and oversight of the bank's risk management framework. Under this framework, the Board has established a number of separate independent bodies responsible for managing and monitoring risks. These include, Board sub-committees, Credit Committee of management (CC), Risk Management Department, Asset and Liability (ALCO), which are responsible for developing and monitoring bank risk management policies in their specified areas. All Board committees have both executive and non-executive members and report regularly to the Board of Directors on their activities.

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

(c) Risk measurement and reporting systems
The Bank's risks are measured using methods which reflect both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the actual loss. These models make use of probabilities derived from historical experience, adjusted to reflect the economic environment. The Bank also runs worse case scenarios that would arise in the event that extreme events which are unlikely to occur do, in fact, occur.

Monitoring and controlling risks is primarily based on limits established by the Bank. These limits reflect the business strategy and market environment of the Bank as well as the level of risk that the bank is willing to accept. In addition the bank monitors and measures the overall risk bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information and data on risk measures across the business are generated periodically and processed in order to analyse, control and identify early risks. This information is made available to the Board, as well to the key management risk control functions of the bank. The reports include aggregate credit exposure analysed into industry and customer as well as liquidity ratios.

(d) Credit risk management
Credit risk is the risk that the bank will incur a loss because its customers, clients or counterparties will not be able or willing to pay interest, repay capital or otherwise to fulfil their contractual obligations under loan agreements or other credit facilities. Credit risk is the bank's largest risk and considerable resources, expertise and controls are devoted to managing it.

The bank manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for industry concentrations, and by monitoring such limits. The Board sub-committee reviews the quality of the Credit Book, past due credits and all new credits approved by the CC. In all cases the Board reviews at its meetings all extensions of credit that are in place.

Types of credit risk assets

Credit facilities extended to customers may be short term (up to one year) medium term (one to three years) or long term (over three years) in tenor. Additionally, facilities may be of a direct or indirect nature. They may be contractual (where the borrower has the contractual right to draw) or advised (where the Bank can cancel the credit at its discretion)

Direct facilities are those where the Bank actually disburses funds to a borrower, in the form of a loan or other advance, or creates an arrangement whereby the customer may himself draw funds on credit at his volition up to an agreed limit. Such direct facilities include:

- Overdrafts i.e. Advances on Current Accounts mainly to finance current assets
- Demand Loans
- Term Loans
- Bill discounting
- Advances under Letters of Credit
- Acceptances, Guarantees and Indemnities etc.

Indirect (or contingent) obligations are created when the Bank enters into a contractual obligation to pay a third party at a future date, or upon the occurrence of a certain event, against the indemnity of a customer (who is the direct obligor). Such indirect facilities include:

- Opening and/or confirmation of letters of credit
- Issuance of guarantees and indemnities (e.g. to customs, immigration)
- Issuance of bid/performance/advance payment bonds
- Issuance of standby letters of credits.

This can also consist of operational risk such as non delivery, facilities for FX and other dealing lines.

Target market and risk asset selection

The target market and risk asset selection is a continuous process which involves a screening of the entire market, identifying business potential, defining desirable opportunities and adhering to resultant marketing objectives and strategies. An unfocused approach to the market can lead to unplanned asset concentrations of uneven quality on the books, and it may not be possible for the Bank to easily work out from undesirable relationships even when such a decision has been made.

The Bank undertakes a screening of the market and economic sectors to identify key players and potential business for the Bank. This is followed by a short listing of the desirable industries. This list should be supported by a justification as to why only some industries were selected, and why the Bank will not deal with some others.

Industry studies are also carried out on each of the selected industries. This exercise enables the Bank to understand the importance of each sector to the economy, Gross Domestic Product percentage share, and key players in the industry, business cycles and product mix. The information derived above guides the Bank in identifying critical success factors and quantitative/ qualitative acceptance parameters by industry.

Workable and appropriate Risk Asset Acceptance Criteria (RAAC) have been developed for each industry, taking into account both quantitative as well as qualitative parameters identified above. Example of these include, net sales, net income, years in business, market reputation, management quality, minimum lending, ... among others.

Differing financing needs for the different industries often make it necessary to identify the credit products mostly required by each industry. Such products should be supported by a product RAAC which evidences that tenor, documentation requirements and approval process are consistent with the associated transaction risks and that transaction flows are understood and documented.

Credit Application (CA) Process

Prior to extension of any credit facility, whether direct or contingent, it must be recommended and approved by means of a CA. Such CA will incorporate analysis and evaluation of all risk inherent in the transaction. These reviews are both quantitative, ie balance sheet spreading, cash flow analysis as well as subjective, nature of the business, quality of management, suitability of loan to business.

Credit approval authority is delegated to Management by the Board of Directors of Fidelity Bank. Any extension of credit exceeding authority delegated is subject to approval by the Credit Sub-committee of the Board, following recommendation to the Board by Management.

Authority for approval of credit within limits is delegated by the Board of Directors. There is a Credit Sub Committee of the Board that may exercise the authority of the Board pending full sittings of the Board. The Credit Sub-Committee comprises a minimum of two Ghanaian resident non-executive directors of the Board.

The Board may delegate authority down the line to an in-house Credit Committee (CC) who may in turn delegate authority (but not the ultimate responsibility) to the Director of Credit Risk Management and/or to other Credit Officers as may be required under the policy approved by the Board. All decisions of the Credit Sub-Committee must be unanimous.

All Credit granted by the Bank are subject to the laws and regulations contained in the Banking Act 2004. No single party facility shall exceed 25% of the net worth of the bank on secured basis or 10% of net worth on unsecured basis. No unsecured facilities to directors are permitted without the approval of the Bank of Ghana.

At 31 December 2009, the bank's credit exposure were categorised as follows:

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

The balances for each category have been analysed below;

	2009		2008	
	Loans & advances to customers GHS	Due from banks & financial inst. GHS	Loans & advances to customers GHS	Due from banks & financial inst. GHS
Neither past due nor impaired	170,702,884	23,048,209	86,403,923	25,723,346
Past due but not impaired	5,228,416	-	312,315	-
Individually impaired	2,843,907	-	372,331	-
Gross	178,775,207	23,048,209	87,088,569	25,723,346
Less Allowance for impairment	2,251,410	-	663,608	-
Net amount	176,523,797	23,048,209	86,424,961	25,723,346

Liquidity risk management
Liquidity risk is defined as the likely event of a negative impact on the value or volume of liquid assets as a result of changes in any of the following variables that impact on liquidity: interest and exchange rates, inflation, customer actions, changing economic conditions and the action(s) of competitors.

To limit this risk, management adopts a number of measures including monitoring the day-to-day funding requirements to ensure that future cash flows can be met. This requires that the bank maintains an active presence in the local money markets to enable that to happen. The Bank also maintains a portfolio of highly marketable assets that can easily be liquidated as protection against any unforeseen interruption to cash flow. Finally, the Bank is statutorily required to maintain a reserve of 9% of foreign currency customer deposits held as well as 9% of local currency customer deposits in separate accounts with the Bank of Ghana. These balances are used to support all inter-bank transactions.

Liquidity risk measurement
The bank prepares and uses liability mismatch reports to manage funding needs. The weekly liquidity mismatch report is used to measure the ability of the Bank to meet maturing liability obligations. This is supplemented by weekly cash flow reports produced to show the projected cash flow on a daily basis incorporating projected customer withdrawals, including credit disbursements, as well as deposits.

The deposit concentration ratio is monitored monthly to ensure that decisions of individual and or groups of depositors do not severely impact on liquidity. Particular attention is given to wholesale borrowing; defined to include all liabilities taken from customers that are in excess of GHC 1 million per client. Due to their size, withdrawals of such funds tend to impact negatively on liquidity. As a rule, wholesale borrowing transactions are entered into as repurchase contracts where each transaction is collateralized with a Treasury Bill or Bond. Alternatively, such transactions are contracted to support specific credits in a back-to-back transaction. To manage the impact deposit concentration on liquidity, wholesale borrowings from individual clients does not exceed 25% of total customer liabilities. Also, the recommended ratio of the top 20 deposits to total liabilities is 15% or less. The implication of these ratios is the need to diversify the mix of deposits such that the action of one group is unable to significantly affect the bank's deposit base especially in a negative manner. The monthly deposit concentration report is examined as part of the Assets and Liabilities Committee (ALCO) process and the necessary preventive/ remedial action taken.

The loan/ deposit ratio measures the amount of advances as a percentage of deposits and is used to monitor the availability of funds for additional credits out of deposits. All approved loans that are yet to be disbursed are captured as part of the loan deposit ratio, to ensure that the true position of available funds is reported at any one time. Two loan/deposit ratios are reported using only facilities that have been disbursed for one report and another ratio using both disbursed and un-disbursed facilities.

In addition to the above, the bank also ensures compliance to the regulatory requirements set by the Bank of Ghana such as effective volatile liability dependency ratio which is the measured as (volatile funds – liquid assets) / long term investments. This measures the reliance on volatile funds to finance long term investments as well as other non-liquid assets. The bank targets a negative ratio to be in compliance with BoG. (Volatile funds is short term wholesale funds e. g call accounts).

The table below summarises the maturity analysis of liabilities showing the contractual undiscounted cash flows.

Maturities of assets and liabilities

	0-3 months GHS	3-6 months GHS	6-12 months GHS	Over 12 mths GHS	Total GHS
Assets					
Cash and balances with Bank of Ghana	34,178,159	-	-	-	34,178,159
Financial investments	20,147,777	24,403,098	2,151,106	52,462,448	99,164,429
Due from other banks and financial institutions	39,537,404				39,537,404
Loans and advances to customers	55,363,593	11,269,787	24,130,899	85,759,518	176,523,797
Other assets	-	6,512,971	-	-	6,512,971
Amounts due from associated companies				60,126	60,126
Investment in associate				161,000	161,000
Deferred tax asset				-	-
Property and equipment				5,168,681	5,168,681
Intangible assets				782,075	782,075
Total assets	149,226,933	42,185,856	26,282,005	144,393,848	362,088,642
Liabilities					
Customer deposits	141,974,228	61,668,611	91,505,818		295,148,657
Due to other banks	8,872,781	7,810,800	3,325,964		20,009,545
Interest payable and other liabilities	75,124	11,928,798			12,003,922
Current tax liability		565,651			565,651
Deferred tax liability				510,698	510,698
Subordinated shareholders' loan				2,000,000	2,000,000
Total liabilities	150,922,133	81,973,860	94,831,782	2,510,698	330,238,473
Net liquidity gap	(1,695,200)	(39,788,004)	(68,549,777)	141,883,150	31,850,169

Liquidity Crises Management

Liquidity crisis is defined as a condition where the bank is unable to meet maturing liabilities/or regulatory reserve requirements due to inadequate liquid assets or a condition that arises from a sudden deterioration of the perceived safety and credibility of the Bank resulting in substantial withdrawal of funds by depositors.

This is deemed to have occurred when any of the following conditions exist:

- Liquidity guidelines/ratios have been breached for four consecutive weeks.
- BoG support facilities have been accessed for three or more consecutive weeks.

Management has put in place a Contingency Action Plan to manage liquidity crisis. The plan includes action points together with responsibilities for ensuring that steps are taken to manage the crisis.

Market risk management
Market risks arise from interest rate products and open positions in currency, all of which are exposed to general and specific market movements. Management sets limits on the value of risk that may be accepted, which is monitored on a daily basis. However, the use of this approach does not prevent losses outside of these limits in the event of more significant market movements.

Interest rate risk
Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The interest rate mismatch report in addition to interest rate sensitivity reports using different rates are produced for ALCO meetings as part of the process of managing interest rate risk. Different interest rate sensitivity scenarios, 1 to 5 percent changes, are produced for review at each ALCO. The review is guided by profitability, liquidity needs (projections) and interest rate risk.

Currency risk
Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The open positions of currencies held are monitored on a daily basis. The objective of monitoring the open position in foreign currency is to manage foreign exchange risk due to movements in rates as well as changes in liquidity positions. The bank has adopted the Bank of Ghana requirement that banks maintain a total open position which is equal to 30% of their net worth. Within this limit, banks are also required to maintain single currency open positions equal to 15% of net worth.

Included in the table are the Bank's assets and liabilities at carrying amounts categorised by currency:

At 31 December, 2009	EUR GHS	GBP GHS	USD GHS	GHC GHS	Total GHS
Assets					
Cash and balances with Bank of Ghana	846,351	838,100	7,079,920	25,413,788	34,178,159
Financial investments	-	-	-	99,164,429	99,164,429
Due from other banks and financial institutions	836,120	558,260	19,694,281	18,448,743	39,537,404
Loans and advances to customers	4,225	1,213,563	41,312,237	133,993,772	176,523,797
Other assets	-	-	-	6,512,971	6,512,971
Amounts due from associated companies	-	-	-	60,126	60,126
Investment in associate	-	-	-	161,000	161,000
Property and equipment	-	-	-	5,168,681	5,168,681
Intangible assets	-	-	-	782,075	782,075
Total assets	1,686,696	2,609,923	68,086,438	289,705,585	362,088,642
Liabilities					
Customer deposits	2,147,647	3,103,414	71,817,625	218,079,971	295,148,657
Due to other banks	-	-	7,400,045	12,609,500	20,009,545
Interest payable and other liabilities	-	3,437	437,776	11,562,709	12,003,922
Current tax liability	-	-	-	565,651	565,651
Deferred tax liability	-	-	-	510,698	510,698
Subordinated shareholders' loan	-	-	-	2,000,000	2,000,000
Total liabilities	2,147,647	3,106,851	79,655,446	245,328,529	330,238,473
Net on balance sheet position	(460,951)	(496,928)	(11,569,008)	44,377,056	31,850,169
Net off balance sheet position	2,068,700		11,491,748	(9,429,459)	4,130,989

At 31 December, 2008	EUR GHS	GBP GHS	USD GHS	GHC GHS	Total GHS
Assets					
Cash and balances with Bank of Ghana	317,774	152,314	401,265	17,955,390	18,826,742
Financial investments	-	-	-	59,318,533	59,318,533
Due from other banks and financial institutions	11,735,834	1,351,984	14,747,449	20,000,000	47,835,266
Loans and advances to customers	2,024	716,954	25,208,563	60,497,420	86,424,961
Other assets	-	-	-	2,482,117	2,482,117
Amounts due from associated companies	-	-	-	86,092	86,092
Investment in associate	-	-	-	161,000	161,000
Deferred tax asset	-	-	-	298,982	298,982
Property and equipment	-	-	-	3,831,363	3,831,363
Total assets	12,055,632	2,221,251	40,357,276	164,630,897	219,265,056
Liabilities					
Customer deposits	11,563,498	1,708,029	27,390,796	117,123,044	157,785,366
Due to other banks	-	-	12,965,934	30,109,500	43,075,432
Interest payable and other liabilities	5,376	4,821	348,192	6,554,084	6,912,473
Current tax liability	-	-	-	16,058	16,058
Subordinated shareholders' loan	-	-	-	2,000,000	2,000,000
Total liabilities	11,568,873	1,712,849	40,704,922	155,802,686	209,789,330
Net on balance sheet position	486,759	508,402	(347,646)	8,828,211	9,475,726
Net off balance sheet position	250,788	-	84,938	1,343,846	1,679,572

The amount of total assets and total liabilities held inside and outside Ghana is analysed below:

Foreign currency exposure	2009		2008	
	Ghana GHS	Outside GHS	Ghana GHS	Outside GHS
Assets				
Cash and balances with Bank of Ghana	8,764,371	-	5,343,727	18,038,332
Due from other banks and financial institutions	-	21,088,661	-	5,687,910
Loans and advances to customers	42,530,025	-	25,203,687	-
Other assets	-	-	483	-
	51,294,396	21,088,661	30,547,897	23,726,242
Liabilities				
Customer deposits	77,068,686	-	13,335,627	27,510,135
Due to other banks	7,400,045	-	-	-
Interest payable and other liabilities	441,213	-	12,965,934	-
	84,909,944	-	26,301,561	27,510,135

Capital management

The bank's objectives when managing capital are (i) to comply with the capital requirements set by the Bank of Ghana, (ii) to safeguard the bank's ability to continue as a going concern and (iii) to maintain a sufficient capital base to ensure strong credit ratings and to support its business and maximize shareholder value. Compliance with capital adequacy ratios set by the Bank of Ghana is monitored monthly with reports outlining their calculation reviewed and signed by the Bank's Finance Director.

Under the current capital requirements set by the Bank of Ghana, banks have to maintain a ratio of regulatory capital to weighted risk assets ("capital adequacy ratio") above 10%.

- should be unsecured
- repayment is subordinated to other debt instruments
- should have a minimum original fixed term to maturity of over 5 years
- not available to absorb the losses of a bank which continues trading.

The permissible amount of total qualifying subordinated loan capital is limited to a maximum of 50% of Tier I capital.

The risk-weighted assets are measured in accordance with the guidelines as provided by the Bank of Ghana. It takes into account the nature of, and reflecting an estimate of credit, market and other risks associated with each asset and counterparty.

The table below summarises the composition of regulatory capital, total weighted risk assets and the capital adequacy ratios of the Bank for the years ended 31 December 2009 and 2008.

		2009 GHS	2008 GHS
Paid-up Capital		25,990,088	8,617,388
Disclosed Reserves		3,148,375	555,377
Other adjustments		(328,781)	(351,298)
Tier 1 Capital		28,809,682	8,821,467
Tier 2 Capital -	Subordinated Term Debt	-	2,000,000
Total Capital		28,809,682	10,821,467
Risk weighted assets		190,404,538	92,666,964
Tier 1 capital adequacy ratio		15.1%	9.5%
Total capital adequacy ratio		15.1%	11.7%

During those two years, the Bank complied with all of the externally imposed capital requirements to which it is subject to.

20 LARGEST SHAREHOLDERS AS AT 31st DECEMBER 2009

	Shareholder	Post-Offer Shareholding No. of Shares	Post-Offer Shareholding Percentage
1	Africa Capital LLC	4,160,000	26.00%
2	Agricultural Development Bank	2,400,000	15.00%
3	Social Security & National Insurance Trust	2,400,000	15.00%
4	ENO International LLC	1,860,000	11.63%
5	Fidelity Trust	1,350,000	8.44%
6	Kwamina Duker	1,000,000	6.25%
7	J&S Associates	640,000	4.00%
8	SIC Life Company Limited	470,000	2.94%
9	A&A Partners Limited	200,000	1.25%
10	Bernard Lind	200,000	1.25%
11	Mr. Godwin Brocke	200,000	1.25%
12	Mr. Edward Effah	160,000	1.00%
13	Mr. Jim Baiden	160,000	1.00%
14	Mr. David Boatin	150,000	0.94%
15	Business Development Consultancy	100,000	0.63%
16	Ghana Commercial Bank	100,000	0.63%
17	Mr. Philip Addison	100,000	0.63%
18	Mr. Victor & Mrs. Doris Attafua	60,000	0.38%
19	Prof. John & Dr.(Mrs.) Magaret Gyapong	60,000	0.38%
20	Mrs. Johanna Svanikier	50,000	0.31%
	Total	15,820,000	98.88%
	Others	180,000	1.13%
	Grand Total	16,000,000	100.00%

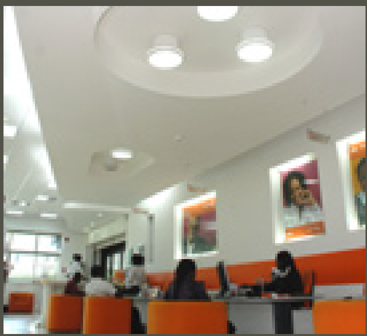
Analysis of Shareholdings as at 31st December 2009

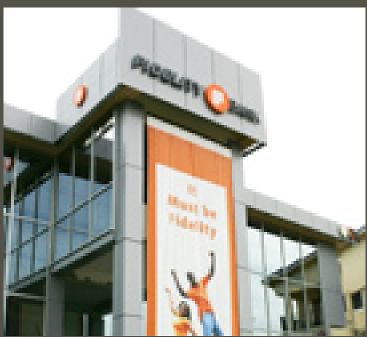
Category	Number of Shareholders	Number of Shares	% Holding
1 - 50,000	10	230,000	1.44%
50,001 - 500,000	12	1,960,000	12.25%
500,001 - 1,000,000	2	1,640,000	10.25%
over 1,000,000	5	12,170,000	76.06%

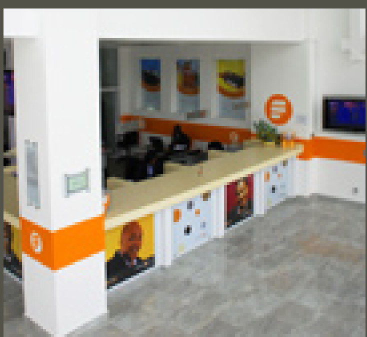
Directors Shareholdings as at 31st December 2009

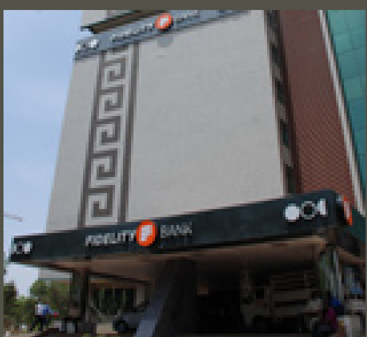
Directors	Number of Shares
William Panford Bray	10,000
Edward Effah	160,000
Kwamina Duker	1,000,000
Johanna Svanikier	50,000
Jim Baiden	160,000

List of Fidelity Bank Branches









1. RIDGE TOWER BRANCH
10 Ambassadorial Enclave, Ridge - Accra.
Tel: +233 (0)30 221 4490

2. OSU BRANCH
Adwoa Adjeiwaa Building, Cantonments Road, Osu-Accra.
Tel: +233 (0)30 276 0482

3. SPINTEX BRANCH
Spintex Road, Accra.
Tel: +233 (0)30 281 6030

4. KUMASI POST BANK BRANCH
Baba Yara Stadium, Asokwa.
Tel: +233 (0)32 204 9814

5. ADUM BRANCH
Osei Tutu I Avenue, Adum, Kumasi.
Tel: +233 (0)32 204 7480

6. SUAME BRANCH
Plot No. 18 Block Xiv Old Suame-Kumasi Near Suame Magazine And Adjacent Procredit at Suame-Kumasi
Tel: +233 (0)32 204 7480

7. ATONSU BRANCH
Lake Road, Atonsu Kumasi-Ashanti
Tel: +233 (0)54 433 6361

8. TEMA SAFEBOND BRANCH
Bond House, New Harbour Container Terminal, Tema.
Tel: +233 (0)30 321 3390

9. TEMA COMMUNITY 1
Community One, off Meridian Road-Tema - Directly Behind Engen Filling Station
Tel: +233 (0)30 320 2807

10. ABOSSEY OKAI BRANCH
No.13 Winneba Road, Kaneshie, Mpamprom, Accra.
Tel: +233 (0)30 267 9361

11. KANTAMANTO BRANCH
No.115 Block 6, Agbogbloshie, Near Second Hand Dealers Market, Accra.
Tel: +233 (0)30 267 9318 / 267 9326 / 267 9351

12. REGISTRAR GENERAL COLLECTION CENTER
Registrar General Office, Accra.
Tel: +233 (0)30 267 7966

13. TUDU BRANCH
Dakmak House, Boundary Road, Accra.
Tel: +233 (0)30 268 0567

14. HIGH STREET BRANCH
City Car Park Building, High Street, Accra.
Tel: +233 (0)30 267 3103

15. TAKORADI BRANCH
Kofi Annan Avenue, Market Circle, Takoradi.
Tel: +233 (0)31 202 3312

16. OKAISHIE BRANCH
SIC Island Building at Okaishie near Makola - Accra
Tel: +233 (0)30 268 5139

17. A & C MALL BRANCH
New Corporate Building A & C Dev. Com. Ltd- A & C Mall Premises, East Legon Accra
Tel: +233 (0)30 252 2633

18. ACTION CHAPEL BRANCH
New Corporate Building, Action Chapel Premises - Action Chapel Spintex Road Accra
Tel: +233 (0)54 433 5966

19. TAMALE BRANCH
Plot No 8 & 9 Hospital Road-Tamale

FIDELITY BANK
the new standard

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