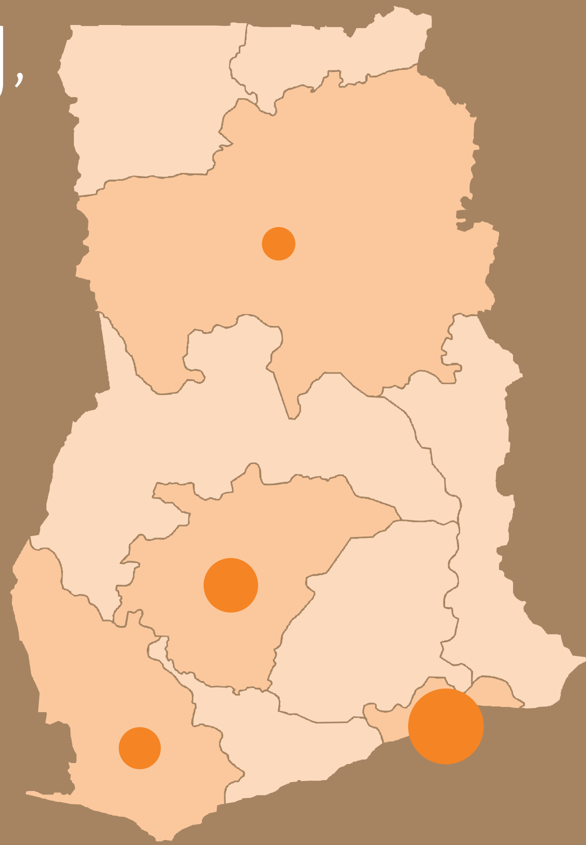
2010 Annual Report

FIDELITY BANK

We are Growing,

and poised to be wherever you need us to be.



25 branches and counting...

We can now be found at any of the following locations:

GREATER ACCRA REGION

Ridge Tower	Osu
Spintex Road	Tema Safebond
Tema Community 1	Tema Community 2
Abossey Okai	Kantamanto
Registrar General	Tudu
High Street	Okaishie
A & C Mall	Action Chapel
Ring Road Central	Haatso
Dansoman	

ASHANTI REGION

Stadium Post Bank	Adum
Suame	Atonsu
Ahodwo	

WESTERN REGION

Takoradi	Tarkwa

NORTHERN REGION

Tamale

We're steadily on course,

and confident that we will achieve our mission.

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, Africa Capital, SIC Life, 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).

FCPL is the leading venture capital and private equity fund manager in Ghana and manages the Fidelity Equity Fund 1.

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 ratio, 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.

We're driven by our mantra

of setting *new standards* in all areas.

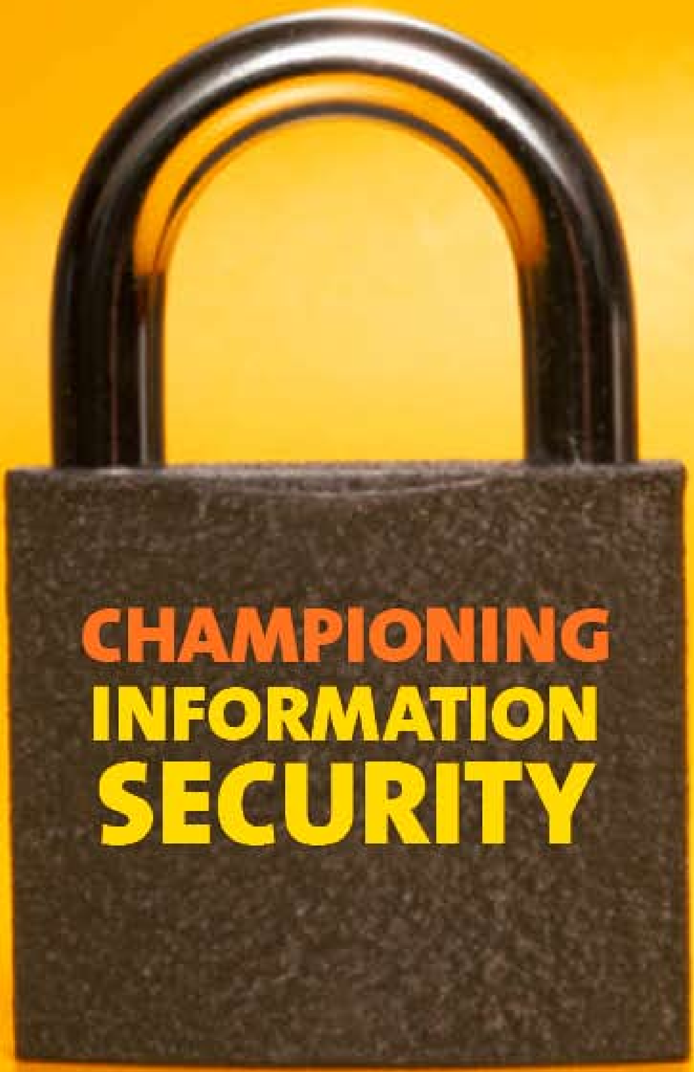
▲ 81%	▲ 113%	▲ 80%	▲ 16%
Total income	Profit before tax	Total assets	Shareholder's Fund
GHs **46.9**m	GHs **7.0**m	GHs **650.9**m	GHs **37.4**m

Key Milestones

- Branch network increased from 15 to 25
- Became the first commercial bank in Ghana to be ISO 27001 certified (Information Security Management Systems)
- Opened an office in Singapore
- Established an "Asia Desk" within Corporate Banking to facilitate transactions originating from Asia in Ghana.
- Secured USD 100 million L / C confirmation lines to support our trade transactions.

The FIRST and ONLY

commercial bank in Ghana to be ISO Certified.



Fidelity Bank is the first Commercial Bank in Ghana to receive the world's highest accreditation for information protection and security from the International Organization for Standardization (ISO).

Obtaining this ISO/IEC 27001:2005 certification means that we are now even more capable of handling your precious information in a trustworthy and secured manner.

Bank with us today for a new level of Safety and Security.

Financial Highlights

For the year ended 31 December, 2010

> “Our 2010 results indicate strong performance on the wings of high growth.”

Net Interest Margin	Cost Income Ratio
6.61% (2010) vs. 5.9% (2009)	72.4% (2010) vs. 81.2% (2009)

Return On Equity	Capital Adequacy Ratio
14.4% (2010) vs. 10.6% (2009)	13.4% (2010) vs. 15.1% (2009)

Loan Loss Ratio	Market Share – Total Assets
3.2% (2010) vs. 1.3% (2009)	4.0% (2010) vs. 2.8% (2009)

Contents

Governance

Corporate Information

Directors

Mr William Panford Bray [Chairman]

Mr Edward Effah [Managing Director]

Mr Jim Baiden [Deputy Managing Director]

Mr Kwamina Duker

Mrs Johanna Svanikier

Mr Paul Victor Obeng

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 present to you the Chairman's Statement for the year ended 2010. In spite of the several challenges, the Bank achieved significant growth over the past year and I am pleased to be part of this success story.

Operating Environment

In 2010 the recovery of the global economy continued to be sluggish. The US Economy experienced a slow recovery amidst a second quantitative easing programme while Europe faced financial turmoil. Growth in Asia rather proceeded at a very healthy pace. In Ghana, we continued to enjoy the benefits of a stable democracy and prudent macro economic policies put in place by the government.

The stability of the country, coupled with a stable currency, government expenditure and a high stock exchange performance all contributed to increased economic activity. The improvement in government expenditure, particularly regarding the payment of contracts that had been delayed from the previous year enhanced the operating environment for commercial banking activities towards expansion of credits to SMEs in the private sector.

As expected, the Bank of Ghana continued its inflation target policy leading to a consistent reduction in its policy rate as well as other money market rates. This is exemplified by the reduction in the Central Bank's Prime Rate from 18% in January 2010 to 13.5% in December 2010. Ghana's rate of inflation fell continuously; reaching a low rate of 8.6% in December compared to a high of 15% at the beginning of the year in January 2010. We expect this declining trend to level off and begin to increase later this year with the expansion of the economy, especially when oil production kicks off.

Competition in the banking landscape was very keen, with banks' foreign asset position improving, whilst a significant number of banks are now well capitalized. However bank credit remained tight after the economic uncertainty of 2009 with the slow pace of reduction in lending rates being largely due to structural constraints in the sector.

2010 Financial Performance

The Board and Management focused on our primary objective of creating and growing shareholder value. We built on the impressive performance in previous years to realize growth in all key areas. Total Assets of the Bank increased significantly to GH¢650 million from GH¢362 million in 2009; representing a growth of 80%. The Bank realized an increase in total income from GH¢26 million in 2009 to GH¢46 million in 2010 (a growth of 77%).

Total number of customers doubled from 50,000 to 120,000. We are grateful to our patrons for responding positively to our branch expansion and customer loyalty programs, particularly the "Go for Gold" promotion. The increase in customers facilitated a growth of 86% in our customer deposits to GH¢548 million (GH¢295 million in 2009). The bank also lent to the tune of GH¢212 million; representing a 20% growth from 2009.

The Bank's profit before tax also grew by over 119% to GH¢6.8 million from GH¢3.1 million from the previous year. Return on average equity was 14.4% per cent as we increasingly put the capital raised in 2009 to work and as branches opened in 2009 began contributing to profits.

Dividends

In line with our commitment to deliver value to our shareholders, coupled with the strong liquidity of the Bank's position, the Board of Directors are proposing a 100% increase in dividend per share to 10 GH pesewas (2009: 5.0 GH pesewas).

Strategy

In 2010, our strategy was to consolidate the efforts of previous years to considerably grow our retail base and develop the Bank's infrastructure and risk management procedures.

Consumer banking was strengthened to harness opportunities within personal lending, transaction banking operations, private & executive banking and our branch rollout strategy.

We are committed to staying the course; striving to maintain a strong balance sheet to position the Bank better for the future. We have implemented what we believe is an efficient and more customer focused operating structure that will improve our performance and efficiency going forward.

Asia Strategy

The Bank plans to become the preferred gateway and banking facilitator for trade and financial transfers between Ghana and Asia. The objective is to utilize the growing cooperation and trade activity between Asia and Africa as a key driver towards accelerated growth.

We acknowledge that global political and economic power is shifting towards the East. Asia's economic power has risen in tandem with the trade flows into Africa. By 2020, more than 1.2 billion people are projected to have a per capita GDP of more than $5,000 in Asia. We are establishing the banking relationship to facilitate future activities between the new economic giants and Ghana.

To further leverage our network and strengthen the bank's position in international transactions involving Asia, we have opened an office in Singapore, which is headed by a seasoned Chinese national who has considerable trade and business development experience in Africa. In addition, we have established an "Asia Desk" within our Corporate Banking outfit with the primary focus of facilitating transactions originating from Asia in Ghana.

Capital

In line with plans to meet Bank of Ghana's minimum capital requirement of GH¢60 million by 2012, and to enable the Bank attract long term funding, particularly from Development Finance Institutions, a resolution will be laid before shareholders on 30th March 2011 to seek approval for the Directors to raise additional capital in convertible preference shares and/or other debt instrument that may have convertible options.

Corporate Governance

The bank continued to exhibit an exemplary corporate governance culture consistent with the mandatory legal provisions. The Board through its Committees, Audit and Credit, ensured good internal control processes and maintained compliance with regulatory requirements and provisions. The Board through these Committees and other management committees continuously worked to ensure that sound business ethics were practiced throughout the Bank.

Directors

We maintained the full complement of the Board's membership throughout the year. In addition, we formally welcomed to the Board, Mr. Paul Victor Obeng as a Non Executive Director representing SSNIT, one of our cherished business partners and a significant shareholder. Mr. Obeng requires no introduction. It is worth mentioning that in spite of his demanding schedule, his commitment and support for the Bank has been immeasurable. We thank him for the immense input he has made towards the development and growth of Fidelity Bank, and hope that he will continue to play an important role towards the success of the Bank.

Conclusion and Outlook for 2011

In line with Government policies, we expect 2011 to be more active in terms of Government spending and payments. This is expected to have a positive impact on the economy and we will position Fidelity Bank to take advantage of the numerous opportunities that will arise. In addition to this, the commencement of the production of oil will further increase the growth of business opportunities available in the economy.

We are confident that we will continue to reinvest in our key businesses for the benefit of our stakeholders, as we do the right thing for our customers and for the communities we serve.

On behalf of the Board, I wish to recognize the tireless contributions of all our shareholders, directors, management and staff in contributing to the growth of the Bank.

We are extremely confident that the Bank is on the fast track to becoming a World Class bank and we ask for your continued support and commitment to achieve this goal.

William Panford Bray
Board Chairman

Managing Director's Report

It is with great pleasure that I report on the performance of your Bank for the year 2010. As I look back at the year in retrospect, I see a year of significant accomplishments by your bank. Management, working in tandem with the Board and Staff was able to deliver a bigger bank at the end of the year, a bank that today is more profitable, more efficient with its systems and processes, more innovative with its products and services and certainly more customer centric than a year ago.

The economic environment and banking climate were arguably more challenging last year but on the wings of sound business strategy and determination of purpose we delivered on most of our set goals and objectives for 2010.

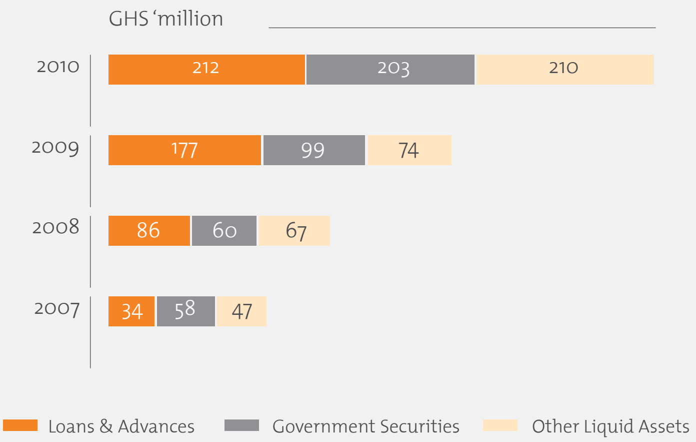
We made significant gains in brand value with the launch of our very innovative "Go For Gold" deposit campaign. Our monthly draws and commensurate rewards have been very well received by our customers and the public at large. Not surprisingly our customer base of 50,000 at the beginning of the year had reached about 120,000 by the end of 2010.

2010 Financial Performance

The balance sheet of the bank grew significantly by 80% over the position at the beginning of the year. Total assets at the end of 2010 stood at GHS 650 million compared to GHS 362 million at the end of 2009. The expansion of the bank's balance sheet was funded largely by increase in customer deposits. At the end of the year, customer deposits had increased from GH¢ 295 million to GH¢ 548 million, representing a year on year growth of 86%. This growth further increased our market share of deposits to 4% from 3.2% the previous year.

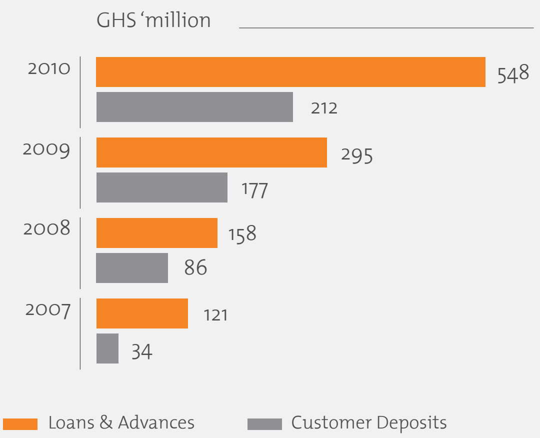
The balance sheet structure remains healthy with 87% of total assets in earning assets. The composition of these assets at the end of 2010 was 33% in loans and advances, with 67% in Government bills and bonds, interbank placements and cash thus underscoring our status as a conservative, high liquidity bank.

Total Trading Assets Composition



In 2010, Loan & advances increased to GHS212 million from GHS177 million the previous year representing a growth of 20%. Personal loans accounted for 45% of the loan book whiles 55% was channeled to support corporate and retail loans. In spite of the rather high level of non-performing loans within the industry, the bank's loan loss ratio at the end of the year was 3.6% compared to an industry average of 12.4%.

Loans and Deposits



As a result of the gains made in expanding the balance sheet as well as improved efficiency in operations, the bank's profit before tax for 2010 was GH¢6.8 million, a 119% increase from Gh¢3.1 million for 2009.

In 2010, Net interest income was up 92% over 2009 in spite of reducing interest rates during the year. In the course of the year, the bank saw the average yield on earning assets fall from 27% in December 2009 to 16% in December 2010. The bank' interest income however increased by 45% over the previous year as a result of higher turnover. This was due to an increase in gross loans and advances of 23% over the previous year, as well as the doubling of our holdings in government securities from 2009.

The growth in non-funded income was 67% for the year and accounted for 38% of total income; leaving 62% to come from interest income. Overall, top line total operating income for the year under review was GH¢ 47 million, an increase of 82% over the previous year.

Operating costs increased from GH¢ 21 million to GH¢ 33.5 million driven largely by branch expansion costs. In 2010, 10 new branches were added to the bank's footprints bringing total outlets in the network to 25. In 2011, the bank will pursue a strategy of consolidation and optimization of its branches. This will ensure that by year-end, all branches break even and provide a solid return on investments.

Shareholders' funds at year-end 2010 was GH¢ 37 million, growing from GH¢ 31.8 million at the beginning of the year. This was largely due to increase in profits in the year. The Bank is on course to meet the minimum capital requirement of GH¢ 60 million by end of 2012.

Notable Funding

Fidelity Bank chalked some significant milestones in 2010, securing a total of over USD 100 million through new lines of funding for trade and export clients.. We secured an L/C confirmation & refinancing line of US$50 million from African Export Import Bank and a further L/C confirmation line of US$25 million each from StanChart and Barclays. A Risk Participation Facility of US$25 million from Africa Finance Corporation has been secured to support our downstream oil financing deals. Finally, we obtained a Medium term facility of US$15 million from FMO to support our corporate SME clients.

Expansion in Infrastructure

In 2010, your Bank pursued an aggressive branch rollout plan, which saw the number of branches increase from 15 to 25 at the end of the year. Fidelity Bank is now represented in Tamale and Tarkwa in addition to branches in Accra, Tema, Kumasi and Takoradi. In order to provide our increasing number of customers with convenience, accessibility, speed and reliability, the Bank also added to its existing suite of e-banking products, passport application fee collections, remittance processing from MoneyGram, Western Union, Vigo and Money Systems, ECG Prepaid Units top up, MTN Mobile Money Bill payments for DSTV and ECG, E-Voucher admission application forms for the Universities of Ghana and Winneba and school fees collections.

Our computer servers were upgraded with additional capacity and we are currently in the process of upgrading our Flexcube banking software from Version 7.1 to Version 11.1 to improve the efficiency of our back office processes and improve our turnaround time for client services. In 2010, we were awarded the international ISO 27001 certification making Fidelity Bank the only commercial bank in Ghana to be certified for security of customer information management.

Members of Staff

The Bank's continued growth was evidenced in its staff strength as well. The number of permanent and contract staff increased from 340 to 492. In addition, our sales ambassadors team increased from 199 to 469 to support our "Go for Gold" deposit Campaign.

Corporate Social Responsibility

In 2010, the Bank contributed significantly towards our corporate social responsibility to the community. These included sponsoring significant social projects such as providing GHS10,000 to support the National Prayer and Thanksgiving Programme on 14th March 2010.

Conclusion

We would like to acknowledge the unyielding support of the Board and shareholders in contributing to our successes in 2010. Special mention is made of the efforts of our staff who are our most valuable asset. Their dedication and enthusiasm in working towards our vision is evidenced by the remarkable strides the Bank has made over the years. We appreciate their loyalty and thank them immensely.

Looking into 2011, we are confident that the Bank is well placed to take advantage of the emerging opportunities in the economy, especially the oil and gas sectors. By this time next year, Fidelity Bank would have moved closer to realizing our vision as a World Class Bank.

Edward Effah

Edward Effah
Managing Director

Setting the new standard in Corporate Social Responsibility











Corporate Social Responsibility has greatly influenced business practice and corporate strategy throughout the world and it is encouraging organisations to increase their awareness and concern for the societies in which they operate and the impact of its business on environment. Companies that have the welfare of the people and the community, in which they operate in at heart, are increasingly obtaining public recognition and visibility for their positive corporate actions and the ripple effects of these actions on the communities and the people at large.

This report therefore gives a summary of the Corporate Social Responsibility activities that Fidelity Bank has undertaken in the year 2010. The pillars of Fidelity Bank's Corporate Social Responsibility centred on education, children and health.

In the year under review, Fidelity bank spent close to GH¢ 100,000 to promote the bank's corporate social responsibility agenda.

Education

In the area of education, Staff and management of Fidelity Bank embarked on a massive health walk campaign aimed at establishing an educational fund to assist the needy children of the New Horizon Special School. New Horizon Special School is an education and training center for children and young adults with Intellectual disabilities. The theme for the occasion was the 'Golden Experience' in line with the on-going 'Go for Gold promotion' of the bank. Monies raised by staff were added to the bank's reserved sponsored amount for onward presentation to the School.

Still in education, Fidelity Bank continued to extend help to the financial aid office of the University of Ghana by donating funds in support of bright but needy students of the University. The bank has been doing this for the past 5 years.

The bank also presented a cheque towards the Presidential Christmas encounter 2010 for selected school children from all 10 regions of Ghana. The theme for the occasion was Healthy Minds, Healthy Bodies, and Healthy Living. The school children had the opportunity to dine and interact with the President of the Republic of Ghana. The encounter sought to raise confident children determined to succeed against all odds.

Health

Seeing that good health plays an important role in the life of any individual, Fidelity Bank is committed to saving the lives of both children and adults alike and, ultimately help them in living better and purposeful lives.

In the year under review, Fidelity Bank brought joy to the hearts of the Kakra family when it made a donation towards the second surgery of one year old Nana Fiifi Acquah Kakra who has had a heart condition for which he had been operated on once already, but still required another operation to save his life. Riding on the belief that life is the most important gift anyone could have and, its commitment to acts of kindness geared at improving lives and bringing joy to people.

Presentation to the Veterans Association of Ghana

In any responsible society, the experiences of the aged are tapped into, to gain insights on how the future can be made better. The Veterans Association of Ghana (VAG) is one such organisation of the aged whose experiences cannot be overlook. As a way of giving them a helping hand, Fidelity Bank contributed significantly to making the running of the organisation far easier than it was, by donating to the organisation.

The leadership of VAG expressed its profound gratitude to the bank on receiving the cheque.

Conclusion

Fidelity bank undoubtedly is committed to setting new standards with its corporate social responsibility initiatives. At Fidelity Bank, we recognise that businesses cannot survive unless there is a prosperous community and, we are committed to making our dream of a prosperous community a reality. We are definitely setting new standards and leaving legacies in the hearts of Ghanaians.

FIDELITY BANK
the new standard

Board of Directors

William Panford Bray
Chairman

Edward Effah
Managing Director

Jim Baiden
Deputy Managing Director

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 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 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

Mrs Johanna Svanikier
Non Executive Director

Mr Paul Victor Obeng
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.

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.

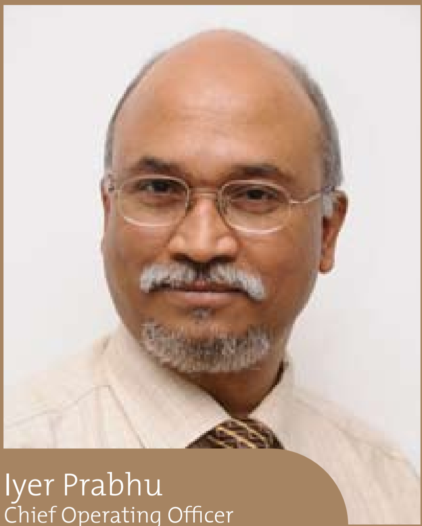
She holds Bachelors and Masters Degrees in law from the London School of Economics, UK, a Masters in Public Administration from Harvard University, U.S.A. and a Masters in Political Science from the University of Oxford, U.K. She was a Fulbright Scholar at Harvard University. She has been called to the 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. 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.

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.

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".

Onesimo J. Mukumba
Director, Consumer Banking

Onesimo is a world class Award Winner with over 30 years banking experience across three (3) continents; Africa ,Asia and Europe. He is highly skilled and has a proven track record in the origination, modernization and implementation of automated banking products.

He is a recipient of a world award in recognition of staff motivation and has held Chief Executive positions for Standard Chartered Bank and CFX Bank. He holds a Masters

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.

Financial Statements

31st December, 2010

Directors' Report

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, 2010.

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.

Financial performance

The company traded well during the year and the directors are satisfied that the underlying quality of the business is sound. The financial results for the year ended 31 December 2010, were generally impressive inspite of the unstable economic environment in which we operated. An operating profit before tax of GH¢7.1 million was achieved in 2010 as against an operating profit of GH¢3.3 million in 2009. Net interest income accounted for 62% of operating income while fees, commissions and other incomes provided the remaining 38%.

The group's net worth position improved significantly to GH¢37.5 million as at 31 December 2010 compared to GH¢32.1 million at 31 December 2009 largely due to 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 from GH¢362 million at 31 December 2009 to GH¢651 million at 31 December 2010. The assets were supported with total deposit liabilities of GH¢548 million as against GH¢295 million at the last comparative period.

Summary of income statement	**GH¢**
Net profit before taxation	7,098,637
Income tax expense	(2,099,755)
Net profit after income tax expense	4,998,882
Statutory reserves	(2,426,784)
Regulatory capital reserve	(273,442)
	2,298,656
Retained profit brought forward	1,242,515
Dividend paid	(814,742)
Income surplus as at 31 December, 2010	2,726,429

Dividend

The directors recommend the payment of GH¢1,600,000.00 dividend for the year (2009: GH¢800,000.00) 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.

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 above statement, which should be read in conjunction with the statement of the auditors' responsibilities on page 22, 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

To the members of Fidelity Bank Limited

We have audited the accompanying financial statements of Fidelity Bank Limited on pages 23 to 54 which comprise the statement of financial position as at 31 December, 2010, and statement of comprehensive income, statement of changes in equity and statement of cash flows 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 statement

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

Auditors' responsibilities

Our 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 statement 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 statement, 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 statement are 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 statement.

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 statement 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) and the Banking Act, 2004 (Act 673) of Ghana (amended). The financial statement give a true and fair view of the financial position of the Bank as at 31 December, 2010, 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 and its subsidiary, so far as appears from our examination of those books; and

iii. The statement of financial position and statement of comprehensive income 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:

- The accounts give a true and fair view of the state of affairs of the bank and its results for the year under review;

- We were able to obtain all the information and explanation required for the efficient performance of our duties as auditors;

- The bank's transactions are within its powers; and

- The bank has complied with the provisions in the Banking Act 2004 (Act 673) and the Banking (Amendment) Act 2007 (Act 738)

Chartered Accountants
Accra, Ghana

Deloitte & Touche

8th March., 2011

Comprehensive Income Statement

For the year ended 31 December, 2010

	Note	CONSOLIDATED 2010 GH¢	CONSOLIDATED 2009 GH¢	THE BANK 2010 GH¢	THE BANK 2009 GH¢
Interest income	4	74,383,839	51,438,514	74,262,993	51,340,324
Interest expense	5	(45,231,091)	(36,190,151)	(45,231,091)	(36,190,151)
Net interest income		29,152,748	15,248,363	29,031,902	15,150,173
Fees and commissions	6	10,413,067	5,227,672	10,079,119	5,061,358
Other operating income	7	7,337,420	5,475,478	7,111,790	5,421,047
Operating income		46,903,235	25,951,513	46,222,811	25,632,578
Operating expenses	8	(33,940,693)	(21,078,449)	(33,486,905)	(20,970,358)
Impairment	10	(5,904,261)	(1,587,802)	(5,904,261)	(1,587,802)
Operating profit		7,058,281	3,285,262	6,831,645	3,074,418
Share of profit of associate		40,356	44,387	-	-
Profit before taxation		7,098,637	3,329,649	6,831,645	3,074,418
Income tax expense	11	(1,719,753)	(1,022,765)	(1,643,548)	(983,277)
National stabilization levy	11	(370,236)	(74,196)	(354,996)	(63,464)
Share of income tax expense of associate		(9,766)	(11,302)	-	-
Profit/(loss) after taxation for the year transferred to income surplus account		4,998,882	2,221,386	4,833,101	2,027,677

Income Surplus Account

For the year ended 31 December, 2010

	CONSOLIDATED 2010 GH¢	CONSOLIDATED 2009 GH¢	THE BANK 2010 GH¢	THE BANK 2009 GH¢
At 1 January	1,242,515	7,265	901,418	(140,123)
Dividend paid	(800,000)	-	(800,000)	-
Share of Associate dividend paid	(14,742)	-	-	-
Transfer from profit and loss account	4,998,882	2,221,386	4,833,101	2,027,677
Transfer to statutory reserves	(2,426,784)	(1,013,839)	(2,426,784)	(1,013,839)
Transfer from/(to) regulatory capital reserve	(273,442)	27,703	(273,442)	27,703
At 31 December	2,726,429	1,242,515	2,234,293	901,418

The accompanying notes on pages 27 to 55 form an integral part of these financial statements.

Statement of Financial Position

For the year ended 31 December, 2010

	Note	CONSOLIDATED		THE BANK	
		2010 GH¢	2009 GH¢	2010 GH¢	2009 GH¢
Assets					
Cash and balances with Bank of Ghana	12	58,633,994	34,178,159	58,633,994	34,178,159
Financial investments	13	203,051,545	99,164,429	203,051,545	99,164,429
Due from other banks and financial institutions	14	151,651,899	39,887,313	151,498,273	39,537,404
Loans and advances to customers	15	212,046,833	176,523,797	212,046,833	176,523,797
Other assets	17	14,903,386	6,576,167	14,154,637	6,522,878
Amounts due from associated companies	18	47,141	48,078	322,691	60,126
Investment in associate	19	142,713	126,864	161,000	161,000
Property and equipment	20	10,084,789	5,190,366	10,063,080	5,168,681
Intangible assets		386,174	782,075	386,174	782,075
Total assets		650,948,474	362,477,248	650,318,227	362,098,549
Liabilities					
Customer deposits	21	548,029,272	295,148,657	548,029,272	295,148,657
Due to other banks		28,766,970	20,009,545	28,766,970	20,009,545
Term borrowings	22	14,532,000	-	14,532,000	-
Interest payable and other liabilities	23	19,996,722	11,978,199	19,941,344	11,972,199
Current tax liability	11	136,692	638,883	53,959	607,281
Deferred tax liability	11	12,503	510,698	12,503	510,698
Subordinated shareholders' loan	24	2,000,000	2,000,000	2,000,000	2,000,000
Total liabilities		613,474,159	330,285,982	613,336,048	330,248,380
Shareholders' fund					
Stated capital	25	25,990,088	25,990,088	25,990,088	25,990,088
Statutory reserves		4,434,205	2,007,421	4,434,205	2,007,421
Available for Sale reserves		3,533,825	2,434,916	3,533,825	2,434,916
Regulatory credit risk reserve		789,768	516,326	789,768	516,326
Income surplus		2,726,429	1,242,515	2,234,293	901,418
Shareholders' fund		37,474,315	32,191,266	36,982,179	31,850,169
Total liabilities and shareholders' fund		650,948,474	362,477,248	650,318,227	362,098,549

The accompanying notes on pages 27 to 55 form an integral part of these financial statements.

Approved by the Board on 8th March, 2011 and signed on its behalf as follows:

William Panford Bray
Chairman

Edward Effah
Managing Director

Statement of Changes in Shareholders' Fund

For the year ended 31 December, 2010

Consolidated	Stated Capital GH¢	Statutory reserves GH¢	Available for Sale Reserves GH¢	Regulatory credit risk reserve GH¢	Income surplus account GH¢	Total Shareholders' Funds GH¢
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 loss 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
Balance at 1 January 2010	25,990,088	2,007,421	2,434,916	516,326	1,242,515	32,191,266
Net profit for 2010			-	-	4,998,882	4,998,882
Transfer to Statutory reserve	-	2,426,784	-	-	(2,426,784)	-
Transfer from regulatory risk reserve credit	-	-	-	273,442	(273,442)	-
Net unrealised gain on AFS investments	-	-	1,465,212	-	-	1,465,212
Tax effect of net unrealised loss on AFS investments	-	-	(366,303)	-	-	(366,303)
Dividend paid	-	-	-	-	(800,000)	(800,000)
Share of associate dividend	-	-	-	-	(14,742)	(14,742)
Balance at 31 December 2010	25,990,088	4,434,205	3,533,825	789,768	2,726,429	37,474,315

Bank	Stated Capital GH¢	Statutory reserves GH¢	Available for Sale Reserves GH¢	Regulatory credit risk reserve GH¢	Income surplus account GH¢	Total Shareholders Funds GH¢
Balance at 1 January 2009	8,617,388	993,582	(539,150)	544,029	(140,123)	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 loss on AFS investments	-	-	3,965,421	-	-	3,965,421
Tax effect of net unrealised loss on AFS invest.	-	-	(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
Balance at 1 January 2010	25,990,088	2,007,421	2,434,916	516,326	901,418	31,850,169
Net profit for 2010	-	-	-	-	4,833,101	4,833,101
Transfer to Statutory reserve		2,426,784			(2,426,784)	-
Transfer from regulatory risk reserve credit	-	-	-	273,442	(273,442)	-
Net unrealised gain on AFS investments	-	-	1,465,212	-	-	1,465,212
Tax effect of net unrealised loss on AFS invest.	-	-	(366,303)	-	-	(366,303)
Dividend paid	-	-	-	-	(800,000)	(800,000)
Balance at 31 December 2010	25,990,088	4,434,205	3,533,825	789,768	2,234,293	36,982,179

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, 2010

Reconciliation of operating profit/(loss) to operating cash flows	Note	CONSOLIDATED 2010 GH¢	CONSOLIDATED 2009 GH¢	THE BANK 2010 GH¢	THE BANK 2009 GH¢
Operating profit		7,058,281	3,285,262	6,831,645	3,074,418
Adjustments for:					
Profit on sale of property and equipment	20	-	(2,506)	-	(2,506)
Depreciation and amortisation	20	2,438,046	1,592,343	2,429,773	1,583,236
Impairment charge	10	5,904,261	1,587,802	5,904,261	1,587,802
Financial guarantee contracts		64,405	8,113	64,405	8,113
Operating cash flow before investment in working capital		15,464,993	6,471,014	15,230,084	6,251,063
Increase in loans and advances to customers	15	(41,427,297)	(91,686,638)	(41,427,297)	(91,686,638)
Increase in other assets	17 &18	(8,326,282)	(4,028,564)	(7,894,324)	(4,004,888)
Increase in customer deposits	21	252,880,615	137,363,291	252,880,615	137,363,291
Increase / (decrease) in balances due to other banks		8,757,425	(23,065,889)	8,757,425	(23,065,889)
Increase in interest payable and other liabilities	23	7,935,167	5,032,216	7,904,740	5,051,605
Corporate tax payments	11	(3,437,728)	(682,010)	(3,416,364)	(647,091)
Increase in operating assets and liabilities		216,381,900	22,932,406	216,804,795	23,010,390
Net inflows from operating activities		231,846,893	29,403,420	232,034,879	29,261,453
Investing activities					
Cost of property, plant and equipment	20	(6,936,568)	(3,713,433)	(6,928,271)	(3,702,629)
Proceeds from sale of property and equipment	20	-	2,506	-	2,506
Increase in investment in Government securities	13	(102,421,904)	(35,693,716)	(102,421,904)	(35,877,026)
Proceeds from distribution from financial investments	13	-	(3,449)	-	(3,449)
Net outflow due to investing activities		(109,358,472)	(39,408,092)	(109,350,175)	(39,580,598)
Financing activities					
New capital contributions	25	-	17,372,700	-	17,372,700
Dividends paid		(800,000)	-	(800,000)	-
Proceeds from term borrowing	22	14,532,000	-	14,532,000	-
Net inflow from financing activities		13,732,000	17,372,700	13,732,000	17,372,700
Increase in cash and cash equivalents		136,220,421	7,368,028	136,416,704	7,053,555
Analysis of changes in cash and cash equivalents					
Cash and cash equivalents at 1 January		74,065,472	66,697,444	73,715,563	66,662,008
Increase in cash and cash equivalents		136,220,421	7,368,028	136,416,704	7,053,555
Cash and cash equivalents at 31 December	26	210,285,893	74,065,472	210,132,267	73,715,563

Notes to the Financial Statements

For the year ended 31 December, 2010

1. Reporting Entity

Fidelity Bank Limited (FBL) is a banking institution registered and domiciled in Ghana. The registered office is located 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 2010 were authorised for issue in accordance with a resolution of the directors on 8th March 2011.

2.0 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.

2.1 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).

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of Fidelity Bank Limited and its subsidiary as at 31 December 2010.

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.

2.3 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.

i. 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.

ii. 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.

iii. 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.

iv. 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.

2.4 Standards, amendments and interpretations effective on or after 1 January 2010

The following standards and amendments to existing standards have been published and are mandatory for the group's accounting periods beginning on or after 1 January 2010 or later periods, but the group has not early adopted it.

IFRIC 9 Reassessment of Embedded Derivatives and IAS 39 Financial Instruments: Recognition and Measurement: effective 1 July 2009. 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 16, 'Hedges of a net investment in a foreign operation' effective 1 July 2009. This amendment states that, in a hedge of a net investment in a foreign operation, qualifying hedging instruments may be held by any entity or entities within the bank as long as the designation, documentation and effectiveness requirements of IAS 39 that relate to a net investment hedge are satisfied. In particular, the bank should clearly document its hedging strategy because of the possibility of different designations at different levels of the bank.

This change in accounting policy did not have any impact on the bank."

"IFRIC 17, 'Distribution of non-cash assets to owners' (effective 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. IFRS 5 has also been amended to require that assets are classified as held for distribution only when they are available for distribution in their present condition and the distribution is highly probable.

This change in accounting policy did not have any impact on the bank."

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 no effect on the Group's financial statements.

"IAS 1 (amendment), 'Presentation of financial statements'. The amendment clarifies that the potential settlement of a liability by the issue of equity is not relevant to its classification as current or non-current. By amending the definition of current liability, the amendment permits a liability to be classified as non-current (provided that the entity has an unconditional right to defer settlement by transfer of cash or other assets for at least 12 months after the accounting period) notwithstanding the fact that the entity could be required by the counterparty to settle in shares at any time.

This change in accounting policy did not have any impact on the bank."

"IAS 36 (amendment), 'Impairment of assets', effective 1 January 2010. The amendment clarifies that the largest cash-generating unit (or group of units) to which goodwill should be allocated for the purposes of impairment testing is an operating segment, as defined by paragraph 5 of IFRS 8, 'Operating segments' (that is, before the aggregation of segments with similar economic characteristics).

This change in accounting policy did not have any impact on the bank."

"IAS 38 (amendment), 'Intangible assets', effective 1 January 2010. The amendment clarifies guidance in measuring the fair value of an intangible asset acquired in a business combination and permits the grouping of intangible assets as a single asset if each asset has similar useful economic lives.

This change in accounting policy did not have any impact on the bank."

"IAS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Items (effective 1 July 2009). The amendment clarifies that an entity is permitted to designate a portion of the fair value changes or cash flow variability of a financial instrument as a hedged item. This also covers the designation of inflation as a hedged risk or portion in particular situations. The Group has concluded that the amendment will have no impact on the financial position or performance of the Bank, as the Bank has not entered into any such hedges."

"IFRS 2 (amendments), 'Group cash-settled share-based payment transactions', effective 1 January 2010. In addition to incorporating IFRIC 8, 'Scope of IFRS 2', and IFRIC 11, 'IFRS 2 – Group and treasury share transactions', the amendments expand on the guidance in IFRIC 11 to address the classification of group arrangements that were not covered by that interpretation.

This change in accounting policy did not have any impact on the bank."

"IFRS 3 Business Combinations (Revised) and IAS 27 Consolidated and Separate Financial Statements (Amended)
IFRS 3 (Revised) introduces significant changes in the accounting for business combinations occurring after becoming effective. Changes affect the valuation of non-controlling interest, the accounting for transaction costs, the initial recognition and subsequent measurement of a contingent consideration and business combinations achieved in stages. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs and future reported results.

IAS 27 (Amended) requires that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as a transaction with owners in their capacity as owners. 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. The changes by IFRS 3 (Revised) and IAS 27 (Amended) affect acquisitions or loss of control of subsidiaries and transactions with non-controlling interests after 1 January 2010.

The change in accounting policy was applied prospectively and had no material impact on earnings per share."

"IFRS 5 (amendment), 'Non-current assets held for sale and discontinued operations'. The amendment specifies the disclosures required in respect of non-current assets (or disposal groups) classified as held for sale or discontinued operations. It also clarifies that the general requirement of IAS 1 still apply, in particular paragraph 15 (to achieve a fair presentation) and paragraph 125 (sources of estimation uncertainty) of IAS 1.

This change in accounting policy did not have any impact on the bank."

The following are new standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2010 and not early adopted by the bank. The bank's assessment of the impact of these new standards and interpretations is set out below.

"IFRS 1 First-time Adoption of International Financial Reporting Standards — Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters(Effective for annual periods beginning on or after 1 July 2010).

IFRS 1 has been amended to allow first-time adopters to utilise the transitional provisions in IFRS 7 Financial Instruments: Disclosures as they relate to the March 2009 amendments to the standard. These provisions give relief from providing comparative information in the disclosures required by the amendments in the first year of application.

To achieve this, the transitional provisions in IFRS 7 were amended to clarify that the disclosures need not be provided for: • Annual or interim periods, including any statement of financial position, presented with an annual comparative period ending before 31 December 2009, and any statement of financial position as at the beginning of the earliest comparative period as at a date before 31 December 2009."

IFRIC 19, 'Extinguishing financial liabilities with equity instruments', effective 1 July 2010. The interpretation clarifies the accounting by an entity when the terms of a financial liability are renegotiated and result in the entity issuing equity instruments to a creditor of the entity to extinguish all or part of the financial liability (debt for equity swap). It requires a gain or loss to be recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments should be measured to reflect the fair value of the financial liability extinguished.

Revised IAS 24 (revised), 'Related party disclosures', issued in November 2009. It supersedes IAS 24, 'Related party disclosures', issued in 2003. IAS 24 (revised) is mandatory for periods beginning on or after 1 January 2011. Earlier application, in whole or in part, is permitted. The revised standard clarifies and simplifies the definition of a related party and removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. The bank will apply the revised standard from 1 January 2011. The bank is currently putting systems in place to capture the necessary information. It is, therefore, not possible at this stage to disclose the impact, if any, of the revised standard on the related party disclosures.

'Classification of rights issues' (amendment to IAS 32), issued in October 2009. The amendment applies to annual periods beginning on or after 1 February 2010. Earlier application is permitted. The amendment addresses the accounting for rights issues that are denominated in a currency other than the functional currency of the issuer. Provided certain conditions are met, such rights issues are now classified as equity regardless of the currency in which the exercise price is denominated. Previously, these issues had to be accounted for as derivative liabilities. The amendment applies retrospectively in accordance with IAS 8 'Accounting policies, changes in accounting estimates and errors'. The bank will apply the amended standard from 1 January 2011.

'Prepayments of a minimum funding requirement' (amendments to IFRIC 14). The amendments correct an unintended consequence of IFRIC 14, 'IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction'. Without the amendments, entities are not permitted to recognise as an asset some voluntary prepayments for minimum funding contributions. This was not intended when IFRIC 14 was issued, and the amendments correct this. The amendments are effective for annual periods beginning 1 January 2011. Earlier application is permitted. The amendments should be applied retrospectively to the earliest comparative period presented. The bank will apply these amendments for the financial reporting period commencing on 1 January 2011.

IFRS 9, 'Financial instruments', issued in November 2009. This standard is the first step in the process to replace IAS 39, 'Financial instruments: recognition and measurement'. IFRS 9 introduces new requirements for classifying and measuring financial assets and is likely to affect the bank's accounting for its financial assets. The standard is not applicable until 1 January 2013 but is available for early adoption.

2.5 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.

(iv) Net trading income

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 comprise 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 future.

(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 comprehensive income statement.

(e) Repurchase and reverse repurchase agreements
Securities may be lent or subject to a commitment to repurchase it at a 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 at 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.

(i) 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.

(ii) 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 software	 25% 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 part 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.

(o) Comparative information
The previous year's figures have been re-arranged and re-classified, where necessary, for the purpose of comparison with current year's figures.

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.

Notes to the Financial Statements

For the year ended 31 December, 2010

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 2010

	Wholesale GH¢	Treasury GH¢	Retail GH¢	Total GH¢
Net interest income	10,938,125	4,214,080	13,879,697	29,031,902
Net fee and commision income	6,605,322	5,670,194	4,915,393	17,190,909
Total income	17,543,447	9,884,274	18,795,090	46,222,811
Operating expenses	(13,809,845)	(3,002,339)	(22,578,982)	(39,391,166)
Operating profit	3,733,602	6,881,935	(3,783,892)	6,831,645
Income tax expense				(1,998,544)
Profit for the year				4,833,101

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 GH¢	Treasury GH¢	Consumer GH¢	Total GH¢
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)	(1,825,358)	(11,903,271)	(22,558,160)
Operating profit	1,404,885	1,792,670	(123,137)	3,074,418
Income tax expense				(1,046,741)
Profit for the year				2,027,677

Notes to the Financial Statements

For the year ended 31 December, 2010

		CONSOLIDATED		THE BANK	
4.	Interest income	2010 GH¢	2009 GH¢	2010 GH¢	2009 GH¢
	Cash and short term funds	1,546,593	1,830,932	1,546,593	1,830,932
	Investments securities	31,300,841	15,586,811	31,179,995	15,488,621
	Loans and advances	41,536,405	34,020,771	41,536,405	34,020,771
		74,383,839	51,438,514	74,262,993	51,340,324

5.	Interest expense	2010 GH¢	2009 GH¢	2010 GH¢	2009 GH¢
	Savings accounts	2,171,828	892,606	2,171,828	892,606
	Time and other deposits	36,113,079	28,765,567	36,113,079	28,765,567
	Overnight and call accounts	5,395,116	5,585,638	5,395,116	5,585,638
	Interest on shareholders loan	340,708	505,097	340,708	505,097
	Interest on current account	860,104	441,243	860,104	441,243
	Interest Term Borrowinggs	350,256	-	350,256	-
		45,231,091	36,190,151	45,231,091	36,190,151

6.	Fees and commissions	2010 GH¢	2009 GH¢	2010 GH¢	2009 GH¢
	Arrangement, facility & brokerage fees	2,804,390	1,911,396	2,804,390	1,911,396
	Commissions	7,608,677	3,316,276	7,274,729	3,149,962
		10,413,067	5,227,672	10,079,119	5,061,358

7.	Other operating income	2010 GH¢	2009 GH¢	2010 GH¢	2009 GH¢
	Gains on foreign exchange transactions	6,667,204	5,200,058	6,667,204	5,200,058
	Exchange gain on translations	337,200	134,381	337,200	134,381
	Sundry income	333,016	138,533	107,386	84,102
	Gain on disposal	-	2,506	-	2,506
		7,337,420	5,475,478	7,111,790	5,421,047

		CONSOLIDATED		THE BANK	
8.	Operating expenses	2010 GH¢	2009 GH¢	2010 GH¢	2009 GH¢
	Staff cost (note 8)	13,326,930	9,078,441	13,122,863	9,066,724
	Depreciation	2,438,046	1,592,343	2,429,773	1,583,236
	Advertising and marketing	3,491,197	1,863,429	3,491,197	1,863,429
	Audit fees	45,420	33,000	35,000	30,000
	Directors' remuneration	272,710	143,141	272,710	143,141
	Other operating expenses	13,016,585	7,394,658	12,835,523	7,360,641
	Legal and consultancy fees	566,926	408,892	535,200	365,628
	Training	751,845	359,393	733,605	352,407
	Donations and sponsorship	31,034	205,152	31,034	205,152
		33,940,693	21,078,449	33,486,905	20,970,358

9.	Staff costs	2010 GH¢	2009 GH¢	2010 GH¢	2009 GH¢
	Wages, salaries, bonus and allowances	9,267,150	6,204,667	9,063,083	6,192,950
	Social Security Fund Contribution	989,051	574,882	989,051	574,882
	Provident fund contribution	602,670	406,645	602,670	406,645
	Other employee cost	2,468,059	1,892,247	2,468,059	1,892,247
		13,326,930	9,078,441	13,122,863	9,066,724

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

10.	Charge for bad and doubtful debts	2010 GH¢	2009 GH¢	2010 GH¢	2009 GH¢
	Identified impairment	5,951,639	1,587,802	5,951,639	1,587,802
	Unidentified impairment	(47,378)	-	(47,378)	-
		5,904,261	1,587,802	5,904,261	1,587,802

Notes to the Financial Statements

For the year ended 31 December, 2010

11. Taxation

The compononents for income tax for 2010 and 2009 are as follows;	2010 GH¢	2009 GH¢	2010 GH¢	2009 GH¢
Current tax				
Current income tax	2,954,487	1,215,172	2,863,042	1,164,952
Deferred tax				
Origination and reversal of temporary differences	(864,498)	(181,675)	(864,498)	(181,675)
Total income tax expense	2,089,989	1,033,497	1,998,544	983,277

Consolidated Year of assessment	At 1 Jan GH¢	Paid during the year GH¢	Charge for the year GH¢	At 31 Dec GH¢
1999 - 2005	27,913	-	-	27,913
2006	(6,964)	-	-	(6,964)
2007	(318)	-	-	(318)
2008	21,635	-	-	21,635
2009	569,551	(266,816)	(301,727)	1,008
2010	-	(2,854,771)	2,867,028	12,257
	611,817	(3,121,587)	2,565,301	55,531
National stabilization levy				
2009	27,066	(45,137)	13,414	(4,657)
2010	-	(271,004)	356,822	85,818
	27,066	(316,141)	370,236	81,161
	638,883	(3,437,728)	2,935,537	136,692

Bank Year of assessment	At 1 Jan GH¢	Paid during the year GH¢	Charge for the year GH¢	At 31 Dec GH¢
1999 - 2005	28,035	-	-	28,035
2006	(2,070)	-	-	(2,070)
2009	549,593	(266,816)	(282,777)	-
2010	-	(2,833,407)	2,790,823	(42,584)
	575,558	(3,100,223)	2,508,046	(16,619)
National stabilization levy				
2009	31,723	(45,137)	13,414	-
2010	-	(271,004)	341,582	70,578
	31,723	(316,141)	354,996	70,578
	607,281	(3,416,364)	2,863,042	53,959

Notes to the Financial Statements

For the year ended 31 December, 2010

Deferred tax

Deferred tax assets and liabilities are attributable to the following:

	CONSOLIDATED					
	2010			2009		
	Assets GH¢	Liabilities GH¢	Net GH¢	Assets GH¢	Liabilities GH¢	Net GH¢
Property and equipment	-	601,490	601,490	-	261,912	261,912
Impairment allowances for loan losses	(1,766,929)	-	(1,766,929)	(562,853)	-	(562,853)
Gains / losses on AFS investments	-	1,177,942	1,177,942	-	811,639	811,639
Net tax (assets)/liabilities	(1,766,929)	1,779,432	12,503	(562,853)	1,073,551	510,698

	BANK					
	2010			2009		
	Assets GH¢	Liabilities GH¢	Net GH¢	Assets GH¢	Liabilities GH¢	Net GH¢
Property and equipment	-	601,490	601,490	-	261,912	261,912
Impairment allowances for loan losses	(1,766,929)	-	(1,766,929)	(562,853)	-	(562,853)
Gains / losses on AFS investments	-	1,177,942	1,177,942	-	811,639	811,639
Net tax (assets)/liabilities	(1,766,929)	1,779,432	12,503	(562,853)	1,073,551	510,698

A reconciliation between tax expense and accounting profit for the years ended 31 December 2010 and 2009 is as follows:

	CONSOLIDATED		THE BANK	
	2010 GH¢	2009 GH¢	2010 GH¢	2009 GH¢
Accounting profit	7,098,637	3,329,649	6,831,645	3,074,418
Non taxable item	8,411,168	3,280,331	8,365,068	3,271,223
	15,509,805	6,609,980	15,196,713	6,345,641
	-	-	-	-
Capital allowance	4,021,621	1,936,092	4,013,348	1,872,635
Chargeable income	11,488,184	4,673,888	11,183,365	4,473,006
Income at different tax rate	(20,072)	-	(20,072)	-
Tax thereon - 25%	2,867,028	1,168,472	2,790,823	1,118,252

Notes to the Financial Statements

For the year ended 31 December, 2010

		CONSOLIDATED		THE BANK	
12.	Cash and balances with Bank of Ghana	2010 GH¢	2009 GH¢	2010 GH¢	2009 GH¢
	Cash in till	13,114,688	7,603,627	13,114,688	7,603,627
	Balance with Bank of Ghana	45,519,306	26,574,532	45,519,306	26,574,532
		58,633,994	34,178,159	58,633,994	34,178,159

13.	Financial investment	2010 GH¢	2009 GH¢	2010 GH¢	2009 GH¢
	Short-term government securities				
	Treasury Bills	48,118,376	41,316,145	48,118,376	41,316,145
	Discounted bills	1,211,406	3,234,730	1,211,406	3,234,730
		49,329,782	44,550,875	49,329,782	44,550,875
	Medium-term government securities				
	Government bond: 1 - 3 years	153,614,108	54,505,899	153,614,108	54,505,899
	Non quoted equity investment	107,655	107,655	107,655	107,655
	Total	203,051,545	99,164,429	203,051,545	99,164,429

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.

14.	Due from other banks and financial institutions	2010 GH¢	2009 GH¢	2010 GH¢	2009 GH¢
	Nostro account balances	38,898,764	14,691,608	38,898,764	14,691,608
	Items in course of collection	9,903,209	2,147,496	9,903,209	2,147,496
	Placement with other banks	102,849,926	23,048,209	102,696,300	22,698,300
		151,651,899	39,887,313	151,498,273	39,537,404

		CONSOLIDATED		THE BANK	
15.	Loans and advances to customers	2010 GH¢	2009 GH¢	2010 GH¢	2009 GH¢
(a)	Analysis by type:				
	Term loans	192,102,385	157,234,124	192,102,385	157,234,124
	Overdrafts	22,075,797	18,430,606	22,075,797	18,430,606
	Staff	4,936,366	3,110,477	4,936,366	3,110,477
	Gross loans and advances	219,114,548	178,775,207	219,114,548	178,775,207
	Provision for bad and doubtful debts (note 16)	(7,067,715)	(2,251,410)	(7,067,715)	(2,251,410)
	Net loans and advances	212,046,833	176,523,797	212,046,833	176,523,797
(b)	Analysis by type of customer:				
	Individuals	97,693,827	75,242,142	97,693,827	75,242,142
	Private enterprises	98,437,071	87,375,465	98,437,071	87,375,465
	State enterprise and public institutions	18,047,284	13,047,123	18,047,284	13,047,123
	Staff	4,936,366	3,110,477	4,936,366	3,110,477
		219,114,548	178,775,207	219,114,548	178,775,207
	Provision for bad and doubtful debts (note 16)	(7,067,715)	(2,251,410)	(7,067,715)	(2,251,410)
	Net loans and advances	212,046,833	176,523,797	212,046,833	176,523,797
(c)	Analysis by business segment:				
	Agriculture, forestry and fishing	640,174	27,649	640,174	27,649
	Manufacturing	13,805,005	14,207,246	13,805,005	14,207,246
	Construction	1,175,823	22,438,859	1,175,823	22,438,859
	Electricity, gas and water	5,082,473	2,369,930	5,082,473	2,369,930
	Commerce and finance	46,170,392	38,932,092	46,170,392	38,932,092
	Transport, storage and communication	2,358,353	1,707,206	2,358,353	1,707,206
	Services	139,237,709	76,437,780	139,237,709	76,437,780
	Miscellaneous	10,644,618	22,654,445	10,644,618	22,654,445
		219,114,547	178,775,207	219,114,547	178,775,207
	Provision for bad and doubtful debts (note 16)	(7,067,715)	(2,251,410)	(7,067,715)	(2,251,410)
	Net loans and advances	212,046,832	176,523,797	212,046,832	176,523,797
(d)	Key ratios on loans and advances	2010	2009	2010	2009
	(i) Loan loss provision ratio	3.23%	1.26%	3.23%	1.26%
	(ii) 50 largest exposures to total exposures	42%	36%	42%	36%

Notes to the Financial Statements

For the year ended 31 December, 2010

		CONSOLIDATED		THE BANK	
16.	Movement in provision for bad and doubtful debts and interest in suspense	2010 GH¢	2009 GH¢	2010 GH¢	2009 GH¢
	At 1 January	2,251,410	663,608	2,251,410	663,608
	Charge for the year	5,904,261	1,587,802	5,904,261	1,587,802
	Bad debt written off	(1,087,956)	-	(1,087,956)	-
	At 31 December	7,067,715	2,251,410	7,067,715	2,251,410

17.	Other assets	2010 GH¢	2009 GH¢	2010 GH¢	2009 GH¢
	Prepayments	4,361,574	3,445,742	4,361,574	3,445,742
	Interest earned not collected	6,114,998	2,176,978	6,114,998	2,176,978
	Sundry assets	4,426,814	953,447	3,678,065	900,158
		14,903,386	6,576,167	14,154,637	6,522,878

18.	Amounts due from associated companies	2010 GH¢	2009 GH¢	2010 GH¢	2009 GH¢
	Fidelity Capital Partners Limited	47,141	35,093	47,141	47,141
	Fidelity Asset Management Limited	-	12,985	275,550	12,985
		47,141	48,078	322,691	60,126

19.	Investment in associated companies	2010 GH¢	2009 GH¢
	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;

	2010 GH¢	2009 GH¢
Share of associate's balance sheet		
Assets	167,707	142,706
Liabilities	(39,538)	(63,471)
Net assets	128,169	79,235
Carrying amount of investment	142,713	126,864
Share of associate's revenue and profit		
Revenue	377,390	372,647
Profit for the year	40,356	44,387

20. Property and equipment

Consolidated	At 1 Jan GH¢	Additions GH¢	At 31 Dec GH¢
Cost			
Motor vehicles	1,108,579	255,564	1,364,143
Computers - Hardware	2,130,500	2,159,543	4,290,043
Equipment	1,859,580	714,962	2,574,542
Furniture and fittings	997,797	366,662	1,364,459
Leasehold improvement	1,717,591	1,519,558	3,237,149
Capital work-in-progress	225,258	1,817,501	2,042,759
	8,039,305	6,833,790	14,873,095

Depreciation	At 1 Jan GH¢	Charge for the year GH¢	At 31 Dec GH¢
Motor vehicles	365,916	281,346	647,262
Computers - Hardware	1,071,085	656,063	1,727,148
Equipment	609,219	522,103	1,131,322
Furniture and fittings	501,226	252,853	754,079
Leasehold improvement	301,493	227,002	528,495
	2,848,939	1,939,367	4,788,306
Carrying value:			
At 31 December, 2010			10,084,789
At 31 December, 2009			5,190,366

Bank	At 1 Jan GH¢	Additions GH¢	At 31 Dec GH¢
Cost			
Motor vehicles	1,082,351	255,564	1,337,915
Computers - Hardware	2,118,947	2,151,246	4,270,193
Equipment	1,859,580	714,962	2,574,542
Furniture and fittings	997,229	366,662	1,363,891
Leasehold improvement	1,717,591	1,519,558	3,237,149
Capital work-in-progress	225,258	1,817,501	2,042,759
	8,000,956	6,825,493	14,826,449

Depreciation	At 1 Jan GH¢	Charge for the year GH¢	At 31 Dec GH¢
Motor vehicles	353,285	274,789	628,074
Computers - Hardware	1,067,336	654,489	1,721,825
Equipment	609,219	522,103	1,131,322
Furniture and fittings	500,942	252,711	753,653
Leasehold improvement	301,493	227,002	528,495
	2,832,275	1,931,094	4,763,369
Carrying value:			
At 31 December, 2010			10,063,080
At 31 December, 2009			5,168,681

Consolidated

Intangible Assets

Cost	At 1 Jan GH¢	Additions GH¢	At 31 Dec GH¢
Computer Software	1,756,263	102,778	1,859,041

Depreciation	At 1 Jan GH¢	Charge for the year GH¢	At 31 Dec GH¢
Computer Software	974,188	498,679	1,472,867
Carrying value:			
At 31 December, 2010			386,174
At 31 December, 2009			782,075

Bank

Cost	At 1 Jan 2010 GH¢	Additions GH¢	At 31 Dec GH¢
Computer Software	1,756,263	102,778	1,859,041

Depreciation	At 1 Jan GH¢	Charge for the year GH¢	At 31 Dec GH¢
	974,188	498,679	1,472,867
Carrying value:			
At 31 December, 2010			386,174
At 31 December, 2009			782,075

Notes to the Financial Statements

For the year ended 31 December, 2010

		CONSOLIDATED		THE BANK	
21.	Customer deposits	2010 GH¢	2009 GH¢	2010 GH¢	2009 GH¢
	Current accounts	203,386,990	125,035,272	203,386,990	125,035,272
	Call accounts	49,753,153	25,332,148	49,753,153	25,332,148
	Savings accounts	42,199,589	16,669,862	42,199,589	16,669,862
	Time deposits	238,489,540	119,477,688	238,489,540	119,477,688
	Sundry deposits	14,200,000	8,633,687	14,200,000	8,633,687
		548,029,272	295,148,657	548,029,272	295,148,657
	(a) Analysis by type of depositor:				
	Individuals & other private enterprises	409,224,302	222,721,515	409,224,302	222,721,515
	Government departments & agencies	138,804,970	72,427,142	138,804,970	72,427,142
		548,029,272	295,148,657	548,029,272	295,148,657
	(b) 20 largest depositors to total deposit ratio	44%	37%	44%	37%
22	Term Borrowings	2010	2009	2010	2009
	The bank took a $10 million five-year term loan facility from FMO in September 2010.	14,532,000	-	14,532,000	-

The bank took a $10 million five-year term loan facility from FMO in September 2010. Repayment is in 16 equal quarterly instalments beginning on 15th December 2011 and ending on 15th September 2015. The interest rate is variable at LIBOR plus 4.5% and it isrepriced and payable quarterly. As at the end of 2010 the interest rate on the loan was 4.79%. This financial liability is classified as borrowings and is carried at amortised cost.

23	Interest payable and other liabilities	2010 GH¢	2009 GH¢	2010 GH¢	2009 GH¢
	Accrued interest payable	9,864,139	9,053,732	9,864,139	9,053,732
	Financial guarantees	78,267	13,862	78,267	13,862
	Other creditors and accruals	10,054,316	2,910,605	9,998,938	2,904,605
		19,996,722	11,978,199	19,941,344	11,972,199

24.	Subordinated shareholders loans	2010 GH¢	2009 GH¢	2010 GH¢	2009 GH¢
	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 SSNIT 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 2010 the interest rate on the loan was 12.88% (2009: 25.84%).

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

Notes to the Financial Statements

For the year ended 31 December, 2010

25. Stated capital

i) The number of shares authorized, issued and in treasury are as follows:-

	2010	2009
Ordinary:		
Authorized	100,000,000	100,000,000
Issued	16,000,000	16,000,000
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:-

	2010 GH¢	2009 GH¢
Ordinary shares:		
Issued for cash	25,193,496	25,193,496
Issued for consideration other than cash	22,723	22,723
Transfer from Income Surplus Account	773,869	773,869
Total	25,990,088	25,990,088

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.

26. Cash and cash equivalents

	2010 GH¢	2009 GH¢	2010 GH¢	2009 GH¢
Cash and balances with Bank of Ghana (note 12)	58,633,994	34,178,159	58,633,994	34,178,159
Due from banks and other financial institutions (Note 14)	151,651,899	39,887,313	151,498,273	39,537,404
	210,285,893	74,065,472	210,132,267	73,715,563

27. Related party transactions

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

Executive directors	90,492	85,692	90,492	85,692
Officers and other employees	4,845,874	3,024,785	4,845,874	3,024,785
Non executive directors	538,744	486,964	538,744	486,964
	5,475,110	3,597,441	5,475,110	3,597,441

28. Contingencies and commitments

(a) Guarantees and indemnities

The bank had outstanding guarantees and indemnities of GH¢ 26,629,297 as at the end of the year. (2009: GH¢ 4,130,989)

(b) Contingent liability

There are no other contingent liabilities at the end of the year (2009: Nil)

(c) Commitments

There no commitments outstanding at the end of the year (2009: Nil)

29. 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 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 the bank's 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.

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 Board Sub-committee, 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.

Credit Risk Mitigation
The bank employs a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security for funds advances, which is common practice. The bank reviews the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for loans and advances are:

(a) Mortgages over residential properties.

(b) Charges over business assets such as premises, inventory and accounts receivable.

(c) Charges over financial instruments such as debt securities and equities.

At 31 December 2010, 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;

	2010		2009	
	Loans & advances to customers GH¢	Due from banks & financial inst. GH¢	Loans & advances to customers GH¢	Due from banks & financial inst. GH¢
Neither past due nor impaired	200,061,126	102,849,926	170,702,884	23,048,209
Past due but not impaired	8,978,797	-	5,228,416	-
Individually impaired	10,074,625	-	2,843,907	-
Gross	219,114,548	102,849,926	178,775,207	23,048,209
Less Allowance for impairment	7,067,715	-	2,251,410	-
Net amount	212,046,833	102,849,926	181,026,617	23,048,209

Loans and advances to customers in Ghana analysed by industry sector, as well as by customer type is shown in note 15(b) & 15(c) above.

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. 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. The monthly deposit concentration report is examined as part of the Assets and Liabilities Committee (ALCO) process and the necessary preventive/remedial action taken.

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 GH¢	3-6 months GH¢	6-12 months GH¢	Over 12 mths GH¢	Total GH¢
Assets					
Cash and balances with Bank of Ghana	58,633,994	-	-	-	58,633,994
Financial investments	15,489,409	38,559,688	83,694,793	65,307,655	203,051,545
Due from other banks and financial institutions	151,498,273	-	-	-	151,498,273
Loans and advances to customers	42,957,700	12,725,887	27,811,751	128,551,495	212,046,833
Other assets	-	14,154,637	-	-	14,154,637
Amounts due from associated companies	-	-	-	322,691	322,691
Investment in associate	-	-	-	161,000	161,000
Current tax asset	-	-	-	-	-
Property and equipment	-	-	-	10,063,080	10,063,080
Intangible assets	-	-	-	386,174	386,174
Total assets	268,579,376	65,440,212	111,506,544	204,792,095	650,318,227
Liabilities					
Customer deposits	246,898,510	124,030,741	177,100,021	-	548,029,272
Due to other banks	17,630,206	7,810,800	3,325,964	-	28,766,970
Term Borrowing	-	-	-	14,532,000	14,532,000
Interest payable and other liabilities	75,124	19,866,220	-	-	19,941,344
Current tax liability	53,959	-	-	-	53,959
Deferred tax liability	-	-	-	12,503	12,503
Subordinated shareholders' loan	-	-	-	2,000,000	2,000,000
Total liabilities	264,657,799	151,707,761	180,425,985	16,544,503	613,336,048
Net liquidity gap	3,921,577	(86,267,549)	(68,919,441)	188,247,592	36,982,179

Notes to the Financial Statements

For the year ended 31 December, 2010

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.

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, 2010	EUR GH¢	GBP GH¢	USD GH¢	GHC GH¢	Total GH¢
Assets					
Cash and balances with Bank of Ghana	1,361,586	2,431,956	12,943,904	41,896,548	58,633,994
Financial investments	-	-	-	203,051,545	203,051,545
Due from other banks and financial institutions	2,691,017	(287,987)	86,080,919	63,014,324	151,498,273
Loans and advances to customers	3,123	1,682,606	66,873,625	143,487,479	212,046,833
Other assets	123,707	-	-	14,030,930	14,154,637
Amounts due from associated companies	-	-	-	322,691	322,691
Investment in associate	-	-	-	161,000	161,000
Property and equipment	-	-	-	10,063,080	10,063,080
Intangible assets	-	-	-	386,174	386,174
Total assets	4,179,433	3,826,575	165,898,448	476,413,771	650,318,227
Liabilities					
Customer deposits	4,013,008	4,150,383	137,509,179	402,356,702	548,029,272
Due to other banks	-	-	13,157,470	15,609,500	28,766,970
Term borrowing			14,532,000	-	14,532,000
Interest payable and other liabilities	3,406	1,463	384,034	19,552,441	19,941,344
Current tax liability				53,959	53,959
Deferred tax liability	-	-	-	12,503	12,503
Subordinated shareholders' loan	-	-	-	2,000,000	2,000,000
Total liabilities	4,016,414	4,151,846	165,582,683	439,585,105	613,336,048
Net on balance sheet position	163,019	(325,271)	315,765	36,828,666	36,982,179
Net off balance sheet position	1,680,976		12,374,268	12,574,053	26,629,297

Notes to the Financial Statements

For the year ended 31 December, 2010

At 31 December, 2009	EUR GH¢	GBP GH¢	USD GH¢	GHC GH¢	Total GH¢
Assets					
Cash and balances with Bank of Ghana	849,351	838,100	7,079,920	25,413,788	34,181,159
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	-	-	-	48,078	48,078
Investment in associate	-	-	-	161,000	161,000
Deferred tax asset	-	-	-	5,168,681	5,168,681
Property and equipment	-	-	-	782,075	782,075
Total assets	1,689,696	2,609,923	68,086,438	289,693,537	362,079,594
Liabilities					
Customer deposits	2,147,647	3,103,414	71,817,625	218,079,970	295,148,656
Due to other banks	-	-	7,400,045	12,609,500	20,009,545
Interest payable and other liabilities	-	3,437	437,776	11,562,708	12,003,921
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	245,328,527	330,238,471
Net on balance sheet position	(457,951)	(496,928)	(11,569,008)	44,365,010	31,841,124
Net off balance sheet position	2,068,700	-	11,491,748	(9,429,459)	4,130,989

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

	2010		2009	
Foreign currency exposure	Ghana GH¢	Outside GH¢	Ghana GH¢	Outside GH¢
Assets				
Cash and balances with Bank of Ghana	16,737,446	-	8,764,371	-
Due from other banks and financial institutions	21,969,642	66,514,307	-	21,088,661
Loans and advances to customers	68,559,354	-	42,530,025	-
	107,266,442	66,514,307	51,294,396	21,088,661
Liabilities				
Customer deposits	145,672,570	-	77,068,686	-
Due to other banks	13,157,470	-	7,400,045	-
Interest payable and other liabilities	388,903	-	441,213	-
	159,218,943	-	84,909,944	-

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%.

Regulatory capital as defined by the Bank of Ghana has two (2) components;

Tier 1 capital: share capital arising on permanent shareholders' equity, retained earnings and reserves created; and

Tier 2 capital: qualifying subordinated loan capital, and unrealised gains arising on the fair valuation of equity instruments held as available for sale. For an instrument to quality as subordinated loan capital, it should possess the following attributes:

- 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 2010 and 2009.

	2010 GH¢	2009 GH¢
Paid-up Capital	25,990,088	25,990,088
Disclosed Reserves	10,202,323	3,148,375
Other adjustments	(161,000)	(328,781)
Tier 1 Capital	36,031,411	28,809,682
Total Capital	36,031,411	28,809,682
Risk weighted assets	268,358,994	190,404,538
Tier 1 capital adequacy ratio	13.4%	15.1%
Total capital adequacy ratio	13.4%	15.1%

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 2010

		Post-Offer Shareholding	
	Shareholder	No. of Shares	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	SIC Life Company Limited	1,065,818	6.66%
6	Fidelity Trust	834,758	5.22%
7	Kwamina Duker	800,000	5.00%
8	Lifeforms Limited	640,000	4.00%
9	Mr. Edward Effah	220,000	1.38%
10	Bernard Lind	200,000	1.25%
11	A&A Partners Limited	167,000	1.04%
12	Mr. David Boatin	150,000	0.94%
13	Mr. Philip Addison	140,000	0.88%
14	Business Development Consultancy	100,000	0.63%
15	Ghana Commercial Bank	100,000	0.63%
16	Mr. Jim Baiden	80,000	0.50%
17	Mr. Victor & Mrs. Doris Attafua	60,000	0.38%
18	Prof. John & Dr.(Mrs.) Magaret Gyapong	60,000	0.38%
19	Mr. William Panford Bray	52,424	0.33%
20	Mrs. Johanna Svanikier	50,000	0.31%
	Total	15,540,000	97.13%
	Others	460,000	2.88%
	Grand Total	16,000,000	100.00%

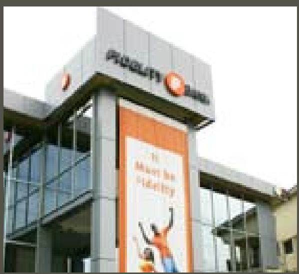
Analysis of Shareholdings as at 31st December 2010

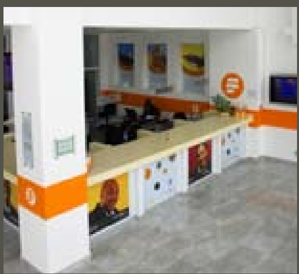
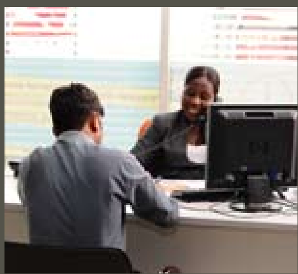
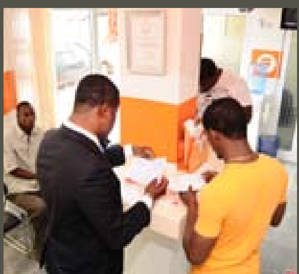
Category	Number of Shareholders	Number of Shares	% Holding
1 - 50,000	12	310,000	1.94%
50,001 - 500,000	12	1,529,424	9.56%
500,001 - 1,000,000	3	2,274,758	14.22%
over 1,000,000	5	11,885,818	74.29%

Directors Shareholdings as at 31st December 2010

Directors	Number of Shares
William Panford Bray	52,424
Edward Effah	2,301,920
Kwamina Duker	800,000
Johanna Svanikier	50,000
Jim Baiden	240,000

Fidelity Bank Branches


OSU	+233 (0)302 760 482
SPINTEX	+233 (0)302-816030
A & C Mall	+233 (0)302-522635
ACTION CHAPEL SPINTEX	+233 (0)54-4335967-8
ADUM	+233 (0)3220-47481
SUAME	+233 (0)3220-46451
KUMASI STADIUM	+233 (0)3220-49813/4
AHODWO	+233 (0)544-337 327
ATONSU	+233 (0)544-336362
TAKORADI	+233 (0)3120-23516
TAMALE	+233 (0)372-027764
TARKWA	+233 (0)3123-20688
RIDGE TOWER	+233 (0)302-214491
OKAISHIE	+233 (0)302-685144
ABOSSEY OKAI	+233 (0)302-679352
TUDU	+233 (0)302-680567
KANTAMANTO	+233 (0)302-679331
HIGH STREET	+233 (0)302-673103
TEMA COMM. 1	+233 (0)303-203118
TEMA SAFEBOND	+233 (0)303-213390
RING ROAD CENTRAL	+233 (0)544-339043
DANSOMAN	+233 (0)302-300561
HAATSO	+233 (0)544-339126
TEMA COMM2	+233 (0)544-339131
REGISTRAR GENERAL	+233 (0)302 664691-3

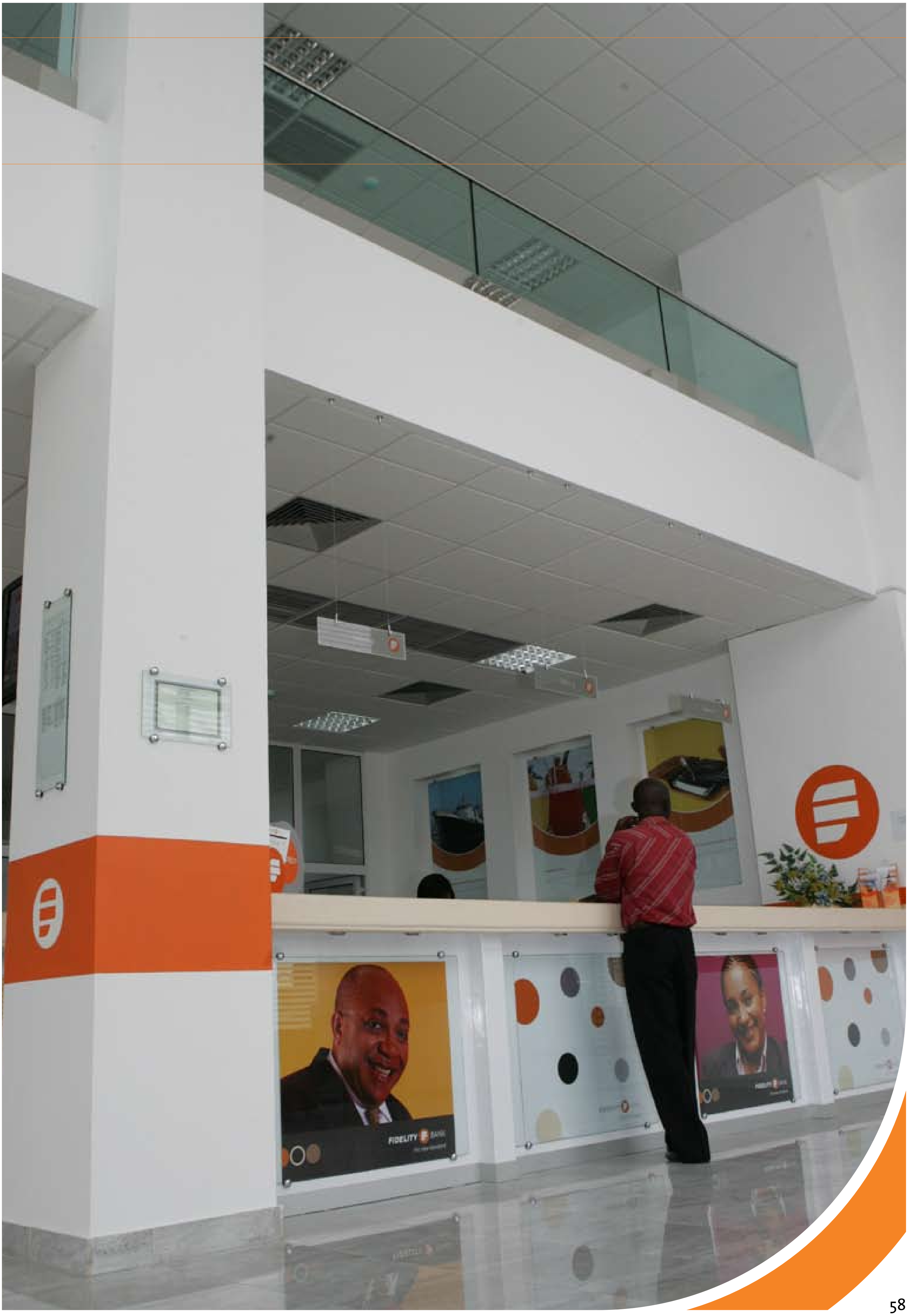
Fidelity Bank ATM Locations

GREATER ACCRA REGION	
Ridge Tower	Osu 1
Osu 2	Spintex Road
Tema Safebond	Tema Community 1
Tema Community 2	Abossey Okai
Okaishie	A & C Mall
Action Chapel	Ring Road Central
Haatso	Dansoman
University of Ghana	Elwak Sports Stadium
Labone V-Mobile	Tesano
Nungua Barrrier	Kotoka International Airport
Tudu	Kantamanto

ASHANTI REGION	
Stadium Post Bank	Adum
Suame	Atonsu
Ahodwo	

WESTERN REGION	
Takoradi	Tarkwa

NORTHERN REGION
Tamale


FIDELITY BANK

Concept & Layout: Signature Qlass Ltd, Ghana.

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