

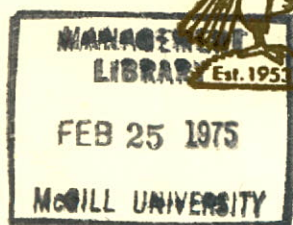
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annual report

for the year ended 30th June, 1974



GHANA COMMERCIAL BANK

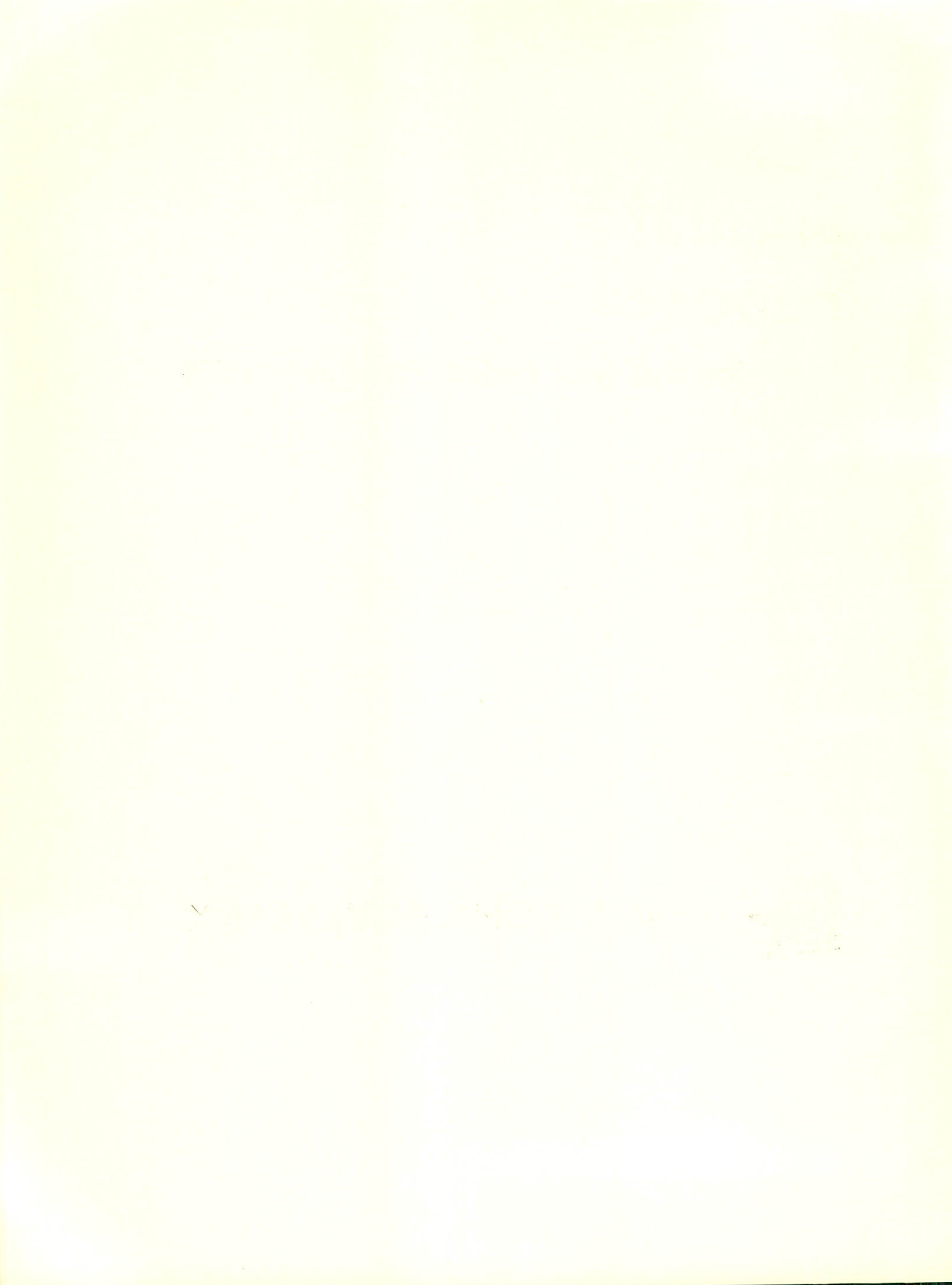


annual report

for the year ended 30th June, 1974



GHANA COMMERCIAL BANK



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Chairman's Statement

DEVELOPMENTS IN GHANA'S ECONOMY, 1973/74[illegible]

BOARD OF DIRECTORS

(As at 30th June, 1974)

MR T. E. ANIN *Chairman & Managing Director*

MR BEN. SELORMEY *Deputy Managing Director*

MR WILLIAM OSEI *Executive Director*

MR I. A. OGBARMEY-TETTEH *Executive Director*

DR A. K. APPIAH *Director*

MR AGANA BANGA „

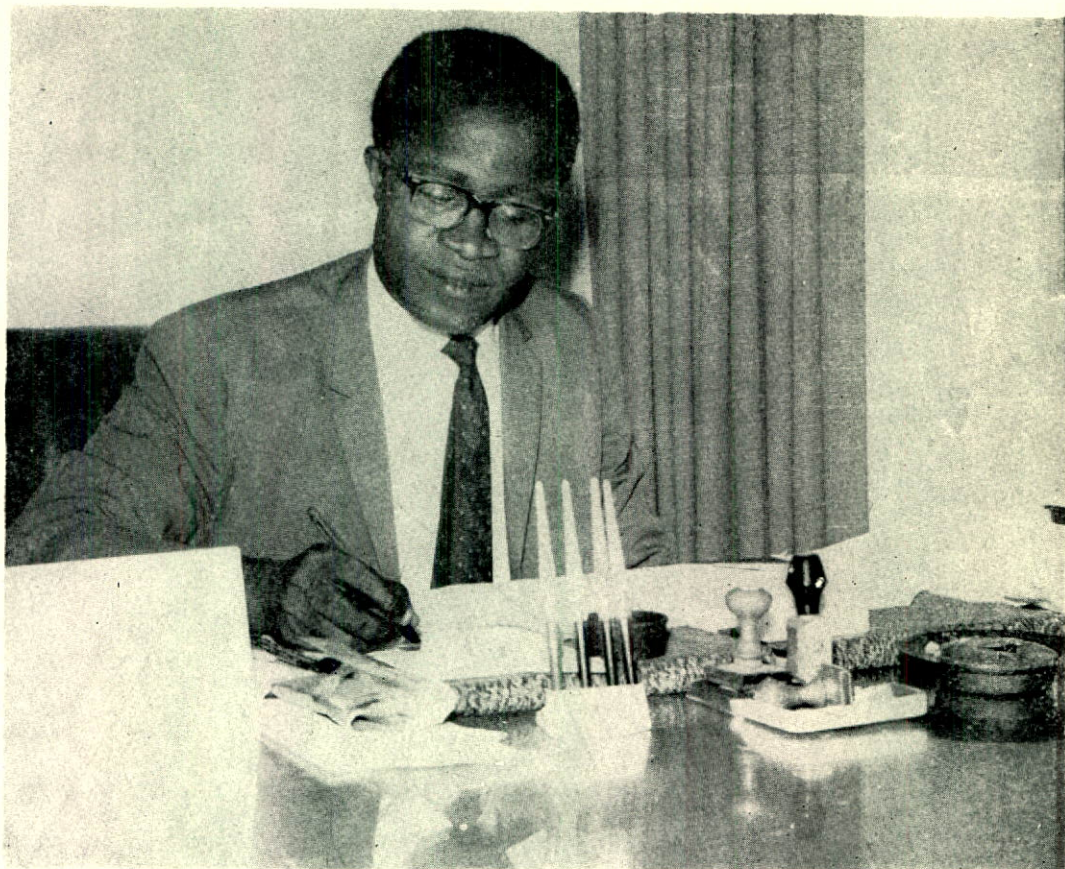
MR A. K. KONUAH... „

DR M. KOOTIN-SANWU „

MR OSEI KUFUOR „

MRS ELEANOR ARTHUR *Secretary*

Chairman's Statement



T. E. Anin, Chairman and Managing Director

We have pleasure in presenting the Annual Report and Statement of Accounts for the year ended 30th June, 1974.

Earnings

The Consolidated Profit and Loss Account shows that the net profit for the year amounted to ₦4,576,759.97 (as against ₦3,918,829.00 in June 1973). This figure was arrived at after the necessary provisions for taxation, transfers to Reserve and after charging all expenses. This represents an increase of 16.7 per cent over the net profit for the 1972/73 accounting year, (the comparative figure for that year being 14.7 per

cent). We have not only been able to maintain but also to improve our profits in a year in which we have had to work within the confines of reduced lending rates (from 14 per cent to a mandatory 10 per cent) coupled with rapidly rising operating costs. The year has also been a difficult one for our foreign operations which have been conducted against a background of international economic uncertainties.

Dividend and Bonus Issue

The Board recommends a first and final dividend of ₦450,000 after approving a Bonus Share issue of ₦1 million to the

Government. This dividend is the highest we can prudently pay if we are to strengthen our Capital and Reserve base in line with the increasing volume of business and in compliance with the requirements of the Banking Act, 1970.

After payment of the dividend there remains to be carried forward C628,473.

Consortium Financing

We are pleased to inform you that our deposits (on both Demand and Time accounts) have shown a healthy increase. We are most gratified by this development in view of the fact that the bulk of our loanable funds are derived from deposits. It is out of deposits that loans and overdraft facilities are granted; in considering requests for facilities we are guided to a large extent by the need to maintain adequate liquidity in compliance with the regulations of the Central Bank. We also need to remind ourselves that the real skill of banking lies in balancing commitments to depositors on the one hand and the careful assessment of the needs of borrowers on the other hand within the framework of national economic priorities.

We have maintained and increased our lending to all vital sectors of the economy (agricultural and industrial). A prominent feature of our lending activities this year has been our active participation in Consortium financing. During the year we participated in the financing of the following projects:—

1. Medium term loan for the purchase of two new Fokker F28 Jet airliners for Ghana Airways.
2. Medium term loan for the purchase of buses for the State Transport Corporation.
3. Equity and Loan participation in a Livestock Development project sponsored by the World Bank.
4. Equity and Loan participation in the construction of the new Kaneshie Market Complex.

We welcome this method of meeting the financial needs of State and quasi-State orga-

nisations as a means of spreading the load of debt and of relieving the Central Government from providing the capital spending needs of these organisations out of the Budget.

Economic Developments

The improved results which we are presenting this year have been achieved under difficult economic conditions. From 1972 to the end of 1973 we witnessed a very encouraging rise in the price of our main export items which helped improve our Balance of Payments position. This year the situation has changed dramatically. In common with other developing countries, Ghana's balance of payments position has been adversely affected by the steep rise in the cost of imported oil and oil-related products. For the period January 1973 to December 1973, Ghana spent US \$53 million on oil imports, while for the first seven months of this year she has already paid US \$100 million for her oil imports. Evidently, the tempo of development has been drastically affected by the energy crisis. It has also had a disastrous effect on our timber industry. The demand from Western Europe for Ghanaian hardwoods has slumped following the difficulties faced by the furniture manufacturing industries of the Common Market.

The price of gold, which reached an all time high of \$175 an ounce early this year has dropped, at the time of writing, to about \$150 per ounce.

All these factors have had a dampening effect on the nation's economy and the situation would have been worse still but for the fact that spot and forward quotations for the 1974/75 cocoa crop have held up well. Indeed, the most pressing problem with cocoa is not only one of price but also of adequate production to meet increasing world demand. It is, therefore, disturbing to note that Ghana's share of the world production which rose from 29 per cent in the fifties to 37 per cent in 1960/64 declined again to 29 per cent during the period 1965 to 1972 and now remains around this level. In view of this disquieting trend, we welcome

the Government's attempt to find a solution to the problem of declining production by the appointment of a special National Cocoa Production Committee to examine the economic and social problems underlying this decline. We are pleased to note that the Committee has been asked to consider "the low producer prices throughout the 1960s which tended adversely to affect farmers' incomes and farmers' ability to maintain their farms". The Committee will also take into account the problem of attracting labour into cocoa farming, the incidence of diseases and pests, the proportion of trees too old to yield maximum production. In the meantime, it is gratifying to note that the Government has approved an upward revision in the producer price of cocoa from £12 to £15 per load of 60lb.

While efforts continue to be made by the Government to improve the cocoa industry we need to remind ourselves that the nation has yet to achieve a major breakthrough in agriculture. The problems of Ghana's agriculture need a long-term solution. This is well-known to the Government and we are happy to note that as part of the solution, irrigation schemes have been initiated in a number of areas to combat problems of perennial water shortage. We need hardly point out, however, that investments that are being made in these ventures will not achieve the desired results unless co-ordinated efforts are directed at the same time at providing high-yielding seeds,

fertilizers and other inputs in addition to instituting up-to-date farm management practices. We also wish to take this opportunity to urge the Government to re-appraise its policy on subsidies with a view to giving high priority to subsidizing agricultural inputs notably seeds, fertilizers and animal feed.

Debt Resettlement

We are pleased to note that the Government has successfully concluded negotiations with the Creditor countries regarding the rescheduling of Ghana's medium term debts. Under the agreement, all payments due after February 1, 1972 in respect of valid debt obligations will be paid over a period of 28 years at two and a half per cent interest — but only after a ten year period of grace. No payments will be made in respect of debt obligations which were specifically repudiated by the Government in February 1972 nor in respect of any obligations which Ghana's External Debt Committee chooses to repudiate in the future under agreed procedures.

Executive Changes

We lost, through retirement, the services of Messrs. K. O. Sackey and J. J. Coleman in November 1973. Mr K. O. Sackey was a pioneer member of staff, who served in various capacities until his appointment in 1961 as the first General Manager of the



The Board of Directors: From left to right are A. K. Konuah, Ben Selormey, William Osei, Eleanor Arthur (Secretary), T. E. Anin (Chairman and Managing Director), Agana Banga, Dr M. Kootin-Sanwu, Osei Kufuor, Dr A. K. Appiah and I. A. Ogbarmey-Tetteh.


Bank. He subsequently served as an Executive Director of the Bank. Mr J. J. Coleman also served the Bank as a Branch Manager in several Branches in Ghana and as Manager of our London Office. Upon his return from London to Ghana, and until his retirement, he was the Chief Manager (Administration). We are very grateful to these two gentlemen for the loyal and dedicated services which they have rendered to the Bank and we wish them happy retirement.

Two new Executive Directors were appointed to the Board. They are Mr Isaac Ogbarmey-Tetteh, Chief Legal Officer and Mr William Osei, Chief Manager (Administration) who was previously the Secretary to the Board. With his elevation, the post of Secretary has now been filled by the appointment of Mrs Eleanor Arthur, a Principal Legal Officer of the Bank.

We were saddened to learn of the death, at the age of 78, of Mr Herbert Peter Hinchcliffe. He was the Managing Director of this Bank from April 1959 to September

1960 and thereafter served as Adviser until he retired in 1968.

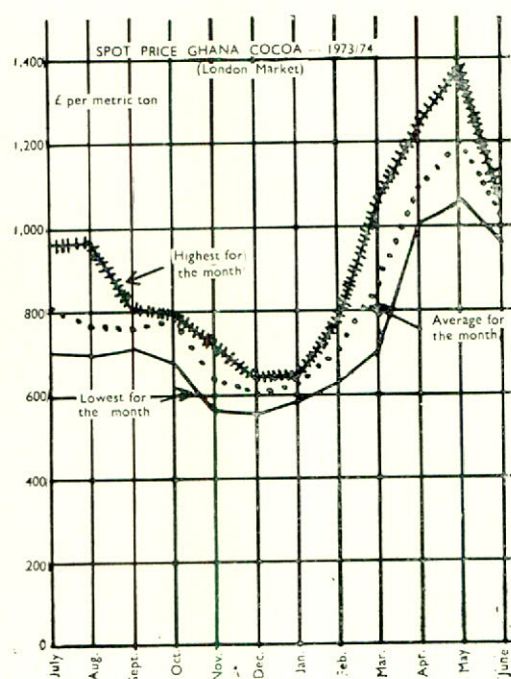
It is a very real pleasure for me to take this annual opportunity of expressing my gratitude to the Board, Management and staff of the Bank (both serving and retired) throughout the country and in our two overseas Branches. Their support and hardwork are highly valued and appreciated. Some of the problems we face are short-term; others are long-term. To deal with all these requires energy and determination, but it is the long-term problems for whose solution sustained intellectual effort as well as physical energy is needed. We shall strive to show these qualities in solving the problems of this Bank in the years ahead.



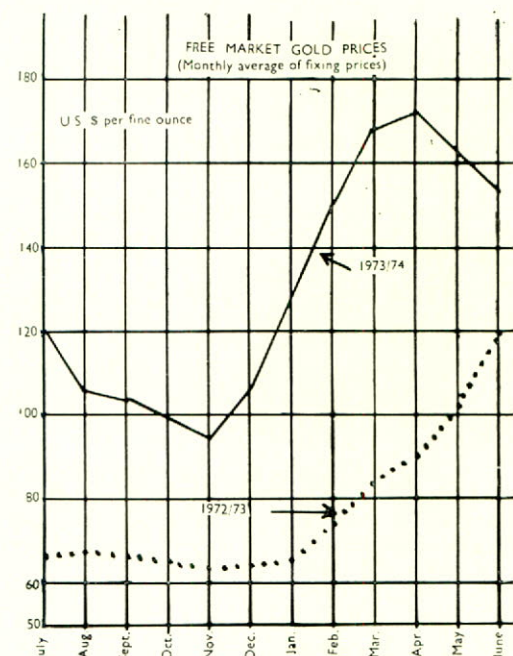
CHAIRMAN AND MANAGING DIRECTOR
29TH AUGUST, 1974

The international banking scene during the period under review continued to witness instability on foreign exchange markets, galloping inflation and fears of recession in the world economy. Added to these phenomenal changes was the steep increase in the price of oil which has thrown the balance of payment of various countries, notably developing countries which are non-oil producers, into disarray.

Not unexpectedly these unsettling developments had an impact on the conduct of the nation's foreign business transactions and created new pressures on our resources. However as a result of continued high prices on the world market of some of the country's major export items notably cocoa and gold, we were able to maintain and improve upon the level of our foreign business during the year. The volume of our foreign business continued to expand and this is mainly reflected in the increase of over 80 per cent in the volume of Documentary credits handled by us. In contrast with this achievement the volume of Export Letters of Credit established did not show any appreciable expansion mainly as a result of slack in the timber market. It will be recalled that during the second half of the 1973/74 financial year there was a sharp downturn in overseas demand for Ghana's timber following the slow-down in the economies of the major importing countries.



We continued to handle a sizeable proportion of the non-traditional export items like edible salt, furniture parts, shrimps, cotton prints and handicrafts. Although the exports



of these items seem to be on the increase, their impact on the nation's total export earnings is still negligible, an indication that there is still need for a review of the Export Bonus as well as the Export Production Credit Guarantee Schemes to make them more effective in achieving their stated objectives.

During the course of the year the Bank of Ghana widened the scope of its Guarantee Scheme to cover small indigenous manufacturers for the importation of raw materials. Under this special credit arrangement these manufacturers are permitted to establish letters of credit to import raw materials without the payment of cash margin but at the same time allowed to pay for these goods over a period of six months.

There has been a marked improvement in our correspondent bank relationships. New relationships especially on the African scene are actively established while existing ones are strengthened through exchange of visits. Our London Office continues to be an active centre of our foreign operations.

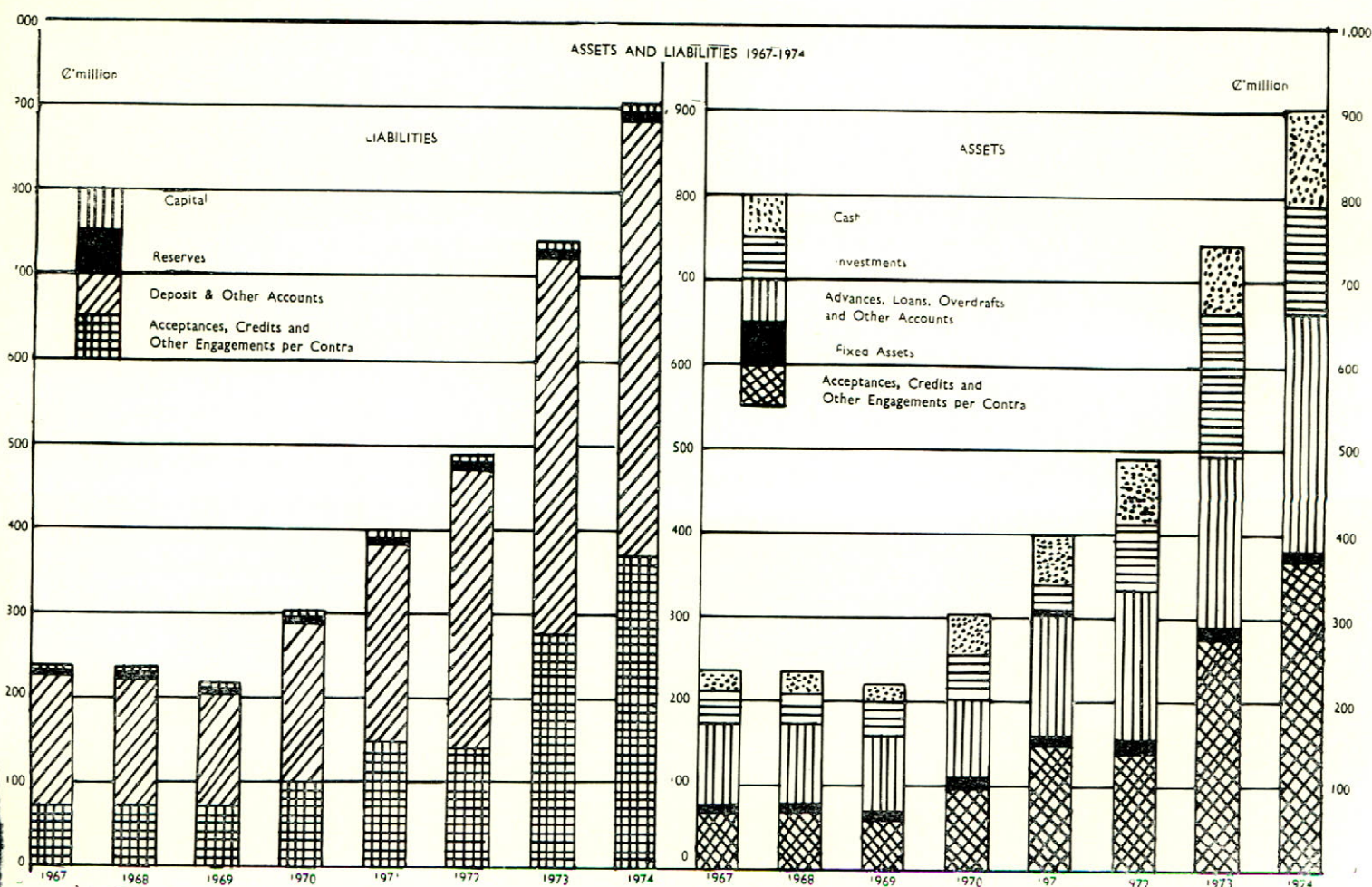
Domestic Operations

The financial year 1973/74 was, on the whole a successful year for the Bank. The year was marked by a further expansion in the volume of banking business. There were marked increases in our Total Deposits as well as Loans and Advances. Our profits continued to exhibit an upward trend and the authorised capital of the Bank was raised from £10.0 million to £15.0 million.

This spectacular result was, however, achieved against the background of some adverse economic conditions both at home and at international level. Both our foreign and domestic operations were conducted against the background of economic uncertainties and rapidly rising operating costs as a result of the world energy crisis and global inflation. In addition, the new monetary measures which were introduced in August 1973 also affected the conduct of banking business.

Under the new measures, both the borrowing rates and the lending rates of commercial banks were reduced from 7½ per cent to 5 per cent and 14½ per cent to 10 per cent respectively. In the case of advances with Bank of Ghana guarantee, the lending rate was given a ceiling of 9 per cent. These economic developments put considerable pressure on the Bank's operations.

Notwithstanding these unfavourable economic conditions, the Bank's operations continued to grow. Total deposits went up by approximately 17 per cent as against an increase of 15 per cent recorded in the 1972/73 financial year. Our savings deposits as well as Fixed deposits showed appreciable expansions despite the downward revision in the borrowing rates. Our demand deposits also went up by about 24 per cent.





A heap of Corn being unloaded at Ghanaian-German Settlement farm at Peki. Many farm projects like this one benefit from the Bank's financial assistance.

The Bank's credit portfolio equally indicated a remarkable growth with a higher proportion of it channelled in favour of the most vital sectors of the economy, including agriculture and manufacture. Total Credits built up by about 32 per cent during the period under review. Compared with last year's figure of 6.54 per cent, this year's performance has been very spectacular.

Equally spectacular of the Bank's operations during the 1973/74 financial year was its active participation in consortium financing. This new policy is an attempt by the Bank to relieve the Central Government from the burden of meeting the financial needs of State and quasi-state institutions. The Bank, thus, participated in the financing of the purchase of two new Fokker 28 Jet airliners for the Ghana Airways Corporation as well as the purchase of buses for the State Transport Corporation. In addition, the Bank helped to finance a livestock development project sponsored by the World Bank and participated in consortium financing of the construction of the New Kaneshie Market Complex.

Branch Expansion

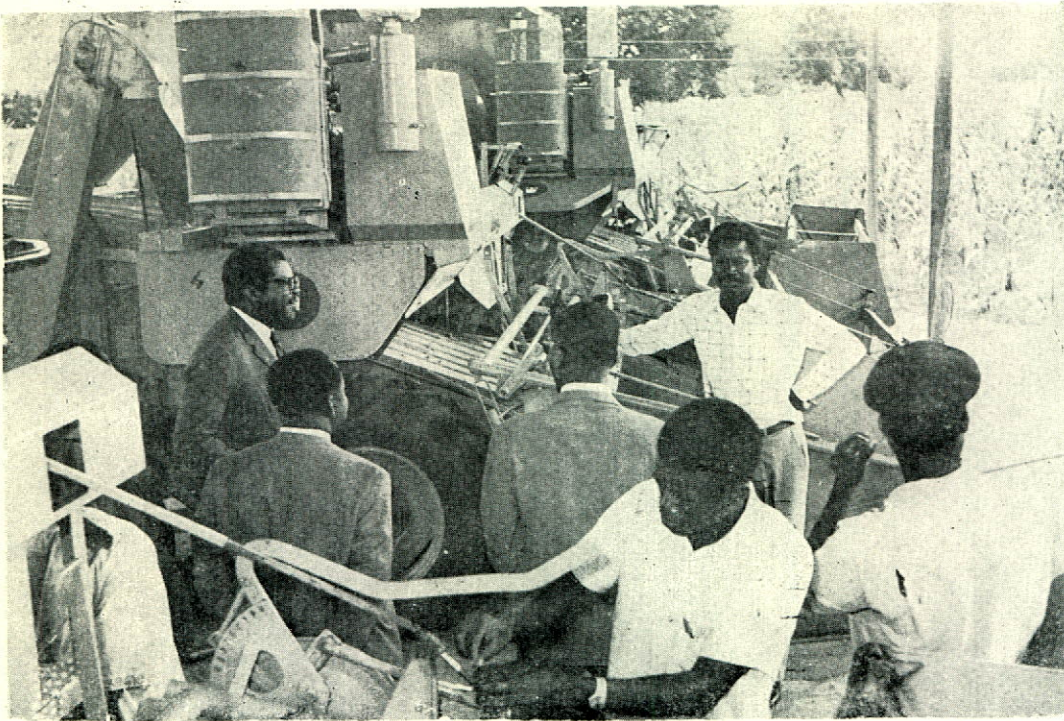
In line with our policy of consolidation only one new branch at Akumadan and three sub-branches (Kaneshie in Accra, Suame in Kumasi and Komenda) were added to our branch

network during the year. The Bank, however continued to utilise a substantial part of its capital budget in providing ultra modern buildings to replace old rented properties. Our Offinso, Kpandu and Tema Market Branches moved into new premises. The Republic House branch is also being remodelled to provide more facilities. During the year remodelling work started on several rented properties which will serve as premises for our sub-branches at Nsuta, Juaso, Takoradi Harbour, Dome, Industrial Area (Accra), and Tema Customs Longroom. It is sincerely hoped that all these sub-branches would be opened for banking business during the early part of the 1974/75 financial year.

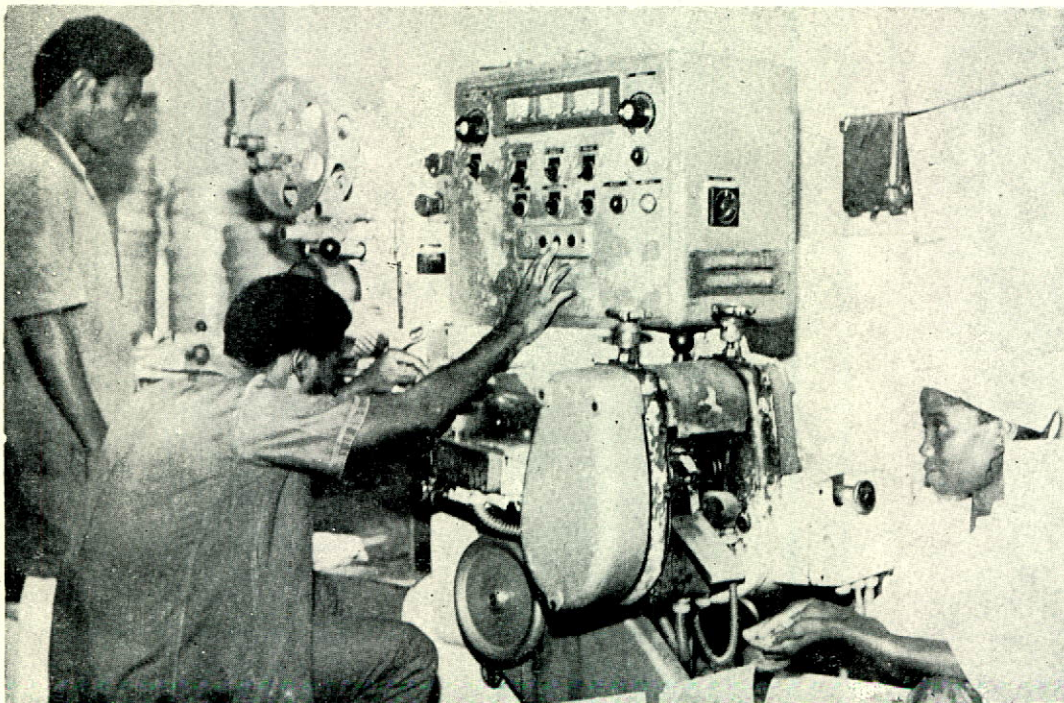
Staff Matters

The policy of the Bank to ensure that improved services are rendered to customers continued to guide the management in the recruitment of staff of high calibre. Notable among staff recruited during the financial year were graduates who served under the National Service Scheme with the Bank.

Staff training and development continued to receive the attention of the Management. In addition to the regular courses organised at our Training School, staff with managerial potential were posted to our London Office to undergo training in International Banking Services.



This combine harvester is owned by Development Leasing Limited, a subsidiary company of Ghana Commercial Bank. Leasing of combine harvesters and other agricultural machinery and equipment to farmers, is a specialty of the Development Leasing Limited. In the picture above Mr. S. Adjei (Second from right) Resident Director of Development Leasing Limited, explains the operations of the company to Dr. Amon Nikoi (left), Governor of the Bank of Ghana.



Ghana Commercial Bank provides medium and short term finance for a wide spread of companies, including the confectionery factory in the above picture.

BALANCE SHEET AS

1973		
	<u>CAPITAL</u>	
	<u>Authorised</u>	
	Ø750,000 Shares of Ø20 each.	Ø15,000,000
	<u>Issued</u>	
Ø 10,000,000	550,000 Shares of Ø20 each fully paid	11,000,000
8,000,000	Reserve Fund	8,300,000
<u>401,713</u>	Income Surplus Account	<u>628,473</u>
18,401,713		19,928,473
444,597,370	Deposits, Savings and Other Accounts	515,136,680
450,000	Proposed First and Final Dividend, Net	450,000
278,868,910	Liability for Confirmed Credits, Bonds and Other Engagements on behalf of Customers	370,367,058
<u><u>Ø742,317,993</u></u>		<u><u>Ø905,882,211</u></u>

T. E. ANIN, *Chairman and Managing Director*

BEN SELORMEY, *Deputy Managing Director.*

C. P. ODEI, *Ag. Chief*

AT 30TH JUNE 1974

1973

¢ 72,070,292	Cash in Hand and Cash Balances with Bank of Ghana.	¢ 94,887,101
8,814,526	Cash in Transit and Balances with other Banks.	20,886,291
128,056,865	Short Term Investments at Cost	81,301,797
36,120,103	Securities of Ghana and Other Governments at Cost.	44,871,054
465,000	Other Investments at Cost,	565,000
245,526,786		242,511,243
206,958,623	Advances, Loans and Other Accounts (Less Provision for Doubtful Debts).	282,657,954
10,963,674	<u>Fixed Assets</u>	10,345,956
278,868,910	Liability of Customers for Confirmed Credits, Bonds and Other Engagements.	370,367,058
<u>¢742,317,993</u>		<u>¢905,882,211</u>

DR. M. KOOTIN-SANWU, *Director*

OSEI KUFUOR, *Director*

Accountant

PROFIT AND LOSS ACCOUNT FOR

1973

	Transfer to Reserve Fund	
979,707	Section 9 (2) of the Ghana Commercial Bank Decree 1972 (NRCD. 115)	1,144,200
120,293	Section 13 of the Ghana Commercial Bank Decree 1972 — Regulation 43.	155,800
<u>1,100,000</u>		<u>1,300,000</u>
2,200,000	Provision for Contingencies, including Current Taxation.	2,600,000
	Distribution to Shareholders. First and Final Dividend for the Year:	
	Gross 1,000,000	
450,000	Less Tax at 55% 550,000	450,000
—	Bonus issue of 50,000 Shares of ₵20 each fully paid.	1,000,000
401,713	Balance transferred to Income Surplus Account	628,473
<u>₵ 4,151,713</u>		<u>₵ 5,978,473</u>

NOTES TO FOR THE YEAR

(1) The Net Profit is stated after making provision for the diminution in the value of assets and charging:—

	₵
(a) Directors' remuneration	47,125
(b) Auditors' remuneration	20,000
(c) Voluntary Donations	13,455
(d) Depreciation of Fixed Assets	1,559,407

(2) The Bank is committed to:—

- (a) Capital Expenditure in the sum of ₵2,921,000.
- (b) Make investments in securities in the sum of ₵1,627,000.

By Order of
AUDITOR'S

We have examined the attached Balance Sheet and Profit and Loss Account with the we considered necessary, and this information was satisfactory. The Bank has kept proper and has received proper and adequate returns from branches not visited by us. The accounts, Ghana Commercial Bank Decree, 1972 (NRC Decree 115) and the Banking Act, 1970. In our the state of affairs of the Bank as at 30th June, 1974, and the Profit and Loss Account gives a

AYEW AGYEMAN & CO.,
Chartered Accountants & Auditors,
Liberia Road, Accra.
27th August, 1974.

1973		
3,918,829	Net Profit for the year (Note 1)	4,576,760
232,884	Balance brought forward.	401,713
—	Amount transferred from Reserve Account.	1,000,000
<u>Ø 4,151,713</u>		<u>Ø 5,978,473</u>

ENDED 30TH JUNE, 1974

- (3) The Assets and Liabilities of the Bank expressed in foreign currencies have been converted into Cedis at the rates applicable on the last Business day in June, 1974.
- (4) These accounts include the consolidated figures of the subsidiary Company in Lome for the year under review. In accordance with the regulations of the Banque Centrale, the accounts of this subsidiary are prepared and audited up to 30th September.

ELEANOR M. ARTHUR (MRS.)
Secretary

books and records of the Bank. We have received all the information and explanations which books of account with which the Balance Sheet and Profit and Loss Account are in agreement the transactions relative to which are within the powers of the Bank, are in accordance with the opinion the Balance Sheet contains the prescribed particulars and gives a true and fair view of true and fair view of the Profit for the year ended on that date.

PANNELL FITZPATRICK & CO.,
Chartered Accountants & Auditors,
Farrar Avenue, Accra.
27th August, 1974

I. Economic Review 1973/74

The significant improvements which were made in the Ghanaian economy in 1973 were short-lived. By the end of June 1974, the country's balance of payments position which had been in surplus consistently for the past two years had a complete change and had begun to suffer heavy deficits.

During the period January to June 1974, the value of imports rose sharply by C220.3 million or 92.5 per cent to C458.4 million compared with the position at the end of the period January-June 1973. During that same period the value of exports too shot up but not as much as was registered in the case of imports. From a level of C383.6 million at the end of January-June 1973, the value of exports rose by C114.3 million or 29.8 per cent to C497.9 million at the end of the corresponding period of 1974. As a result of these movements, the country's trade surplus shrank drastically to C39.5 million at the end of the first six months of 1974 from the C145.5 million chalked at the end of the comparative period of 1973.

The sharp reduction in the country's trade surplus has affected the balance of payments position. Although final figures for 1974 are not yet available, it has, however, been indicated in the 1974-75 Budget proposals published in August 1974 that the country will have a balance of payments deficit to the tune of C30 million at the end of 1974 and reserves are expected to decline by C69.2 million during the year.

The oil crisis which suddenly erupted in October 1973 following the outbreak of hostilities in the Middle East is by far the most important single factor in explaining the change in the fortunes of the otherwise buoyant Ghanaian economy. It will be recalled that in October and December 1973 two sharp increases were effected in the price of crude oil by the oil producing countries. The increases taken together raised the posted prices by as much as four times. As oil enters practically the production of all manufactured goods, the oil crisis has affected general import prices with the result that Ghana's total import bill this year has gone up significantly. At the end of the first seven months of this year, for example, the value of total imports stood at C543.6 million which was C17.6 million or 3.3 per cent more than what was recorded for the whole year of 1973. To underscore the importance of oil prices in this increased

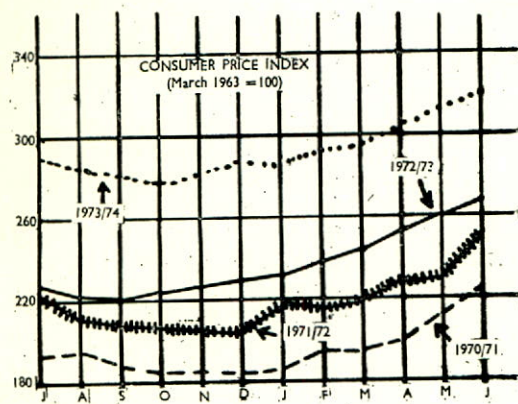
import bill, it is to be noted that whereas the country spent C40 million on crude oil and petroleum products in 1973, it is expected to spend in 1974 an estimated C132 million for almost the same volume of imports.

On the export side of the equation, total receipts have been rising but not as fast as imports. However, one disturbing fact is that the volumetric growth of exports has slackened considerably during 1974 in face of the mounting import bills. For example, the tonnage of cocoa exports at 211,581 at the end of the first six months of 1974 was 48,684 or 18.7 per cent lower than what was exported during the comparative period of 1973. In the case of timber exports which contributed significantly to Ghana's export boom in 1973 the decrease this year was even more striking. The level of timber exports at the end of the first six months of 1974 was 162,215 tons or 36.5 per cent below what was exported during the corresponding period in 1973.

Although some of the causes for these decreases can be explained by factors other than the oil crisis, it can hardly be disputed that the increased oil prices did also affect the country's exports. For example, the oil crisis accelerated the onset of a depression in the world timber trade which in turn contributed to the marked decline in exports both of logs and sawn timber. However, as a result of higher prices for some of the country's major export commodities, notably, cocoa and gold, on the international markets the country has been able to get just enough from the declining volume of exports to meet the increased import bills.

Apart from its adverse effects on the country's balance of payments, the oil crisis has contributed immensely to the current higher prices. For example, as a result of the crude oil price increases of 1973, the Government was forced early in 1974 to effect increases ranging from 65 to 90 per cent in the domestic prices of petrol, gas oil and kerosene. These increases have in turn affected the prices of locally produced food as well as imported commodities, where prices are now reflecting the higher transportation charges arising from increased petroleum prices. Data from the Central Bureau of Statistics on consumer prices for those earning below C1,200 per annum indicate that the general price index which stood at 319.5 (1963=100) at the end of June 1974 was 11.0 per cent above the figure

for December 1973 and 19.6 per cent higher than a year ago.



It will not be correct to attribute the high price levels solely to the oil crisis. A look at the national consumer price index shows that with the exception of rent all the other components of the national consumer price index contributed in different magnitudes to the rise in the overall index. While most of these increases could be attributed to causes other than increased oil prices, it is important to note that the largest increase between December 1973 and June 1974 was recorded by Transport and Communication which went up from 165.2 to 234.9, an increase of 42.2 per cent.

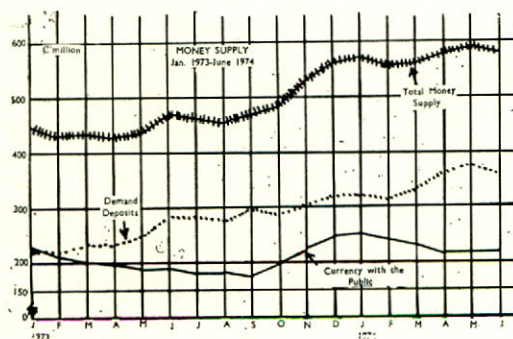
Faced with an emerging weak balance of payments position and mounting internal price levels, the Government on 20th September 1974 announced a reduction of 50 per cent in the face value of all Import Licences issued for the Import Year 1974 in respect of which no letters of credit had been opened. Also about the same time, the Central Bank issued a number of directives

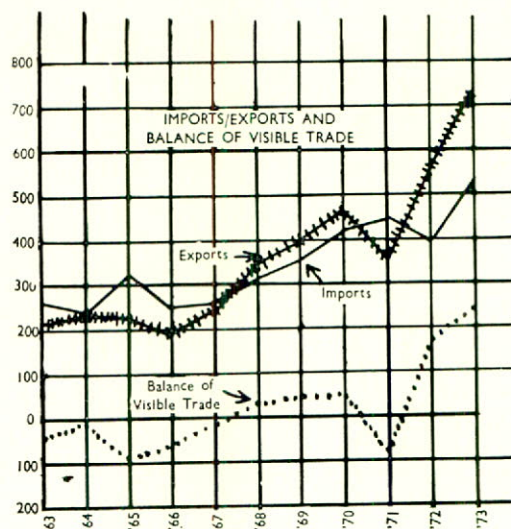
to financial houses aimed at restraining excessive monetary expansion. It is perhaps interesting to know that at the end of June 1974 total money supply stood at C579.6 million which was 23.1 per cent above a year ago or 48.1 per cent higher compared with the recorded level at the end of June 1972.

Since the Ghanaian economy has been caught up in world wide unprecedented energy crisis and a raging world wide inflation it can be concluded that it will be unable to avoid the difficult times that lie ahead. Already the country's balance of payments position has been weakened. The timber export boom of 1973 has ceased. Export prices of gold and cocoa seemed to have reached their peak and are beginning to drop. Amidst these developments it is expected that businessmen will adopt a wait-and-see attitude towards investments. However, it will not be in the long-run interest of the economy to deflate. Government should continue with its expansionary policies, tighten its control over imports but allocate more resources to the priority sectors of the economy, especially, agriculture to intensify the development of local raw materials for industry.

2. Ghana's Overseas Visible Trade in 1973

Although the country's external trade has not been particularly favourable during the first half of 1974, 1973 was a good trading year for Ghana. In that year large increases were recorded in the country's visible imports and exports. The value of exports in 1973, for example, was 29.4 per cent higher than in the previous year while the increase in the value of imports was 33.7 per cent, slightly more than the rise in the value of exports. As a result of very favourable movements in the country's overseas visible trade, there was a substantial improvement in the balance of trade surplus, which stood at C204.4 million at the end of 1973 as against a surplus of C171.1 million in 1972 and a deficit of C85.6 million in 1971. Thus, for the first time in recent years Ghana was able to build up its stocks, replace essential machinery and achieve reasonable levels of imported raw materials and spare parts, thereby avoiding the irritating shortages of these commodities which in the past had plagued the economy.





(a) Visible Exports

The value of exports in 1973 was ₵730.4 million, 29.4 per cent higher than in 1972. Although this increase was quite high it was substantially lower than the recorded increase of 57.9 per cent in the previous year. The rise in the value of exports reflected in part the sharp rise in world commodity prices which began in the middle of 1972 as well as the increase in the volume of some of the country's major export items, notably, timber.

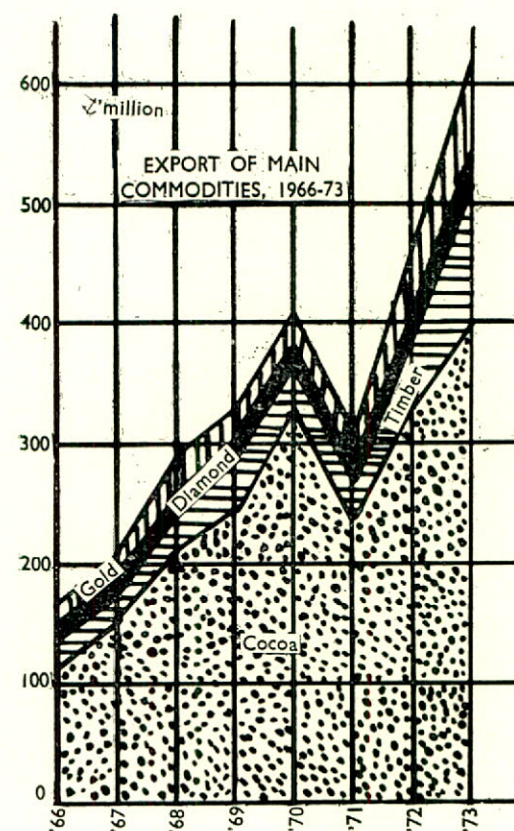
In 1973, the price of cocoa bean, Ghana's chief crop, on the London market was exceptionally high. It averaged £585.35 per metric ton reaching an all-time high of £970.00 per metric ton in August 1973. Compared with the average price of £270.49 which prevailed on the market in 1972, the price in 1973 showed a rise of £314.86 or 116.4 per cent. But as often happens, Ghana did not benefit by this rise in the world prices to the extent that it deserves. Only 361,539 tons of cocoa beans were exported in 1973 as against 413,881 tons in 1972. The export prices of gold and timber also showed similar increases.

Logs and sawn timber were the only major export commodities which showed significant increases in volume over their levels in the previous year. At 30.2 million cubic ft. in 1973, Logs exports showed an increase of 3.8 million cubic ft. over the 1972 export level, while sawn timber exports were slightly more in 1973 than in 1972.

The pattern of export receipts remained the same as in the previous years with export

receipts during the first half of the year rising faster than in the second. In the first half of 1973, for example, the value of exports was 54.0 per cent greater than in the second half of 1972 but the recorded value at ₵346.8 million in the latter half of 1973 was 9.6 per cent below the previous six months.

Cocoa beans continued to be the mainstay of the economy. However, its share in total value of exports continued to decline. From a level of 51.2 per cent of the value of total exports in 1972, cocoa bean exports decrease to 47.2 per cent in 1973 as against 64.2 per cent and 56.9 per cent in 1970 and 1971 respectively. Logs and sawn timber which accounted for 11.2 per cent of total exports in 1972 increased their share to 17.8 per cent in 1973 while the share of minerals in total exports decreased from 14.5 per cent in 1972 to 12.8 per cent in 1973. Within this wide commodity group of minerals, gold exports rose by 39 per cent while all the other mineral exports, namely, diamonds, bauxite and manganese decreased in value from ₵18.6 million to ₵13.1 million, from ₵2.7 million, to ₵2.6 million and from ₵8.3 million to ₵7.3 million, respectively.



(b) Visible Imports

In 1973, the value of imports was £526.0 million, an increase of 33.7 per cent compared with 1972, and indeed represented marked improvement from the import figures of 1972. This sharp rise in the value of imports reflected in part the continued increases in world commodity prices during 1973, the impact of the sharp rise in crude oil prices which took place in the last quarter of 1973 and increased domestic demand in response to the more liberal allocation of import licenses to build up stocks following a year of destocking. This healthy growth in imports was also the result of the presence of substantial liquidity in the economy reinforced by the favourable balance of payments that the country achieved from 1972.

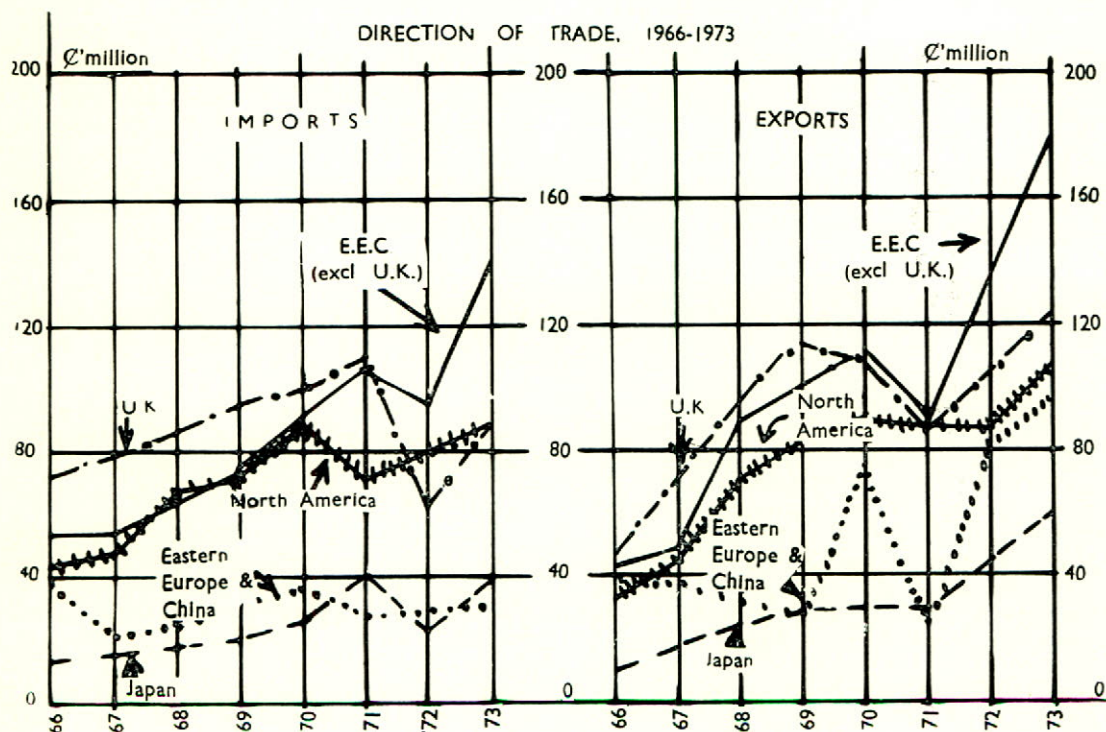
The value of imports grew sharply in both halves of 1973. In the first half imports were 30.0 per cent higher than in the previous six months. The second half year saw a further increase of 20.9 per cent in the value of imports over the first six months of 1973. All the major components of the country's imports shared in this increase. But the increase was particularly strong in the case of Food and Live Animals, Chemicals and Manufactured goods which increased by 54.7 per cent, 24.6 per cent and 57.8 per cent, respectively,

over their levels a year ago. These three commodity groups alone accounted for over 81.3 per cent of the total recorded increase in the value of imports during 1973. The essential capital goods, associated with future growth, did not benefit very much from the import boom as the value of imports of machinery and transport equipment remained much the same in 1973 as in 1972; however, their share in total imports decreased from 26.5 in 1972 to 21.2 in 1973.

During the year the Government rationalised the whole imports duty structure to remove the wide differences in taxes on different commodity groups. It merged import duties and sales taxes so that only one duty would have to be paid at the ports. The new import duties range from 20 per cent to 50 per cent instead of from five per cent to 150 per cent as was the case previously. These changes in practice meant substantial reductions in duties on the vast majority of imports.

(c) Direction of Visible trade

For 1973 as a whole deliveries to the European Economic Community (E.E.C.) which continue to increase in importance as a market grew by 112 per cent to account for 40.2 per cent of total exports. This



increase, however, was mostly accounted for by the enlargement of the E.E.C. last year to include three more countries, namely, the U.K. the Irish Republic and Denmark. Deliveries to North America rose by 24.1 per cent with shipments to the United States of America, 30.1 per cent higher than in the previous year. However, the proportion of total exports to North America which stood at 24.4 per cent in 1971 decreased to 15.4 per cent in 1972 and further fell back slightly to 14.8 per cent in 1973. Exports to the Centrally Planned Economies of Eastern Europe including the Soviet Union and China rose by 17.9 per cent while those to Japan was 29.2 per cent above their 1972 level.

As regards imports, nearly half of the country's total imports in 1973 came from the E.E.C. There was a strong growth of 141.9 per cent in Ghana's imports from the E.E.C. compared with the level attained in 1972. As in the case of exports, the recorded increase was largely the result of the enlargement of the E.E.C. In addition to this there were marked increases from all the countries within this area. The most significant being imports from the U.K. and West Germany which rose by 44.9 and 28.3 per cent to C£88.7 million and C£63.5 million respectively. Imports from North America also grew during the year after some easing back in the previous two years to amount to C£89.3 million, a rise of 12.2 per cent over 1972. Imports from the Centrally Planned Economies of Eastern Europe including the Soviet Union and China continued to expand. In 1973 they were up by C£1.5 million or 5.1 per cent over the 1972 level.

(d) African Trade

In 1973 there was a significant expansion in Ghana's trade with other African countries. The recorded trade at C£76.5 million at the end of 1973 represented a rise of C£38.7 million or 102.4 per cent above the figure a year ago. This increase of 102.4 per cent compares with a rise of 15.9 per cent recorded in the previous year. Both imports and exports were responsible for the increase but exports accounted for a substantial portion of the increase. Again, price rises accounted in part for much of the rise in value but there were also substantial increases in the volume of trade during the year. As a result of the increase, Ghana was able to move the share of intra-African trade in her total external trade from 4.5 per cent recorded in 1972 to 6.0 per cent in 1973.

During the period under consideration Ghana's purchases from other African countries increased by C£12.9 million or 42.6 per cent from C£30.3 million to C£43.2 million. Perhaps the most striking achievement of the year was the substantial increase in Ghana's deliveries to other African countries. From a level of C£7.5 million in 1972, Ghana's exports to other African countries rose by 334 per cent to C£33.3 million, an all-time high. This rise was accounted for mostly by the substantial increase in shipments to French Equatorial Guinea, and Mauritania.

As in the past, the pattern of Ghana's intra-African Trade remained the same as it was in the previous years with Ghana's imports from other African states still constituting the bulk of this trade. But one of the striking features of 1973 trade year was the narrowing of this trade gap.

During 1973, Nigeria maintained her position as Ghana's leading import market accounting for 48.8 per cent of Ghana's total imports from other African countries. 1973 also witnessed the emergence of French Equatorial Guinea and Mauritania as Ghana's leading export markets. Between them these two countries accounted for 78.3 per cent of Ghana's total exports to other African states.

3. Developments in the Agricultural Sector

During the period under consideration, the general characteristics of the Ghanaian economy remained broadly the same as in the past years. Agriculture continued to be the dominant sector, accounting for about 42 per cent of the nation's Gross Domestic Product and employing about 60 per cent of the total working population. Agriculture including forestry also continued to provide the bulk of the country's foreign exchange resources accounting for about 77 per cent in 1973.

In spite of this dominant role, the nation continued during the year 1973 to import food to the tune of C£111.7 million or 21.3 per cent of the value of total imports.

It was in an attempt to remedy this situation that the Government in 1972 launched its Operation Feed Yourself Campaign (OFY). The O.F.Y. which is currently in its third phase has already made some impact on agricultural production in this country. First, it has generated a nation-wide awareness in the country's agricultural potentials and

fanned up public enthusiasm for farming. Secondly as a result of the campaign large tracts of hitherto fallow lands have been brought under cultivation. Thirdly, and following from the above, significant increases have been registered in the output of some agricultural commodities. According to recent figures from the Ministry of Agriculture, the production of cotton, sugarcane, oil palm and rice rose by 500 per cent, 100 per cent 12 per cent and seven per cent respectively between 1971 and 1973. Maize production in 1973 exceeded the national demand to the extent that the Grains Development Board and the Food Distribution Corporation of the Ministry of Agriculture have now in reserve, over 20,000 tons of maize. Rice production also during 1973 reached nearly 70 per cent of the national need.

In spite of these achievement, however, the prices of agricultural produce and especially local food prices still remain very high and continue to move upwards. A look at the National Consumer Price Index will clearly show this trend. Between July, 1972 and June 1974, the index of local food rose from 261.6 to 374.1 (1963-100) an increase of 112.5 or 43 per cent.

Among the numerous reasons which have been put forward to explain this trend the following can be mentioned:—

- Poor feeder road system. There are few good access roads to many food producing areas and this makes it difficult to cart food to consuming areas (urban centres) where they are most needed. At times a great deal of foodstuffs are left in the bush as the result of impassable roads.
- Timely supply of agricultural inputs. Because of world shortages, high prices and administrative bottlenecks resulting in undue delays, essential farm inputs like fertilizers, cutlasses (machetes), tractors and other farm machinery and tools are not supplied in time or in correct quantities or both. This often prevents the farmers from achieving maximum output from their efforts.
- The effects of drought. Drought has also had its effects felt on agricultural output particularly in the northern savannah areas where it has reduced the output of millet, groundnuts and guinea corn in recent years. To compound this situation bush fires have often hit several farms especially rice farms in the dry season.

These problems confronting agriculture have continued to receive increasing attention from the Government. For example, during the period under discussion, the Government embarked upon the construction of two major irrigation facilities namely, Dawhenya and Okyereko to ensure not only good crops but also their availability at reasonable prices and in adequate quantities throughout the year. There are also plans to commence work on the following irrigation projects soon: Tano, Weiya and the Ayensu River Basin.

During the period under review, the Government increased the minimum guarantee prices of maize, rice, cotton, and cocoa as an incentive to the farmers to produce more. It also intensified its programme of feeder road construction and the provision of cold stores for the preservation of perishable food.

As a further thrust to the campaign to make the country self-sufficient in agricultural production, the Government in August 1974 announced a scheme which is designed to induce foreign companies operating in the country to invest in large-scale agriculture. The salient features of the scheme are as follows:—

First, the Scheme will be restricted to the cultivation of rice, maize, banana, oil palm, cotton, kenaf, avocado pears, groundnuts, soya beans, pineapples, tomatoes and ginger as well as the development of livestock.

Secondly, the Government will provide minimum guaranteed prices for all commodities grown under the scheme and such prices will depend on the prevailing international prices and production costs.

Thirdly, the Government will grant the following incentive package to those foreign companies participating in the Scheme:

- (i) Automatic exemption from payment of import duty and levy on machinery and equipment;
- (ii) Automatic tax holiday for five years;
- (iii) Prompt granting of Import Licences;
- (iv) Guaranteed immigrant quota;
- (v) Waiver of Selective Alien Tax;
- (vi) Accelerated depreciation for plant, building, equipment, dams, access motorable roads, and other capital works;
- (vii) Exemption of management staff from tax relating to furnished accommodation on the farm;

- (viii) Land on lease basis for which investors will pay economic rent.

Furthermore, as an essential part of the incentive package under the programme the Government will institute a scheme to accelerate the transfer of dividend of foreign companies participating in the agricultural programme.

(a) *Cocoa*:

In recent years Ghana has also been concerned with the declining trend in its cocoa production. In fact so much is the concern that on May 23, 1974 the Head of State, himself inaugurated a national cocoa production committee to look into ways of helping the country to maintain or if possible improve the country's share of the world cocoa bean output. In particular, the national cocoa production committee would consider what could be done to remedy the effect of the low producer prices throughout the 1960's which tended adversely to affect farmers' incomes and farmers ability to maintain their farms. Then the Committee would also consider what could be done about the large proportion of trees that are too old to yield their maximum production; the smuggling of cocoa into neighbouring countries; the widespread des-

truction of cocoa farms by diseases and pests; the relatively high cost of labour and the resultant lack of sustained investment by farmers in new farms; and the fact that most of the cocoa farmers themselves are too old to contribute their optimum effort; their average age being about 50 years.

Apart from the setting up of the national cocoa production committee, the Government has adopted a number of far reaching measures aimed at boosting cocoa production. Perhaps the most important of these measures has been the succession of producer-price increases introduced by the Government. Since 1972 the producer price of cocoa bean has been raised three times; first from £8.00 per load of 60lbs to £10.00; secondly from £10 to £12; and finally from £12 to £15. This near-doubling of farmers' incomes has made the cultivation of the crop much more profitable today than it was before and at the same time has led to what might be a halving of the traditional smuggling of beans across the country's borders to neighbouring states.

Simultaneously various efforts are being made to improve the industry's insufficient productivity. A large number of feeder roads are being built in Ashanti and other cocoa growing regions where the inadequate fleet of lorries and tractors is also being expanded.

Production of Raw Cocoa

Year *	Ghana's Output	Africa's Output	Total World Output	Ghana's % Share of African Output	Ghana's % Share of World Output
1963/64	436	901	1,217	48.4	35.8
1964/65	557	1,162	1,482	47.9	37.6
1965/66	410	852	1,205	48.1	34.0
1966/67	376	954	1,333	39.4	28.2
1967/68	415	964	1,333	43.0	31.1
1968/69	334	854	1,220	39.1	27.4
1969/70	409	999	1,418	40.9	28.8
1970/71	386	1,084	1,477	35.6	26.1
1971/72	457	1,145	1,553	39.9	29.4
1972/73 ** ...	411	1,006	1,365	40.9	30.1
1973/74 *** ...	345	941	1,396	36.7	24.7

* Crop year is from October to September.

** Estimate

*** Forecast

Source: Based on Gill and Duffus Cocoa Market Report.

(b) Forestry

1973 was another successful year for the country's timber industry. Prices for timber during that year were higher than in the previous years as a result of both an increase in world demand for and a fall in world supply of timber. In that year trading also seemed more efficient, certainly, less plagued by malpractice as the Ghana Timber Marketing Board continued its strict surveillance over the market.

These factors coupled with favourable weather conditions at home which were fairly good for timber extraction encouraged producers to increase their output. As a result total timber output from the country's forests during that year increased by 8.18 million cu. ft. or 10.2 per cent from 80.28 million cu. ft. in 1972 to 88.46 million cu. ft. In terms of

value, the recorded increase was quite substantial and represented a rise of ₵76.46 million or 90.9 per cent over the recorded figure of ₵84.09 million for 1972.

All types of timber — Logs, Sawn Timber Veneer and Plywood — contributed by varying degrees to this rise. The highest increase was, however, recorded by log which went up by 6.96 million cu. ft. or 10.5 per cent above the 1972 output level of 66.33 cu. ft. and accounted for 60.5 per cent of the recorded increase in terms of value.

As in the past a substantial portion of the timber produced was exported. In 1973, 48.74 million cu. ft. or 55.1 per cent of total timber output were exported as against 42.85 million cu. ft. or 53.4 per cent of total output in 1972. As a result of higher prices of timber on the export market during 1973,

Extraction of Timber 1969—1973

Million Cubic Feet

Logs	1969	1970	1971	1972	1973
Recorded Exports ...	24.60	21.22	24.95	33.60	38.48
Sawmill Intake ...	29.10	30.94	29.03	28.14	29.92
Veneer/Plywood Intake	2.72	2.68	3.02	4.29	4.49
Pitsawing... ..	0.50	0.40	0.40	0.30	0.40
Total Output of Logs ...	56.92	55.24	57.40	66.33	73.29

Source: Forestry Department.

Production of Selected Timber Products 1969—1973

	Unit of Measure	1969	1970	1971	1972	1973
(i) Sawn Timber						
Output ...	Million cu.ft.	12.900	12.680	12.190	12.280	13.050
Value ...	Million ₵	21.800	22.710	20.850	32.800	57.810
(ii) Veneer						
Output ...	Million cu.ft.	0.023	0.016	0.031	0.024	0.239
Value ...	Million ₵	0.179	0.082	0.231	0.288	1.115
(iii) Plywood						
Output ...	Million cu.ft.	0.889	1.106	1.379	1.652	1.877
Value ...	Million ₵	4.141	5.204	7.072	8.711	13.083

Source: Forestry Department

earnings from the country's timber exports reached an all-time high of C142.46 million. This earning represented an increase of C74.31 million or 109 per cent on the 1972 figure of C68.15 million.

Wawa retained first place with a volume contribution of 54.4 per cent. With Utile (9.2%), Sapele (8.2%), Mahogany (8.1%), Edinam (5.1%), Makore (4.7%), Emeri (1.5%), Kokrodua (1.4%) and Mansonia (1.4%), the nine species accounted for 94 per cent of the total logs export.

During the year under review Italy, West Germany, Netherlands, Spain, the United Kingdom, Belgium and Japan were the leading buyers of Ghana's logs. These seven countries together accounted for some 91 per cent of the country's total log exports. Outstanding in this regard was Spain which hitherto was low in precedence and did not have special mention.

In 1973, about 40.82 per cent of the total log production went into local sawmills for conversion into lumber. Sawmill intake increased by 6.32 per cent as compared with the 1972 figure but sawn timber exports and local sales dropped by 4.29 per cent and 5.72 per cent respectively. About 8.46 million cu. ft. representing 67 per cent of the sawn timber produced were exported. The U.K. retained her traditional first place, importing 54.3 per cent of the total lumber exported. The U.K. was followed by Eire, Netherlands, the U.S., West Germany, New Zealand and Italy in that order of importance. These countries together took some 87 per cent of the lumber exported.

During the year under review veneer production and exports increased considerably; production rising from 23,580 cu. ft. in 1972 to 238,590 cu.ft. in 1973. Exports also rose from the 1972 figure of 17,020 cu.ft. to 144,300 cu.ft in 1973. Netherlands and the U.K. were leading importers accounting for 78 per cent of the total exports of veneers.

Similar increases were also recorded in Plywood production and export during the period under review. From a level of 1.65 million cu.ft. in 1972 plywood production increased by 13.3 per cent to 1.87 million cu.ft. in 1973 while exports rose by 85.4 per cent from 0.89 million cu.ft. in 1972 to 1.65 million cu.ft. in 1973. The U.K. accounted for 84 per cent of the total exports.

During the review period the production of logs from Forest Reserves continued to rise. The recorded figure of 41.79 million cu.ft. in 1973 represented a rise of 2.93 per cent on the 1972 figure. However, its share in total log production decreased from 61.20 per cent in 1972 to 57.02 per cent.

The volume produced outside Forest Reserves increased significantly from 25.73 million cu.ft. in 1972 to 31.50 million in 1973, representing an increase of 22.4 per cent. This trend is to be expected because of the higher prices for timber which prevailed during the year.

Forest Reserve Log Production Compared with total Log Production 1969—1973

	1969	1970	1971	1972	1973
Total Production	56.92	55.24	57.40	66.33	73.29
Forest Reserve Production ...	23.19	27.25	29.22	40.60	41.79
% Forest Reserve Contribution ...	40.74	49.33	50.90	61.20	57.02

Source: Forestry Department

DIRECTION OF GENERAL TRADE
1970 — 1973

Table I

	1970				1971				1972				1973			
	Imports		Exports		Imports		Exports		Imports		Exports		Imports		Exports	
	£'000	%	£'000	%	£'000	%	£'000	%	£'000	%	£'000	%	£'000	%	£'000	%
E.E.C.*	91,498	21.8	111,202	23.8	105,347	23.8	90,861	25.4	93,827	23.9	138,443	24.5	139,277	26.5	179,975	24.6
U.K.	99,068	23.6	108,265	23.2	110,721	25.0	86,807	24.3	61,209	15.6	104,664	18.5	88,713	16.9	124,005	17.0
USSR, China and Eastern Europe	35,529	8.5	75,977	16.2	27,203	6.1	24,250	6.8	29,432	7.5	80,951	14.3	30,944	5.9	95,540	13.1
North America	89,513	21.4	89,530	19.2	71,337	16.1	87,350	24.4	79,567	20.2	86,781	15.4	89,260	17.0	107,739	14.7
Africa	21,739	5.2	4,595	0.9	26,454	6.0	6,167	1.7	30,294	7.7	7,531	1.3	43,175	8.2	33,290	4.6
Japan	25,772	6.2	30,325	6.5	41,270	9.3	29,543	8.3	22,474	5.7	45,248	8.0	37,472	7.1	58,353	8.0
Others	53,792	12.8	47,382	10.2	57,296	12.9	32,411	9.1	74,120	18.8	100,711	17.8	94,895	18.0	131,461	18.0
Parcel Post	2,135	0.5	103	—	3,514	0.8	95	—	2,370	0.6	83	—	2,214	0.4	79	—
Total	419,046	100.0	467,379	100.0	443,142	100.0	357,484	100.0	393,293	100.0	564,412	100.0	525,950	100.0	730,440	100.0

*1973 E.E.C. figures represent trade with the enlarged Community, but excluding U.K.

Source: Central Bureau of Statistics.

EXPORT OF DOMESTIC PRODUCE, 1970-1973

Table 2

Commodity	Unit of Quantity	1970			1971			1972			1973		
		Quantity	Value		Quantity	Value		Quantity	Value		Quantity	Value	
		'000	£'000	% Share	'000	£'000	% Share	'000	£'000	% Share	' 000	£'000	% Share
Cocoa Beans	Ton	362	300,399	65.3	309	195,066	55.9	406	289,058	52.6	368	344,833	49.4
Cocoa Paste	Ton	1	1,047	0.2	1	834	0.2	3	2,650	0.5	6	4,175	0.6
Cocoa Butter	Ton	17	27,252	5.9	22	24,310	7.0	19	29,024	5.3	20	44,215	6.3
Cocoa Cake*	Ton	16	2,852	0.6	18	2,660	0.8	36	7,309	1.3	22	4,095	0.6
Timber (Logs)	Cub. ft.	16,667	19,875	4.3	19,597	20,536	5.9	26,391	42,292	7.7	30,233	88,551	12.7
Timber (Sawn)	Cub. ft.	8,506	17,096	3.7	6,560	12,217	3.5	8,838	21,173	3.9	8,465	41,755	6.0
Bauxite	Ton	211	1,276	0.3	348	2,290	0.7	311	2,682	0.5	307	2,574	0.4
Manganese	Ton	397	7,208	1.6	412	6,641	1.9	441	8,275	1.5	285	7,315	1.0
Diamond	Carat	2,872	14,467	3.1	2,367	11,752	3.4	3,193	18,643	3.4	2,267	13,063	1.9
Gold	f.o.t.	697	25,695	5.6	697	28,454	8.2	737	51,089	9.3	722	70,106	10.1
Kola Nuts	Cwt.	39	213	0.0	47	453	0.1	57	579	0.1	134	1,563	0.2
Others	—	—	42,852	9.3	—	43,735	12.5	—	76,658	14.0	—	75,195	10.8
Total Export of Domestic Produce	—	—	460,232	100.0	—	348,948	100.0	—	549,432	100.0	—	697,440	100.0

*Including Cocoa Powder.

Source: Central Bureau of Statistics.

ASSETS AND LIABILITIES OF COMMERCIAL BANKS

Table 3

C'million

	1969	1970	1971	1972	1973			
	December	December	December	December	March	June	September	December
ASSETS								
1. Cash and balance at the Bank of Ghana	54.8	87.9	79.0	113.9	171.3	173.2	187.2	171.1
2. Foreign Currency Assets	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1
3. Balance due by other Banks	8.0	8.2	12.9	9.7	7.2	8.9	10.3	20.4
4. Treasury Bills	52.5	51.6	26.0	65.0	67.0	65.0	56.0	42.8
5. Commercial Bills... ..	45.3	12.2	60.7	37.5	0.2	0.4	7.6	56.4
6. Loans and Advances	149.0	174.4	253.4	255.2	257.7	258.3	274.7	283.6
7. Securities	46.0	67.4	27.5	49.4	49.4	67.4	65.6	65.6
8. Investment in Enterprises	0.8	0.9	0.9	0.9	1.1	1.4	1.6	1.6
9. Real Estate	16.2	16.9	19.4	21.0	21.2	20.2	20.7	21.2
10. Other Assets	18.9	21.2	35.0	146.3	122.3	150.1	119.1	121.8
TOTAL	390.7	440.8	514.9	699.0	697.0	745.0	74.30	784.6
LIABILITIES								
1. Paid up Capital and Reserves	13.3	18.8	24.4	28.4	28.6	29.3	31.6	32.2
2. Balance due to other Banks	35.0	26.3	5.8	15.3	4.5	8.5	4.0	4.1
3. Total Deposits	256.2	294.2	399.9	474.8	493.1	544.8	541.0	563.7
(a) Demand Deposits	157.0	172.8	246.3	269.7	261.7	312.0	312.3	327.3
(b) Savings Deposits	69.4	80.0	89.6	123.0	133.5	143.6	150.7	158.5
(c) Time Deposits	29.8	41.4	64.0	82.1	97.9	89.1	78.0	77.9
4. Other Liabilities	86.2	101.6	84.9	180.3	171.4	162.4	166.4	184.6
TOTAL	390.7	440.8	514.9	699.0	697.6	745.0	743.0	784.6

Source: Bank of Ghana Quarterly Bulletin

CONSOLIDATED BALANCE SHEET OF THE BANKING SYSTEM

Table 4

£'million

End of Month Figures

	1969	1970	1971	1972				1973			
	Dec.	Dec.	Dec.	March	June	Sept.	Dec.	March	June	Sept.	Dec.
LIABILITIES											
Money Supply ...	289.4	305.4	320.3	335.6	380.7	396.3	461.1	435.7	471.0	471.4	563.7
1. of which (a) Currency with the Public ...	150.7	150.7	158.8	166.1	158.0	160.9	239.2	202.1	189.9	174.7	245.0
(b) Demand Deposits ...	138.7	154.8	161.5	169.5	222.7	235.4	221.9	233.6	281.1	296.7	318.7
2. Less Liquid Deposits ...	98.9	121.2	153.6	184.7	194.6	194.6	205.1	213.4	219.6	221.5	229.7
3. Other Liabilities ...	94.0	146.1	202.2	221.3	255.7	248.8	292.1	288.8	242.2	242.0	290.3
TOTAL ...	482.3	572.7	676.1	741.6	831.0	839.7	958.3	937.9	932.8	934.9	1,083.7
ASSETS											
1. Net Credit to Government ...	312.8	291.8	286.3	348.6	343.8	361.1	373.3	352.5	304.8	299.1	343.3
(a) By Banking system ...	255.5	258.8	268.3	316.5	330.4	349.4	367.0	351.8	346.5	345.0	395.7
(i) By Bank of Ghana ...	175.5	159.9	300.0	313.5	283.2	291.8	300.5	284.5	261.6	262.9	328.1
(ii) By Commercial Banks ...	80.0	98.9	—31.7	3.0	47.2	57.6	66.5	67.3	84.9	82.1	67.6
(b) Net use of IMF Reserves in Cedis ...	57.3	33.0	18.0	32.1	13.5	11.7	6.3	0.7	—41.7	—45.9	—52.4
2. Credit to Public Institutions ...	47.0	93.5	147.9	234.1	193.9	205.9	224.3	245.2	216.6	152.7	178.1
(a) By Bank of Ghana ...	0.2	44.5	68.5	152.9	116.9	127.0	151.9	164.9	135.6	62.3	79.9
(b) By Commercial Banks ...	46.8	49.0	79.4	81.2	77.1	78.9	72.4	80.3	81.0	90.4	98.2
3. Credit for Cocoa Finance ...	119.5	82.0	111.9	25.9	54.3	17.1	77.7	16.7	0.7	7.7	106.3
(a) By Bank of Ghana ...	63.0	70.0	51.0	9.0	34.3	—	30.0	8.0	—	—	50.0
(b) By Commercial Banks ...	56.5	12.0	60.9	16.9	20.0	17.1	47.7	8.7	0.7	7.7	56.3
4. Credit to the Private Sector ...	91.6	126.2	175.2	183.7	186.1	182.7	174.1	169.9	178.3	185.9	187.1
(a) By Bank of Ghana ...	—	—	—	—	—	—	—	—	—	—	—
(b) By Commercial Banks ...	91.6	126.2	175.2	183.7	186.1	182.7	174.1	169.9	178.3	185.9	187.1
5. Overseas Assets (Net) ...	—88.6	—20.8	—45.2	—50.7	52.9	73.0	108.9	153.6	232.6	289.6	268.9
(a) With the Banking System ...	—17.0	26.7	—12.6	— 5.1	80.9	99.0	129.8	168.6	199.3	252.2	224.5
(i) With Bank of Ghana ...	12.3	44.7	—17.9	12.7	90.4	124.5	140.2	170.7	205.2	253.5	212.9
(ii) With Commercial Banks ...	—29.3	—18.0	5.3	—17.8	— 9.5	—25.5	—10.4	— 2.1	— 5.9	— 1.3	11.6
(b) Net use of IMF Credit ...	—71.6	—47.5	—32.6	—45.6	28.0	—26.0	—20.9	—15.0	33.3	37.4	44.4
TOTAL ...	482.3	572.7	676.1	741.6	831.0	839.7	958.3	937.9	932.8	934.9	1,083.7

Source: Bank of Ghana Quarterly Bulletin



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HEAD OFFICE AND LIST OF BRANCH OFFICES

	Telephone No.	Postal Address
HEAD OFFICE	64914—7, 63524 63529 & 63480	P.O. Box 134, Accra
Branch Office	Telephone No.	Postal Address
GREATER ACCRA REGION		
Accra High Street	64914—7 63524, 63529 and 63480	P.O. Box 2971, Accra
Kotoka International Airport (Sub-Branch)	76171 Ext. 448	c/o P.O. Box 2971, Accra
Foreign Branch, Accra.	64914—7, 63524, 63529 and 63480	P.O. Box 871, Accra
Burma Camp, Accra	76111 Ext. 780/1, 75462	Private Post Bag, Burma Camp, Accra
Legon	75381 Ext. 350	P.O. Box 17, Legon
Makola Market, Accra	66086, 62917	P.O. Box 3129, Accra
Ministries, Accra	65421 Ext. 468, 62170	P.O. Box M.8, Accra
Republic House, Accra	21112 (4 lines) 27890	P.O. Box 5550, Accra North
Tema Main Branch Office	2760 2768/9	P.O. Box 152, Tema
Tema Customs (Sub-Branch)	—	c/o P.O. Box 152, Tema
Tema Market	4763 2861 — 2	P.O. Box 173, Tema
Industrial Area, Tema	2818	c/o P.O. Box 152, Tema
Fishing Harbour, Tema	2413	c/o P.O. Box 152, Tema
Ring Road West, Accra	25605, 24703, 25270	P.O. Box 171, Kaneshie, Accra
Kaneshie Market (Sub-Branch)	—	c/o P.O. Box 171, Kaneshie, Accra
Korle-Bu, Accra	66158	P.O. Box 3852, Accra
Osu, Accra	74456, 74436, 76855	P.O. Box 0212, Osu, Accra
Derby Avenue, Accra	64191, 65847	P.O. Box 4832, Accra
Boundary Road, Accra	21789	P.O. Box 819, Accra
Liberty House, Accra	66631 — 5	P.O. Box 4443, Accra
Accra New Town, Accra	25928	P.O. Box K.96, Accra New Town
CENTRAL REGION		
Cape Coast Main Branch Office	2354, 2549	P.O. Box 65, Cape Coast
Komenda (Sub-Branch)	—	c/o P.O. Box 65, Cape Coast
University of Cape Coast	2287	P.O. Box 046, Cape Coast
Agona Swedru	291	P.O. Box 186, Agona Swedru
Assin-Foso	27	P.O. Box 76, Assin-Foso
Winneba	133	P.O. Box 128, Winneba
Breman Asikuma	—	P.O. Box 60, Breman-Asikuma
Abura-Dunkwa	1	P.O. Box 29, Abura-Dunkwa
Saltpond	23	P.O. Box 96, Saltpond
Mankesim	—	P.O. Box 78, Mankesim
ASHANTI REGION		
Kumasi Main Branch Office	5291 — 3, 4569	P.O. Box 852, Kumasi
Suame (Sub-Branch)	—	c/o P.O. Box 852, Kumasi
Asafo Market, Kumasi	3514	P.O. Box 3696, Asafo Market Kumasi
Kumasi University	5153	Private Post Bag, University Post Office, Kumasi
Kejetia, Kumasi	2692	P.O. Box 1630, Kejetia, Kumasi
Konongo	209	P.O. Box 137, Konongo

	Telephone No.	Postal Address
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Nsuta (Sub-Branch)	—	c/o P.O. Box 94, Mampong-Ashanti
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Obuasi	55	Private Post Bag, Obuasi
Ejisu	11	P.O. Box 49, Ejisu
New Offinso	18	P.O. Box 60, New Offinso
Ejura	18	Private Post Bag, Ejura
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Juaso	35	P.O. Box 51, Juaso
Asankare (Sub-Branch)	3	P.O. Box 3, Asankare

BRONG-AHAFO REGION

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Nsuatre (Sub-Branch)	—	c/o P.O. Box 34, Sunyani
Bechem	9	P.O. Box 69, Bechem
Berekum	42	P.O. Box 115, Berekum
Dormaa Ahenkro	33	P.O. Box 16, Dormaa-Ahenkro
Duayaw-Nkwanta	5	P.O. Box 66, Duayaw-Nkwanta
Hwidiem	5	P.O. Box 11, Hwidiem
Goaso	30	P.O. Box 83, Goaso
Kukuom (Sub-Branch)	—	c/o P.O. Box 83, Goaso
Mim (Sub-Branch)	—	c/o P.O. Box 83, Goaso
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Wenchi	33	P.O. Box 49, Wenchi
Kintampo	11	P.O. Box 31, Kintampo
Nkoranza	17	P.O. Box 44, Nkoranza

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Yendi	—	P.O. Box 32, Yendi
Damongo	20	P.O. Box 40, Damongo

UPPER REGION

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Navrongo	30	P.O. Box 28, Navrongo
Bawku	—	P.O. Box 38, Bawku
Wa	25	P.O. Box 66, Wa

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Koforidua	3049, 3059, 3069 2258, 2391	P.O. Box 286, Koforidua
Akim Oda	124	P.O. Box 364, Akim Oda
Kade	38	P.O. Box 62, Kade
Kwahu Tafo	8	P.O. Box 32, Kwahu Tafo
New Tafo	7	P.O. Box 42, New Tafo
Nkawkwaw	105	P.O. Box 272, Nkawkwaw
Somanya	34	P.O. Box 78, Somanya

	Telephone No.	Postal Address
Asamankese	33	P.O. Box 167, Asamankese
Akropong/Akwapim	32	P.O. Box 83, Akropong/Akwapim
Mampong/Akwapim (Sub-Branch) ...	—	c/o P.O. Box 83, Akropong Akwapim
Larteh (Sub-Branch)	18	P.O. Box 8, Larteh
Anyinam	31	P.O. Box 46, Anyinam
Ada Foah	7	P.O. Box 55, Ada Foah
Suhum... ..	21	P.O. Box 155, Suhum
Begoro	23	P.O. Box 39, Begoro
Nsawam	62	P.O. Box 280, Nsawam
Kibi	40	P.O. Box 97, Kibi
Akosombo	530	P.O. Box 24, Akosombo
Asutsuare (Sub-Branch)	—	c/o P.O. Box 24, Akosombo
Mpraeso	40	P.O. Box 56, Mpraeso

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Tsito (Sub-Branch)	—	c/o P.O. Box 164, Ho
Aflao	7	P.O. Box 12, Aflao
Dzodze (Sub-Branch)	—	c/o P.O. Box 12, Aflao
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Kadjebi	21	P.O. Box 27, Kadjebi
Keta	57	P.O. Box 133, Keta
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Anloga	9	P.O. Box 31, Anloga
Peki	27	P.O. Box 12, Peki.

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Tarkwa	174	P.O. Box 90, Tarkwa
Samreboi	8	P.O. Box 40, Samreboi
Enchi	11	P.O. Box 15, Enchi
Axim	56	P.O. Box 55, Axim
Half Assini	27	P.O. Box 54, Half Assini
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Prestea	6	P.O. Box 102, Prestea
Sefwi-Wiawso	20	P.O. Box 59, Sefwi-Wiawso

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