



FINANCIAL LITERACY TRAINING ON SUSTAINABLE FINANCING FOR POULTRY/PIG FARMERS ASSOCIATION

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Brief history of Akuapem Rural bank Plc.



Akuapem Rural Bank Limited was incorporated on 29th August, 1980 making it the 12th Rural Bank to be established in Ghana and the 3rd in the Eastern Region. (i.e a little over 43yrs)

The Bank is fully owned by Ghanaians and licensed by BoG with an oversight responsibility by ARB Apex Bank.

Currently has 6 branches with its head office located at Mamfe

Total liabilities as at Dec. 2023 stands at Ghs 143,388,140

Total Assets as at Dec. 2023 stands at Ghs 160,252,658



HOW BIG IS THE POULTRY INDUSTRY IN GHANA?



- The National demand for poultry meat alone is about 400,000Mt
- Ghana consumes about 342,129Mt of imported poultry meat annually.
- Local production is just about 57,871MT
- Total poultry meat imported is about 180,000MT with a shortfall of 162,129 MT.
- 5% of this is produced locally with 95% supplemented by imports from the Netherlands, Brazil, USA and other markets at a value of nearly US\$400m.



WHY THE NEED TO MANAGE YOUR FINANCES AS FARMERS?



- **Financial planning (Budgeting):** This helps you as a farmer to make the right decisions, manage expenses and create risk management plans. *If you fail to plan, you plan to fail by Franklin Benjamin*
- **Risk Management:** farming in general is full of uncertainties, and farmers like you need to be prepared for any unfortunate events.
- **Set Personal and Professional Boundaries:** You need to set apart your personal and business expenses to avoid unnecessary expenses from the business budget.
- **Record/Book Keeping:** Maintain documented records on your farming activities regarding all financial spending



WHAT ARE SOME OF THE CHALLENGES FACED BY FARMERS IN ACCESSING FUNDS FROM THE BANK?



- **Inconsistent Cashflow:** Inconsistency affects the financial health of businesses, that's why the business financial plan is important.
- **Not Creating Budget:** Creating a budget is crucial for every small business so that they can limit their expenses, maintain cash funds and review their business progress.
- **No Preparation for Risk Management:** There is no business without risks, and it's important to be prepared for any unforeseeable events.
- **Scarcity of Capital Funds:** Farmers find it challenging to raise capital funds for their businesses resulting in limited capital funds which hamper day-to-day operations resulting in a slow business start.
- **Combining Business and Personal Finances:** Mixing your expenses with business expenses makes it difficult to monitor your expenses and this can harm the business's reputation.
- **Bad credit history:**
- **No Collateral/Guarantor:**



HOW CAN YOU ACCESS LOAN FACILITY FROM THE BANK?



- Establish good banking relationship through account opening
- Channel all funds through your bank account to maintain proper cash flow
- Maintain good credit history
- Ensure documented record/book keeping
- Separate your business from you as a person (have a personal & business account)
- Get a collateral or guarantor (registered vehicle/landed property, fixed term investments i.e T-bills, Fixed deposit etc)
- Regularize your business by registering it at the registrar general's department



WHAT ARE THE TYPE OF LOANS/ACCOUNT AND OTHER BENEFITS YOU CAN GET FROM ARB?



- Business advisory services
- Financial literacy education for your staff
- Business/Personal account
- Agric Loan
- Commercial Loan
- Commercial overdraft
- Access to our E-banking platforms
- Cash collection services



THE MISTAKE WE ALL MAKE REGARDING FINANCIAL MATERS



- **Procrastination/ waiting and expecting Lampsonof funds before deciding to invest**
- **Lack of knowledge (seek knowledge on investment)**
- **Quick to make high returns on our investment**
- **Failure to access our selves regularly**
- **Investing into projects we cannot complete**
- **Over dependence on only one source of income**
- **Less or No interest in financial maters (business news)**
- **We don't investigate/ask questions (Due Diligence)**
- **Putting all our eggs into one basket (Diversification)**
- **We don't learn the language of money (Save, budget, manage, invest, plan, cost, consistent, commitment, sacrifice, discipline etc**
- **We don't track our expenses**
- **Impulse buying**



THE POWER OF MONEY



Two-thirds of Jesus' Parables dealt with money, riches or wealth.

- **The Parable of the Talents – Let money work for you. (Mat. 25:15-24)**
- **Eccl. 10:19 "Money answers everything". Verse 20 says "Do not curse the rich".**
- **One good golden rule is that "he who has the gold, makes the rules".**
- **Make money legally & righteously, and spend to do God's work & will. Proverbs 13:11 "dishonest money dwindles away".**
- **Time value of money: Proverbs 6:6-11 (Go to the ant, thou sluggard; consider her ways and be wise)**
- **Multiplicity value of money. "The greatest invention of Mankind is Compounded Interest"..... Albert Einstein.**
- **Do not invest into securities that will bring you nothing. Ecclesiastes 5:14**
- **Money rules, so the Love of it leads to problems (1Tim 6:10)**
- **Money has 'wings'. This well-known truth is simply because of one word.....'WANTS' (General & Liability Assets).**
- **It's easier to make money, than to save it. If you disregard this truth, YOU CAN NEVER EVER MAKE A FORTUNE!!!**
- **Money hates 'noise'/violence/conflict**



THANK YOU

