



# **ASUTIFI RURAL BANK PLC**

## **Financial Statement for the Year Ended December 31, 2025**

**Opoku Andoh & Co.**  
**P.O.Box CO 136**  
**Tema**  
**Greater Accra**



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# CHIEF EXECUTIVE OFFICER



**MR. ATTISO TAATA-DENKE**

**ASUTIFI RURAL BANK PLC**  
*RURAL FINANCING AND DEVELOPMENT*

**BOARD OF DIRECTORS AND OFFICIALS**

<b>Board of Directors</b>		
	Mr. Adu Gyamfi Kessey	Chairman (retired October 2025)
	Mr. Akwasi Akuamoah-Boateng	Member (retired October 2025)

<b>Secretary</b>	Mr. Henry Adjei Kwakye
	P.O. Box 34
	Acherensua-Ahafo Region

<b>Management</b>	Mr. Attiso Taata Denke	Chief Executive Officer
	Mr. Hakim Kaana Abdulaih	Head, Operations
	Mr. Emmanuel Darkey	Head, Credits
	Mrs. Adwoa Fewaa Ameyaw	Head, Internal Audit
	Mr. Reuben Adjei	Head, Final Accounts
	Mr. Frank Sarpong	Head, ICT
	Mr. Agyei Tuffour Bando	Acting Head, HR & Administration
	Mr. Emmanuel Bimpong Asane	Risk & Compliance

<b>Registered Office</b>	Bank Premises
	P.O. Box 34
	Acherensua-Ahafo Region

<b>Auditors</b>	Opoku, Andoh & Co
	Chartered Accountants
	SDA 8, Community 5
	P. O. Box CO 1364
	Tema-Ghana

<b>Solicitors</b>	Asempa Chambers
	P O BOX 1105, Sunyani Bono Region

<b>Bankers</b>	ARB Apex Bank PLC
	Ecobank (Ghana) PLC

## **NOTICE OF ANNUAL GENERAL MEETING (AGM)**

Dear Esteemed Shareholders,

We are pleased to invite you to the **36th Annual General Meeting (AGM) of ASUTIFI RURAL BANK PLC**, scheduled as follows:

**Date:** Saturday, 30<sup>th</sup> May 2026

**Time:** 10:30 AM

**Venue:** Wesley Methodist Church, Acherensua – Ahafo Region

### **AGENDA**

1. **To read the Notice convening the meeting.**
2. **To approve the minutes of the 35<sup>th</sup> Annual General Meeting.**
3. **To receive the Chairman’s Report.**
4. **To receive and consider the Accounts for the years ended 31<sup>st</sup> December 2024/2025, and the Report of the Directors and Auditors thereon.**
5. **To adopt and discuss the Reports.**
6. **To discuss:**
  - o The proposed change of the Bank’s name from **Asutifi Rural Bank PLC** to **ASUTIFI COMMUNITY BANK PLC**, and
  - o The **New Capital Requirement for Community Banks.**
7. **To authorize the Directors to fix the Auditors’ fees.**
8. **To elect Directors.**
9. **To transact Any Other Business (AOB).**

**BY ORDER OF THE BOARD / APEX BANK**

**3<sup>rd</sup> May 2026**

**ADJEI HENRY KWAKYE**

**Board Secretary**

### **NOTES TO SHAREHOLDERS**

1. A shareholder is entitled to **attend and vote** at the meeting (using **poll voting**) or to **appoint a Proxy** to attend and vote on his/her behalf. A Proxy **need not be a member** of the Bank. Copies of the Proxy Forms may be obtained from the Bank’s offices/branches.
2. Your participation is important. If you are unable to attend in person, please consider appointing a Proxy to represent you. Proxy forms may be obtained from the Bank’s website or from the Secretariat.
3. Completed Proxy forms must be **lodged with the Board Secretary at the Head Office or branches not later than five (5) days** prior to the meeting date. Shareholders may also contact the Bank’s branches at **Acherensua, Kenyasi,**

**Mim, Nkaseim, Kasapin, and Asumura** for copies of the **2024/2025 Accounts** or to request assistance in relation to this Notice.

4. Please **RSVP by 25th May 2026** to inform us whether you will be attending.
5. All instruments of proxy must be properly completed and deposited at the **registered offices/branches of the Registrar of the Bank**, or submitted by email to: [asutifiruralbanklimited@yahoo.com](mailto:asutifiruralbanklimited@yahoo.com).

**Please contact the Registrar:**

**Asutifi Rural Bank PLC**

Head Office, Acherensua – Ahafo Region

**Tel:** +233 (0) 501495908

**Email:** [asutifiruralbanklimited@yahoo.com](mailto:asutifiruralbanklimited@yahoo.com)

## ASUTIFI RURAL BANK PLC

DRAFT MINUTES OF THE 35<sup>TH</sup> ANNUAL GENERAL MEETING OF SHAREHOLDERS HELD ON  
SUNDAY, 15<sup>TH</sup> DECEMBER, 2024 AT ACHERENSUA WESLEY METHODIST CHURCH

### 1.0 Attendance

#### 1.1 Board Members /Chief Executive Officer

S/N	Name	Position
1	Mr. Kwasi Aduse-Poku	Chairman
2	Mr. Peter K. Mensah Konadu	Vice Chairman
3	Mrs. Akua Kessey Osei-Wusu	Member
4	Mr. Akwasi Akuamoah-Boateng	Member
5	Mr. Adu Gyamfi Kessey	Member
6	Mr. Attiso Taata-Denke	Chief Executive Officer

#### 1.2 Apology

There was no apology

#### 1.3 Shareholders

One hundred and fifty-one (151) Shareholders were present at the 35<sup>th</sup> Annual General Meeting.

#### 1.4 Other Guests

S/N	Name	Portfolio
1	Mrs. Susan Boateng	Regional Manager, ARB Apex Bank, Sunyani Branch
2	Mr. Isaac Owusu Gyamfi	ARB Apex Bank Rep. of Association of Rural Banks
3	Nana Aduse -Poku Konkonko	Ακψεμπεμεηενε, Acherensua Traditional Council
4	Mr. Joseph Akossey	CEO, Proven Trusted Solution
5	Nana Opoku Dwomoh	Okyeame, Acherensua Traditional Council
6	Nana Baffour Awuah	Sompahene, Acherensua Traditional Council
7	Nana Domfe Kantan	Ankobeahene, Nkaseim Traditional Council
8	Nana Antwi Boasiako	Asomfohene, Acherensua Traditional Council
9	Nana Kwakye Ababio III	Akyeamehene, Acherensua Traditional Council
10	Rev. Williams Anane	Sup. Minister, Wesley Methodist Church- Ach.
11	Mr. John Yeboah	Headmaster, Acherensua Senior High School
12	Mr. Fred Asafo Adjei	Manager, Opoku Andoh & Co
13	Mr. David Amissah	Chief Station Officer, Ghana Police Service-Acherensua
14	Mr. Kwadwo Okona-Darko	Chief Revenue Officer, GRA-Kumasi
15	Mr. Kwasi Ameyaw	CEO, Asawenso Rural Bank
16	Mr. Isaac Owusu	Board Chairman, Ahafo Community Bank
17	Mr. Pobi Antwi Donkor	CEO, Ahafo Community Bank
18	Odeneho Appiah	Correspondent, Class Media
19	Mr. Franklin Adjei	Board Chairman, Nkroman Rural Bank
20	Mr. Ebo Cann Mensah	District director, MOFA

## **A. PART ONE: CEREMONIAL SESSION**

### **2. Opening Prayer**

The meeting began at exactly 2:15 pm. Reverend Williams Anane of Acherensua Wesley Methodist Church said the opening prayer.

### **3. Introduction of Chairman**

Mrs. Margaret Dzokoto, the MC for the programme introduced the Chairman of the function who was in the person of Mr. Kwasi Aduse-Poku, the Board Chairman of the Bank.

### **4. Acceptance of Chairmanship**

The Board Chairman, Mr. Kwasi Aduse-Poku readily accepted to chair the 35<sup>th</sup> Annual General meeting of Asutifi Rural Bank Plc. He expressed his heartfelt gratitude to everyone for the honour done him. He called for the support of all and sundry to ensure a successful programme.

### **5. Welcome Address**

The MC for the programme Mrs. Margaret Dzokoto welcomed all members present to the 35<sup>th</sup> Annual General Meeting of Asutifi Rural Bank Plc. She expressed her appreciation to all for making time to attend the programme.

### **6. Reading of Notice Convening the Meeting**

Mr. Peter K. Mensah Konadu, the Vice Board Chairman read the notice convening the 35<sup>th</sup> Annual General meeting of Asutifi Rural Bank Plc.

### **7. Reading, Correction and Adoption of Previous Minutes**

The previous minutes was read by the Board secretary, Mr. Henry Adjei-Kwakye. Mr. Richard Ntim Boateng moved for the acceptance and adoption of the minutes and it was seconded by Nana Baffour Awuah of Acherensua Traditionanl Council.

## **8. Fraternal Speeches by Invited Guests**

### **i. Speech by Association of Rural Banks Ghana (B/A Chapter)**

Mr. Isaac Owusu Gyamfi, a representative of ARB Apex Bank of the Association of Rural Banks – Ghana (B/A Chapter) on behalf of the President and the Executive Council brought fraternal greetings to the Board, Management, Staff, Shareholders, Nananom and all relevant Stakeholders of the Bank on the occasion of the 35<sup>th</sup> Annual General meeting of Asutifi Rural Bank Plc and congratulated the Bank.

On strict adherence to the Corporate Governance Directive, Mr. Isaac Owusu Gyamfi stated that Bank of Ghana has finally implemented the Corporate Governance Directive for Rural Banks in March 2022. He said it is incumbent on all the rural and community banks to strictly adhere to all the provisions of the directive especially the appointment of Board of Directors, key Management Personnel, Company Secretary, Tenure of Office of Directors, CEOs and many others. He entreated the Bank to ensure compliance to all these directives to avoid sanctions.

He disclosed to the house that the Chapter has outlined some programmes for the Board, management and staff of the member banks in the coming years to augment their training and other needs. These include;

- i) Embarking on deposits and shares mobilization
- ii) Visiting the Banks during their Board meetings
- iii) Attending AGMs and other activities of the member banks.

He said all these will help improve the performance of the member banks. He thanked the Board, Management, Staff, Shareholders, Nananom and all relevant Stakeholders of the Bank who have contributed in diverse ways in championing the course of rural banking in the Ahafo Region and the country at large.

### **ii. Speech by ARB Apex Bank Ghana Limited**

Mrs. Susan Boateng (Manageress, ARB Apex Bank – Sunyani Branch) extended greetings from ARB Apex Bank to the Board, Management, Staff, Shareholders, Nananom and all other relevant Stakeholders of the Bank on the occasion of the 35<sup>th</sup> Annual General meeting of Asutifi Rural Bank Plc. She expressed her profound gratitude to the Board for the good work done. She said her boss, Mr. Akwasi Awuah had wanted to be part of the programme but another equally important assignment had taken him away.

She touched on some indicators that are used to assess the performance of the various banks. She stated that the Banks indicators for the year 2023 were very encouraging. She made particular reference to the Bank's assets, deposits and profit before tax. She said in 2022, the Bank's profit before tax stood at GHC374,666.00 whereas in 2023, the Bank's profit before tax increased to GHC1,056,441.00. She was impressed about the significant increase in the Bank's profit before tax. She commended the Board, Management and Staff for the good work done. She was optimistic that if the Bank is able to sustain its current performance, it will become one of the best performing banks in the region and the country at large.

Mrs. Susan Boateng stated that per the Bank's financial report, the loan portfolio of the Bank has increased tremendously. She pleaded with customers who had accessed loan from the Bank to ensure prompt repayment of their loans to ensure the growth of the Bank.

She disclosed to the house that the vision of ARB Apex Bank is to support rural and community banks in their operations. She said in line with this vision, ARB Apex Bank has launched some technological products for the benefit of rural and community banks as well as their customers. She made reference to Ghana pay with short code \*707# and USSD code \*992# that could be used to access any account at Asutifi Rural Bank and any other rural bank across the country. She urged customers to subscribe to those technological products for easy banking. She added that available data shows that about 75,000 customers had hooked unto these products which is very encouraging.

She said one major setback associated with rural and community banks is Susu mobilization. She said various reports that they receive indicate that more often than not, some mobile bankers are unable to reconcile the money they collect from the field with the money that they bring to the Bank. She disclosed to the house that ARB Apex Bank has introduced POS that will help put a stop to this challenge. She said about 600 point of sales apps had been deployed to the various Branches to help address the incident of cash suppression and fraud.

Mrs. Susan Boateng touched on the introduction of Agency Banking by ARB Apex Bank. She stated that Agency Banking is all about expanding the operational areas of the bank without necessarily putting up new structures. She said with this Agency Banking, POS is placed at super markets, restaurants, shops and other vantage points which can perform the same banking transactions on behalf of the bank without incurring any huge cost. She added that RCB mobile banking app will be introduced soon. She said all these are clear indication that indeed ARB Apex Bank is fulfilling its vision and mission.

On stated capital, she pleaded with the shareholders to buy more shares. She was optimistic that the financial report for next year will be more resilient than that of this year and she was hopeful that dividend will be paid to shareholders soon.

She congratulated the Board, Management, staff, shareholders, Nananom and all relevant stakeholders of the Bank on the occasion of the 35<sup>th</sup> Annual General meeting of Asutifi Rural Bank Plc.

## **9. Vote of Thanks**

The MC of the programme, Mrs. Margaret Dzokoto gave the vote of thanks and the ceremonial session of the programme came to an end.

## **B. PART TWO: BUSINESS SESSION**

### **10. Commencement: Exiting of Non Shareholders**

The MC of the programme, Mrs. Margaret Dzokoto appealed to all stakeholders who were not shareholders of the Bank to leave the venue for the commencement of the second session which was exclusive to shareholders. She expressed her appreciation to all other stakeholders for their time and support.

### **11. Board Chairman's Report**

The Board Chairman, Mr. Kwasi Aduse-Poku presented the Annual Report of 2023 to the Shareholders. He rendered an apology on behalf of the Board to the Shareholders for not being able to circulate the Bank's Financial Statement, the Directors' Report and External Auditors Report for the year ending 31<sup>st</sup> December, 2023 to them. He attributed it to the sudden demise of the publisher.

#### **1. Introduction**

Nananom, Distinguished shareholders, Colleague Members of the Board, Managing Director ARB Apex Bank, Regional Manager ARB Apex Bank, Directors and C.E.O.s of sister Rural and Community Banks, Invited Guests, the Press, Management, Staff, Ladies and Gentlemen. The Directors of the Asutifi Rural Bank PLC. respectfully welcome you all to our 35th Annual General Meeting of the Bank. As you may know, it is a statutory requirement for me to report to you on the Audited Financial Statement and Annual Report of our Bank for the year ended 31st December, 2023. The Almighty God has been merciful to us all and we give Him all the glory and appreciate everything He has done for us. Nananom, Ladies and Gentlemen, I will touch briefly on the Global Economic outlook and the Ghanaian Economy and how they impacted on our Financial performance for the period under review.

#### **2. The Global Economic Outlook**

Global economic activities softened in the year 2023, with headline inflation staying on a downward route, supported by lower energy and food prices as well as tight monetary policies. Nonetheless, the global headline inflation remained above target in most countries due to the persistence of core inflation, but expected to decline further in the near terms from 6.8 percent in 2023 to 5.8 percent in 2024. This is underpinned by the projected weakness in global demand due to the tight monetary policies, restrictive credit conditions and relatively low commodity prices. However, energy prices have become more uncertain due to new geopolitical tensions in the middle East, and this may impact the inflationary trajectory. Global financial condition remained tight with restrictive monetary policies transmitting strongly into broader financing conditions, while external borrowing cost in Emerging Markets and Developing Economies (EMDEs) remained high. The global economy is projected to continue growing at 3.2 percent during 2024 and 2025, at the same pace as in 2023.

### 3. The Local Economic Outlook

The Ghanaian economy had its share from the impact of the happenings in the global economic hit. With all these happenings, Ghana was able to make some gains in its economic conditions all year out in 2023 while the challenges persistently remained, characterized notably by restrained growth, sizeable pressure on debt sustainability and public finance, and inflation having its worst share. The result of these trends showed in limited domestic financing options, restricted access to international markets, and rising reliance on monetary measures to support government expenditures.

Monetary policy remained appropriately tight, allowing for inflation to decline rapidly. Headline inflation saw a significant decline from 53.6 percent in January 2023 to 23.2 percent as at end of year 2023, and it was projected to ease further upon continued implementation of sound macroeconomics policies. The Ghanaian cedi on the currency front remained relatively stable throughout the year 2023. This was hinged on inflows from IMF extended credit facility, the domestic gold purchase programme, remittances, and forex purchases from mining and oil companies, amid monetary policy tightening.

Some other key economic indicators showed a declining pattern during the year 2023 under review. These were:

INDICATOR	DECEMBER 31, 2022	DECEMBER 31, 2023
Inflation Rate	54.10%	23.2%
Policy Rate	27%	30 %
GDP Growth Rate	3.80 %	2.90 %
Fiscal Deficit	9.90%	4.5 %
91- Day T. Bill	32.4%	29.36%
182 Day T. Bill	30.44%	25.80 %
365 Day T. Bill	26.53%	22.19%

### 4. Operational and Financial Performance of the Bank.

The Bank recorded strong financial results for the year relative to the previous year, which were attributable substantially to aggressive deposit mobilization.

The summary of the Bank's Financial performance for the year 2023 is shown in the table below:

ITEM	2021	2022	2023	% Change
Capital Adequacy Ratio (CAR)	(2.24)	(1.40)	(2.63)	
Total Assets	13,229,811.00	22,798,955.00	29,953,600.00	31.42
Stated Capital	1,013,220.00	915,988.00	915,988.00	0.00
Loans and Advances	8,002,388.00	11,235,502.00	14,213,826.00	29.11
Investment (Tbills & ACCOD)	1,156,661.00	5,291,166.00	8,243,829.00	50.12
Deposit	11,662,784.00	20,662,058.00	26,961,754.00	30.49
Net Worth	388,888.00	169,680.00	544,189.00	420.71
Profit/Loss Before Tax	272,526.00	374,666.00	1,056,441.00	265.99

Profit/Loss After Tax.	272,526.00	288,108.00	713,869.00	147.77
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#### 4.1 Deposits

An increase of about 30.49% was recorded in the Banks's deposits from GHS20,662,056.56 in 2022 to GHS26,961,754.00 in 2023. This increase was mainly due to improved service delivery, much more marketing in catchment area of the bank, which resulted in soaring confidence in the bank.

#### 4.2 Investment

Investment in Treasury Bills and other short term instruments stood at GHS8,243,829.00 in 2023 as against GHS5,491,396.00 in 2022, registering an increase of about 50.12%.

#### 4.3 LOANS AND ADVANCES

Overall credit position increased from GHS11,208,209.00 in 2022 to GHS14,213,826.00 in 2023, representing an increase of about 29.11%. The Bank shall continue to advance quality loans to our customers to support their respective needs. Credit quality weakened as Non-Performing Loan (NPL) ratio increased from 26% in 2022 to 34.83 % in 2023. This is due to general repayment challenges on the part of borrowers, reflecting the impact of general macroeconomic challenges encountered in 2023. I entreat beneficiaries to reciprocate by repaying on schedule.

Our Credit Administration needs to be given priority, and even though it appears to be on course, Management must continue to monitor much more closely as Credit Classification forms a critical assessments yardstick by both ARB APEX Bank and Bank of Ghana. Management is responsible for the day to day running of the Bank, and must endeavor to do much more in this area of operation as every tool needed be provided by the Board.

#### 4.4 STATED CAPITAL

Nananom, Distinguished guests, fellow shareholders, the Bank's paid up capital saw no growth. The figure of GHS915,988 in 2022 stood same in 2023, representing 0% increase. The Bank of Ghana Stated Capital requirement for Rural and Community Banks stands at GHS1,000,000 and there are indications that this figure will see an upward review from the regulator. Share mobilization should be intensified, whilst existing shareholders are encouraged to increase their respective shareholdings by purchasing more shares.

#### 4.5 PROFIT

Nananom, distinguished guests, valued shareholders, ladies and gentlemen, during the year under review, the Bank recorded a net profit after tax of GHS713,869.00 as against GHS288,108.00 in the previous year, representing an improvement of about 148%.

## **5. DIVIDEND.**

The Board of Directors do not recommend the payment of Dividend for the year 2023.

## **6. HUMAN CAPITAL**

Quality human capital resource is the drive behind every successful institution. Asutifi Rural Bank Plc experienced high staff turnover during the year 2023. Some staff resigned, and the Board also took steps to separate some staff from the Bank in the best interest of the Bank. The bank, within the same period, also made some recruitments, and notable among them is the appointment of a new Chief Executive Officer in the person of Mr. Attiso Taata-Denke who started work in June 2024. Mr. Taata-Denke is a banker with 24 years working experience of which 19 years is in the rural banking sector. He had previously worked with the bank for 10 years (2005 – 2015).

The Bank, for the year 2024, will continue to build the capacity of staff with respect to their personal and professional development through classroom training, coaching/mentoring, workshops, etc. We will continue to provide opportunities for staff for their professional and career development in banking to improve performance.

## **CHALLENGES AND FUTURE OUTLOOK**

### **6.1 Minimum Capital Requirement and Call for Capital Injection.**

The Bank of Ghana, by its new regulation, require Rural and Community Banks to have a minimum stated capital of Ghc1,000,000.00 The Bank had met the minimum capital threshold requirement. All the pledges made at last year's AGM in connection shares purchase have been redeemed, pushing our stated capital to Ghc1,227,168.16 currently. However, due to our minimal Net Worth, we respectfully call upon all and sundry to inject more capital into the bank to help address our Capital Adequacy Challenge, enhance business dealing capacity and take advantage of opportunities available to the Bank while preserving our core strengths

### **6.2 Heightened Competition**

Intense competition in the financial market within our catchment area still remains a major challenge to our Bank. As a result, we are constantly introducing new and attractive products and services, improved customer care, technological interventions, among others.

### **6.3 Operations at Dadiesoaba Mobilisation Centre.**

Nananom, distinguished shareholders, ladies and gentlemen, last year we reported to you that BOG did not approve our persistent request to use Dadiesoaba as a mobilization center, mainly because of our Capital Adequacy challenges. As part of the process, we placed the structure out for interested individuals or vendors to acquire and use as Agency Banking Point. Applications were received, screened (with the help of ARB APEX BANK PLC.) and a vendor by name OJOY INFORMATION TECHNOLOGY CONSULT has

been selected and being taken through training by Apex Bank Plc. to operate the Agency Banking, and also to cater for our loyal customers at Dadiesoba and its environs until we are given the opportunity to open a new branch there.

#### **6.4 Growing Market**

The creation of the Ahafo Region with its associated increase in commercial activities offers a begging opportunity for financial market operators and your bank will strive hard to take our fair share of the growing market.

#### **6.5 Safeguarding Shareholders' Interest**

To remain competitive and safeguard the interest of shareholders and other stakeholders, the bank will continue to ensure good corporate governance, sound labour practices, and religiously subscribe to statutory requirements and Bank of Ghana/ARB Apex Bank directives.

#### **6.6 E- Banking**

Valued Shareholders, the bank is taking banking services closer to the doorstep of our customers. The Bank has rolled out for its customers e-banking services, an initiative of the Ghana Financial Sector Development Project under the Ministry of Finance which ARB Apex Bank is fronting for Rural and Community Banks. This project includes Agency Banking, USSD (Mobile) Banking etc. Asutifi Rural Bank Plc has kicked started the USSD banking which runs on the short code \*992# with functionalities such as balance enquiry, mini statement requests, funds transfers, account to wallet transfers, wallet to account transfers, bill payments, among others. After a successful implementation of the above, the bank will in the near future be looking at installing Automated Teller Machines (ATMs) at our busy branches.

#### **6.7 New Strategic Plan**

Distinguished shareholders, the Board and Management have developed a new strategic plan (2024 – 2028) The implementation of this plan is expected to put our bank on solid grounds, drive aggressive deposit mobilization, and improve all Key Performance Indicators. We shall develop new products and services, repackage the existing products and services to make them more attractive and competitive. We shall adopt more effective and efficient measures to manage credits and other operational risks which will lead to the reduction in our non-performing loans. Internal control measures shall be strengthened and enforced to protect our growing assets. The Internal Audit and Risk and Compliance Units will be adequately resourced to deliver on their mandates.

### **7. Charges to the Board**

Valued shareholders, at the end of December 2023, the Bank had five (5) Board of Directors with three (3) members due to retire after this AGM. The members who are due to retire are, Mr. Kwasi Aduse-Poku (Board Chairman), Mr. Peter K. Mensah Konadu (Board Vice Chairman) and Mrs. Akua Kessey Osei-Wusu (the only female on the Board). The Board has taken steps to bring on board new directors to support the remaining two continuing directors. Nananom, Ladies and Gentlemen, in due course they will be presented to you, our cherished shareholders, to do the needful.

We also wish to inform you that Ms. Akosua Agyeman Duah was approved at the last AGM as a Board Member by shareholders of the Bank. In compliance with the Corporate Governance Directive, the Board has submitted the necessary documentations on her to Bank of Ghana and are waiting for her final approval.

## **8. Exiting of External Auditors**

The Board Chairman disclosed to the house that per the Corporate Governance Directive, External Auditors are supposed to exit after auditing a bank for six consecutive years. He said the current External Auditor after auditing 2024 financial year will be required by law to exit. He disclosed to the house that the Bank advertised for the position of External Auditor and a number of applications were received. He said three of the applicants were shortlisted. They were interviewed and a firm by name Opoku Andoh & Co Auditing firm was selected as the Bank's new External Auditor subject to Bank of Ghana's approval.

## **Appreciation and Conclusion**

Nananom, distinguished guests, valued shareholders, ladies and gentlemen, on behalf of my colleague Board Members, I would like to say a very big "thank you" for your immense support to the bank.

We are very grateful to our cherished customers for trusting the Bank with your business. We will continue to invite all shareholders and the general public to patronize the shares of the bank to increase our stated capital and to meet any increases in the minimum capital requirements by Bank of Ghana. Owning shares with Asutifi Rural Bank Plc is a form of strategic investment.

We take this opportunity also to commend the Management and staff of our Bank for a good work done and encourage them to do more. We promise that the mutual co-operation between the Board and Management will be strengthened and the necessary resources needed by Management to perform will be provided to enable the Bank realize its vision.

To my fellow colleagues on the Board, I wish to express my sincere appreciation to you for the confidence you continue to repose in me and the diverse contributions you are providing towards the growth of our bank. We must continue to gird up our loins to face the task ahead. We cannot afford to fail our shareholders at this stage of our bank's resurgence.

To our customers and clients, once again, we are most grateful and we shall continue to provide you with better financial services and a serene banking environment.

To our External Auditors, we say "ayekoo" for your expert advice and services. We also thank the Almighty God for granting us the strength and ability to do what is expected of us as Directors, Management and Staff.

We thank you very much for gracing this occasion and may the Good Lord richly bless us all.

## **12. Report of The Directors to the Shareholders of Asutifi Rural Bank PLC**

Mr. Peter K. Mensah Konadu, the Vice Board Chairman presented the report on behalf of the Board of Directors. He said the Board of Directors had the pleasure of submitting the report of the Bank for the year ended 31 December, 2023.

### **(i) Statement of Directors Responsibilities**

The directors are responsible for the preparation of Financial Statements that give a true and fair view of Asutifi Rural Bank PLC, comprising the statements of financial position at 31 December 2021, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2019 (Act 992) and the Bank Specialised Deposit-Taking Institutions Act, 2016 (Act 930). In addition, the directors are responsible for the preparation of the report of the directors.

The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The auditor is responsible for reporting on whether the financial statements give a true and fair view in accordance with the applicable financial reporting framework.

### **(ii) Nature of Business**

The nature of business of the Bank is as follows: Rural banking business as per the Banking Act 2004 (Act 673) as amended by the Banking Act, 2007 (Act 738).

### **(iii) Particulars of entries in the Interests Register during the financial year**

No Director had any interest in contracts and proposed contracts with the Bank during the year under review, hence there were no entries recorded in the Interests Register as required by 194(6), 195(1)(a) and 196 of the Companies Act 2019, (Act 992).

### **(iv) Corporate social responsibility**

A total of GH¢57,490 (2022: GH¢31,349) was spent under the Bank's social responsibility program with key focus on education, health, financial inclusion and others in the communities within which the Bank operates.

### **(v) Capacity building of directors to discharge their duties**

No capacity building training was conducted in the year for the Directors.

#### **(vi) Auditors and Audit fees**

In accordance with Section 139(5) of the Companies Act, 2019 (Act 992), Planita Consulting will remain in office as auditors for the Bank. The Audit fee for the year is GH¢15,000 (2022: GH¢13,000).

#### **(vii) Going Concern**

The Board of Directors has made an assessment of the Bank's ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the Directors are unaware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern. The financial statements, therefore, continue to be prepared on the going concern basis.

#### **(viii) Dividend**

The Directors do not recommend the payment of a dividend to shareholders.

#### **(ix) Acknowledgement**

The Board of Directors hereby expresses its sincere appreciation for the support, loyalty and dedicated service of the staff, management and all stakeholders of the Bank over the past year.

#### **(x) Approval of the report of the directors**

The report of the directors of Asutifi Rural Bank PLC, was approved by the board of directors and signed on their behalf by Mr. Kwasi Aduse-Poku (Chairman) and Mr. Peter Mensah Konadu (Vice Chairman).

### **13. INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ASUTIFI RURAL BANK PLC**

#### **Report on the Audit of the Financial Statements**

The External Auditors' Report was presented by Mr. Daniel Kwesi Plange.

#### **Opinion**

We have audited the financial statements of Asutifi Rural Bank PLC as set out on pages 24 to 58 which comprise the statements of financial position as at 31 December 2023, and the statements of profit and loss and other comprehensive income, the statement of changes in equity and statement of cash flows for the

year then ended, and the notes to the financial statements including a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements present fairly, in all material respects the financial position of Asutifi Rural Bank PLC as at 31 December 2023, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), with IAS 29 Directive issued by the Institute of Chartered Accountants Ghana (ICAG) and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and other independence requirements applicable to performing audits the banks. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code and other independence requirements applicable to performing audits the Bank in Ghana. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other Information**

The Directors are responsible for the other information. The other information comprises the Corporate Information, Report of the Directors as required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit Taking Institutions Act, 2016 (Act 930), the Chairman's Report, the Chief Executive Officer's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Directors for the Financial Statements**

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the Financial Statements, the Directors are responsible for assessing the Bank's ability to continue as a going concern,

disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Bank or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Bank's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion. We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

Seventh Schedule of the Companies Act, 2019 (Act 992) requires that in carrying out our audit we consider and report on the following matters. We confirm:

1. We have obtained the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the audit.

2. In our opinion:

- proper books of account have been kept by the Bank, so far as appears from our examination of those books

- the information and explanations given to us, were in the manner required by the Companies Act, 2019 (Act 992) and give a true and fair view of the:

- a. statement of financial position of the Bank at the end of the financial year, and
- b. statement of profit or loss and other comprehensive income for the financial year.

- the Bank's accounts have been properly prepared in accordance with the Companies Act, 2019 (Act 992), to give a true and fair view of the state of affairs, and the profit or loss of the Bank.

3. The Bank's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the accounting records and returns.

4. The Bank's account has been properly prepared in accordance with the Companies Act, 2019 (Act 992), to give a true and fair view of the state of affairs, and the profit or loss of the Bank.

5. We are independent of the Bank, pursuant to Section 143 of the Companies Act, 2019 (Act 992) Section 85 of the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930) requires that in carrying out our audit we consider and report on the following matters.

1. We confirm that the accounts give a true and fair view of the state of the affairs of the Bank and the results of operations for the year under review.

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

3. We confirm that the transactions of the entity were within the powers of the Bank.

4. In our opinion, the Bank has generally complied with the provisions of the Anti-Money Laundering Act, 2008 (Act 749), as amended by the Anti-Money Laundering (Amendment) 2014 Act, (Act 874), the Anti-Terrorism Act, 2008 (Act 762) and Regulations made under these enactments.

5. The Bank has generally complied with the provisions of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). The engagement partner on the audit resulting in this independent auditor's report is:

Kwasi Owusu-Takyi (ICAG/P/2024/1059).

FOR AND ON BEHALF OF:

PLANITA CONSULTING (ICAG/F/2024/026)

CHARTERED ACCOUNTANTS

COMMUNITY 12, TEMA

DATE: 12 MARCH, 2023

#### **14. Acceptance and Adoption of Reports**

Mr. Ebenezer Brown moved for the acceptance and adoption of the Chairman's Report, the Board of Directors' Report and the External Auditors Report and he was seconded by Mr. Darko Bonsu of Acherensua. The three reports were therefore accepted and adopted by the house.

#### **15. Questions, Suggestions and Recommendations in Relation to the Reports**

15.1 Mr. Emmanuel Oduro wanted to know why he should continue to buy more shares whereas dividend is not paid to motivate him to buy more shares.

Mrs. Margaret Dzokoto stated that even though the Bank was at the moment not paying dividend to the shareholders, the Bank's social responsibility program with key focus on education, health, financial inclusion and others in the communities within which the Bank operates should be a source of motivation to the shareholders.

Mr. Peter K Mensah Konadu informed the house that dividend will surely be paid to shareholders. He was hopeful that by the end of 2025, the negative income surplus will change to positive.

15.2 Mr. Richard Merz commended the Board for the good work done. He wanted the Board to inform the shareholders whenever the Board Charter is reviewed with regards to the minimum shares requirement for a directorship at Annual General Meeting for approval since the shareholders are not privy to the Board Charter.

Mr. Akwasi Ameyaw, a shareholder stated that by law, the Board Charter is the sole responsibility of the Directors and it does not need the approval of shareholders in any way.

With regards to the Board Charter, the Board Chairman informed the house that he will make consultation.

15.3 Mr. Richard Merz further stated that the term of office for Planita expires at the end of the year 2023. He said per the agenda, there was nothing like appointment or selection of new External Auditors. He wanted a motion to be raised to rectify the agenda so as to enable the new External Auditors to commence work.

The Board Chairman disclosed to the house that the new External Auditor will be auditing the 2024 financial year.

15.4 Mr. Richard Merz wanted the Board to explain why the Board's expenses for the year 2023 was too high as compared to the previous year even though there were just a few Board meetings held according to Apex report on the Bank.

The Board Chairman informed the house that in the year 2022, the Board held only two meetings. However, in the year 2023, the directors went to Bank of Ghana on three occasions. Again, as a result of the happenings at the Bank in the year 2023, several Board meetings and sub-committee meetings were held to remedy the situation. He said these were the reasons why the Board expenses for 2023 was high.

15.5 Mr. Abraham Oppong Berko, a shareholder from Nkaseim wanted to know if the CEO, Mr. Attiso Taata-Denke has gotten approval from Bank of Ghana.

The Board Chairman disclosed to the house that Mr. Attiso Taata-Denke had gotten Bank of Ghana's approval and that he assumed duty in June 2024.

15.6 Mr. Kwamina Blankson wanted the Bank to introduce ATM at the various Branches. He again wanted to know the meaning of 'Plc'.

15.7 Mr. Richard Merz wanted the agenda for the programme to be rectified so that the house could appoint new External Auditors who will audit 2024 financial year. He stated that Directors do not appoint External Auditors and that it is the responsibility of shareholders to do so. On the Board Charter, he said he did not mean the Charter should be brought to the shareholders for approval at AGM. On the contrary, he wanted the minimum shares requirement of directorship to be brought to the shareholders for approval whenever it is reviewed.

In response, the Chairman informed the house that the status quo will be maintained and the new minimum shares requirement of directorship will be brought to the shareholders for approval at the next AGM.

With the issue of the appointment of the External Auditors, the Chairman informed the house that the right thing will be done.

## **16. Special Resolution**

16.1 The MC for the programme, Mrs. Margaret Dzokoto read the first special resolution for the decision of the shareholders as follows.

- a) To authorize the Directors to appoint External Auditors and fix the remuneration of the new External Auditors.

Mr. Opong Berko Abraham of Nkaseim moved to authorize the Directors to appoint External Auditors and fix remuneration of the new External Auditors and he was seconded by Mr. Richard Ntim of Acherensua.

16.2 The MC for the programme, Mrs. Margaret Dzokoto read the first special issue for the decision of the Shareholders as follows.

- b) To fix remuneration of the Directors.

The Board Chairman disclosed to the house that the Directors had agreed to maintain what the house approved for them last year.

## **17. Election of Directors**

The four applicants who were selected after vetting were asked to move forward. They were Messrs. Yaw Kyei Preprah, Frank Tweneboah Kodua, Anane Yaw Gyabaa and Evans oppong.

One of the applicants by name Mr. Evans Opong was not present at the meeting. The other three applicants were given the opportunity to give brief accounts of themselves.

Mr. Peter Mensah Konadu gave a brief account of the third applicant who was not present at the meeting.

Prior to their election, a shareholder and a former staff of the Bank by name Mr. Adusei Ibrahim who had also applied wanted to know the fate of his application as Board member. In response, Mr. Peter Mensah Konadu explained to the house that the application letter of the applicant was submitted late.

Mr. Richard Merz disclosed to the house that a retired staff could only become a Board member two years after retirement.

Mr. Richard Merz was unhappy that an applicant who wanted to become a Board member could not attend Annual General Meeting of the Bank. He wanted the house to reject the absentee applicant and consider the other three.

Nana Aduse Poku Konkonko of Acherensua Traditional Council was in support of the concern raised by Mr. Richard Merz and proposed that the house should elect the three applicants who were present.

The Board Chairman explained the rationale behind the consideration of certain people on the Board. He said so many factors are put into consideration as captured in the Corporate Governance Directive for Rural and Community Banks.

Mr. Richard Ntim Boateng of Acherensua seconded the motion that house elects the three applicants.

The house unanimously elected Messrs. Yaw Kyei Preprah, Frank Tweneboah Kodua and Anane Yaw Gyabaa as Directors of the Bank subject to Bank of Ghana's approval.

## **16 Any Other Matter/ Open Forum**

16.2 As part of the Bank's vision to increase its stated capital, the Chief Executive Officer, Mr. Attiso Taata-Denke made special presentation to the first top twenty (20) shareholders of the Bank.

## **17. Closure**

The Board Chairman was grateful to each and every one for a very successful Annual General Meeting. He prayed for God's travelling mercy.

Reverend Williams Anane said the closing prayer and the meeting came to an end at 5:35 pm.

Recorded by:

Adjei-Kwakye Henry  
(Secretary)

Approved by:

Kwasi Aduse-Poku  
(Chairman of the Meeting)

## CHAIRMAN'S REPORT

### 36<sup>th</sup> Annual General Meeting — Asutifi Rural Bank PLC For the Year Ended 31 December 2025

Distinguished shareholders, fellow directors, regulators, and esteemed stakeholders,

It is my privilege, on behalf of the Board of Directors, to present the Annual Report and Financial Statements of Asutifi Rural Bank PLC for the year ended **31 December 2024/2025**.

## OPERATING ENVIRONMENT AND STRATEGIC FOCUS

The 2025 financial year was marked by a gradual stabilization of the macroeconomic environment following the sharp adjustments experienced in preceding periods. Reduced treasury bill rates, easing inflationary pressures, and improved confidence in the financial sector created both opportunities and heightened discipline requirements for rural and community banks.

In this context, the Bank repositioned its strategy to support:

- stronger lending performance,
- enhanced monitoring of asset quality, and
- improved operational efficiency.

Throughout the year, the Board maintained close oversight of governance, regulatory compliance, and risk management to ensure alignment with the directives of the **Bank of Ghana** and the **Apex Bank PLC**. While the environment remained challenging, the Bank responded with measured optimism and strong execution discipline.

## FINANCIAL PERFORMANCE

The Bank recorded a significant turnaround in profitability. Profit before tax for 2025 amounted to **GHS3,591,004**, compared with a loss of **GHS2,054,164** in 2024. This represents a remarkable recovery and reflects management's focused actions to strengthen income generation and control costs.

Key drivers of this improvement included:

- higher interest income from expanded lending,
- stronger recovery initiatives across loan portfolios,
- effective cost management measures, and
- a more balanced asset-liability mix in response to declining treasury yields.

The Board views this return to profitability not as a one-off outcome, but as evidence of progress toward a more sustainable earnings model.

## GROWTH IN LOANS AND ADVANCES

Total loans and advances increased to **GHS23.83 million** in 2025 from **GHS18.09 million** in 2024, demonstrating strong growth in the Bank's core intermediation function.

This expansion reflects a deliberate strategic shift away from over-reliance on government securities and toward customer lending, in recognition of reduced treasury bill yields. While this approach enhances revenue potential, it also increases exposure to credit risk—requiring tighter underwriting standards and more rigorous monitoring.

## **ASSET QUALITY AND IMPAIRMENT**

In accordance with **IFRS 9**, the Bank recorded an increase in impairment allowances from **GHS3,451,110** in 2024 to **GHS4,057,485** in 2025, reflecting a more forward-looking and prudent recognition of expected credit losses.

In addition, provisioning under **Bank of Ghana** guidelines stood at **GHS4,381,188**, exceeding IFRS provisions by **GHS323,703**. As required, this difference has been transferred to the **Credit Risk Reserve**.

The Board considers this conservative provisioning approach essential to safeguarding the Bank's long-term stability, even though it may exert short-term pressure on earnings.

## **CAPITAL ADEQUACY AND FINANCIAL STABILITY**

Notwithstanding the improved profitability, the Bank recorded a negative **Capital Adequacy Ratio of (1.35%) from a 2024 ratio of (8.88%)**, indicating that the current capital position remains below regulatory expectations of 10%. This is a critical matter.

While the profitability recovery is commendable, it is not sufficient on its own without a strong capital base to support growth and absorb emerging risks. Accordingly, the Board has prioritized capital restoration measures, including:

- retaining earnings (no dividend declared for 2025),
- strengthening reserves, including statutory and credit risk reserves, and
- exploring additional capital injection options.

## **CORPORATE GOVERNANCE AND RISK MANAGEMENT**

The Board confirms that the Bank is generally compliant with the Corporate Governance Directive for Rural and Community Banks (2021). Governance structures, board oversight responsibilities, and monitoring functions remain in place and are functioning effectively.

However, the Board recognizes areas requiring further strengthening, particularly:

- completion of the independent Board evaluation,
- enhancement of enterprise risk management systems, and
- improving internal audit responsiveness to regulatory findings.

Risk management remains a top priority, especially given the increased lending activity and evolving regulatory expectations.

## **SHAREHOLDER VALUE AND DIVIDEND POLICY**

In view of the need to rebuild capital and strengthen the Bank's financial position, the Board does not recommend paying dividends for the 2025 financial year.

This decision, though difficult, is necessary to support long-term sustainability and regulatory compliance. The Bank remains focused on restoring capital adequacy and positioning itself for stronger value creation in the future.

## **OUTLOOK FOR 2026**

Looking ahead, the Bank will deepen its strategic focus on:

- sustainable loan growth under strict credit discipline,
- digital banking initiatives and improved operational efficiency,
- deposit mobilization to strengthen liquidity,
- capital strengthening initiatives, and
- full remediation of outstanding regulatory and audit findings.

The Board remains cautiously optimistic that, with continued discipline and effective execution, the Bank will consolidate its gains and achieve stronger financial resilience throughout 2026.

## **APPRECIATION**

The Board extends sincere appreciation to:

- our valued shareholders for their continued confidence,
- the Bank of Ghana and Apex Bank PLC for their guidance,
- management and staff for their dedication, resilience, and commitment, and
- our customers for their loyalty and trust.

## **CLOSING**

The year 2025 represents a turning point, not a finish line. The Bank has shown that recovery is possible. However, recovery without structural discipline is fragile. The next phase demands execution excellence, capital strength, and a firm commitment to eliminating inefficiencies.

Thank you.

## REPORT OF THE DIRECTORS

The Directors present their report together with the audited financial statements of the Bank for the year ended 31st December 2025.

### STATEMENT OF DIRECTORS' RESPONSIBILITY

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS), and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930) and for such internal controls as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error. The Directors have made an assessment of the ability of the Bank to continue as a going concern and have no reason to believe that the Bank will not be a going concern in the year ahead.

The Directors are responsible for ensuring that the company keeps accounting records, which disclose reasonable accuracy of the financial position of the company. They are also responsible for taking such steps, which are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The Directors are responsible for ensuring that the company complies with the laws and regulations applicable to its activities and for establishing arrangements designed to prevent any non-compliance with laws and regulations and to detect any non-compliance that may occur.

### AUDITOR'S RESPONSIBILITY

The auditor is responsible for reporting on whether the financial statements give a true and fair view in accordance with the applicable financial reporting framework.

### NATURE OF BUSINESS

The Bank's principal activities are provision of Banking services.

There was no change in the nature of the Bank's business during the year.

### FINANCIAL RESULTS

The results of operations for the year ended 31st December 2025 are set out in the attached financial statements, highlights of which are as follows:

	<b>2025</b>	<b>2024</b>
	<b>GH¢</b>	<b>GH¢</b>
The Bank recorded a net Profit/(Loss) / profit before taxation of	3,591,004	(2,054,165)
From which is deducted:		
Sustainability Levy of	(134,113)	-
Income Tax expense of	(908,736)	-
Giving a Net Profit after tax of	2,548,155	(2,054,165)
There was a transfer to Statutory Reserve fund of	(1,274,078)	-
Leaving a profit for the year after tax and transfer to statutory reserve of	(1,274,077)	(2,054,165)
When added to the opening balance on the Income Surplus account as of 1 January	(4,502,394)	(1,212,050)
Transfer (to)/ from Credit Risk Reserve	(323,703)	0
And adjusting it with Prior Year Adjustment of	(183,919)	(1,236,179)
Leaving a closing balance on the Income Surplus account of	<b>(3,735,939)</b>	<b>(4,502,394)</b>

## **REPORT OF THE DIRECTORS CONTINUED**

### **STATED CAPITAL**

The Bank's Stated Capital increased from GH¢1,248,848 as at the end of the previous year to GH¢1,368,957 recording an increase of GH¢120,109 in cash consideration.

The Stated Capital is made up of Ordinary Shares and Preference shares. The number of issued shares also increased from 7,334,444 to 7,733,412 showing an increase of 398,968 through cash purchases during the year through cash purchases during the year. Preference shares remained at 125,000. However, the additional shares issued in 2025 are yet to be registered with the Registrar General's Department.

### **DIVIDEND**

The Directors do not propose any dividend share for the year 2025 (2024 - GH¢0.00).

### **RELATED COMPANIES**

Asutifi Rural Bank PLC has no related company(ies) to disclose.

### **RELATED PARTY TRANSACTIONS**

The Board ensures that transactions with related parties including internal bank transactions are reviewed to assess its risk and are subject to appropriate restrictions by requiring that such transactions be conducted on non-preferential terms. Information regarding Directors' interests in ordinary shares of the Bank and remuneration is disclosed in the financial statements. Besides service contracts, no Director had a material interest in any contract during the year. Related party transactions and balances are also disclosed in the financial statements

### **PARTICULARS OF ENTRIES IN THE INTERESTS REGISTER**

There was no transaction with potential conflict of interest situation requiring entry in the Interests Register. Therefore, no disclosure of entries in the interest register is stated in the Financial Statements ended December 31, 2025 as required by sections 194 (6), 195 (1)(a) and 196 of the Companies Act 2019, (Act 992).

### **DIRECTORS CAPACITY BUILDING**

The Directors of Asutifi Rural Bank PLC have years of relevant experience in banking, finance and fund management. The Bank ensures that only fit and proper persons are appointed to the board after obtaining the necessary approval from the regulator, Bank of Ghana.

### **DIRECTORS**

The names of the directors who served during the year are provided under "Corporate Information". No director had any interest at any time during the year, in any contract of significance, other than a service contract with the Bank. All the directors have shares in the Bank.

### **CORPORATE SOCIAL RESPONSIBILITY**

The Bank undertook corporate social responsibility activities during the year under review. The Bank supported 4 District Assemblies with farm inputs at the celebration of 2025 Farmer Day event; an amount of Forty thousand cedis (GH¢40,000) of contribution to Asutifi South, Asutifi North, Asunafo North and Asunafo South District Assemblies.

### **AUDITORS**

The Auditors, Opoku Andoh & Co will continue in office in accordance with Section 139 (5) of the Companies Act, 2019 (Act 992).

### **AUDIT FEES**

Audit fees payable amounts to Thirty Thousand, Two Hundred and Fifty Ghana Cedis (GH¢ 30,250), (2024 - GH¢24,380).

## **REPORT OF THE DIRECTORS CONTINUED**

### **GOING CONCERN ASSESSMENT**

The Directors have assessed the budgets and cash flow projections of the Bank, evaluating their ability to continue as a going concern in light of current and expected economic conditions.

As part of this evaluation, the Directors reviewed the adequacy of the bank's financial resources. Managing these resources, which encompass capital, funding, liquidity, and risk capacity is crucial to achieving the bank's growth and return objectives, aligning with its overall risk appetite.

The anticipated growth in earnings and risk-weighted assets (RWA) is based on macroeconomic forecasts and is assessed against available financial resources, considering the expectations of capital providers and regulators.

These projections and potential constraints are then subjected to stress testing, allowing the bank to establish targets across various business cycles and scenarios.

### **CONCLUSION ON GOING CONCERN ASSESSMENT**

The bank has conducted a stress test on its capital in relation to its going concern status. The results indicate that the Bank's capital remains above the regulatory minimum.

Given this outcome, the directors are confident that the bank have sufficient resources to sustain operations in the foreseeable future.

At the time of approving the financial statements, the Directors reasonably expect that the bank will continue to have adequate resources to maintain operational stability. Accordingly, they have adopted the going concern basis of accounting in preparing the financial statements.

### **CERTIFICATION OF COMPLIANCE WITH THE BANK OF GHANA RISK MANAGEMENT DIRECTIVE 2021**

In compliance with the paragraph 41 of the Bank of Ghana Risk Management Directive 2021, the Board of Directors of Asutifi Rural Bank PLC hereby declares that to the best of its knowledge and having made appropriate enquiries in all material respects:

- i. The Bank has put in place systems for ensuring compliance with prudential requirement.
- ii. The system and resources that are in place for identifying, measuring, evaluating, controlling, mitigating and reporting material risk, and the Risk Management Framework itself are appropriate to the Bank and are commensurate with the size, business mix and complexity of the Bank.
- iii. The Risk and internal control systems in place are operating effectively and are adequate.
- iv. The Bank has a Risk Management Strategy that complies with the Bank of Ghana Risk Management Directive 2021, and Bank has complied with the requirements described in its Risk Management Strategy, and
- v. The Bank is satisfied with the effectiveness of its processes and management information systems.

### **DIRECTORS REPRESENTATION**

The Directors confirm that no matters have arisen since 31st December 2025 which materially affect the financial statements as presented.

The Directors confirm that to the best of their knowledge:

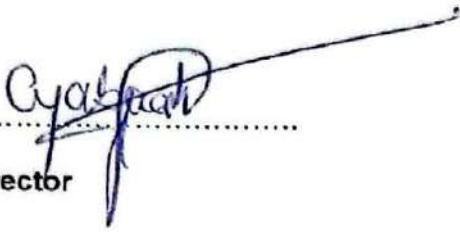
- the financial statements, prepared in accordance with applicable laws and the International Financial Reporting Standards (IFRS), give a true and fair view of the bank's financial position, performance and cash flows; and
- the state of the bank's affairs is satisfactory.


**DIRECTORS CONFIRMATION AND ASSESSMENT OF THE STATE OF AFFAIRS**

The Directors consider the Bank's State of Affairs to be satisfactory. The Directors have a reasonable expectation that the Bank will continue in operational existence for the foreseeable future and thus used the Going Concern basis in preparing these Financial Statements.

**APPROVAL OF THE FINANCIAL STATEMENTS**

The Financial Statements were approved by the Board of Directors and were signed on their behalf by the following:

  
.....  
Director

  
.....  
Date

  
.....  
Director

  
.....  
Date

## **CORPORATE GOVERNANCE REPORT**

### **Dear Shareholders,**

At Asutifi Rural Bank PLC, we remain firmly committed to the principles of transparency, accountability, and integrity in every aspect of our operations. Corporate governance is the foundation of our organization, shaping our interactions with stakeholders and guiding our strategic decisions.

In this Corporate Governance Statement, we reaffirm our dedication to maintaining strong governance frameworks that not only meet regulatory requirements but also align with international best practices and relevant Ghanaian laws, including the Companies Act 2019 (Act 992) and the Bank & Specialized Deposit-Taking Institutions Act 2016 (Act 930). Additionally, our corporate governance practices adhere to directives issued by regulatory bodies such as the Bank of Ghana's Corporate Governance Directive 2018 and the Fit and Proper Person Directive 2019.

The Board continuously reviews the Corporate Governance Framework (Board Charter) to ensure its relevance and effectiveness, aligning with evolving corporate governance standards, best practices, and emerging trends. This proactive approach allows us to meet stakeholder expectations and adapt to the ever-changing business environment.

As a responsible financial institution, we understand that effective governance plays a crucial role in maintaining stakeholder trust, ensuring long-term sustainability, and contributing to the broader socio-economic landscape. This statement outlines our governance approach, highlights the frameworks in place to uphold these standards, and reinforces our unwavering commitment to fostering a culture of accountability and transparency at every level of our organization.

## **THE GOVERNANCE STRUCTURE**

### The Board Governance Structure

- Shareholders
- The Board
  - Finance, Audit, Risk & Compliance Committee
  - Credit, Human Resource & Procurement Committee
- Chief Executive Officer

The Board serves as the highest decision-making authority within the Bank, providing strategic direction and oversight while representing shareholders' interests by driving sustainable value creation. It is responsible for defining the Bank's strategic objectives and risk tolerance, shaping the institution's values and organizational culture. With a strong commitment to customers, employees, communities, and environmental impact, the Board remains dedicated to enhancing long-term shareholder returns and overall stakeholder value.

At the core of the Board's governance structure is a well-defined Board Charter, known as the Board Corporate Governance Framework. This framework aligns with regulatory requirements, including the Bank of Ghana Corporate Governance Directive 2018, as well as internationally recognized best practices. It clearly outlines the roles and responsibilities of the Board, ensuring transparency, accountability, and effective governance.

The Board ensures that the Bank's governance structures comply with regulatory directives while integrating ethical principles and a culture of integrity. By establishing clear responsibilities and effectively managing risks, the Board upholds the highest governance standards, safeguarding the interests of all stakeholders and reinforcing the Bank's long-term sustainability.

### **Roles and Responsibilities**

Directors of Asutifi Rural Bank PLC recognize their duty to uphold strong corporate governance. As the highest decision-making body, the Board assumes key responsibilities, including:

- Providing entrepreneurial leadership with integrity and sound judgment while overseeing and guiding Management.
- Ensuring that both the Board and its Committees act in the best interests of the Bank.
- Approving and monitoring the execution of the Bank's long-term and short-term strategies.
- Safeguarding the integrity of financial reports and regulatory submissions.
- Overseeing risk management and internal audit functions.
- Developing succession plans and leadership pipelines while establishing appropriate remuneration structures for the Board and Senior Management.
- Implementing robust systems to identify and manage environmental and social risks and their associated impacts.

These responsibilities underscore the Board's vital role in maintaining governance excellence, ensuring long-term sustainability, and protecting the interests of all stakeholders.

Additionally, the Board plays a central role in defining the Bank's strategic direction while overseeing initiatives that foster sustainable value creation. The division of responsibilities between the Board and Management is explicitly outlined in the Board Corporate Governance Framework and other key governance documents.

The Board is also responsible for approving the Bank's risk appetite, business strategies, and significant initiatives that impact its risk profile. Furthermore, it oversees the implementation of the Bank's Corporate Governance and Internal Control Frameworks, periodically assessing their adequacy in response to changes in the Bank's size, nature, and operational complexity.

Moreover, the Board supervises the selection, performance evaluation, remuneration, and succession planning for key leadership roles, including the Chief Executive Officer (CEO), Executive Management, Functional Heads, and other Senior Management members. This ensures the leadership team possesses the expertise and capability to effectively steer the Bank's operations and drive sustainable growth.

### **Separation of Chairman and Chief Executive Officer Roles**

At Asutifi Rural Bank PLC, the roles of Board Chairman and Chief Executive Officer are distinct, ensuring a clear separation of responsibilities and authority.

The Board Chairman provides leadership and strategic direction to the Board of Directors, overseeing corporate governance, setting the board agenda, facilitating meetings, and representing the Bank externally.

## **Chairman's Responsibilities**

The Chairman's role includes, but is not limited to:

- Fostering an environment of open and constructive discussions within the Board.
- Maintaining transparent communication with the Chief Executive Officer and Management, serving as the primary link between the Board and Management.
- Representing both the Board and the Bank to key stakeholders, including shareholders, regulators, and the broader community.
- Collaborating with the Company Secretary to ensure the Board has access to the necessary information for effective decision-making.
- Working with the Chief Executive Officer and Company Secretary to develop Board agenda, ensuring adequate attention is given to key issues.

## **Chief Executive Officer's Responsibilities**

The Chief Executive Officer of Asutifi Rural Bank PLC, serves as an Ex-Officio Member on the Board. He is responsible for developing and executing the Bank's strategic initiatives. His key responsibilities include:

- Leading the Management Team and ensuring adherence to the Bank's corporate values, culture, and code of conduct.
- Implementing the Bank's strategic, business, and financial plans within the powers granted by the Board.
- Assessing financial resource allocation, approving expenditures, and making strategic financial decisions.
- Establishing systems, policies, and controls to manage operations and mitigate risks effectively.
- Ensuring timely and accurate reporting to the Board to facilitate informed decision-making.
- Engaging with external stakeholders, including shareholders, government entities, and regulators.

## **Corporate Governance and Board Oversight**

The Board maintains independent oversight of Executive Management through a well-defined Corporate Governance Framework, ensuring that no single individual has excessive influence over decision-making.

In recent years, Boards have taken on expanded responsibilities, including oversight of recovery and resolution planning, capital and liquidity management, stress testing, model validation, and new product approvals. As these responsibilities grow, the Board remains mindful of its distinct role in governance, separate from Management's operational duties.

## **Board Composition**

The Board is made up of Two (2) Directors, who are independent Directors in-line with the Bank of Ghana Corporate Governance Directive 2018.

There are clearly defined roles within our Board structure for the category of Directors as documented in the Board Corporate Governance Framework. The Board has a rich blend of skills and knowledge, combined with the extensive experience required to guide our business in Governance, Banking and Finance, Accountancy, Law, Information Technology, Marketing, Entrepreneurship and Management. The Board Succession Plan involves the guiding principles for effective succession planning as well as the procedures in ensuring a smooth transition in the Board's succession process as existing Directors leave the Board and new ones come on board.

## Board Succession Planning

At Asutifi Rural Bank PLC, effective Board succession planning is essential for ensuring continuity, stability, and strong governance. Our proactive approach focuses on identifying, developing, and appointing Directors with the necessary expertise to navigate the Bank through evolving challenges and opportunities.

The Board Succession Plan provides structured guidelines for ensuring seamless transitions when Directors retire or new members are appointed.

## Directors of the Bank

The Board is comprised of skilled professionals with diverse backgrounds and extensive experience. Their collective expertise ensures strong governance, sound decision-making, and the effective management of the Bank's operations.

Name	Profession	Status	Date of Birth	Appointment Date
Mr. Adu Gyamfi Kesse	Chartered Accountant	Non-Executive Director	22/01/1979	December 31, 2018
Mr. Akwasi Akuamoah-Boateng	Educationist (Retired)	Non-Executive Director	6/12/1951	December 31, 2018

## Independence of the Board of Directors

All directors are expected to contribute independent, fair, and objective perspectives during Board discussions. The presence of a significant number of Non-Executive Directors strengthens the Board's independence, ensuring higher standards of corporate governance that protect shareholders' interests. This structure aligns with the independence criteria outlined in the Corporate Governance Framework.

Before being appointed or elected, each Non-Executive Director must disclose any interests that could potentially affect their impartiality as a Board member. Additionally, they are required to promptly report any changes in circumstances that may impact these interests, including those related to immediate family members or family-owned businesses. The Board carefully evaluates this information—along with relevant financial details—when assessing a director's independence.

Maintaining a high level of independence among its members is essential for the Board, reflecting its commitment to sound corporate governance. Independent Directors play a key role in Board discussions by offering objective insights, ensuring that no single individual or small group exerts disproportionate influence over decision-making.

## Board Effectiveness

The Board is strategically structured to ensure a well-balanced mix of skills, experience, industry knowledge, and independence at Asutifi Rural Bank PLC. Given the Bank's core focus on financial services, having Directors with diverse, industry-specific expertise is invaluable. Additionally, the Board benefits from the perspectives of Directors with backgrounds in other key fields.

The effectiveness of the Asutifi Rural Bank PLC's Board is demonstrated through the following:

- A diverse group of experienced members with deep industry and market expertise to guide strategic decisions.

- Strong accountability to shareholders, reinforced by high meeting attendance, adherence to election standards, and a commitment to fulfilling Board responsibilities.
- A rigorous process for evaluating the Board's performance, with actionable recommendations for continuous improvement.
- An executive remuneration structure aligned with long-term organizational and shareholder interests, ensuring the attraction and retention of top leadership talent.
- A clear division of leadership, with the Chairman overseeing the Board and the Chief Executive Officer leading the management team.
- A structured approach to Board member succession, ensuring gradual renewal while maintaining institutional knowledge.
- A commitment to diversity in gender, age, ethnicity, and religion, fostering a broad range of perspectives that contribute to robust discussions and well-informed decision-making.

### **Board Committees**

In 2025, the Board operated through Two (2) committees.

The Board oversees its Two (2) committees, each responsible for critical governance areas, including Audit, Risk and Compliance, Administrative, Finance and Loans. Committee memberships are reviewed annually or as necessary to ensure optimal effectiveness.

To uphold strong governance and oversight, the Board regularly reviews reports and minutes from all committee meetings for ratification and approval. Each committee operates under clearly defined terms of reference, which are reviewed annually to ensure alignment with relevant legislation, regulatory requirements, and industry best practices. This ongoing review process helps maintain compliance and adaptability in a dynamic financial environment.

### **CORPORATE GOVERNANCE DIRECTIVES FOR RURAL AND COMMUNITY BANKS 2021**

The Board of Directors certifies that the Bank is generally compliant with the Corporate Governance Directive for Rural and Community Banks (CGD for RCBs), 2021 issued by the Bank of Ghana, which came into effect on 31<sup>st</sup> March 2021. The Corporate Governance processes of the Bank are effective and meet its purposes.

In accordance with Section 45 and 46 of the Corporate Governance Directive for RCBs, the independent external evaluation of the Board for the year is yet to be done. The scope of the engagement includes roles and responsibilities of the board, competencies of the members, structure and composition of the board and its sub-committees, processes and relationships, and other key governance issues.

### **SYSTEMS OF INTERNAL CONTROL, RISK MANAGEMENT AND COMPLIANCE**

Asutifi Rural Bank PLC is continuously enhancing its comprehensive risk and control review. This is aimed at both improving the mechanism for identifying and monitoring risk as well as appraising the systems of internal control. The company has effective systems for identifying, managing, and monitoring risks. The system of internal controls is implemented and monitored by appropriately trained personnel, suitably segregated as to authority, duties, and reporting lines.

The company reviews the business' risk, management practices, compliance with policies, applicable laws, and regulations, and assesses the adequacy of systems of internal controls. There are periodic staff and management meetings, layers of reviews and approvals for transactions with top management's involvement.

## CODE OF BUSINESS ETHICS

Asutifi Rural Bank PLC continues to reinforce communication on a regular basis together with the development and application of complementary procedures so as to eliminate the potential for corrupt and illegal practices on the part of shareholders, directors, employees and contractors.

## BOARD OF DIRECTORS

The responsibility of good corporate governance is in the hands of the Board of Directors and the Management Team. The Board is accountable for the long-term success of the bank, and it is responsible for ensuring leadership, approving strategy, and ensuring that the Bank is suitably resourced to achieve its strategic aspirations. In doing so, the Board considers its responsibilities to, and the impact of its decisions on its stakeholders including shareholders, employees, customers, suppliers, the environment, and the community the bank operates in.

The Board comprises non-executive directors who provide strong oversight of management and the business operations.

The Board remains very diverse with a distinctive mixture of backgrounds, experience, and skills.

Risk and governance, shareholder and stakeholder relationships, strategy and budget, financial performance oversight and people were some of the key activities the Board focused its time on during the year. The board met five times in the year.

The Board has Two sub-committees with specific delegated authorities. These are the Finance, Audit, Risk and Compliance Committee, and Credit Committee.

The respective Chairpersons present their reports to the Board at each scheduled meeting.

### FINANCE, AUDIT, RISK & COMPLIANCE COMMITTEE

NAMES	POSITION
Mr. Akwasi Akuamoah-Boateng	Member

The Audit Committee is made up of non-executive directors and performs the following functions among others:

#### Internal Control functions:

- The Committee is responsible for advising the Board on Bank's operations including the following:
  - Effectiveness of operational arrangements and internal control systems.
  - Proper management of the bank's resources.
  - Outstanding litigations and contingent liabilities.
  - Overdue and non-performing loans.
  - Related party exposures and their classification.
- Review on behalf of the Board, the Bank's system of internal control (including financial, operational, compliance and risk management) and make recommendations to the Board.
- Monitor and review the effectiveness of the internal audit function and ensure that it is adequately resourced and has appropriate standing within the Bank.
- Review and recommend to the Board, the approval of internal audit programme as well as Internal Audit's Annual Audit Plan.
- Review and recommend to the Board, the Internal Audit Charter in compliance with International Standards for the Professional Practice of Internal Audit for approval.
- Receive and review Internal Audit Reports to establish:
  - The extent to which existing policies are adequate and effective.
  - The extent to which Board decisions and instructions regarding the management of the Bank are being implemented.
  - The extent to which the Bank's operating and financial and accounting policies and practices are being complied with.

- The adequacy, accuracy and reliability of management information, financial and operational reports from Key Management staff.
- The extent of implementation of recommendations by external auditors/examiners or inspectors (Apex Bank Ltd/ Bank of Ghana/ Any related Organizations by Management).
- Consider the material findings of internal investigations and management's response.
- Review arrangements by which employees of the Bank may, in confidence, raise concerns about possible improprieties and for appropriate investigation of such matters.
- Consider other topics as defined by the Board.
- Report on all of the above matters to the Board and recommend for ratification by the Board all issues approved by the Committee on behalf of the Board.

### **External Audit /External Review Functions**

- The Audit Committee is responsible for overseeing the financial reporting process, including:
  - ✓ The establishment of Accounting Policies and Practices by the Bank.
  - ✓ Providing oversight of the internal and external audit functions.
  - ✓ The appointment, compensation and removal of External Auditors.
  - ✓ Reviewing and approving the audit scope and frequency.
  - ✓ Receiving audit reports and ensuring that Key Management Personnel are taking necessary corrective actions in a timely manner to address control weaknesses, non-compliance with policies, laws and regulations and other problems identified by Auditors.
- Discuss and agree with the external auditor before the audit commences the nature and scope of the audit.
- Review from time to time the cost effectiveness of the audit and the independence and objectivity of the external auditor.
- Review from time to time the policy on the engagement of the external auditor to supply non-audit services.
- Review the interim and annual financial statements before submission to the Board focusing particularly on:
  - Any changes in accounting policies and practice.
  - Major judgmental areas.
  - Significant adjustments resulting from the audit.
  - The going concern assumption.
  - Compliance with financial reporting and accounting standards.

### **Risk and Compliance functions:**

- The Committee is responsible for advising the Board on compliance issues including: Compliance with Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT). Compliance with policies rules, and regulations of the Bank, Compliance with national laws and regulations; and Compliance with Notices and guidelines and directives from Bank of Ghana including the Risk Management Directive, 2021:
  - Review and approval of the Risk and Compliance Charter.  
Review recommendation for appointment by Management, of a Compliance Officer who is competent, experienced, and knowledgeable enough to discharge his/her duties and responsibilities.

- Receive and review reports from the Risk and Compliance Officer on the:
  - Adherence or otherwise of the Bank to various obligations in its business relations with customers.
  - The requirements of the law and other regulatory and ethical demands in respect of customer relations and anti-money laundering.
  - Reducing the likelihood of violation of the laws and regulations; and
  - Preventing any breach of confidence by officeholders to prevent financial losses to the Bank.
- The Committee will ensure the establishment and operation of an effective risk management system in line with the provisions of Section 56 (d) of the Banks and Specialized Deposit-taking Institutions Act, 2019 (Act 930).
- Review the Risk Framework and the Risk Register submitted to it by Management and recommend their approval to the Board.
- The Committee ensures the Bank institutes a Risk Management Committee (RMC) to focus on the Bank's important risks and controls for anticipating and managing existing and new risks across the various business departments, branches and units and review their reports for necessary action.
- The Committee ensures that sufficient resources are dedicated to risk management
- The Committee ensures that Board shall make an annual declaration on the risk management of the bank to Bank of Ghana and in its audited financial statement and/or on its website (risk management declaration) by the stipulated deadline date.
- The Audit, Risk and Compliance Committee on an annual basis, or more frequently as deemed fit, assesses the appropriateness of the strategic plan of the Bank.
- The Audit, Risk and Compliance Committee is responsible for overseeing cyber security risks and management's efforts to monitor and mitigate these risks in the Bank.

### **Scope relating to Finance**

- The Committee is responsible for advising the Board on:
  - Financial statements and performance review against the approved budget, business plan, peers and industry data.
  - The extent to which the bank is exposed to various risks such as credit, liquidity, operational and other risks.
    - Compliance with minimum capital requirements.
    - A review of capital adequacy ratio.

Review the financial standing of the Bank and on the most appropriate action to take.

Scrutinize the Bank's financial reports and statements, its capital base and the volume of business it can assume.

The Bank of Ghana's reserve requirements and their implications.

Compensation packages for staff and their impact on the finances of the Bank.

Total assets and their key components such as advances, investments, balances with banks and in vaults/tills etc.

Performing Assets (assets that directly generate revenue} vis-a-vis Non-Performing Assets (assets that do not generate revenue} and the relationship of each category to total assets.

- Deal with all matters referred to it by the Board on the terms, if any, set by the Board.

- In the case of emergency or when it is impracticable to convene a Board meeting or to obtain a written resolution of the Board in accordance with the Bank's Articles of Association from time to time, where the interests of the Bank would be prejudiced by delay, the Committee shall take steps to contact all directors and, having done so, and taken account of the views of those it has been possible to contact, shall have power to act as it then sees fit on behalf of the Board.
- The committee shall report any such actions and the reasons for taking them, to the Board as soon as practicable.
- Bring on Board, potential investment area to enhance profitability.

### **Administration Function**

- Review, monitor and make recommendations to the Board of Directors on the Bank's human resources strategy and policies. These include staffing, compensation, benefits and related issues of strategic importance.
- Consider with other Board Committees and Management the repercussions of recommendations of other Board Committees on human resource management.
- The Committee will make Human Resource recommendations to the Board for consideration and approval.
- Consider short listed applicants for employment.
- Determine the terms of any compensation package in the event of early termination of service of any staff.
- Consider all disciplinary issues involving staff.
- Any other matters that may be referred to the Committee.

### **CREDIT COMMITTEE**

<b>NAMES</b>	<b>POSITION</b>
Mr. Adu Gyamfi Kessey	Chairman
Mr. Akwasi Akuamoah-Boateng	Member

#### **Scope relating to Advances**

- The Committee is responsible for advising the Board on:
    - The risky assets quality.
    - Exposure concentration,
  - Credit/deposit ratio and non-performing Loans and Advances ratio.
  - Provisions for delinquent loans and overdraft.
    - Credit recovery reports.
  - Review of reports on credit facilities and non-performing loans.
  - Related party transactions and credit concentrations.
  - Any other relevant issues relating to credit facilities.
- To consider and approve loans and overdrafts facilities remitted to it by Management Credit Committee on the terms, if any set by the Board.

- To consider and refer credits facilities which are above its discretionary limit to the Board for consideration and approval after due diligence has been done on them.
- Advise the Board on matters relating to Advances Classification and provision for impairment losses on Advances.
- Review and monitor all advances.
- Enact and review effective and possible measures to recover non-performing credits.
- Refer to the Board for ratification the approved and disbursed Management discretionary facilities.
- Regular review of credit policies to enhance credit administration.

#### PROFILE OF BOARD OF DIRECTORS

Directors	Qualification	Position	Role in other institutions
Mr. Adu Gyamfi Kessey	Chartered Accountant	Chairman	Accountant
Mr. Akwasi Akuamoah-Boateng	Educationist (Retired)	Member	Retired

#### PROFILE OF COMPANY SECRETARY

Name	Qualification	Role in other institutions
Henry Adjei Kwakye	MSc Statistics	Assistant Headmaster - SHS

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

All directors are non-executive directors and are independent and free of any business relationship or other circumstances that could materially interfere with the exercise of objective or independent judgment. In determining their independence, the Board has considered the criteria set out in the Corporate Governance Directive for RCBs, 2021 ("the Directive") and the contribution and conduct of directors at Board meetings, including how they demonstrate independent judgement.

Directors are required to declare, on an ongoing basis, any interests that may give rise to a potential or perceived conflict of interest. The Board is made aware of the other commitments of the individual directors and is satisfied that largely, these do not conflict with their duties and time commitments as directors of the Company.

Directors are appointed for an initial term of three years with an option for renewal for a further two terms.

#### SCHEDULE OF ATTENDANCE OF BOARD MEETINGS

	Board of Directors Meetings			
Mr. Adu Gyamfi Kessey	Chairman	April and July, 2025	3	3
Mr. Akwasi Akuamoah-Boateng	Member	April and July, 2025	3	3

#### SCHEDULE OF ATTENDANCE OF BOARD COMMITTEE MEETING

	Finance, Audit Risk and Compliance Committee (2025)			
Members	Role	Date Appointed	Number of Meetings	Attendance
Mr. Akwasi Akuamoah-Boateng	Chairman	7 <sup>th</sup> February, 2023	-	-

Credit Committee (2025)				
Members	Role	Date Appointed	Number of Meetings	Attendance
Mr. Adu Gyamfi Kessey	Chairman	7 <sup>th</sup> February, 2023	-	-
Mr. Akwasi Akuamoah-Boateng	Member	7 <sup>th</sup> February, 2023	-	-

#### BOARD OF DIRECTORS 2025 TRAINING PROGRAMS ATTENDED

Name	Training Attended	Certification	Organized by	Date of certification
NONE	NONE	NONE	NONE	NONE

#### PROFILE OF KEY MANAGEMENT STAFF

Name	Role/ position	Date appointed	Qualification	Experience
Mr. Attiso Taata-Denke	CEO	June 03, 2023	Bachelor of Commerce	26 years
Mr. Hakim Kaana Abdulaih	Operations Manager	February 1, 2020	CA, B.Com Accounting,	11 years
Mrs. Adwoa Ameyaw Fewaa	Audit Manager	1 <sup>st</sup> March, 2020	MBA	7 years

#### KEY MANAGEMENT STAFF TRAININGS ATTENDED

Name	Training attended	Certificate received	Organized by	Date of certification
Mr. Attiso Taata-Denke	Strategic Marketing and Deposit Mobilization	Yes	Internal	05/08/2025
Mr. Hakim Kaana Abdulaih	Strategic Marketing and Deposit Mobilization	Yes	Internal	05/08/2025
Mr. Hakim Kaana Abdulaih	Training for Directors and Key Management Staff of RCBs	External	OFSID – Bank of Ghana	May 2025
Mr. Hakim Kaana Abdulaih	Emotional Intelligence First Aid Training for RCBs	External	Addison International Center for Emotional Intelligence / Association of Rural Banks - Ghana	May 2025

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

At Asutifi Rural Bank PLC, our commitment to our mission and a sustainable future remains steadfast. We prioritize strong Environmental, Social, and Governance (ESG) practices—not just because it is the right thing to do, but because integrating sustainability into our investments and operations allows us to create long-term value.

Our dedication to ESG is reflected in various initiatives aimed at embedding these principles within our operational framework. We recognize ESG as an ongoing process of aligning our business practices with our core values. To drive this commitment, we have established a Board Appetite statement, backed by an approved ESG Policy, to guide our ESG objectives effectively.

Our ESG management strategy is built on strong governance systems, risk management, and controls. It also includes a commitment to providing transparent and exceptional customer service, investing in our employees, and fostering a diverse and inclusive workplace while enhancing the well-being of the communities we serve.

- **Environmental:** We strive to minimize our environmental impact by efficiently managing natural resources, addressing climate-related risks, and implementing sustainable energy solutions. This is evident in our internal efforts to adopt renewable energy sources and our initiative to establish an ESG Unit, ensuring sustainability is embedded in our financing practices.
- **Social:** We prioritize meaningful engagement with our key stakeholders, including clients, employees, regulators, suppliers, and the communities we serve.
- **Governance:** We uphold the highest standards of ethical business practices, fair and equitable compensation, and board diversity while ensuring strict compliance with local, international, and regulatory governance standards. At Asutifi, governance goes beyond compliance—it is a fundamental part of our corporate identity and commitment to public service.

### ESG Risk Management:

Our Risk and Compliance (R&C) Committee oversees our ESG agenda at the senior management level. By consolidating all major ESG-related challenges into a single platform, we ensure a structured approach to managing our commitments.

### ESG Reporting:

We aim to maintain transparent ESG reporting that is not only aligned with regulatory requirements but also serves the interests of our stakeholders. Our reporting framework is designed to highlight key ESG priorities, track our progress, and provide meaningful insights into our performance and commitments in each area. This enables us to remain accountable and continuously improve our sustainability efforts.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASUTIFI RURAL BANK PLC**

### **Report on the Audit of the Financial Statements**

We have audited the financial statements of Asutifi Rural Bank PLC, which comprise the statement of financial position as at 31st December 2025, and the statement of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, as set out on pages 34 to 65.

#### **Opinion**

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Asutifi Rural Bank PLC as at 31st December 2025, its financial performance and cash flows for the year ended in accordance with International Financial Reporting Standards (IFRS) and in compliance with the Companies' Act 2019 (Act 992) and the Banks and Specialized Deposit-Taking Institutions Act 2016 (Act 930) and the Anti-Money Laundering Act, 2020, (Act 1044).

#### **Basis of Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Independence**

We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of financial statements in Ghana, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

#### **Key Audit Matters**

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. They are matters to be addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

For the matter below, we have provided our description of how our audit addressed the matter as provided in that context:

##### **Key audit matter**

##### ***Impairment of Loans and Advances and other financial assets***

The measurement of impairment provision is deemed a Key Audit Matter as the amount has a significant impact on the financial performance of the company.

Impairment allowances represent Management's best estimate of Expected Credit Loss ("ECL") within each portfolio at the balance sheet date. The identification and the determination of allowances is inherently judgmental.

The bank has implemented IFRS 9, Financial Instruments and during the year, the computed impairment allowances increased from GH¢3,451,110 as at 31st December 2024 to GH¢4,057,485 as at 31st December 2025.

This IFRS 9, Financial Instruments standard requires the bank to recognize Expected Credit Losses ('ECL') on financial instruments, which involves the exercise of significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the bank's implementation of IFRS 9 include:

- Economic scenarios- IFRS 9 requires the Bank to measure ECLs on a forward-looking basis reflecting a range of future economic conditions. Significantly, Management's judgement is applied to determining the economic scenarios used, and the probability weightings applied.
- Significant increase in Credit Risk ('SICR') -the criteria selected to identify a significant increase in credit risk is a key area of judgment within the bank's ECL calculation as these criteria determine whether:

The Modelling for estimation of ECL parameters involved the following:

- ✓ Probabilities of Default (PD) - 12-month and Lifetime,
  - ✓ Loss Given Default (LGD),
  - ✓ Exposure at Default (EAD).

### ***Completeness and accuracy of data used to calculate the ECL***

- ❖ ECL estimations- Inherently judgmental modelling is used to estimate ECLs which involves determining Probabilities of Default ('PD'), Loss Given Default ('LGD'), and Exposures at Default('EAD'). The PD models used are the key drivers of the Bank's ECL results and are therefore the most significant judgmental aspect of the Bank's ECL modelling approach.
- ❖ Adjustments to the model driven ECL results are raised by management to address known impairment model limitations, model responsiveness or emerging trends relating to How the matter was addressed in our audit.

### ***How our audit addressed the key audit matter:***

Based on our risk assessment and industry knowledge, we focused our testing and examined the impairment allowance on loans and advances to customers and evaluated the methodology applied as well as the key assumptions and inputs made by Management and Directors made according to the description of the key audit matter.

### ***Our procedures included:***

- Assessing and testing the design, implementation, and operating effectiveness of key controls over the capture, monitoring and reporting of loans and advances to customers.
- Assessing and testing the design and operating effectiveness of controls over the Bank's loan impairment process regarding Management's monitoring of loan performance.
- Using financial risk model specialists to independently assess and substantively validate the impairment models by re-performing calculations and agreeing data inputs to source documentation.
- Assessing whether key data inputs used in the ECL calculation are complete and accurate through testing relevant data fields and their aggregate amounts against data in the source system.
- Assessing the ongoing effectiveness of the SICR criteria through loan file reviews and independently assessing the portfolio, including determining the staging of the Bank's loans and advances portfolio.
- Testing over key inputs and assumptions impacting ECL calculations to assess the reasonableness of, economic forecast, weights and PD, LGD and EAD assumptions applied. Such adjustments are inherently uncertain and significant management judgement as involved in estimating these amounts.

Disclosure quantity - the disclosures regarding the Bank's credit risks are key to understanding the key judgement and material inputs to the IFRS 9 ECL results.

Assessing the adequacy and appropriateness of disclosures for compliance with the accounting standards.

Given the high degree of estimation uncertainty and significance of the balance, we considered the impairment allowances on loans and advances to customers to be a key audit matter.

## **Impairment testing of other financial assets**

Refer to Note (3) for the accounting policy relating to financial assets and note (3.v) for the impairment loss disclosure.

As at 31 December 2025, there were no financial assets with any carrying value(s) to be impaired, and in furtherance, there were no internal or external indicators of impairment. The Bank reviews the carrying amount of these assets to determine whether their carrying values exceeds the recoverable amounts, which is the higher of value in use or the fair value less cost to sell. For the purpose of the Bank's impairment assessment, management has used the fair value less cost to sell to determine the recoverable amount. The fair value less cost to sell, which is the arm's length sales price between knowledgeable willing parties less cost of disposal and compared to their respective carrying amounts. We considered this as a key audit matter due to the significant judgements and key assumptions involved in the impairment assessment process.

Considering the adequacy of the Bank's disclosures in relation to impairment about Changes in estimates occurring during the period and its sensitivity to key assumptions, and in addition, we assessed whether the disclosure of the key judgements and assumptions made, including COVID 19 related disclosures, was reasonable.

Based on our review, we found that the bank's impairment methodology, including the model, assumptions and key inputs used by Management and Directors to estimate the amount of all the financial assets inclusive of the loan impairment losses were appropriate in the circumstances.

## **Other Information**

The Directors are responsible for the other information. The other information comprises the Corporate Information, Report of the Directors as required by the Companies Act, 2019 (Act 992) and the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930), the Chairman's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of the Directors for the Financial Statements**

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930), and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Bank or to cease operations, or have no realistic alternative but to do so. The Directors are responsible for overseeing the Bank's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements.**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

**We also:**

•Identified and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

•Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

•Concluded on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

•Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report on Other Legal and Regulatory Requirements**

Compliance with the requirements of Section 137 of the Companies Act, 2019 (Act 992) and Section 85 of the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930);

We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit.

In our opinion, proper books of account have been kept by the Bank, so far as appears from our examination of those books.

The Statement of Financial Position and the Statement of Comprehensive Income of the Bank are in agreement with the accounting records and returns.

We are independent of the Bank under audit pursuant to Section 143 of the Companies Act, 2019 (Act 992).

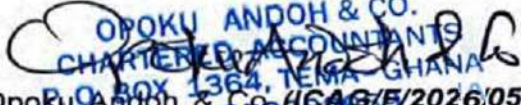
The Banks and Specialized Deposit-Taking Institutions Act, 2016, (Act 930) requires that we state certain matters in our Report. We hereby certify that:

- i. The Financial Statements give a true and fair view of the State of Affairs as at 31st December, 2025 of the Bank and the results for the year ended on that date.
- ii. We have obtained all the information and explanation required for the efficient performance of our audit.
- iii. The Bank's transaction was within its powers; and

iv. The Bank has generally complied with the provisions in the Companies' Act, 2019, (Act 992), the Banks and Specialized Deposit-Taking Institutions, Act 2016, (Act 930), the Anti-Money Laundering Act, 2021, Act (1044), (AML) and International Financial Reporting Standards.

The engagement partner on the audit resulting in this independent auditor's report is Peter Opoku (ICAG/P/1009).

**5<sup>TH</sup> MAY, 2026**

  
OPOKU ANDOH & CO.  
CHARTERED ACCOUNTANTS  
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Opoku Andoh & Co. (ICAG/P/2026/053)  
Chartered Accountants  
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## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	(NOTES)	2025 GH¢	2024 GH¢
Interest Income	7	14,469,367	9,739,433
Interest Expense	7	(4,007,013)	(1,862,203)
<b>Net Interest Income</b>		<b>10,462,354</b>	<b>7,877,230</b>
Fees & Commission Income	8	2,570,342	2,035,484
Fees & Commission Expense	8	(1,157,471)	(823,041)
<b>Net Fees &amp; Commission Income</b>		<b>1,412,871</b>	<b>1,212,442</b>
Other Income	9	465,254	245,614
<b>Net Other Income</b>		<b>465,254</b>	<b>245,614</b>
<b>Total Operating Income</b>		<b>12,340,478</b>	<b>9,335,287</b>
Net Impairment Loss on Financial Assets	19	606,375	2,697,573
Personnel Expenses	10	1,788,545	2,919,934
Depreciation & Amortization	11	601,383	183,488
Other Administrative Expenses	12	5,753,172	5,588,455
<b>Total Operating Expenses</b>		<b>8,749,475</b>	<b>11,389,451</b>
<b>Profit/(Loss) Before Tax</b>		<b>3,591,004</b>	<b>(2,054,165)</b>
Growth & Sustainability Levy	13	(134,113)	0
Income Tax Expense	13	(908,736)	0
<b>(Loss)/Profit for The Year</b>		<b>2,548,155</b>	<b>(2,054,165)</b>
Other Comprehensive Income		-	-
<b>Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the Year</b>		<b>2,548,155</b>	<b>(2,054,165)</b>
<b>Basic Earnings Per Share (Cedis)</b>	<b>14</b>	<b>0.329</b>	<b>(0.266)</b>
<b>Diluted Earnings Per Share (Cedis)</b>	<b>14</b>	<b>0.329</b>	<b>(0.266)</b>

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

**ASUTIFI RURAL BANK PLC****FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st December 2025****STATEMENT OF FINANCIAL POSITION**

<b>ASSETS</b>	<b>(NOTES)</b>	<b>2025</b> GH¢	2024 GH¢
Cash and Cash Equivalents	<b>16</b>	5,889,535	5,570,990
Non-Pledged Trading Assets (Other Institutions)	<b>17</b>	138,825	4,138,825
Non-Pledged Trading Assets (Government of Ghana)	<b>18</b>	49,989,618	27,489,618
Loans and Advances to Customers	<b>19</b>	19,774,184	14,645,652
Other Assets	<b>22</b>	6,228,355	2,973,642
Investment in Securities	<b>25</b>	125,735	103,679
Property, Plant & Equipment	<b>24(a)</b>	1,095,327	1,512,715
<b>Total Assets</b>		<b>83,241,579</b>	<b>56,435,121</b>
<b>LIABILITIES</b>			
Deposits from Customers	<b>26</b>	76,587,810	51,721,924
Bank Overdraft		-	330,078
Deferred Tax Liability	<b>21</b>	-	-
Borrowings	<b>27</b>		143,540
Current Income Tax Liabilities	<b>13</b>	923,622	-
Sustainability Levy		134,113	-
Other Liabilities	<b>28</b>	5,628,329	6,756,219
<b>Total Liabilities</b>		<b>83,273,873</b>	<b>58,951,760</b>
<b>EQUITY AND RESERVES</b>			
Stated Capital	<b>29</b>	1,368,957	1,248,848
Retained Earnings		(3,735,939)	(4,502,394)
Revaluation Reserve	<b>30</b>	509,133	509,132
Statutory Reserve	<b>31</b>	1,501,853	227,775
Credit Risk Reserve	<b>32</b>	323,703	-
<b>Total Equity and Reserves</b>		<b>(32,295)</b>	<b>(2,516,639)</b>
<b>Total Liabilities and Equity</b>		<b>83,241,579</b>	<b>56,435,121</b>

The financial statements were approved by the Directors of **5<sup>TH</sup> MAY , 2026** and were signed on their behalf by:

  
.....  
**DIRECTOR**

  
.....  
**DIRECTOR**

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

**ASUTIFI RURAL BANK PLC**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st December 2025**  
**STATEMENT OF CASH FLOWS**

	(NOTES)	2024 GH¢	2024 GH¢
<b>Cash flows from operating activities</b>			
Profit / (Loss) before tax		<b>3,591,004</b>	(2,054,164)
Adjustments for:			
Depreciation		601,383	183,488
Prior year adjustment		(119,148)	(1,236,183)
Impairment of financial assets		606,375	181,469
Change in loans and advances to customers		(5,734,907)	(431,827)
Change in non-pledged trading assets (GOG Bills)		(22,500,000)	(27,271,008)
Change in non-pledged trading assets (Other institutions)		4,000,000	3,886,394
Change in other assets		(3,254,713)	(1,542,985)
Change in deposits from customers		24,865,886	24,760,170
Change in other liabilities		(1,127,891)	5,921,585
		<b>927,993</b>	<b>2,396,940</b>
Income tax paid		(49,886)	(357,492)
Growth and Sustainability Levy paid		-	-
<b>Net cash generated from operating activities</b>		<b>878,107</b>	<b>2,039,448</b>
<b>Cash flows from investing activities</b>			
Purchase of property & equipment		(183,995)	(696,510)
Purchase of Apex shares		(22,056)	(103,679)
Disposal of PPE		-	-
<b>Net cash used in investing activities</b>		<b>(206,051)</b>	<b>(800,189)</b>
<b>Cash flows from financing activities</b>			
Borrowed Funds		(143,540)	(1,111,989)
Bank Overdraft		(330,078)	330,078
Issue of ordinary shares		120,109	229,516
<b>Net cash used in financing activities</b>		<b>(353,509)</b>	<b>(552,395)</b>
<b>Net increase in cash and cash equivalents</b>		318,546	686,863
Cash and cash equivalents at 1 January		5,570,989	4,884,126
<b>Cash and cash equivalents at 31 December</b>	<b>16</b>	<b>5,889,535</b>	<b>5,570,989</b>

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

**ASUTIFI RURAL BANK PLC**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st December 2025**

**STATEMENT OF CHANGES IN EQUITY - 2025**

	Stated Capital	Deposit for shares	Retained Earnings	Revaluation Reserve	Statutory Reserve	Credit Risk Reserve	Total Equity
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
At 1/01/2025	1,248,848	-	(4,502,394)	509,132	227,775	-	(2,516,639)
Prior Year Adjustment	-	-	(183,919)	-	-	-	(183,919)
Restated Balance	1,248,848	-	(4,686,313)	509,132	227,775	-	(2,700,558)
Net Profit/(Loss) for the year	-	-	2,548,155	-	-	-	2,548,155
<b>Total Comprehensive Income</b>	-	-	<b>2,548,155</b>	-	-	-	<b>2,548,155</b>
<b>Transaction with equity holders</b>							
Issue of share	-	120,109	-	-	-	-	120,109
Issue of shares-Transfer from Stated Capital	-	-	-	-	-	-	-
Transfer from Preference Shares	-	-	-	-	-	-	-
<b>Total Transactions with equity holders</b>	-	<b>120,109</b>	-	-	-	-	<b>120,109</b>
<b>Regulatory Transfers</b>							
Transfer to Statutory reserve funds	-	-	(1,274,078)	-	1,274,078,	-	-
	-	-	<b>(1,274,078)</b>	-	<b>1,274,078</b>	-	-
Transfer (to)/from Credit Reserve			(323,703)			323,703	
<b>Total Regulatory reserve</b>			<b>(323,703)</b>			<b>323,703</b>	
<b>Balance at 31/12/2025</b>	<b>1,248,848</b>	<b>120,109</b>	<b>(3,735,939)</b>	<b>509,132</b>	<b>1,501,853</b>	<b>323,703</b>	<b>(32,925)</b>

*The notes form an integral part of these financial statements*

**ASUTIFI RURAL BANK PLC**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st December 2024**

**STATEMENT OF CHANGES IN EQUITY - 2024**

	Stated Capital		Income Surplus		Capital Surplus	Statutory Reserve	Credit risk reserve	Total Equity
	GH¢	Shares	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
At 1/01/2024	915,988	103,344	(1,212,050)	509,132	227,775	-	544,189	
Prior Year Adjustment	103,344-	(103,344)	(1,245,892)	-	-	-	(1,245,892)	
<b>Restated Balances</b>	<b>1,019,332</b>	-	<b>(2,457,942)</b>	<b>509,132</b>	<b>227,775</b>	-	<b>(701,703)</b>	
Net (Loss) for the year	-	-	(2,044,452)-	-	-	-	(2,044,452)-	
<b>Total Comprehensive Income</b>	-	-	<b>(2,044,452)</b>	-	-	-	<b>(2,044,452)</b>	
Transaction with equity holders	-	-	-	-	-	-	-	
Issue of share	229,516	-	-	-	-	-	229,516	
Issue of shares-Transfer from Stated Capital	-	-	-	-	-	-	-	
<b>Regulatory Transfers</b>	-	-	-	-	-	-	-	
Transfer to Statutory reserve funds	-	-	-	-	-	-	-	
Transfer from Credit Reserve	-	-	-	-	-	-	-	
<b>Total Regulatory reserve</b>	-	-	-	-	-	-	-	
<b>Balance at 31/12/2024</b>	<b>1,248,848</b>	-	<b>(4,502,394)</b>	<b>509,132</b>	<b>227,775</b>	-	<b>(2,516,639)</b>	

*The notes form an integral part of these financial statements*

**ASUTIFI RURAL BANK PLC**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st December 2025**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**1. Reporting entity**

Asutifi Rural Bank PLC is a limited liability company incorporated in Ghana under the Companies Act, 2019 (Act 992). The address of the registered office of the Bank is The Bank Premises Asutifi Rural Bank PLC, Acherensua. The Bank is authorized and licensed to provide banking services.

**2. Basis of preparation**

**a) Statement of Compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The financial statements also comply with the requirements of the Companies Act, 2019 (Act 992) and Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930).

**b) Basis of measurement**

The financial statements have been prepared on the historical cost basis except otherwise stated.

**c) Functional and presentational currency**

The financial statements are presented in Ghana Cedis (GH¢), which is the Bank's functional and presentational currency.

**d) Use of estimates and judgements**

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimate is revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgements in accounting policies that have the most significant effect on the amount recognized in the financial statements are described in the notes.

**3. Significant accounting policies**

The significant accounting policies set out below have been applied consistently to all periods these financial statements.

**a) Interest**

Interest revenue is generally recognized when future economic benefits of the underlying assets will flow to the organization and it can be reliably measured. It is income derived from use of an entity's assets and hence the interest is mostly dependent on the underlying agreement. Interest income and expense are however generally recognized in the income statement on straight-line basis using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability.

The calculation of the effective interest rate includes all fees paid or received, transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability. Interest income and expense presented in the P&L and OCI include:

- Interest on financial assets and liabilities at amortized cost on an effective interest rate basis and
- Interest on available-for-sale investment securities on an effective interest rate basis.

**ASUTIFI RURAL BANK PLC**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st December 2025**

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**b) Fees and commissions**

Fees and Commission income and expenses that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate.

Other fees and commission income, including account servicing fees, investment management fees and special statement request are recognized as the related services are performed. When a loan commitment is not expected to result in the draw-down of a loan, loan commitment fees are recognized on a straight-line basis over the commitment period.

Other fees and commission expense relates mainly to transaction and service fees, which are expensed as the services are received.

**c) Other income**

Other income comprises profit on disposal of assets.

**d) Lease payments made**

Payments made under operating leases are recognized in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance lease are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

**e) Income tax expense**

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the P&L/ OCI except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend is recognized.

**f) Financial assets and liabilities**

**i) Recognition**

The Bank initially recognizes loans and advances, deposits and debt securities issued on the date that they are originated. All other financial assets and liabilities (including assets and liabilities designated at fair value through profit or loss) are initially recognized on the trade date at which the Bank becomes a party to the contractual provisions of the instrument.

**ASUTIFI RURAL BANK PLC**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st December 2025**

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**ii) De-recognition**

The Bank de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial asset that is created or retained by the Bank is recognized as a separate asset or liability.

The Bank de-recognizes a financial liability when its contractual obligations are discharged or cancelled or expired. The Bank enters into transactions whereby it transfers assets recognized on its balance sheet but retains all risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not de-recognized from the balance sheet. Transfers of assets with retention of all or substantially all risks and rewards include, for example, securities lending and repurchase transactions.

**iii) Offsetting**

Financial assets and liabilities are set off and the net amount presented in the financial position when, and only when, the Bank has a legally enforceable right to set off the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from similar transactions.

**iv) Amortized cost measurement**

The amortized cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest rate method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment.

**v) Fair value measurement**

The determination of fair values of financial assets and financial liabilities is based on quoted market prices or dealer price quotations for financial instruments traded in active markets. For all other financial instruments fair value is determined by using valuation techniques. Valuation techniques include net present value techniques, the discounted cash flow method, comparison to similar instruments for which market observable prices exist and valuation models.

**vi) Identification and measurement of impairment**

At each reporting date the Bank assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. Financial assets are impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset, and that the loss event has an impact on the future cash flows on the asset that can be estimated reliably.

The Bank considers evidence of impairment at both an individual and collective level. All individual significant financial assets are assessed for specific impairment. All significant assets found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified.

Assets that are not individually significant are then collectively assessed for impairment by grouping together financial assets (carried at amortized cost) with similar risk characteristics. Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a borrower, restructuring of a loan or advance by the Bank on terms that the Bank would not otherwise consider, indications that a borrower or issuer will enter Bankruptcy, the disappearance of an active market for a security, or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers, or economic conditions that correlate with defaults in the group.

**ASUTIFI RURAL BANK PLC**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st December 2025**

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In assessing collective impairment, the Bank uses statistical modelling of historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical modelling. Default rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure that they remain appropriate. Impairment losses on assets carried at amortized cost are measured as the difference between the carrying amount of the financial assets and the present value of estimated cash flows discounted at the assets' original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against loans and advances. Interest on the impaired asset continues to be recognized on the unimpaired portion through the unwinding of the discount.

When a subsequent event causes the amount of impairment loss to decrease, the impairment loss is reversed through profit or loss.

Impairment losses on available-for-sale investment securities are recognized by transferring the difference between the amortized acquisition cost net of any principal repayment and amortization and current fair value, less any impairment loss previously recognized in profit or loss out of equity to profit or loss. When a subsequent event that can be related to the event causes the amount of impairment loss on an available-for-sale- debt security to decrease, the impairment loss is reversed through profit or loss, otherwise, the decrease is recognized through OCI.

However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognized directly in equity. Changes in impairment provisions attributable to time value are reflected as a component of interest income.

**vii) Designation at fair value through profit or loss**

The Bank has designated financial assets and liabilities at fair value through profit or loss when either:

- the assets or liabilities are managed, evaluated and reported internally on a fair value basis;
- the designation eliminates or significantly reduces an accounting mismatch which would otherwise arise; or
- the asset or liability contains an embedded derivative that significantly modifies the cash flows that would otherwise be required under the contract.

The notes set out the amount of each class of financial asset or liability that has been designated at fair value through profit or loss. A description of the basis for each designation is set out in the note for the relevant asset or liability class.

**g) Cash and cash equivalents**

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with ARB Apex Bank PLC and Other Banks and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value and are used by the Bank in the management of its short-term commitments.

Cash and cash equivalents are carried at amortized cost or fair values in the statement of financial position depending on the business model for managing the asset or the cash flow characteristics of the asset.

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**h) Trading assets and liabilities**

Trading assets and liabilities are those assets and liabilities that the Bank acquires or incurs principally for the purpose of selling or repurchasing in the near term or holds as part of a portfolio that is managed together for short-term profit or position taking. Trading assets and liabilities are initially recognized and subsequently measured at fair value in the statement of financial position with transaction costs taken directly to profit or loss. All changes in fair value are recognized as part of net trading income in profit or loss. Trading assets and liabilities are not reclassified subsequent to their initial recognition.

**i) Loans and advances**

Loans and advances are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Bank does not intend to sell immediately or in the near term. When the Bank is the lessor in a lease agreement that transfers substantially all of the risks and rewards incidental to ownership of an asset to the lessee, the financial asset is recognized within loans and advances. When the Bank purchases a financial asset under a commitment to sell the asset (or a substantially similar asset) at a fixed price on a future date ("reverse repo or stock borrowing"), the financial asset is accounted for as a loan, and the underlying asset is not recognized in the Bank's financial statements.

Loans and advances are initially measured at fair value plus incremental direct transaction costs, and subsequently measured at their amortized cost using the effective interest rate method, except when the Bank chooses to carry the loans and advances at fair value through profit or loss as described in the accounting policies.

**j) Investment securities**

Investment securities are initially measured at fair value plus incremental direct transaction costs and subsequently accounted for depending on their classification as either held-to-maturity, fair value through profit or loss, or available-for-sale.

**i) Held-to-maturity**

Held-to-maturity investments are non-derivative assets with fixed or determinable payments and fixed maturity that the Bank has the positive intent and ability to hold to maturity, and which are not designated at fair value through profit or loss or available-for-sale.

Held-to-maturity investments are carried at amortized cost using the effective interest method. It must be noted that IFRS 9 only considers fair value and amortized cost based on the business models for managing the financial asset and the contractual cash flow characteristics of the financial asset. Thus, all held-to-maturity assets are classified as amortized cost.

**(ii) Fair value through profit or loss**

The Bank carries some investment securities at fair value, with fair value changes recognized immediately in profit or loss as described in the accounting policy.

**(iii) Available-for-sale**

Available-for-sale investments are non-derivative investments that are not designated as another category of financial assets. Unquoted equity securities whose fair value cannot be reliably measured are carried at cost. All other available-for-sale investments are carried at fair value. Interest income is recognized in profit or loss using the effective interest rate method. Dividend income is recognized in profit or loss when the Bank becomes entitled to the dividend.

Other fair value changes are recognized directly in equity until the investment is sold or impaired and the balance in equity is transferred to profit or loss. Other fair value changes are recognized directly in equity until the investment is sold or impaired and the balance is transferred to profit or loss.

**k) Property, plant and equipment**

**(i) Recognition and measurement**

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment. When components of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

**(ii) Subsequent costs**

The cost of replacing part of an item of property or equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Bank and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognized in profit or loss as incurred.

**(iii) Revaluation model**

After recognition of an asset, an item of property, plant and equipment whose fair value can be measured reliably shall be carried at a revalued amount, being the fair value at the date of the revaluation less any subsequent accumulated depreciation and accumulated impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Revaluation model is used for only property and surpluses on such revaluations are restricted to tier two capital with respect to capital adequacy ratio computation.

**(iv) Depreciation**

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

Buildings	50 years
Motor Vehicles	5 years
Office Equipment	4 years
Furniture and Fittings	5 years
Computers & Accessories	3 years

Depreciation methods, useful lives and residual values are reassessed at each reporting date.

**l) Leased assets – lessee**

Leases in terms of which the Bank assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Other leases are operating leases and the leased assets are not recognized on the Bank statement of financial position at its fair value.

**m) Impairment of non-financial assets**

The carrying amounts of the Bank's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its

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recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

#### **n) Provisions**

A provision is recognized if, as a result of a past event, the Bank has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Bank from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Bank recognizes any impairment loss on the assets associated with that contract.

#### **o) Employee benefits**

The Bank contributes to two defined contribution schemes (Social Security Fund and Provident Fund) on monthly basis on behalf of employees and the last month outstanding contribution is included in creditors and accruals.

#### **i) Social Security and National Insurance Trust (SSNIT)**

Under a National Deferred Benefit Pension Scheme, the Bank contributes 13% of employee's basic salary in addition to 5.5% deduction from employee's basic salary to SSNIT and Enterprise Trustees for employee pensions. The Bank's obligation is limited to the relevant contributions, which were settled on due dates. The pension liabilities and obligations, however, rest with SSNIT and Enterprise Trustees.

#### **ii) Provident fund**

The Bank has a provident fund scheme for all employees who have completed probation with the Bank. Employees contribute 7.5% of their basic salary to the fund whilst the Bank contributes 7.5%. The obligation under the plan is limited to the relevant contribution and these are settled on due dates.

#### **(iii) Termination benefits**

Termination benefits are recognized as an expense when the Bank is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to employees who have reached their statutory retirement date.

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**(iv) Short-term benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognized for an amount expected to be paid under short-term cash if the Bank has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**p) Share capital and reserves**

**(i) Ordinary shares**

The Bank classifies capital instruments as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instrument.

**(ii) Share issue costs**

Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

**q) Earnings per share**

The Bank presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the number of shares existing as at 31st December. Diluted EPS is determined by the number of shares existing at the end of December.

**r) Dividends**

Dividends are recognized as a liability in the period in which they are declared. Dividend receivable from unquoted investments is recognized when the Bank's right to receive the dividend is established.

**s) Offsetting of financial assets and liabilities**

Financial assets and liabilities are offset and the net amount reported on the statement of financial position when there is a legally enforceable right of set-off and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**t) Acceptances, letters of credit, financial guarantees and commitments**

Acceptances, letters of credits, financial guarantees and commitments are considered contingent liabilities and are disclosed unless the possibility of an outflow of resources involving economic benefit is remote.

**u) Borrowings (liabilities to Banks and customers)**

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost using the effective interest rate method, any differences between proceeds net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings. Borrowings and other forms of financial liabilities shall be de-recognized from the books only when they are extinguished, ie when the obligation specified in the contract is discharged or cancelled or expired.

**v) IFRS 9 Financial Instruments**

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments that replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. IFRS 9 brings together all three aspects of the accounting for financial instruments: classification and measurement, impairment and hedge accounting. It is effective for annual periods beginning on or after 1 January 2019, with early application permitted. The Bank adopted this standard effective 1st January 2020 and will not restate comparative information or apply it retrospectively.

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**a) Classification and measurement**

The Bank does not expect a significant impact on its balance sheet or equity in applying the classification and measurement requirements of IFRS 9. It expects to continue measuring at fair value all financial assets currently held at fair value.

**b) Impairment**

IFRS 9 requires the Bank to record expected credit losses on all of its debt securities, loans and trade receivables, either on a 12-month or lifetime basis. The Bank will apply the General Approach and calculate expected losses on all its instruments. Impairment Loss Schedule - 2025

	<b>Stage 1</b> <b>12-months</b>	<b>Stage 2</b> <b>Lifetime ECL</b>	<b>Stage 3</b> <b>Lifetime ECL</b>	<b>Total</b>
Impairment Classification	ECL GH¢	Not credit impaired GH¢	Credit impaired GH¢	GH¢
Loan loss allowance	827,458	1,109,379	2,120,648	4,057,485
Investment with other institutions	0	0	0	0
<b>Total</b>	<b>827,458</b>	<b>1,109,379</b>	<b>2,120,648</b>	<b>4,057,485</b>

**4. Financial risk management**

**a) Introduction and overview**

The Bank's activities expose the business to risks. These risks are managed in a targeted manner. Key risks arising from core functions are identified and measured to facilitate, managing and determining risk positions and capital allocations.

The Bank has exposure to the following risks arising from the use of financial instruments.

- credit risk
- liquidity risk
- market risk
- operational risk.

This note presents information about the Bank exposure to these risks, including the objectives, policies and processes for measuring and managing the risks as well as their impact on earnings and capital.

**Risk management framework**

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Board has established the Finance, Audit and Risk, Information Communication Steering, Loans and the Administration Committees which are responsible for developing and monitoring the Bank's risk management policies in their specified areas.

The risk management policies are established to identify and analyze 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.

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The Bank's Audit and Risk Committee is responsible for monitoring compliance with the Bank's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Bank. The Bank's Audit and Risk Committee is assisted in its functions by the Internal Audit Department. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit and Risk Committees.

#### **a) Credit risk**

Credit risk is the risk of financial loss to the Bank if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Bank's loans to customers and other Banks and investment securities. For risk management reporting purposes, the Bank considers and consolidates all elements of credit risk exposure. For risk management purposes, credit risk arising on trading securities is managed independently, but reported as a component of market risk exposure.

#### **Management of credit risk**

The Board of Directors has delegated responsibility for the management of credit risk to its Credit Committee. A separate Bank credit department, reporting to the Bank Credit Committee, is responsible for oversight of the Bank's credit risk, including:

- Formulating credit policies covering collateral requirements, credit assessment, risk grading and reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements.
- Establishing the authorization and structure for the approval and renewal of credit facilities. Authorization limits are allocated to branch managers. Larger facilities require approval by the head of credit, Chief Executive Officer and the Board of Directors as appropriate.
- Reviewing and assessing credit risk. The Bank's Loans Committee assesses all credit exposures in excess of designated limits, prior to facilities being committed to customers by the business unit concerned. Renewals and reviews of facilities are subject to the same review process.
- Limiting concentrations of exposure to counterparties, geographies and industries (for loans and advances), and by issuer, credit rating band and market liquidity (for investment securities).
- Developing and maintaining the Bank's risk grading in order to categorize exposures according to the degree of risk of financial loss faced and to focus management on the attendant risks. The risk grading system is used in determining where impairment provisions may be required against specific credit exposures.

The current risk grading framework consists of various grades reflecting varying degrees of risk of default and the availability of collateral or other credit risk mitigation. The responsibility for setting risk grades lies with the final approving executive / committee as appropriate. Risk grades are subject to regular reviews by the Bank risk function.

- Reviewing compliance with agreed exposure limits, including those for selected industries and product types. Regular reports are provided to the Bank's Loans Committee on the credit quality of portfolios and appropriate corrective action being taken.
- Providing advice, guidance, specialist skills and training to promote best practice throughout the Bank in the management of credit risk.

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Each branch is required to implement Bank credit policies and procedures, with credit approval authorities delegated from the Bank Loans Committee. Each branch has a credit risk officer who reports on all credit related matters to local management and the Bank Loans Committee.

Each branch is responsible for the quality and performance of its credit portfolio and for monitoring risk in its portfolios, including those subjects to central approval. Regular audits of business units and Bank credit processes are undertaken by Internal Audit.

**Impaired loans and securities**

Impaired loans and securities are loans and securities for which the Bank determines that it is probable that it will be unable to collect all principal and interest due according to the contractual terms of the loan/securities agreement(s). Interest on these loans are calculated and treated on non-accrual basis and portions shall only be considered when payments (settlement) are made.

**Loans with renegotiated terms**

Loans with renegotiated terms are loans that have been restructured due to deterioration in the borrower's financial position and where the Bank has made concessions that it would not otherwise consider. The status or risk grade of a restructured facility does not change until there is evidence of performance over a reasonable period of time.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the Bank shall recalculate the gross asset, the Bank shall recalculate the gross carrying amount of the financial asset and shall recognize a modification gain or loss in profit or loss.

The gross carrying amount of the financial asset shall be recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate (or credit adjusted effective interest rate for purchased or originated credit-impaired financial assets). Any costs or fees that are incurred will adjust the carrying amount of the modified financial asset and are amortized over the remaining term of the modified financial asset.

**Allowances for impairment**

The Bank establishes an allowance for impairment losses that represents the estimate of incurred losses in the loan portfolios. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loan loss allowance established for groups of homogeneous assets in respect of losses that have been incurred but have not been identified on loans subject to individual assessment for impairment.

**Write-off policy**

The Bank writes off a loan/security when it determines that the loans/securities are uncollectible. This determination will be reached after considering information such as the occurrence of significant changes in the borrower / issuer's financial position such that the borrower or issuer can no longer discharge the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure.

**Collateral of impaired exposures**

The Bank holds collateral against loans and advances to customers in the form of mortgage interests over property, other registered securities over assets, and guarantees. Estimates of fair value are based on the value of collateral assessed at the time of borrowing, and generally are not updated except when a loan is individually assessed as impaired. Collateral is not normally held for loans and advances to Banks, except when securities are held as part of reverse repurchase and securities borrowing activity. Collateral is not usually held against investment securities, and no such collateral was held on 31st December 2025 or 2024.

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An estimate of the fair value of collateral and other security enhancements held against financial assets is shown below. It must however be noted that collateral values for impaired loans are at cash flows of the forced sale values less estimated costs of sale as discounted to present values:

	Loans & advances to customers <b>2025</b> <b>GH¢</b>	Loans & advances to customers 2024 GH¢
Cash and near cash instruments	580,630	424,070
	<b>580,630</b>	<b>424,070</b>

**Repossessed assets**

The Bank did not repossess any customer's asset during the period. If the Bank would have repossessed, the type and carrying amount of collateral would have been the lower of its carrying amount and fair value less costs to sell. All assets repossessed if any are to be sold within one year of possession and approval would be sought from Bank of Ghana for those for which efforts towards sale have not been successful within one year.

The Bank monitors concentrations of credit risk by sector.

*An analysis of concentrations of credit risk at the reporting date is shown below:*

	<b>2025</b> <b>GH¢</b>	2024 GH¢
Agriculture	2,510,354	47,839
Cottage Industry	0	0
Trading	5,399,250	6,436,492
Others	15,922,065	11,612,431
Total	23,831,669	18,091,789
Credit impairment loss	(4,057,485)	(3,451,110)
Net Loans	<u>19,774,184</u>	<u>14,645,652</u>

**b) Liquidity risk**

Liquidity risk is the risk that the Bank will encounter difficulty in meeting obligations from its financial liabilities as they fall due. The risk arises from mismatches in cash flows.

**Management of liquidity risk**

The Bank's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses that will damage the Bank's reputation.

The Head office receives information from branches regarding the liquidity profile of their financial assets and liabilities and details of other projected cash flows arising from projected future business. The Head office then maintains a portfolio of short-term liquid assets, largely made up of short-term liquid investment securities, loans and advances to Banks and other Bank facilities, to ensure that sufficient liquidity is maintained within the Bank as a whole. The liquidity requirements of branches are met through funds from Head Office to cover any short-term fluctuations and longer-term funding to address any structural liquidity requirements. When an operating branch is subject to a liquidity limit, it manages its liquidity within the regulatory limit in co-ordination with Head Office. Head Office monitors compliance of all operating branches with local regulatory limits on a daily basis.

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The daily liquidity position is monitored and regular liquidity stress testing is conducted under a variety of scenarios covering both normal and more severe market conditions.

All liquidity policies and procedures are subject to review and approval by the finance committee. Daily reports cover the liquidity position of the Bank. A summary report including any exceptions and remedial action taken, is submitted regularly to the Finance Committee.

#### **Exposure to liquidity risk**

The key measure used by the Bank for managing liquidity risk is the ratio of net liquid assets to deposits from customers. For this purpose, net liquid assets are considered as including cash and cash equivalents and investment grade debt securities for which there is an active and liquid market less any deposits from Banks, debt securities issued, other borrowings and commitments maturing within the next month. Details of the net liquid assets to deposits and customers at the reporting date and during the reporting period were as follows:

Average of liquidity ratios are as follows:

	<b>2025</b>	<b>2024</b>
At 31 December	7.69	15.32
Average for the period	19.90	44.01
Maximum for the period	58.81	67.48
Minimum for the period	7.69	15.32

#### **c) Market risk**

Market risk is the risk that changes in market prices, such as interest rate, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's / issuer's credit standing) will affect the Banks's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

#### **Management of market risk**

The Bank separates its exposure to market risk between trading and non-trading portfolios. Trading portfolios mainly are held by the treasury unit, and include positions arising from market making and proprietary position taking, together with financial assets and liabilities that are managed on a fair value basis.

Overall authority for market risk is vested in credit committee. The Bank is responsible for the development of detailed risk management policies (subject to review and approval by the credit committee) and for the day-to-day review of their implementation.

#### **Exposure to market risk – trading portfolios**

The principal tool used to measure and control market risk exposure within the Bank's trading portfolios is Value at Risk (VaR). The VaR of a trading portfolio is the estimated loss that will arise on the portfolio over a specified period of time (holding period) from an adverse market movement with a specified probability (confidence level). VaR model used by the Bank is based upon a 99 percent confidence level and assumes a 10-day holding period. The VaR model used is based mainly on historical simulation. Taking account of market data from the previous two years, and observed relationships between different markets and prices, the model generates a wide range of plausible future scenarios for market price movements.

Although VaR is an important tool for measuring market risk, the assumptions on which the model is based do give rise to some limitations, including the following:

- A 10-day holding period assumes that it is possible to hedge or dispose of positions within that period. This is considered to be a realistic assumption in

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almost all cases but may not be the case in situations in which there is severe market illiquidity for a prolonged period.

- A 99 percent confidence level does not reflect losses that may occur beyond this level. Even within the model used there is a one percent probability that losses could exceed the VaR.
- VaR is calculated on an end-of-day basis and does not reflect exposures that may arise on positions during the trading day.
- The use of historical data as a basis for determining the possible range of future outcomes may not always cover all possible scenarios, especially those of an exceptional nature.
- The VaR measure is dependent upon the Bank's position and the volatility of market prices. The VaR of an unchanged position reduces if the market price volatility declines and vice versa.

The Bank uses VaR limits for total market risk, interest rate, equity and other price risks. The overall structure of VaR limits is subject to review and approval by credit committee. VaR limits are allocated to trading portfolios. VaR is measured at least daily and more regularly for more actively traded portfolios. Daily reports of utilization of VaR limits are submitted to the Bank risk and regular summaries are submitted to credit committee.

The limitations of the VaR methodology are recognized by supplementing VaR limits with other position and sensitivity limit structures, including limits to address potential concentration risks within each portfolio. In addition, the Bank uses a wide range of stress tests to model the financial impact of a variety of exceptional market scenarios on individual trading portfolios and the Bank's overall position.

**Exposure to interest rate risk – non-trading portfolios**

The principal risk to which non-trading portfolios are exposed is the risk of loss from fluctuations in the future cash flows or fair values of financial instrument because of a change in market interest rates. Interest rate risk is managed principally through monitoring interest rate gaps and by having pre-approved limits for repricing bands. The credit and marketing committee is the monitoring body for compliance with these limits and is assisted by finance and operations department in its day-to-day monitoring activities.

The management of interest rate risk against interest rate gap limits is supplemented by monitoring the sensitivity of the Bank's financial assets and liabilities to various standard and non-standard interest rate scenarios. Standard scenarios that are considered on a monthly basis include a 100-basis point (bp) fall or rise in all financial market interest rates. Overall non-trading interest rate risk positions are managed by Central Treasury, which uses investment securities, advances to Banks and deposits from Banks to manage the overall position arising from the Bank's non-trading activities.

**Exposure to other market risks – non-trading portfolios**

Credit spread risk (not relating to changes in the obligor/issuer's credit standing) on debt securities held by Central Treasury and equity price risk is subject to regular monitoring by Bank Risk but is not currently significant in relation to the overall results and financial position of the Bank.

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**d) Operational risks**

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Bank's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Bank's operations and are faced by all business entities.

The Bank's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Bank's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity. The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall Bank standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorization of transactions
- requirements for the reconciliation and monitoring of transactions
- compliance with regulatory and other legal requirements
- documentation of controls and procedures
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- requirements for the reporting of operational losses and proposed remedial action development of contingency plans
- training and professional development
- ethical and business standards
- risk mitigation, including insurance where this is effective.

Compliance with the Bank standards is supported by a programme of periodic reviews undertaken by Internal Audit. The results of Internal Audit reviews are discussed with the management of the business unit to which they relate, with summaries submitted to the Finance, Audit Committee and senior management of the Bank.

**5. Capital management**

**Regulatory Capital**

The Bank of Ghana sets and monitors capital requirement for the Bank. In implementing current capital requirement, Bank of Ghana requires the Bank to maintain a prescribed ratio of total capital to total risk-weighted assets. The Bank is also required to maintain a credible capital plan to ensure that capital level of the Bank is maintained in consonance with the Bank's risk appetite. The Bank's regulatory capital is analyzed into two tiers:

- Tier 1 capital, which includes ordinary share capital, perpetual bonds, retained earnings, translation reserves and non-controlling interest after deductions for goodwill and other intangible assets and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purpose.
- Tier 2 capital, which includes qualifying subordinated liabilities, and the element of the fair value reserve relating to unrealized gains on equity instruments classified as available-for-sale. to unrealized gains on equity instruments classified as available-for-sale.

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Various limits are applied to elements of the capital base. Qualifying tier 2 capital cannot exceed tier 1 capital; and qualifying term subordinated loan capital may not exceed 50% of tier 1 capital. Other deductions from capital include the carrying amounts of investments in subsidiaries that are not included in the regulatory consideration, investments in the capital of Banks and certain other regulatory items. Banking operations are categorized as either trading book or Banking book, and risk-weighted assets are determined according to specified requirements that seek to reflect the varying levels of risk attached to assets and off-balance sheet exposures.

The Bank's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also recognized and the Bank recognizes the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position. The Bank has complied with all externally imposed capital requirements throughout the period. There have been no material changes in the Bank's management of capital during the period.

The Bank's regulatory capital position at 31 December are as follows:

<b>Adjusted Capital Base</b>	<b>2025</b>	<b>2024</b>
<b>Tier 1 capital</b>	<b>GH¢</b>	<b>GH¢</b>
Ordinary share capital	1,368,957	1,248,848
Disclosed Reserve	(2,234,086)	4,274,619
Less: Investments in the capital of other financial institutions	(125,735)	(103,679)
Intangible Assets	-	-
	<b>(990,864)</b>	<b>(3,129,450)</b>
<b>Tier 2 capital</b>		
Subordinated Capital	-	-
Other reserves (Revaluation)	509,132	509,132
	<b>509,132</b>	<b>509,132</b>
<b>Total Adjusted Capital Base (Tier 1 and Tier 2)</b>	<b>(481,732)</b>	<b>(2,620,318)</b>
<b>Adjusted Asset Base</b>		
Total assets	83,241,579	56,435,121
Less: Cash on hand	(2,341,875)	(1,801,541)
Claims on ARB Apex Bank (clearing)	(525,034)	(822,665)
Claims on ARB Apex Bank (5% Deposit)	(3,022,625)	(2,946,783)
Claims on government	(49,989,618)	(27,489,618)
Investment in the capital of other financial institutions	(125,735)	(103,679)
80% of claims on Discount Houses	-	-
50% claims on other financial institutions	(69,413)	(69,413)
Adjusted total assets	27,167,279	23,201,423
100% of 3 years average annual gross income	8,455,398	6,301,183
<b>Total Adjusted Asset Base</b>	<b>35,622,677</b>	<b>29,502,605</b>
Capital adequacy ratio (adjusted capital base/adjusted asset base x 100)	<b>(1.35%)</b>	<b>(8.88%)</b>

## **6. Capital allocation**

The allocation of capital between specific operations and activities is, to a large extent, driven by optimization of the return achieved on the capital allocated. The amount of capital allocated to each operation or activity is based primarily upon the regulatory capital, but in some cases the regulatory requirements do not reflect fully the varying degree of risk associated with different activities. In such cases the capital requirements may be flexed to reflect differing risk profiles, subject to the overall level of capital to support a particular operation or activity not falling below the minimum required for regulatory purposes. The process of allocating capital to specific operations and activities is undertaken independently of those responsible for the finance and operation and is subject to review by the Bank as appropriate. Although maximization of the return on risk-adjusted capital is the principal basis used in determining how capital is allocated within the Bank to particular operations or activities, it is not the sole basis used for decision making. Consideration also is made of synergies with other operations and activities, the availability of management and other resources, and the capability of the activity with the Bank's longer term strategic objectives. The Bank's policies in respect of capital management and allocation are reviewed regularly by the Board of Directors.

### **1. Use of estimates and judgements**

Management discussed with the Audit Committee the development, selection and disclosure of the Bank's critical accounting policies and estimates, and the application of these policies and estimates. These disclosures supplement the commentary on financial risk management (see notes).

#### **Key sources of estimation uncertainty**

##### **Allowances for credit losses**

Assets accounted for at amortized cost are evaluated for impairment on a basis described in the accounting policy. The individual counterparty component of the total allowances for impairment applies to claims evaluated individually for impairment and is based on management's best estimate of the present value of the cash flows that are expected to be received. In estimating these cash flows, management makes judgements about counterparty's financial situation and the net realizable value of any underlying collateral.

Each impaired asset is assessed on its merits, and the workout strategy and estimate of cash flows considered recoverable are independently approved by the credit risk function. Collectively assessed impairment allowances cover credit losses inherent in portfolios of claims with similar characteristics when there is objective evidence to suggest that they contain impaired claims, but the individual impaired items cannot yet be identified.

In assessing the need for collective loan loss allowances, management considers factors such as credit quality, portfolio size, concentrations, and economic factors. In order to estimate the required allowance, assumptions are made to define the way inherent losses are modelled and to determine the required input parameters, based on historical experience and current economic conditions. The accuracy of the allowances depends on how well these estimated future cash flows for specific counterparty allowances and the model assumptions and parameters are used in determining collective allowances.

##### **Determining fair values**

The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of valuation techniques as described in the accounting policy. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

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**Critical accounting judgements in applying the Bank's accounting policies**

Critical accounting judgements made in applying the Bank's accounting policies include:

**Financial asset and liability classification**

The Bank's accounting policies provide scope for assets and liabilities to be designated on inception into different accounting categories in certain circumstances:

- In classifying financial assets or liabilities as “trading”, the Bank has determined that it meets the description of trading assets and liabilities set out in the accounting policy.
- In designating financial assets or liabilities at fair value through profit or loss, the Bank has determined that it has met one of the criteria for this designation set out in the accounting policy.
- In classifying financial assets as held-to-maturity, the Bank has determined that it has both the positive intention and ability to hold the assets until their maturity date as required by the accounting policy.

**Financial assets and liabilities**

**Accounting classifications and fair values**

The table below sets out the Bank's classification of each class of financial assets and liabilities, and their fair values (excluding accrued interest).

<b>2025</b>	<b>Carrying value</b>	<b>Fair value</b>
<b>Assets as at 31 December, 2025</b>	<b>GH¢</b>	<b>GH¢</b>
Cash and cash equivalents	5,889,535	5,889,535
Non-pledged Trading Assets (Other Institutions)	138,825	138,825
Non-pledged Trading Assets (Government of Ghana)	49,989,618	49,989,618
Loans & advances to customers	23,831,669	19,774,184
Other assets	6,228,356	6,228,355
Investment securities	125,735	125,735
	<b>86,203,738</b>	<b>82,146,253</b>
<b>Liabilities as at 31 December, 2025</b>		
Deposits from customers	76,587,810	76,587,810
Other liabilities	5,628,329	5,628,329
Institutional borrowings	-	-
	<b>82,216,138</b>	<b>82,216,138</b>

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<b>2024</b>	<b>Carrying value</b>	<b>Fair value</b>
<b>Assets as at 31 December, 2024</b>	<b>GH¢</b>	<b>GH¢</b>
Cash and Cash Equivalents	9,570,989	9,570,989
Non-Pledged Trading Assets (Other Institutions)	4,138,825	4,138,825
Non-Pledged Trading Assets (Government of Ghana)	27,489,618	27,489,618
Loans and Advances to Customers	18,096,762	14,645,652
Other Assets	2,973,642	2,973,642
Investment in Securities	103,679	103,679
	<b>58,373,515</b>	<b>54,922,405</b>
<b>Liabilities as at 31 December, 2024</b>		
Deposits from customers	51,721,924	51,721,924
Other liabilities	6,756,219	6,756,219
Institutional borrowings	143,540	143,540
	<b>58,621,683</b>	<b>58,621,683</b>

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	<b>2025</b>	<b>2024</b>
	GH¢	GH¢
<b>7. Net interest income</b>		
<b>Interest income</b>		
Loans and advances to customers	9,639,929	6,747,383
Investment (Trading)	4,829,438	2,992,049
<b>Total interest income</b>	<b>14,469,367</b>	<b>9,739,433</b>
	<b>2025</b>	<b>2024</b>
	GH¢	GH¢
<b>Interest expense</b>		
Deposits from customers	4,007,013	1,739,915
Borrowings	-	122,288
<b>Total interest expense</b>	<b>4,007,013</b>	<b>1,862,203</b>
	<b>2025</b>	<b>2024</b>
	GH¢	GH¢
<b>8. Net fees and commission income</b>		
<b>Fees and Commission Income</b>		
Retail Banking customer fees	2,550,521	1,377,458
SMS charges	19,821	658,026
<b>Total fees and commission income</b>	<b>2,570,342</b>	<b>2,035,484</b>
<b>Fees and commission expenses</b>		
Susu mobilization expenses	(1,157,471)	(823,041)
<b>Total fees and commission expenses</b>	<b>(1,157,471)</b>	<b>(823,041)</b>
<b>Net fees and commission income</b>	<b>1,412,871</b>	<b>1,212,443</b>
	<b>2025</b>	<b>2024</b>
	GH¢	GH¢
<b>9. Other income</b>		
Sundry Income	456,154	232,447
Cheque Clearing Fees	9,099	13,167
	<b>465,253</b>	<b>245,614</b>
	<b>2025</b>	<b>2024</b>
	GH¢	GH¢
<b>10. Personnel expenses</b>		
Salaries & Other Related Costs	1,490,286	1,503,687
Contributions to defined benefit plans - Tier 1		-
Contributions to defined contribution plans - Tier 3		-
Medical expenses	40,640	7,997
Other Staff Cost	9,748	1,226,900
Staff training	247,871	181,351
	<b>1,788,545</b>	<b>2,919,834</b>

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	2025	2024
	GH¢	GH¢
<b>11. Depreciation &amp; Amortization</b>		
Amortization	-	9,712
Depreciation of property & equipment	601,383	173,776
	<b>601,383</b>	<b>183,488</b>

	2025	2024
	GH¢	GH¢
<b>12. Other expenses</b>		
Directors' fees & Meeting Expenses	115,019	250,133
Software licensing and support	406,484	2,834
Auditors' remuneration	30,250	24,380
Electricity & water	194,410	176,565
Other Administrative Expenses	5,007,007	5,134,543
	<b>5,753,172</b>	<b>5,588,455</b>

	2025	2024
	GH¢	GH¢
<b>13. Income tax expense</b>		
Current Income Tax (a)	923,622	-
Deferred Income Tax (b)	-	-
Growth & Sustainability Levy	134,113	-
	<b>1,057,735</b>	<b>-</b>

**(a) Current income tax**

Year of Assessment	Balance at 1.1 GH¢	Payments in the year GH¢	Charged to P&L GH¢	Balance at 31.12 GH¢
<b>2024</b>	357,492	(357,492)		
<b>2025</b>		(49,886)	908,736	858,850
<b>Adjustments (2022-2024)</b>	858,850		64,771	923,622

All Tax liabilities are subject to the agreement with the Ghana Revenue Authority. Income tax rate was 25% per the Income Tax Act, 2015 (Act 896).

**(b) Deferred income tax**

	Assets GH¢	Liabilities GH¢	Net GH¢
<b>2025</b>			
Property and equipment	-	-	-
Impairment allowances for loan losses	-	-	-
<b>Net Tax (Assets)/Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>

	Assets GH¢	Liabilities GH¢	Net GH¢
<b>2024</b>			
Property and equipment	-	-	-
Impairment allowances for loan losses	-	-	-
<b>Net Tax (Assets)/Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>

Deferred income tax is calculated using the enacted income tax rate of 25% (2024: 25%).  
Deferred income tax liability and deferred income tax charge in the statement of profit or loss and other comprehensive income are attributable to the following items;

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	Balance at 01-01-25 GH¢	Recognized in P&L GH¢	Balance at 31-12-25 GH¢
<b>2025</b>			
Property and equipment			
Impairment allowances for loan losses	-	-	-
<b>Total</b>	-	-	-
	Balance at 01-01-24 GH¢	Recognized in P&L GH¢	Balance at 31-12-24 GH¢
<b>2024</b>			
Property and equipment	155,006		155,006
Impairment allowances for loan losses	-	-	-
<b>Total</b>	-	-	-

	<b>2025</b> GH¢
<b>Reconciliation of effective tax rate</b>	
Profit before income tax	3,591,004
Income tax using the enacted corporate tax rate	897,751
Non-deductible expenses	601,383
Tax incentive not recognized in the income statement	(557,444)
Deferred tax	-
<b>Total income tax expense in income statement</b>	<b>941,960</b>

**Effective tax rate** **26.22%**

**(c) Growth and Sustainability Levy**

	2025 GH¢	2024 GH¢
Balance at 1 January	-	-
Provision for the year	134,113	-
Levy paid during the year	-	-
<b>Balance at 31 December</b>	<b>134,113</b>	<b>-</b>

**14. Earnings per share**

**Basic earnings per share**

The calculation of diluted earnings per share at 31st December 2025 was based on the profit attributable to ordinary shareholders of GH¢2,548,155, 2024: (GH¢2,054,164) and number of ordinary shares after adjustment for the effects of all dilutive potential ordinary shares of 7,733,412 (2024: 7,344,444) calculated as follows:

	2025 GH¢	2024 GH¢
<b>Profit attributable to ordinary shareholders</b>		
Net profit for the period attributable to equity holders of the Bank	2,548,155	(2,054,164)
<b>Weighted average number of ordinary shares</b>		
Issued ordinary shares at 1 January	7,344,444	4,615,505
Effect of share issued as at 31 December	398,968	66,572
Adjustments in Shares	0	2,527,367
<b>Number of ordinary shares at 31 December</b>	<b>7,733,412</b>	<b>7,344,444</b>

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**Diluted earnings per share**

The calculation of diluted earnings per share at 31st December 2025 was based on the profit attributable to ordinary shareholders of GH¢2,548,155, 2024: (GH¢2,054,164) and number of ordinary shares after adjustment for the effects of all dilutive potential ordinary shares of 7,733,412 (2024: 7,344,444) calculated as follows

:

	<b>2025</b>	<b>2024</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>Profit attributable to ordinary shareholders (diluted)</b>		
Profit for the period attributable to ordinary shareholders	3,725,108	(2,054,164)
	<b>2025</b>	<b>2024</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>Weighted average number of ordinary shares (diluted)</b>		
Number of ordinary shares (basic)	7,344,444	4,615,505
Effect of share purchase after 31 December	398,968	66,572
Adjustments in Shares	0	2,527,367
<b>Number of ordinary shares (diluted) at 31 December</b>	<b>7,733,412</b>	<b>7,344,444</b>

**15. Dividend per share**

The Directors do not propose any dividend per share in respect of the 2025 and 2024 financial years.

	<b>2025</b>	<b>2024</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>16. Cash and cash equivalents</b>		
Cash balance	2,341,108	1,801,542
Unrestricted balance with ARB Apex Bank & Others	525,802	822,664
Restricted balance with ARB Apex Bank- 5% placement	3,022,625	2,946,783
	<b>5,889,535</b>	<b>5,570,990</b>

	<b>2025</b>	<b>2024</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>17. Non-pledged trading assets (Other Institutions)</b>		
Fixed Deposits and Call Accounts:		
SDC Investment	138,825	138,825
GCB Capital	-	-
ACOD 7	-	4,000,000
	<b>138,825</b>	<b>4,138,825</b>
Impairment on investment in fixed deposits	-	-
	<b>138,825</b>	<b>4,138,825</b>

	<b>2025</b>	<b>2024</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>18. Non-pledged trading assets (Government of Ghana)</b>		
Government of Ghana Bonds	-	-
Bank of Ghana Treasury Bills held by Apex Bank	49,989,618	27,489,618
Interest Earned on Bank of Ghana Treasury Bills	-	-
	<b>49,989,618</b>	<b>27,489,618</b>

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**Trading liabilities**

There were no trading liabilities during the year.

	<b>2025</b>	<b>2024</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>19. Loans and advances to customers</b>		
Loans and advances to customers at fair value through profit or loss	23,831,669	18,096,762
	23,831,669	18,096,762
Allowances for impairment	(4,057,485)	(3,451,110)
	<b>19,774,184</b>	<b>14,645,652</b>

<b>Loans and advances to customers at amortized cost-</b>	<b>2025</b>	<b>2024</b>
	<b>GH¢</b>	<b>GH¢</b>
Loans by business segment to customers:		
Agriculture	2,510,354	47,839
Cottage industries	-	-
Transport	-	-
Commerce	5,399,250	6,436,492
Other credit lines	15,922,065	11,612,431
	<b>23,831,669</b>	<b>18,096,762</b>

<b>Allowances for impairment</b>	<b>2025</b>	<b>2024</b>
	<b>GH¢</b>	<b>GH¢</b>
Balance at 1 January	3,451,110	890,071
Impairment loss for the year:	606,375	2,697,573
Recoveries made in the year	-	(136,534)
<b>Balance at 31 December</b>	<b>4,057,485</b>	<b>3,451,110</b>

**Impairment loss on financial assets**

Loss/Gain on Loan Loss Impairment Provision	606,375	2,697,573
Impairment on Investment in Fixed Deposits	-	-
<b>Balance at 31 December</b>	<b>606,375</b>	<b>2,697,573</b>

**Loans and advances to customers at fair value through profit or loss**

At 31st December 2025 the maximum exposure to credit risk on loans and advances at fair value through profit or loss was GH¢23.83 million (2024: GH¢18.09 million).

<b>Loan statistics</b>	<b>2025</b>	<b>2024</b>
i) Twenty (20) largest exposures to total exposures	9.60%	10.14%
ii) Loan loss provision ratio	17.03%	11.99%

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	<b>2025</b>	<b>2024</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>20. Other assets</b>		
Office account		-
Inter-Agency	1,000,000	311,081
Stationery stocks	349,754	95,009
Prepayments	213,683	208,769
Uncleared Effect	-	422,123
Interest & Commission Accrued	200,665	194,789
E-zwich	242,950	203,356
Others	281,798	51,369
CAGD Loans Suspense	1,894,475	553,216
GH-Link Suspense Account	72,229	106,595
Others-Interest in Arrears	1,972,801	827,336
	<b><u>6,228,355</u></b>	<b><u>2,973,643</u></b>

Investment in securities have upon initial recognition been designated at fair value through equity, and therefore eliminates or reduces any accounting mismatch that would otherwise arise.

**21. Investments in Securities**

	<b>2025</b>	<b>2024</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>Balance at 1st January</b>	103,670	-
Additional shares purchased	<u>22,056</u>	<u>103,679</u>
<b>Balance at 31st December</b>	<b><u>125,735</u></b>	<b><u>103,679</u></b>

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**22a. Property, Plant and Equipment- 2025**

	Land & Buildings	Motor Vehicles	Furniture & Fittings	Office Equipment	Computers & Accessories	Total
<b>COST</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>
Balance at 1/1/2025	852,563	471,884	852,858	331,612	803,023	3,311,940
Additions	-	-		169,995	14,000	183,995
<b>Balance at 31/12/2025</b>	<b>851,367</b>	<b>471,884</b>	<b>854,054</b>	<b>501,607</b>	<b>817,023</b>	<b>3,325,943</b>
<b>DEPRECIATION</b>						
Balance at 1/1/2025	93,544	456,060	538,977	210,916	499,728	1,799,225
Charge for the year	17,518	15,823	170,572	125,402	272,069	601,383
<b>Balance at 31/12/2025</b>	<b>111,062</b>	<b>471,883</b>	<b>709,549</b>	<b>336,318</b>	<b>771,797</b>	<b>2,400,608</b>
<b>CARRYING AMOUNT</b>						
<b>31-12-25</b>	<b>741,501</b>	<b>1</b>	<b>143,309</b>	<b>165,289</b>	<b>45,226</b>	<b>1,095,327</b>
<b>CARRYING AMOUNT</b>						
<b>31-12-24</b>	<b>759,019</b>	<b>15,824</b>	<b>313,881</b>	<b>120,696</b>	<b>303,295</b>	<b>1,512,715</b>

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**22b. Plant, Property and Equipment- 2024**

	Land & Buildings GH¢	Motor Vehicles GH¢	Furniture & Fittings GH¢	Office Equipment GH¢	Computers & Accessories GH¢	Capital Work in Progress GH¢	Total GH¢
<b>COST</b>							
Balance at 1/1/2024	852,563	472,179	223,744	593,528	471,024	11,737	2,624,775
Additions	-	-	258,134	107,868	330,508	-	696,510
Disposal/Write-offs		(295)	370,980	(369,784)	1,491	(11,737)	(9,345)
<b>Balance at 31/12/2024</b>	<b>852,563</b>	<b>471,884</b>	<b>852,858</b>	<b>331,612</b>	<b>803,023</b>	<b>-</b>	<b>3,311,940</b>
<b>DEPRECIATION</b>							
Balance at 1/1/2024	111,489	351,942	214,283	309,388	456,509	-	1,443,611
Charge for the year	17,027	15,023	91,665	12,161	47,612	-	183,488
Disposal/Write offs	(34,972)	89,095	233,029	(110,633)	(4,393)		172,126
<b>Balance at 31/12/2024</b>	<b>93,544</b>	<b>456,060</b>	<b>538,977</b>	<b>210,916</b>	<b>499,728</b>	<b>-</b>	<b>1,799,225</b>
<b>CARRYING AMOUNT</b>							
31/12/2024	759,019	15,824	313,881	120,696	303,295	-	1,512,715
<b>CARRYING AMOUNT</b>							
31/12/2023	741,074	120,237	9,461	284,140	14,515	11,737	1,181,163

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<b>22.(c). INTANGIBLE ASSETS - 2025</b>		<b>2025</b>	<b>2024</b>
		<b>GH¢</b>	<b>GH¢</b>
	Balance at 1/1	-	161
	Additions	-	-
	Amortization	-	(161)
	Balance at 31/12	-	-
<b>23.</b>	<b>Deposits from customers</b>	<b>2025</b>	<b>2024</b>
	Retail customers:	<b>GH¢</b>	<b>GH¢</b>
	Demand deposits	3,541,765	3,428,731
	Savings deposits	40,938,134	28,286,184
	Time deposits	10,025,241	5,683,910
	Installment deposits- Susu	22,082,669	14,323,099
		<b>76,587,809</b>	<b>51,721,924</b>
	<b>Deposit statistics</b>		
	i) Ten (10) largest depositors to total deposit ratio	9.29%	7.92%
<b>24.</b>	<b>Borrowings</b>	<b>2025</b>	<b>2024</b>
		<b>GH¢</b>	<b>GH¢</b>
	Apex Loan	-	143,540
		<b>-</b>	<b>143,540</b>
<b>25.</b>	<b>Other liabilities</b>	<b>2025</b>	<b>2024</b>
		<b>GH¢</b>	<b>GH¢</b>
	Unearned Discount on Treasury Bills	2,286,321	3,854,994
	Unearned Interest / Interest in Arrears	34,692	18,775
	Audit Fees	45,800	24,380
	Office Account	-	-
	Bills Payable	26,188	21,141
	Sundry Creditors	94,556	256,771
	Accrued Charges/Interest	264,322	277,089
	Withholding tax payable	-	15,858
	Provision for End of Service Benefit	155,000	-
	Interagency/Managed Funds	647,548	-
	Other Provisions	87,176	12,000
	E-Susu Operation (Credit)	5,253	-
	Interest Suspense	1,370,645	468,592
	Sundry Liabilities	546,229	-
	Other payables	64,601	341,487
	Accrued interest - FDR	-	1,465,132
		<b>5,628,329</b>	<b>6,756,219</b>

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**26. a) Stated capital - 2025**

Ordinary shares	Number of Shares		Proceeds	
	2025	2024	2025 GH¢	2024 GH¢
<b>Authorized:</b> Ordinary shares of no par value	50,000,000	50,000,000		
<b>Issued and fully paid:</b>				
Balance at 1 January	7,209,444	4,615,505	1,248,835	915,975
For Cash Consideration	398,968	66,572	120,109	332,860
	7,608,412	4,682,077		1,248,835
Converted Preference Shares	125,000	125,000	13	13
Transfers		-		-
Adjustments in Shares	0	2,527,367		-
<b>Balance at 31 December</b>	<b>7,733,412</b>	<b>7,334,444</b>	<b>1,368,957</b>	<b>1,248,848</b>

**26. b) Stated capital - 2024**

Ordinary shares	Number of Shares		Proceeds	
	2024	2023	2024 GH¢	2023 GH¢
<b>Authorized:</b> Ordinary shares of no par value	50,000,000	50,000,000		
<b>Issued and fully paid:</b>				
Balance at 1 January	4,615,505	4,579,875	915,975	915,975
For Cash Consideration	66,572	35,630	332,860	103,344
	4,682,077	4,615,505	1,248,835	1,019,319
Converted Preference Shares	125,000	125,000	13	13
Transfers	-	-	-	-
Adjustments in Shares	2,527,367	-	-	-
<b>Balance at 31 December</b>	<b>7,334,444</b>	<b>4,740,505</b>	<b>1,248,848</b>	<b>1,019,332</b>

**c. Shares in treasury**

There is no share in treasury and no call or instalment unpaid on any share.

**d. Retained Earnings**

This represents the residual of cumulative annual profits that are available for distribution to shareholders.

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**e. Statement of changes in issued number of shares**

	<b>Ordinary Shares 2025</b>	<b>Ordinary Shares 2024</b>
On issue at 1 January	7,209,444	4,615,505
Number of shares issued during the year	398,968	66,572
Converted Preference Shares	125,000	125,000
Adjustments in Shares	-	2,527,367
<b>On issue at 31 December</b>	<b>7,733,412</b>	<b>7,334,444</b>

At 31st December 2025 the authorized share capital comprised 50,000,000 ordinary shares (2024: 50,000,000). The shares are of no-par value. All issued shares are fully paid. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to poll voting per share at meetings of the Bank. All shares rank equal with regard to the Bank's residual assets.

	2025 GH¢	2024 GH¢
<b>Dividend</b>		
The following dividends were paid by the Bank for the year ended 31 December:		
Dividend proposed	0.00	0.00
Capitalization Issue	0.00	0.00
	<b>0.00</b>	<b>0.00</b>

The Directors have not proposed for the 2025 financial year. In 2024 no dividend was proposed by the Directors.

	2025 GH¢	2024 GH¢
<b>27. Revaluation reserve</b>		
Balance at begin	509,132	509,132
<b>Balance at end</b>	<b>509,132</b>	<b>509,132</b>

This represents increase in share value with ARB Apex Bank Limited

	2025 GH¢	2024 GH¢
<b>28. Statutory reserve</b>		
Balance at Beginning	227,775	227,775
Transfer from retained earnings	1,274,078	-
<b>Balance at End</b>	<b>1,501,853</b>	<b>227,775</b>

This is a non-distributable reserve. The transfer to Statutory Reserve Fund represents 50% (2024: nil) of the net profit after tax and before dividend for the year. The transfer is in compliance with section 34 of the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930).

**29. Credit Risk Reserve**

The credit risk reserve is a non-distributable reserve and it represents the difference of the total provisions for loans and advances provision determined in accordance with the Bank of Ghana prudential guidelines and that of the impairment loss for loans and advances recognized in the statement of comprehensive income under the IFRS framework.

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Loan loss provisioning/impairment are carried out in accordance with Bank of Ghana policy as well as the principles of IFRS. Loan impairment loss calculated based on IFRS principles are passed through the statement of comprehensive income. Per the BOG guide for financial publication, banks shall comply with the IFRS impairment rules. However, where the IFRS impairment rules result in a lower provision than would be the case if the BOG's prudential norms were applied, the difference should be charged to retained earnings and credited to a Credit Risk Reserve and in case the opposite happens subsequently, a reversal should be made to the extent of the credit balance in the Credit Risk Reserve.

As at the reporting date, total provision for losses under the Bank of Ghana provisioning criteria amounted to GH¢ 4,381,188 (2024:GH¢2,204,186). This was above the impairment allowance for loans and advances recognized under the IFRS framework of GH¢4,057,485 (2024:GH¢3,451,110). The impairment under the IFRS framework is less than that of the Bank of Ghana criteria by GH¢323,703. This will result in the transfer of GH¢323,703 from the Retained Earnings to Credit Risk Reserve. The computation and reconciliation are as below:

<b>A. IFRS Impairment for loans and advances</b>	<b>2025</b>	<b>2024</b>
	<b>GH¢</b>	<b>GH¢</b>
Balance at 1 January	3,451,110	890,071
Loan impairment charge	606,375	2,561,039
<b>Balance at 31 December</b>	<b>4,057,485</b>	<b>3,451,110</b>
<b>b. Bank of Ghana Provisions</b>	<b>2025</b>	<b>2024</b>
	<b>GH¢</b>	<b>GH¢</b>
Balance at 1 January	2,204,186	890,071
Loan impairment charge	2,177,002	1,314,115
<b>Balance at 31 December</b>	<b>4,381,188</b>	<b>2,204,186</b>
<b>c. Credit Risk Reserve Reconciliation</b>	<b>2025</b>	<b>2024</b>
	<b>GH¢</b>	<b>GH¢</b>
Bank of Ghana Provisions	4,381,188	2,204,186
IFRS Impairment for loans and advances	(4,057,485)	(3,451,110)
<b>Credit Risk Reserve</b>	<b>323,703</b>	<b>(1,246,924)</b>
<b>d. Credit Risk Reserve Account</b>	<b>2025</b>	<b>2024</b>
	<b>GH¢</b>	<b>GH¢</b>
Balance at 1 January	-	-
Transfer from retained earnings	323,703	-
Transfer to retained earnings	-	-
<b>Balance at 31 December</b>	<b>323,703</b>	<b>-</b>

### 30. Contingencies

#### Claims and litigation / Legal Proceedings

The following law suits were pending against the Bank which could result in a loss or contingent liability. There was no legal opinion on the amount of claim, if any that the Bank could be made to suffer on any one of the suits.

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CASE TITLE	BRIEF	STATUS
Assey Akaditiba Pulcheria vrs Asutifi Rural Bank PLC	Relative claiming deceased balance on Passbook	Out of Court Settlement
Richard Merz vrs Asutifi Rural Bank PLC	Ex CEO sued the Bank for Termination of Contract	On-Going
Asutifi Rural Bank PLC vrs Richard Merz	Bank sues Ex CEO for Vehicle guaranteed by the Bank	On-Going

**a. Contingent liabilities**

In the ordinary course of business, the Bank did conduct business involving guarantees and did not engage in letters of credits and acceptances. These facilities are offset by corresponding obligations of third parties.

**b. Nature of contingent liabilities**

Guarantees are generally written by a Bank to support performance by a customer to third parties. The Bank will only be required to meet these obligations in the event of the customer's default.

Letters of credit commit the Bank to make payment to third parties, on production of documents, which are subsequently reimbursed by customers.

An acceptance is an undertaking by the Bank to pay a bill of exchange drawn on the customer. The Bank expects most acceptances to be presented and reimbursed by the customer immediately.

**31. Related parties**

**Transactions with Directors**

**Loan Balances**

Transactions in the normal course of business with directors who are hereby referred to as related party.

**a. Short-Term Directors' Benefits**

The Bank does not have any share options policy in place for its directors.

There were no Mortgages and therefore no Secured Loans granted over any Properties of borrowers.

	<b>2025</b>	<b>2024</b>
<b>b. Loan and Advances to Directors and their Associates</b>	<b>GH¢</b>	<b>GH¢</b>
Gross Amount at 1 January	-	-
Loans Disbursed	-	-
Interest Charged	-	-
Total	-	-
Cash Received	-	-
Net Movement in Overdraft Balances	-	-
<b>Net Amount at 31 December</b>	<b>-</b>	<b>-</b>

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**c. Directors' shareholding**

Name of Director	As At 31-12-25	Percentage Holding (%)
Mr. Adu Gyamfi Kessey	45,000	0.62%
Mr. Akwasi Akuamoah-Boateng	50,032	0.70%
<b>Total</b>	<b>227,869</b>	<b>3.14%</b>

**32. Transactions with key management personnel**

The Bank's key management personnel include directors (executive and non-executive) and members of the executive committee.

**a. Short-Term Employee Benefits**

The Bank does not have any share options policy in place for its Key Management Personnel and other employees.

There were no Mortgages and therefore no Secured Loans granted over any Properties of borrowers.

**b. List of Related Parties**

**DIRECTORS**

NAMES	DESIGNATION	FROM	TO
Mr. Adu Gyamfi Kessey	DIRECTOR	31-12-18	TO DATE
Mr. Akwasi Akuamoah-Boateng	DIRECTOR	31-12-18	TO DATE

**c. KEY MANAGEMENT PERSONNEL**

NAMES	DESIGNATION	FROM	TO
Mr. Attiso Taata Denke	Chief Executive Officer	03-06-24	TO DATE
Mr. Hakim Kaana Abdulaih	Head, Operations	01-02-20	TO DATE
Mrs. Adwoa Fewaa Ameyaw	Head, Internal Audit	01-1-22	TO DATE

**33. Capital Commitments**

There were no capital commitments as of 31 December, 2025 (2024: Nil)

**34. Country analysis**

All assets and liabilities of the Bank are held in Ghana.

**35. Comparative figures**

Where necessary, figures within notes have been restated to either conform to changes in presentation in the current year or for the adoption of new IFRS requirement.

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<b>36. Value added statement</b>	<b>2025 GH¢</b>	<b>2024 GH¢</b>
Interest earned and other operating income	17,039,708	11,774,917
Direct cost of services	(10,802,635)	(8,023,566)
<b>Value added by Banking services</b>	<b>6,237,073</b>	<b>3,751,351</b>
Non-Banking Income	465,254	245,614
Impairments	(606,375)	(2,697,573)
<b>Value Added</b>	<b>6,095,952</b>	<b>1,299,391</b>
<b>Distributed as follows:</b>		
<b>To Employees: -</b>		
Directors (non-executives)	(115,020)	(250,133)
Other employees	(1,788,545)	(2,919,935)
<b>To Government:</b>		
Income tax and levies	(1,042,849)	-
<b>To providers of capital: -</b>		
Dividends to shareholders	-	-
<b>To expansion and growth</b>		
Depreciation	(601,383)	(173,776)
Amortization	-	(9,712)
<b>To the Company</b>		
Retained Earnings	<b>2,548,155</b>	<b>(2,054,164)</b>

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**SHAREHOLDER'S INFORMATION**

**37. Analysis of shareholdings as at 31 December, 2025**

The Bank has ten thousand, three hundred and fifty-Six (10,356) ordinary shareholders at 31 December, 2025 distributed as follows:

<b>Category</b>	<b>Number of Shareholders</b>	<b>Number of Shares</b>	<b>VALUE</b>	<b>Percentage Holding (%)</b>
1-1,000	9,867	674,261	105,709	8.72%
1,001-5,000	308	634,683	119,756	8.21%
5,001-10,000	73	471,265	79,850	6.09%
Over 10,000	108	5,953,203	1,077,907	76.98%
<b>Total</b>	<b>10,356</b>	<b>7,733,412</b>	<b>1,368,945</b>	<b>100.00%</b>

**38. Twenty (20) largest shareholders**

	<b>Name of Shareholder</b>	<b>Number of Shares</b>	<b>Percentage Holding (%)</b>
1	Taata-Denke Attiso	672,512	8.71
2	Mensah Felix Adjei	650,000	8.42
3	Asutifi Treasury Shares	260,617	3.38
4	Baffour Nkrumah	250,000	3.24
5	Kofi Bonsu Boakye-Boateng	234,994	3.04
6	Acherensua Traditional Council	239,465	3.10
7	Adjei Frimpong Richard	185,250	2.40
8	Takyiwaah Mary	185,000	2.40
9	Oppong Anthony Yaw	143,464	1.86
10	Merz Richard	123,726	1.60
11	Esther Kanbot Hawa	100,000	1.30
12	Kontire Stool Kasapin	87,000	1.13
13	Boateng Ruth	85,051	1.10
14	Odeneho Nana K. Nsiah	85,927	1.11
15	Banahene E. O. Y.	85,986	1.11
16	Acheampong Bernard	61,236	0.79
17	Konadu Mensah Peter K.	62,524	0.81
18	Safuratu Mohammed	56,481	0.73
19	Danso-Sarpong A. E.	66,047	0.86
20	Akuamoah Boateng Akwasi	56,032	0.73
	OTHERS	4,042,100	52.18
	<b>TOTAL</b>	<b>7,733,412</b>	<b>100</b>

# NOTES

# NOTES

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