



**WELCOME OUR**  
**New Board Chairman**  
*Prof. Lucas Nana Wiredu Damoah*

# 2024 ANNUAL REPORT

AMENFIMAN RURAL BANK PLC

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# CORPORATE INFORMATION

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## BOARD MEMBERS.

Dr. Anthony Aubynn (*Retired on 12th May, 2025*)  
Mr. Moses Ampong (*Deceased on 3rd May, 2024*)  
Prof. Lucas Nana Wiredu Damoah  
Lawyer Rosemary Boakye Yiadom  
Dr. Frederick Sarpong  
Mr. Edmund Afful  
Mr. Michael Beekye

## SECRETARY.

Miss Bertha Ahenkan Boateng

## MANAGEMENT.

Dr. Alexander Asmah  
Mr. Evans Aikins  
Mr. Daniel Kwaku Baidoo  
Mr. Patrick Darkwa  
Mr. Charles Kwame Damoah  
Miss Bertha Ahenkan Boateng  
Mr. Ebenezer Ankapong  
Mr. Anthony Kwaw Adu-Broni  
Mr. Richard Owusu Mensah Jnr  
Mr. Paul Obrako Sarpong  
Mad. Rita Aidoo  
Mad. Lydia Oduro

## AUDITORS.

K and A Accounting Services  
49 Boundary Road (Coastal)  
Off Spintex Road, Baatsona Accra  
P. O. Box 8361, Accra North

## SOLICITORS.

Stellar Law Consult  
ATINGA Junction  
Kumasi

## PARTNER BANKS.

ARB Apex Bank PLC  
CBG  
GCB Bank  
Republic Bank  
Zenith Bank Gh. Ltd  
ABSA Bank

## REGISTERED OFFICE.

Wassa Akropong  
Box 14, Wassa Akropong, Western Region



# NOTICE OF ANNUAL GENERAL MEETING



NOTICE IS HEREBY GIVEN THAT the 41st Annual General Meeting of the Amenfiman Rural Bank PLC will be held on **Saturday 21st June, 2025** at **10.00am** prompt at the Assembly Hall of the **Amenfiman Senior High School, Wasa Akropong** for the following purposes:

## AGENDA

Ordinary Business

*By Ordinary Resolution*

1. Opening
2. To receive the reports of the Chairman of the Board of Directors for the year 2024.
3. To receive, consider, and adopt the Financial Report of the Bank for the year ended December 31, 2024, along with the auditors' report thereon.
4. To declare a dividend through both a cash payment and a bonus share issuance for the year ended December 31, 2024.4. To approve and declare the payment of the dividend.
5. To authorize the Directors to fix the remuneration of Auditors
6. To fix the remuneration of Directors
7. To elect Directors retiring by rotation under section 325 of the Companies Act, 2019 (Act 992).
8. Special Resolution: To increase Authorised Shares from 100 million to 500 million in accordance with Sections 4 and 8 of the Bank's Constitution.
9. Special Resolution: To consider and approve the new price if GHc0.40 per share for purchases of the Bank shares through 2025 until the next audited accounts.
10. Special resolution: To convert Unclaimed dividends to shares 90 days after they have been declared.
11. To transact any other business which may be properly transacted at an Annual General Meeting and for which notice has been given.

## NOTE:

1. A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend in person and vote on his/her behalf. Such a proxy need not be a shareholder of the company.
2. The appointment of a proxy will not prevent a member from subsequently attending and voting at the meeting. Where a member attends the meeting in person, the proxy appointment shall be deemed to be revoked.
3. A copy of the Proxy may be filled and sent via email to [info@amenfimanbank.com](mailto:info@amenfimanbank.com) or deposited at any of the Bank's branches or the registered office of the Bank, or via P. O. Box 14, Wasa Akropong not later than 48hours before the appointed time for the meeting.

*A shareholder of the bank who is entitled to attend and vote may appoint someone else (a proxy) to attend and vote on their behalf. The proxy does not need to be a shareholder of the bank.*

.....  
**BERTHA AHENKAN**  
**(Secretary to Board)**





# BOARD OF DIRECTORS

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**DR. TONI  
AUBYNN**  
CHAIRMAN



**PROF. LUCAS N. W. DAMOAH**  
DIRECTOR



**ROSEMARY OBENG-KWAAH Esq.**  
DIRECTOR



**MR. EDMUND AFFUL**  
DIRECTOR



**DR. FREDERICK Y.O. SARPONG**  
DIRECTOR



**MR. MICHAEL BEEKYE**  
DIRECTOR



# DIRECTOR'S PROFILES



## DR. ANTHONY KWESI AUBYNN ESQ

Dr. Anthony Kwesi Aubynn has over 20 years of senior management experience across the mining, oil and gas, and banking industries, where he has consistently demonstrated exceptional leadership and strategic acumen. His illustrious career includes roles such as Chief Executive Officer of the Ghana Minerals Commission and the Ghana Chamber of Mines, where he was instrumental in policy formulation and regulation. His leadership in Human Resources and Corporate Affairs spanned key positions at Tullow Ghana Limited, Goldfields Ghana Limited, and Abooso Goldfields Limited, further cementing his expertise in corporate governance and social development. He also served at the Ghana Cooperative Bank, marking the beginning of his expansive career in the banking sector.



Dr. Aubynn's influence extends beyond corporate leadership; he has chaired the Board of Investor Corp Mid-Tier Funds, advised on local content for the International Finance Corporation, and contributed as an expert on Artisanal Small-Scale Mining in West Africa with UNITAR. Currently, he serves on the Executive Council of the Ghana Football Association, showcasing his versatile leadership across different fields. Internationally, Dr. Aubynn's expertise in mining policy has been sought for projects in countries including Cameroon, Tanzania, Haiti, and the Republic of Congo. Academically distinguished, Dr. Aubynn holds a PhD in International Development from the University of Tampere and was a PhD Fellow at the United Nations University, IAS, Tokyo. His diverse academic background includes a BA in Geography and Political Science from the University of Ghana, an MPhil in Development Geography, and a Master of Social Science in International Relations from the University of Oslo, among others. He also completed executive programs at Oxford University and Harvard University, specializing in Natural Resources and Development. A trained lawyer and a member of the Ghana Bar Association, Dr. Aubynn's academic and professional qualifications reflect his commitment to continuous learning and impactful leadership.

Dr. Aubynn joined the Board of Amenfiman Rural Bank PLC in 2004 and ascended to the role of Board Chairman in 2011. His leadership extends to his position as the Representative of the Western Region Chapter of the Association of Rural Banks. In 2020, Dr. Aubynn joined the Board of ARB Apex Bank PLC, where he was subsequently elected Chairman, underscoring his influential role in shaping Ghana's banking sector.

Dr. Aubynn's role in the transformation and progression of the Bank has been exceptional. His vision as a leader has been the background upon which the Board and management have used as a springboard to initiate the key strategies and programmes that have finally led to the Amenfiman Rural Bank that is seen today; a vibrant, secure and reliable financial institution that is impacting significantly to the well-being of its stakeholders and the country at large.





## DIRECTOR'S PROFILES

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### **PROF. LUCAS NANA WIREDU DAMOAH**

Prof. Damoah is an accomplished engineer by training, with over 17 years of experience as an academic, engineer, and entrepreneur. He currently holds the position Senior Lecturer and a former head at the Department of Materials Science and Engineering at the University of Ghana. His career includes a stint as an Aluminum Cast House Development Engineer at SELEE Corporation, Hendersonville, North Carolina, USA.

Beyond academia, Prof Damoah is an entrepreneur with interests in Construction and Real Estate, Materials Technology, and ICT. He holds a PhD from the Missouri University of Science and Technology, an MSc in Financial Risk Management from the University of Ghana Business School, an MSc in Light Metals Production from the Norwegian University of Science and Technology, and a BSc from Kwame Nkrumah University of Science and Technology.

Prof. Damoah is passionate about internal controls and effective risk management. His commitment to excellence is reflected in his participation in various conferences, workshops, and training programs on Banking, Risk Management, Governance, Cybersecurity, and Auditing, facilitated by industry experts and the Central Bank. He is also a member of the Institute of Directors (IoD) Ghana.

He joined the Board of Amenfiman Rural Bank Plc in June, 2020 and serves on the various sub-Board committees and on the bank's assignments.





## **MS. ROSEMARY OBENG-KWAAH ESQ**

Lawyer Rosemary serves as the Managing Counsel of ST Legal Bureau PRUC, a law firm dedicated to offering Corporate Legal Advisory and Company Secretarial Services to corporate clients. She has established herself as a prominent figure in Corporate Legal Advisory, Compliance, Governance, and Company Secretarial Practice. Her expertise has made her a trusted advisor in the corporate legal landscape, known for her keen insight into regulatory matters and corporate governance.

Rosemary is a Director at Babcock MCS Ghana LTD, an active member of the Ghana Bar Association and the Institute of Directors (IoD). Rosemary's professional expertise includes advising investors, start-ups, and established companies on corporate compliance, particularly with the Companies Act, 2019 (Act 992) and other sector-specific regulations. She has been instrumental in various corporate transactions, including Company Structuring and Restructuring, Mergers and Acquisitions, Liquidations, External Board Evaluations, and Legal and Secretarial Due Diligence. Her broad legal practice spans multiple sectors, such as Banking and Finance, Telecommunications, Agriculture, Security, Shipping and Freight Forwarding, Tourism, Quarry, and Petroleum.

In July 2019, Rosemary joined the Board of Directors of Amenfiman Rural Bank Plc, and her strategic insights and deep understanding of legal

frameworks continue to strengthen the governance and compliance standards of the Bank.

## **MR. EDMUND AFFUL**

Mr. Afful is a distinguished business executive and seasoned lead consultant, boasting over two decades of rich expertise and experience. His professional journey spans strategic planning, cutting-edge marketing in the Global Age, financial accounting, and management within the oil and gas sector, particularly in the upstream segment.

Academically, Mr. Afful holds a Master of Business Administration (MBA) in Oil and Gas Management from Coventry University, London, and is a certified member of the Chartered Institute of Marketing, UK. He also possesses a Higher National Diploma in Marketing from Takoradi Technical University and is an alumnus of Fijai Secondary School.

He has firmly established his presence in the business landscape of Ghana, particularly through Eddiekov Marketing Consult, his own venture based in Takoradi. Through this consultancy, he offers invaluable marketing and brand advisory services to senior executives and business leaders nationwide. His expert insights have also been a cornerstone for major oil and gas firms strategically positioned in the industrial hubs of Sekondi and Takoradi.

Mr. Afful's professional journey began in the 1990s as an account clerk at Amenfiman Rural Bank. He moved into education, teaching at the Junior High level before founding his consultancy business in 2005, where he has served as Lead Consultant and Managing Director ever since. Beyond his

consultancy work, Edmund is skilled in graphic design and brand advertisement, and he played a pivotal role during the 2012 Olympic and Paralympic Games in London, where he led a dedicated team.

In June 2016, Mr. Afful joined the Board of Directors of Amenfiman Rural Bank Plc, contributing significantly to various sub-board committees and undertaking numerous assignments within the bank. His dynamic career reflects his passion and commitment to driving business success and supporting the growth of Ghana's industrial and financial sectors.





## DIRECTOR'S PROFILES



### MR. MICHAEL BEEKYE

Mr. Beekye is a seasoned professional teacher and a pastor of the Assemblies of God Church. He has tutored at various levels of education from the primary, junior high and currently Head of department at Amenfiman Senior High School. He is an accountant by expertise and experience, with extensive experience as an entrepreneur.

Pastor Michael has a Masters in Education Administration and a bachelor in accounting from the University of Cape Coast and the University of Education, Kumasi respectively. He is a professional teacher with Certificate A from Enchi Training College and an old boy of St. Augustines Secondary School. He recently graduated with a bachelor in theology for the Assemblies of God University of Theology and is currently pursuing a Masters in Finance and Investment at the University of Mines and Technology, Tarkwa.

Mr. Beekye is very reliable when it comes to society developmental projects. He is currently a member of the building committee of Amenfi State University College. A secretary to the local council of churches Wassa Akropong. He is a board member and a member of Wassa Akropong Government Hospital Advisory Committee and Ghana Aids Commission board respectively. As an expert accountant, he served as the PTA Accountant for Kumasi Nursing Training College from 2012 to

2022. He joined the Board of Amenfiman Rural Bank Plc in June, 2022 and serve on the various sub-Board committees and on the bank's assignments.



### DR. FREDERICK Y. O. SARPONG

Dr. Sarpong is a Senior Specialist Surgeon with almost 30 years of experience and expertise in rural and urban general medical practice and administration.

He has over the years climbed the medical ladder from a House Officer to a Medical Officer and then to the Medical Superintendent/ Specialist in several Government Hospitals in the Western Region of Ghana.

Dr. Sarpong graduated from the Rostov State Medical University in Russia with a Doctor of Medicine Degree. He then followed to specialise in surgery in the same university. He had his GCE 'O' and 'A' level certificates in Ghana Secondary technical School (GSTS). He passed his examination in International Professional Managers Association (IPMA), a program which was organised by the Chartered Institute of Administration, Ghana (CIAG).

As a Medical Superintendent from 1999 till date, he oversees the operational management, quality of care, compliance, leadership and communication channels of the Tarkwa Municipal Hospital. He serves on the Medical Board of the Tarkwa-Nsuaem Municipality. He is also the Medical Director of El -Shiva Clinic Ltd at Bawdie-Dompim. He was a former management member the Cocoa Clinic Ltd of COCOBOD. He was part of the team that drafted and constituted the STEMS (Sekondi-

Takoradi Emergency Medical Services) serving as the Ghana Medical Association Western Divisional Secretary on that Committee.

Dr. Sarpong joined the Board of Directors of Amenfiman Rural Plc in June 2023 and serves on various sub-committees of the bank and other related assignments.



# MANAGEMENT TEAM



**DR. ALEXANDER  
ASMAH**  
Chief Executive Officer



**MR. EVANS AIKINS**  
Head, Finance & Operations



**MR. DANIEL KWAKU BAIDOO**  
Chief Internal Auditor



**MR. ANTHONY K. ADU-BRONI**  
Head, Human Resources



**MR. RICHARD O. MENSAH JNR**  
Head, Risk and Rigor



**MR. PAUL OBRAKO SARPONG**  
Head, Credit



**MR. PATRICK DARKWA**  
Head, Microfinance



**MR. CHARLES K. DAMOAH**  
Head, Branch Network



**MR. EBENEZER ANKAPONG**  
Head, ITSM



**MAD. LYDIA ODURO**  
Branch Manager



**MAD. RITA AIDOO**  
Manager, Cash Service



**MS. BERTHA AHENKAN BOATENG**  
Head: Legal & Compliance





# MANAGEMENT TEAM'S PROFILES

## DR. ALEXANDER KWADWO ASMAH

### CHIEF EXECUTIVE OFFICER

Dr. Alexander Kwadwo Asmah is an experienced banker with specialty in retail and business banking and an expertise in the development and funding for MSMEs which he has leveraged to raise the bar in Ghana's rural and community banking industry. With over 20 years in banking and finance practice, Dr. Asmah is currently the Chief Executive Officer of Amenfiman Rural Bank and a Director at the African Corporate Training Institute.

Before joining Amenfiman, he worked with Barclays Bank Ghana (now ABSA Bank) as Operations Manager – where he was exposed to global best practices in financial services delivery. He had earlier served in various capacities at Amenfiman Rural Bank, including Head of Banking Operations, Finance and Administration and Human Resource.

Dr. Asmah holds a Doctor of Business Administration (DBA) with emphasis in Global Business and Leadership from the California Intercontinental University, USA, an International Executive Master of Business Administration in Banking and Finance from Paris Graduate School of Management, Paris, France and a Bachelor of Commerce (B. Com Hons) from the University of Cape Coast, Ghana. He also has a certificate in Business Strategy from Harvard Business School, Harvard University, USA.

Dr. Asmah has participated in several international programs in management and leadership, including an Executive Management Program on Innovation Management at IESE Business School, New York, USA; Executive Management Program on Global Markets at Harvard Business School, Boston, USA, Microfinance Strategy and Policy Formulation in London, UK; Banking Strategies at Galilee International Management Institute, Israel; and a fellowship program on Corporate Governance for Boards and CEOs of Microfinance Institutions in Africa by African Board Fellowship, Cape Town, South Africa.

Dr. Asmah is a fellow of the Chartered Institute of Credit Management Ghana (FCICMG) and a member of the Institute of Directors (MloD) Ghana. Dr. Asmah has won several awards with Amenfiman Rural Bank including being ranked No. 17 in the prestigious Ghana Club100 companies list and No.1 in the rural Bank category. He was voted Ghana's Most Respected CEO in 2021 and Africa's Most Respected CEO in 2022 in the rural and micro banking category. He has special interest in MSME development and very passionate about mentoring, coaching and developing talent.





## MR. EVANS AIKINS

### HEAD, FINANCE AND OPERATIONS

Evans Aikins has over 20 years rich experience in banking spanning from Accounts Officer, Branch Operations, Branch Management, Internal Audit, Human Resource, Sales and Marketing Management.

Evans holds an Executive MBA in Banking and Finance from Paris Graduate School of Management, a bachelor's degree in Commerce from the university of Cape Coast and a higher national Diploma in Accountancy from the Takoradi Technical University.

He a member of the Chartered institute of Bankers, Ghana and has experiences on Leadership, Digital Transformation, Fraud Risk Management, Business Continuity Management and Electronic Financial Analysis Surveillance and many more.

Evans was recognized international by the World Confederation of Businesses in 2016 and 2017 respectively in Excellence in Business Leadership and Quality Management.



## MR. DANIEL KWAKU BAIDOO

### CHIEF INTERNAL AUDITOR

Mr. Daniel Kwaku Baidoo is the Chief Internal Auditor of Amenfiman Rural Bank PLC. He brings to this role over a decade of distinguished experience in internal audit, risk management, regulatory compliance, and corporate governance within Ghana's financial services sector.

In his current position, Mr. Baidoo provides strategic leadership to the Internal Audit Department, with oversight responsibility across all branches, mobilization centres and Head Office Departments of the Bank. His role is instrumental in delivering independent and objective assurance services that strengthen operational effectiveness, safeguard stakeholder interests, and ensure compliance with regulatory directives issued by the Bank of Ghana and other statutory bodies.

Daniel holds a Bachelor of Science in Statistics and Computer Science from the University of Ghana and an MBA in Internal Auditing from the University of Professional Studies, Accra. He is a Certified Information Systems Auditor (CISA), a Certified Information Security Manager (CISM),

and a Certified Fraud Examiner (CFE). He is also pursuing the Project Management Professional (PMP) certification to further deepen his ability to lead risk-aligned audit transformation and strategic execution initiatives.

A forward-thinking leader, Mr. Baidoo has consistently aligned the Bank's internal audit strategy with international best practices, leveraging risk-based methodologies to deliver value-driven insights and promote a culture of accountability. His approach has been pivotal in enhancing the Bank's governance structure and ensuring the integrity of financial and operational processes.

He is a proud member of the following professional associations:

- Association of Certified Fraud Examiners (ACFE) – USA and Ghana Chapters
- Information Systems Audit and Control Association (ISACA) – USA and Ghana Chapters
- Institute of Internal Auditors (IIA) – USA and Ghana Chapters
- Institute of Chartered Accountants, Ghana (ICAG) – Student Member
- Chartered Institute of Bankers, Ghana – Holder of a Certificate in Leadership for Rural Bank CEOs and Key Management Staff.

Mr. Baidoo's unwavering commitment to excellence, ethical leadership, and continuous improvement continues to contribute significantly to the sustainable growth, regulatory compliance, and institutional resilience of Amenfiman Rural Bank PLC.





# MANAGEMENT TEAM'S PROFILES



## MR. ANTHONY KWAW ADU-BRONI

HEAD, HUMAN RESOURCE

Anthony Kwaw Adu-Broni possesses a strong background in banking, lecturing, and consulting, which he leverages to collaborate with senior management in conducting strategic HR planning to support corporate goals.

He holds a Master of Business Administration in Strategic Management and Business Consulting from KNUST Business School and master's degree in human resources development from University of Cape Coast and a bachelor's degree in social sciences (Economics and Geography) from the same university. Anthony's professional membership includes Society for Human Resource Management (SHRM), Institute of Directors Ghana IoD-Ghana.

His career and professional experience spans over two decades in multiple industries: Senior Disaster Control Officer, NADMO; Customer Advisor, Contact Centre Agent, Learning and Development Advisor at Barclays Bank (now Absa Bank).



## MR. RICHARD OWUSU MENSAH JNR

HEAD, RISK

Richard Owusu Mensah is a seasoned professional with over 15 years rich experience in banking spanning from accounts, Microfinance Operations and Risk and Compliance.

He has a Master's Degree in Strategic Management and Leadership from Valley View University, a Bachelor's Degree in Accounting from the University of Education, Winneba, and a Higher National Diploma (HND) in Accountancy from Kumasi Technical University.

Richard is dedicated to his professional development and is currently a student member of the Association of Chartered Certified Accountants (ACCA), UK.

Known for his strong conceptual thinking, Richard possesses an analytical mindset that drives innovative solutions within his role. He balances independence with a consultative approach, functioning effectively both autonomously and as a collaborative team player.





## MR. PATRICK DARKWA

### HEAD, MICROFINANCE

Mr. Patrick Darkwa's career at Amenfiman Rural Bank PLC began in 2010 as a Branch Operations Officer. His relentless drive and exceptional capabilities led him to quickly rise through the ranks, first as Head of Credit, now as the Head of Microfinance.

Patrick's holds a Bachelor of Commerce degree from the University of Cape Coast and is a Fellow of the Institute of Chartered Accountants Ghana. He is proficient in Corporate Governance, Risk Management, and Leadership training. These skills have enabled him to navigate the evolving challenges of the banking sector with a forward-thinking approach.

Patrick's professional affiliations further underscore his dedication to continuous learning and his commitment to advancing the standards of the banking profession. He is an active member of the Institute of Chartered Accountants Ghana and the Institute of Directors Ghana, where he engages with fellow professionals to promote best practices in corporate governance and management.



## MR. CHARLES KWAME DAMOAH

### HEAD, BRANCH NETWORK

Charles Kwame Damoah joined Amenfiman Rural Bank Ltd in 2012 and is currently the Head of Branch Network who is responsible for the business performance of the bank and supervision of the branch network of the bank.

Charles Kwame Damoah holds a Bachelor's degree in Management Studies (BMs, UCC), Higher National Diploma in Marketing Management (HND Marketing, C – Poly), and Masters of Arts in Human Resource Management (MA HRM, UCC).

His strongest ambition is to drive the bank to become a household name in terms of business development, customer relations, and as well projects it as the most preferred bank in the midst of fierce competition.

He strongly believes in Christian virtues of fairness, respect, humility, discipline and integrity; and has a strong purpose to live them. He is very passionate about community life and enjoys so much when people are living together peacefully.





# MANAGEMENT TEAM'S PROFILES



## MR. EBENEZER ANKAPONG

### HEAD, IT SYSTEMS MANAGEMENT

The Head of Information Technology Support Management (ITSM) joined the service of the Bank in September 2005 as a systems administrator.

Mr. Ebenezer Ankapong holds a Master of Science degree in Management Information Systems from the University of Coventry, United Kingdom. He also holds professional certification in Microsoft Certified Systems Engineer and Cisco Certified Network Associate.

As a management member, ensures that all IT related issues are completed and advises on new projects providing understanding on topics such as ATMs, WAN setup and Core Banking issue resolution etc.

He believes in the necessity to acquire skill and competences to drive the business and department towards competing within the digital world as the Bank's customers are technologically dependent.



## MS. BERTHA AHENKAN BOATENG

### HEAD, LEGAL AND COMPLIANCE

Bertha Ahenkan Boateng is a highly accomplished legal professional with over nine years of post-call experience in corporate law, litigation, and regulatory compliance. She currently serves as the Head of Legal and Compliance and Company Secretary at Amenfiman Rural Bank PLC, where she provides strategic legal counsel, ensures regulatory compliance, and facilitates effective corporate governance.

Bertha is a member of the Ghana Bar Association and holds a Master of Laws (LL.M.) in Corporate and Commercial Law from the University of Ghana, in addition to degrees in law and business from the Ghana Institute of Management and Public Administration (GIMPA) and the University of Cape Coast. Her career spans both legal practice and academia, having previously worked as an Associate at Axis Legal and served as an adjunct lecturer at the Accra Institute of Technology.

With a deep commitment to excellence, Bertha is known for her strong advocacy, negotiation, and legal drafting skills. Her professional expertise is complemented by her passion for compliance training, policy development,

and institutional risk management. Beyond her legal acumen, Bertha is recognized for her team leadership, strategic thinking, and dedication to empowering others.

Driven by faith and perseverance, she approaches challenges with diligence and a conviction that success is earned through hard work and integrity. Her interests outside of work include reading, writing, travelling, and theatre.





## MAD. RITA AIDOO

### MANAGER, CASH SERVICE

Mad. Rita Aidoo assumes the pivotal role of Manager overseeing cash services at Amenfiman Rural Bank PLC's headquarters. As the bank expands its operations and outreach, her position becomes increasingly critical in ensuring seamless business operations. Rita collaborates closely with the bank's operational and financial teams to effectively meet the organization's demands.

With a rich background in the banking sector, Rita has previously managed two branches within Amenfiman Rural Bank before taking on her current role. Her extensive experience spans decades, encompassing banking operations, service management, and credit management. Boasting over 30 years in retail banking, she is known for her customer-centric approach.

Rita's leadership is marked by strategic acumen and a dedication to exceptional customer service. Her proficiency in communication, integrity, problem-solving, and empathy has driven remarkable branch performance achievements. Her steadfast commitment to excellence, ethical leadership, and continuous improvement significantly bolsters the sustainable growth, regulatory compliance, and resilience of Amenfiman Rural Bank PLC.

Mad. Rita Aidoo embodies the ideals of professionalism, service excellence, and visionary leadership. Her contributions remain vital to the continued success and credibility of Amenfiman Rural Bank PLC, positioning the Bank for greater impact in Ghana's rural financial services sector.



## MAD. LYDIA ODURO

### BRANCH MANAGER

Miss Lydia Oduro serves as the Branch Manager of the Santasi Branch of Amenfiman Rural Bank PLC, bringing with her over 14 years of accomplished experience in retail banking. With a strong foundation in banking operations, credit management, and customer service, Lydia has established herself as a results-driven leader committed to delivering excellence across all facets of branch performance.

Lydia holds a Bachelor of Science degree in Banking and Finance, as well as a Master of Science in Strategic Management and Leadership. She is also a student member of the Chartered Institute of Bankers, Ghana—a testament to her commitment to professional growth and adherence to the highest standards of the banking profession.

Throughout her career, Lydia has demonstrated a rare blend of strategic vision and hands-on leadership. Her strategic acumen, integrity, and ability to inspire teams have translated into significant gains in operational efficiency,

client satisfaction, and overall branch growth. As a customer-focused banker, Lydia is deeply attuned to the needs of the communities she serves. Under her leadership, the Santasi Branch continues to thrive, reinforcing the Bank's mission of delivering accessible and inclusive financial services.

Lydia's professional journey is defined by her unwavering commitment to ethical leadership, continuous improvement, and institutional resilience. Her contributions play a vital role in supporting the sustainable growth and regulatory compliance of Amenfiman Rural Bank PLC. She remains a key driver of the Bank's long-term success, ensuring that the Santasi Branch remains a beacon of operational excellence and community impact.





# REPORT OF CHAIRMAN

## to the Members of Amenfiman Rural Bank PLC

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### INTRODUCTION

Esteemed Shareholders, Board Members, Management, Staff, Distinguished Guests, Ladies and Gentlemen. It is a great honour to welcome you all to the Annual General Meeting of Amenfiman Rural Bank, PLC. On behalf of the Board of Directors, I wish to express our gratitude for your continued confidence and unwavering support. I am pleased to present to you, the Chairman's Report for the financial year ended 2024.

### REVIEW OF GHANA'S MACROECONOMIC ENVIRONMENT

The year 2024 presented significant macroeconomic challenges globally and locally, including inflationary pressures, currency depreciation, and fluctuating interest rates. 2024 was also an election year, which finally culminated in the change of government. These developments and their processes had varied implications for the operations of Amenfiman Rural Bank in 2024.

In 2024, Ghana's economy demonstrated robust growth, with real GDP expanding by 6.9% in the second quarter, a notable increase from 2.5% in the same period of 2023. This growth was primarily driven by the industry sector, which grew by 9.3%, and supported by the services and agricultural sectors, growing at 5.8% and 5.4% respectively.

Inflationary pressures persisted, with consumer price inflation recorded at 23.8% in December 2024. The Bank of Ghana closed the year 2024 with a policy rate of 27% in December 2024 to address concerns about the inflation trajectory, specifically the sluggish pace of disinflation due to high and volatile food prices.

The banking sector, and particularly rural and community banks (RCBs), continued to show resilience—playing a crucial role in supporting livelihoods, promoting financial inclusion, and stimulating local economies. This was under the leadership of Amenfiman Rural Bank, as a pacesetter for the industry.

### PERFORMANCE OF RURAL & COMMUNITY BANKS

In 2024, Ghana's rural and community banks (RCBs) played a pivotal role in bolstering the nation's economy, particularly in advancing financial inclusion and providing credit to the Small and Medium-sized Enterprises (SMEs) sector. Amidst macroeconomic challenges, these banks demonstrated resilience and innovation, significantly impacting local economies and underserved communities.

With over 850 branches nationwide, RCBs have the most extensive banking network, reaching remote and underserved areas. They serve over 5 million active customers, offering tailored financial products like susu savings and loans, which are crucial for low-income individuals and micro-businesses. RCBs provide vital credit facilities to SMEs, which constitute about 92% of Ghanaian businesses and contribute approximately 70% to the GDP. By offering accessible financing options, RCBs empower SMEs to expand operations, increase employment, and drive economic growth.



# REPORT OF CHAIRMAN

## to the Members of Amenfiman Rural Bank PLC



### GHANA'S BANKING INDUSTRY PERFORMANCE HIGHLIGHTS FOR 2023

The banking sector remained resilient amid macroeconomic challenges. Total assets grew by 33.3% to GH¢323.2 billion as of June 2024, driven by robust growth in deposits and other funding sources. Profitability indicators showed improvement, with the sector remaining profitable and well-capitalized. The Capital Adequacy Ratio (CAR) with reliefs stood at 14.0% in December 2024, up from 13.9% in December 2023.

However, credit risk remained a concern, with the Non-Performing Loans (NPL) ratio increasing to 21.8% in December 2024 from 20.6% in 2023, reflecting elevated credit risks amid economic pressures.

As of December 2024, Ghana's banking sector exhibited robust growth and resilience, marked by significant increases in total assets and sustained profitability, despite elevated credit risks. The banking sector's total assets expanded by 33.8%, reaching GH¢367.8 billion by the end of December 2024, up from GH¢274.9 billion in December 2023. This growth was primarily driven by robust deposit mobilization and other funding sources. The sector's PAT rose to GH¢10.4 billion in 2024, representing a 26.2% increase from GH¢8.3 billion in 2023. ROE experienced a slight decline, decreasing from 36.4% in Q3 2023 to 33.4% in Q3 2024, reflecting a moderation in profitability growth. The NPL ratio increased to 21.8% in December 2024, up from 20.6% in 2023, indicating rising defaults, particularly among large borrowers. The CAR improved to 14.0% with regulatory reliefs in December 2024, up from 13.9% in December 2023, indicating a stronger capital position.

Ghana's banking sector in 2024 showcased robust asset growth and maintained profitability, underpinned by strong deposit mobilization and improved capital adequacy. However, the rise in non-performing loans underscores the need for enhanced credit risk management to sustain the sector's stability.

The government launched the SME Growth and Opportunity Programme in July 2024 to provide coordinated financial and technical support to high-growth potential SMEs. The initiative aims to enhance partnerships and mobilize diverse financial resources for SME growth and expansion.

Despite positive trends, challenges persist. Elevated NPL ratios indicate ongoing credit risks, and the banking sector must continue to strengthen credit risk management practices. The macroeconomic environment remains fragile, with inflationary pressures and currency volatility posing risks to financial stability. Continued efforts in fiscal consolidation, monetary policy adjustments, and structural reforms are essential to sustain economic growth and financial sector resilience.





# REPORT OF CHAIRMAN to the Members of Amenfiman Rural Bank PLC

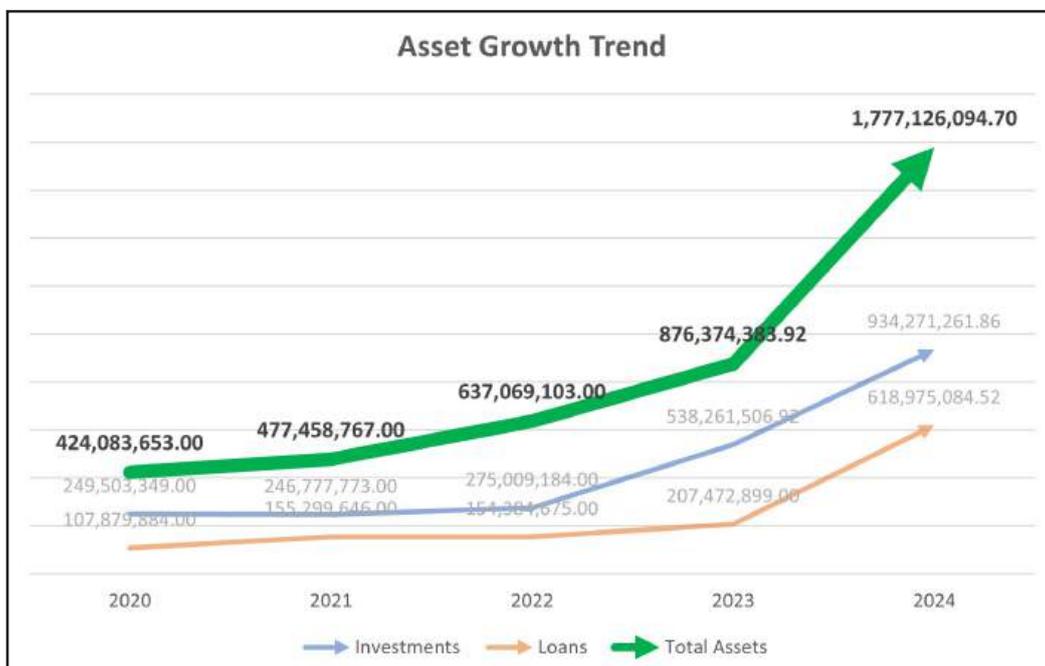
## AMENFIMAN RURAL BANK

Your Bank, Amenfiman Rural Bank PLC, achieved stellar performance in the year 2024 despite the challenging and uncertain operating environment. The theme for the 2024 strategy centered on people, operations, financial and process efficiencies. The year begun with a strong posture set by the Board and Management of the Bank towards attaining a feat in the Bank’s 5-year strategy to achieve a deposit of 1 billion cedis. The Bank was able to achieve both targets by June 2024 making it the first Rural Bank in Ghana to achieve such prowess in deposit mobilization and size of assets. Management further drove the business towards achieving greater successes in the year which closed with a total deposit of 1.5 billion cedis.

## OPERATIONAL AND FINANCIAL PERFORMANCE FOR 2024

Despite the economic headwinds, Amenfiman Rural Bank remained committed to delivering value to our stakeholders. Through prudent financial management, customer-centric innovation, and strong internal controls, we recorded a growth of 102% in deposits and a growth of 103% in balance sheet size for the year. Deposits grew from 768 million cedis to 1.55 billion cedis while the balance sheet grew from 876 million cedis to 1.77 billion cedis. This targeted growth was in line with the Bank’s 5-year growth plan and positioned the Bank to strategically drive the delivery of credit and also increase the earning potential of the Bank. This growth increased the Bank’s total credit delivery for the year 2024 to a total of 880 million cedis with the loan portfolio growing from 207.50 million cedis to 619 million cedis which is a growth of approximately 200%. The Bank has a mission to grow SME businesses with special emphasis on education, women and youth led businesses. In 2024, the Bank deployed multiple programmes aimed at improving credit delivery in these areas including the reduction of interest rates on all loan products of the Bank.

In June 2024, the Donkomi promotion was launched which opened the Bank to deliver more credit to clients and for clients to also access higher values in terms of the loans. The Bank has established strategic partnerships to boost its investments in business startups, women and youth led businesses including building the capacity of its staff and processes to handle longer term loans.



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## to the Members of Amenfiman Rural Bank PLC

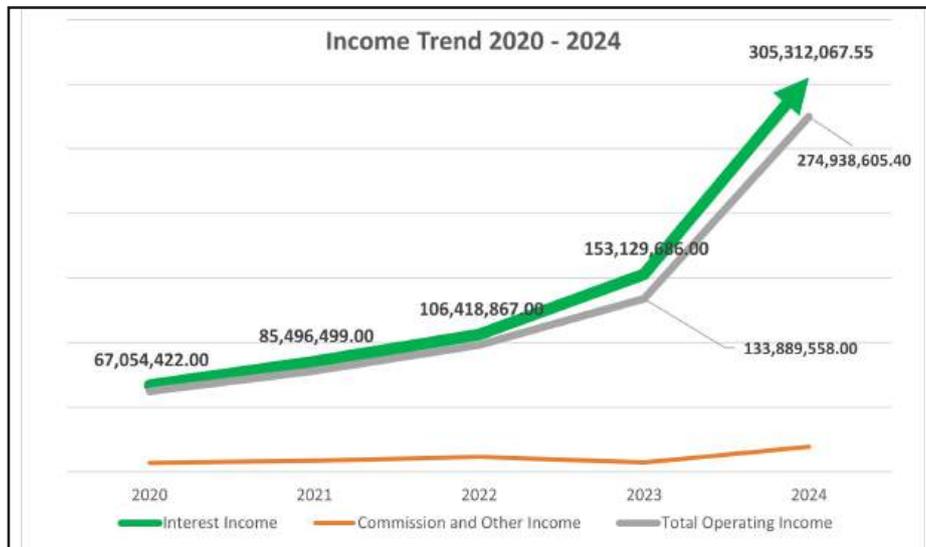


With the growth in assets, the Bank's investments increased by 175% while cash holdings also increased by 185% over the period. In 2024, the Bank had increased responsibility to ensure that funds are kept to meet client and operational demands. I am happy to report that throughout the year 2024, the Bank adequately met its prudential requirements for both primary and secondary reserves. To further deliver the Bank's mandate, the Bank has enhanced delivery of loans to its susu and microfinance clients which are programmes that aid in people empowerment and poverty alleviation. With assets growing by GH¢900.7million, driven by increases in loans and advances and investments in government securities. Net interest income grew by 50.54%, benefiting from higher interest rates on loans and advances.

We continued to provide financial services tailored to the needs of our clients—particularly smallholder farmers, traders, women entrepreneurs, and rural households. Our efforts were directed not just at profit, but also at impact-enabling inclusive development across the communities we serve.

### OPERATING INCOME REVIEW

Distinguished Shareholders, total income for the year under review went GH¢133million in 2023 to GH¢274million at the close of 2024 which growth rate was 105.35% and a value increase of GH¢141million.



The Bank demonstrated strong growth in operating income throughout the year under review. The business operating environment was quite volatile and uncertain at the start of the year in view of the DDEP, however, the Bank successfully managed its credit risks which allowed it to grow its income from Loans and Advances. Overall, interest income was the major contributor to operating revenue contributing 92.98% of income. Other sources of income came from investments and services.

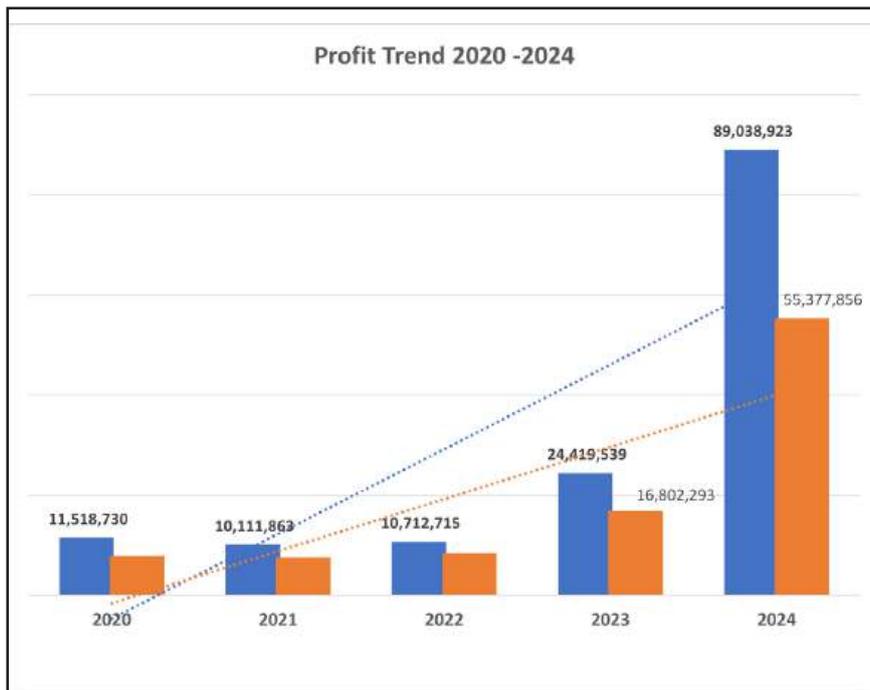




# REPORT OF CHAIRMAN to the Members of Amenfiman Rural Bank PLC

## PROFITABILITY REVIEW

Ladies and gentlemen, in the year 2024, Amenfiman Rural Bank Plc not only elevated its service offerings but also achieved remarkable strides in profitability, outshining many of its counterparts in Ghana's banking sector. Net operating profit before tax increased by an impressive 271%, soaring to GH¢89 million in 2024 from GH¢24million achieved in 2023. Additionally, return on equity rose to 48.28% in 2024, up from 23.02% the previous year, underscoring our adept utilization of shareholder equity to drive substantial profit growth. This positive growth reflects similarly in other indicators such as the return on asset, return on capital employed and earning per share.



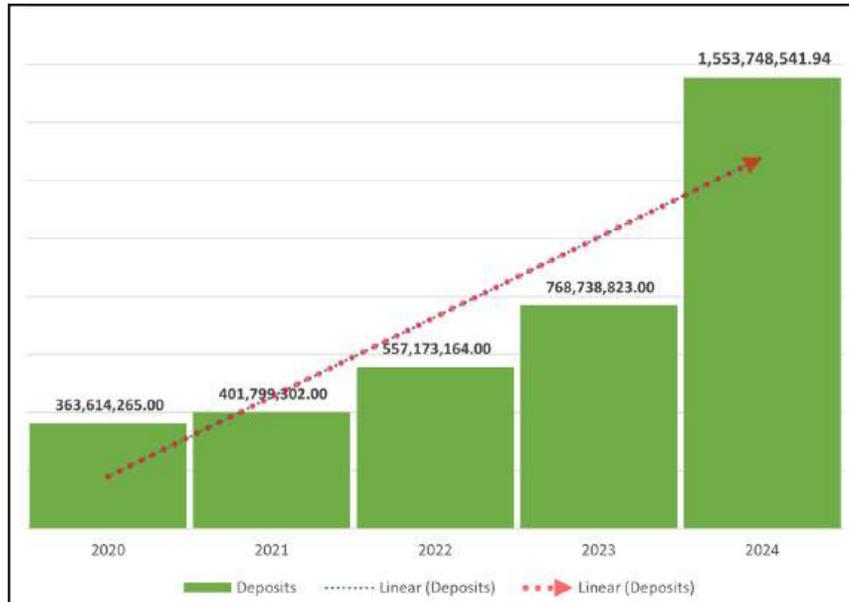
The Bank recorded a Net Profit after tax for the year 2024 of GH¢55,377,856. This is a significant improvement from a profit position of GH¢16,802,293 for the prior year. The Bank's profit margin experienced a robust and encouraging increase, propelled by our strategic emphasis on meticulous cost management and a deliberate shift towards active portfolio management and diversification of investment and loan products. While the average return on equity for the Ghanaian banking sector hovered around 31.41% in 2024, the Bank achieved a remarkable return on equity of 48.28%, far surpassing the industry average and its 2023 performance. This impressive figure reflects not only the growth in both shareholder funds and profit before tax but also highlights the Bank's exceptional ability to enhance these financial metrics. Our strategic focus and operational excellence have allowed us to significantly outperform industry averages, demonstrating our commitment to delivering outstanding value to our stakeholders.





### DEPOSIT REVIEW

The Bank recorded extraordinary growth in deposits during the year under review, a testament to the strong trust and confidence our customers have in our brand. Total deposits surged to GH¢1.5 billion in 2024, from GH¢768 million in 2023, representing a 102% growth.



This was achieved on the back of exceptional service delivery, the loyalty of our customers to do more with us and the dedication of our trained employees to reach out to the unbanked and the underbanked to capture them into the inclusion plan. Additionally, the opening of new agencies and mobilization centers contributed to the growth.

I wish to use the occasion to congratulate our hardworking employees and to thank our esteem customers for their loyalty. Today, our vision to become the bank of choice for the MSME is largely achieved and Amenfiman has become a household name, and a comprehensive one stop shop for financial services, including insurance.

### TOTAL ASSET REVIEW

The Bank's strong growth in deposits, loans and revenue reflected in more than GH¢901 million balance sheet size at the end of the year 2024. The strong asset growth is a reflection of the effective management, strong leadership and committed employees. I am happy that our strategic plan is very much on course exceeding our plan targets way ahead of budgets. The Bank's total assets increased from GH¢876 million in 2023 to GH¢1.7billion in 2024, a growth of 103%, driven by loan disbursements, investments and deposits. The Bank's credit portfolio saw significant increase, reflecting the focus on expanding credit facilities to support local businesses.





# REPORT OF CHAIRMAN

## to the Members of Amenfiman Rural Bank PLC

### STATED CAPITAL REVIEW

Distinguished Shareholders, in 2024, the Bank achieved substantial progress in strengthening its capital base to support the growth plan while adhering to regulatory requirements. Stated capital rose from GH¢9.67 million to GH¢15 million in 2024 representing 55.12%. This growth in capital has further strengthened the capital base of the Bank making it strong and robust to pursue its strategic programs.

YEAR	STATED CAPITAL (GHC)	GROWTH %
2023	9.67 million	13.79%
2024	15 million	55.12%

The Board and Management of the Bank has adopted a proactive and strategic approach to capital management, ensuring that Amenfiman Rural Bank PLC remains a robust and reliable institution for our customers and shareholders.

### PROPOSED DIVIDEND

Distinguished Shareholders, in recognition of our financial performance in 2024 and our commitment to delivering value for you, the Board proposes a dividend equal to 30% of profit after tax totalling GH¢16,613,356.80 made up of cash dividend of GH¢0.085 per share equivalent to GH¢6,504,629.00 and a bonus issue of one additional share for every one existing share held also totalling GH¢10,108,727.81. This reflects the Bank's financial stability and in line with our dividend policy.

### AWARDS AND OTHER ACHIEVEMENTS FOR THE BANK

Fellow Directors and Distinguished Shareholders, 2024 was a remarkable year for Amenfiman Rural Bank in terms of recognition and accomplishments. The Bank was recognized by several local and international organizations for the achievements made in the areas of funding of Micro, Small and Medium Enterprises and the progress in the financial inclusion. Amenfiman Rural Bank is contributing tremendously to the growth and development of individuals and businesses across the country and this has led to the bank receiving awards and recognitions from local and international organizations during the year 2024. Some of the recognition includes:

- CIMG Rural Bank of the Year Award (Chartered Institute of Marketing)
- CICM Bank of the Year Award (Chartered Institute of Credit Management)
- World Confederation of Businesses (World COB) Awards 2024.
- Association of Rural Banks- Overall best Bank 2023

The CEO of the Bank, Dr. Alexander Asmah, has been named as the Most Respected CEO of the Rural Banking sector multiple times, winning this and other awards in the current year. The story of Amenfiman Rural Bank is a clear indication that to every successful business, there is also a successful leadership. Amenfiman Rural Bank has distinguished itself in the rural banking sector of Ghana through its excellent service quality, superlative customer experience and trust,



# REPORT OF CHAIRMAN

## to the Members of Amenfiman Rural Bank PLC



and achievement of sound financial growth over the years, with 2024 being an improvement over the bank's historical performance. As the bank grows in products, services and size, the Board, Management and staff of the bank are also committed to continuously meeting and exceeding demands of customers and the public.

ORGANIZING AGENCY	AWARDS & NAME	AWARD/RECOGNITION
Chartered Institute of Marketing, Ghana (CIMG) & Association of Rural Banks, Ghana	Chartered Institute of Marketing Awards	Rural Bank of the Year 2023
Chartered Institute of Credit Management (CICM)	Ghana Credit Excellence Awards	Bank of the Year 2023 CEO of the Year 2023
World Confederation of Business (WorldCOB)	Bizz Awards 2024	Victorious 2024 Trophy
KN Unique Communications & Strategic Accountancy Africa.	Ghana Accountancy & Finance Awards 2024	Brand of the Year
Ghana Investment Promotion Centre & The Government of Ghana	Ghana Club 100 Awards	Rural Bank of the Year Ranked Company No.51
KN Unique Communications & Strategic Accountancy Africa	Ghana West-Africa Business Excellence Awards	Rural Bank of the Year
Association of Rural Banks & ARB Apex Bank plc	Rural Banks Excellence Awards	<ul style="list-style-type: none"> <li>•Overall Best Bank</li> <li>•Best Regional Rural Bank</li> <li>•Best Bank-Deposit Mobilization</li> <li>•RCB with the Biggest Balance Sheet</li> <li>•Best in Mobile Banking</li> <li>•Most Profitable Bank of the Year</li> </ul>
ION Africa Business	Stellar Performance Awards 2024	CEO of the Year
Travel Director Magazine	Corporate Ghana CEO Trade & Industry Awards	Most Outstanding CEO (Rural Bank)
Imperial Communications	Ghana Outstanding Business Achievement Awards	Most Outstanding Personality in Rural Banking
Business Executive	Ghana Industry CEO Awards	Most Respected CEO 2023





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## to the Members of Amenfiman Rural Bank PLC

ORGANIZING AGENCY	AWARDS & NAME	AWARD/RECOGNITION
Ianmatsun Global Services Ltd & Fantein Research and Consulting Ltd	Ghana Top 50 Employers fo Gender Equality Awards and Ranking 2024	Citation in Honour Ranked Company No.10
Top Brass Ghana	Ghana Premier Business and Finance Excellence Awards	Platinum Award (Banking)

Ladies and Gentlemen, esteemed shareholders and distinguished guests, as celebrate the bank’s achievements it is also important to reflect on the Bank’s contribution to the society and areas within which it has been able to achieve this outstanding performance.

### KEY RISKS AND MITIGATING MEASURES

During the year, the Board, through its Risk and Audit Committees, identified and monitored several emerging and persistent risks:

As we expand our digital infrastructure, we face heightened exposure to cyber threats. The Bank has responded by investing in cybersecurity systems, staff training, and periodic vulnerability assessments to strengthen our IT resilience.

Activities such as illegal mining continue to threaten the economic viability of the communities we serve. They destroy arable lands, limit agricultural productivity, and present long-term credit risks. The Bank continues to engage stakeholders and promote sustainable economic alternatives.

These environmental threats pose both ecological and financial risks, especially to our cocoa-farming clients and agribusiness loan portfolio. As part of our environmental and social risk management framework, we are strengthening credit appraisal procedures an advocating for sustainable land use practices.

The implementation of the Bank of Ghana’s directive on leadership tenure-limiting directors to 9 years and CEOs to 12 years-presents potential succession-related risks. While we support the governance ideals behind the policy, we recognize the need for structured leadership transition. The Board has prioritized succession planning and capacity development to ensure leadership continuity.



# REPORT OF CHAIRMAN

## to the Members of Amenfiman Rural Bank PLC

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### GOVERNANCE AND BOARD ACTIVITY

The Board met regularly and discharged its fiduciary duties diligently. The governance architecture of the Bank was further enhanced through oversight of management activities, review of policies, and robust risk monitoring. We commend the efforts of our various board committees and management of the bank in ensuring sound decisions and policy alignment with BoG directives and international best practices.

### DIRECTORS

To elect directors who are retiring by rotation in accordance with section 325 of the Companies Act, 2019 (Act 992). The Board presents two directors in the person of Lawyer Rosemary Obeng Kwaah and Reverend Michael Beekye as per the Companies Act. They have agreed to continue to serve on the Board as per the Companies Act, we are presenting them for your approval for them to continue to do the great job they are doing.

As such, we present Lawyer Rosemary Obeng Kwaah & Reverend Michael Beekye for re-election to the board.

To fill the vacancy, the Directors have vetted all the applicants and in line with requirements of the corporate governance directive for RCBs, we are happy to present the following candidates for elections.

### STRATEGIC HIGHLIGHTS AND MILESTONES

- Progress on strategic goals or transformation agenda: The year saw the historic increase in the Bank's deposit and Assets base pass the unprecedented mark of GHS 1 billion.
- Launch of new products or services: The introduction and launch of the Donkomi promotion saw the disbursement of over GHS 300 million to support various MSMEs, creating jobs and empowering women and the youths within our operational areas.
- Expansion or branch network changes: the year under review saw the launch of the Adum PZ branch and two mobilization centres at Bonuama and Dominase Nkwanta.
- Infrastructural Development: Construction works on Multipurpose Banking and Office complex for the Wassa Akropong High Street Branch of the Bank commenced and is progressing steadily. Construction works on the building to provide a permanent officespace for the Manso Amenfi branch of the Bank was also completed, awaiting regulatory approval by the end of the year under review.
- Technology upgrades and digital transformation:





# REPORT OF CHAIRMAN

## to the Members of Amenfiman Rural Bank PLC

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### FUTURE OUTLOOK

The Board remains optimistic about the future. Guided by our mission and strategic plan, we shall pursue the following key priorities

1. **Branch Network Expansion:** The Bank currently operates 18 branches and 4 mobilization centres across the Western, Western North, Central, and Ashanti Regions. We will pursue regulatory authorization to open additional branches in Wassa Japa, Takoradi, and at the Roman Ridge Area in Kumasi, to deepen our outreach and accessibility.
2. **ESG and Renewable Energy:** In line with our sustainability goals, the Bank will implement additional 100 kW/year renewable energy capacity to reduce our carbon footprint and enhance our ESG profile.
3. **IT and Fintech Partnerships:** We are actively exploring practical partnerships in the IT and Fintech space to boost our mobile and agency banking capabilities, thus extending banking services to the unbanked and contributing meaningfully to national financial inclusion efforts.
4. **MSME and Agribusiness Financing:** Recognizing the catalytic role of MSMEs and agribusiness in Ghana's development, we will expand our support to these sectors-targeting interventions that enhance food security, job creation, and economic empowerment of women and the youth.

### APPRECIATION

I take this opportunity to express deep appreciation to all our stakeholders: our loyal customers past and present who have held the brand high and helped us to this place of jubilation, dedicated management and staff, regulatory authorities-particularly the Bank of Ghana and ARB Apex Bank, our esteemed shareholders, our partners, the media, and the public.

To our cherished staff, a dynamic, young and vibrant team that have been able to take the mission and vision of this great bank and made it material for all to see.

To my fellow board members, I thank you for your commitment, wisdom, and integrity in steering the affairs of this bank.





The Board of Directors of Amenfiman Rural Banks Plc is committed to good Corporate Governance in accordance with Corporate Governance directives for Rural and Community Banks, Corporate Governance Disclosures Directives for Banks, Savings and Loans, Finance Houses and Financial Holding Companies issued the Bank of Ghana in May 2022, and the Fit and Proper Persons Directive 2019 issued by the Bank of Ghana, as well as the Code of Best Practices in Corporate Governance.

## Remuneration Structure

Directors receive fixed fees for serving on the Board and its sub-committees in line with approval from shareholders at the annual general meeting. The Board members' remuneration is approved by the shareholders.

## The Board of Directors

The Board is responsible for setting the bank's strategic direction, leading and controlling the bank and monitoring activities of the executive management. As at 31 December 2024, the Board of Directors of Amenfiman Rural Bank Plc consisted of Seven (6) Non-Executive Directors. This is in compliance with sections 19 to 21 of the Corporate Governance Directive of 2021. The Board members have wide experience and in-depth knowledge in management, industry, technology and financial markets which enables them to make informed decisions and valuable contributions to the bank's progress. The Board met the minimum required number of meetings to be held by the Board per section 32 of the Corporate Governance Directive of 2021.

## Schedule of Board Meetings Held in 2024

Attendance at the meetings were as follows:

MEMBER	MEETINGS ATTENDED
Dr. Toni Aubynn	6/6
Mr. Moses Ampong (Deceased) Dated 3/5/2024	2/6
Lawyer Rosemary Boakye Yiadom	6/6
Prof. Lucas Nana Wiredu Damoah	6/6
Mr. Edmund Afful	6/6
Mr. Michael Beekye	6/6
Dr. Frederick Yaw Sarpong	6/6





## Board Committees

The Board made a conscious decision to delegate a broader range of issues to the Board Committees, namely Audit and Finance, Credit/Risk and Compliance, and IT Steering, Corporate Social Responsibility/Project and Governance and HR. The linkages between the Committees and the Board are critical for the smooth running of the bank. The Board duly received minutes and updates from each of the Committee's meetings throughout the reporting period.

Attendance at the meetings for the year 2024 were as follows:

### 1. Audit and Finance Committee's Meetings

MEMBER	MEETINGS ATTENDED
Prof. Lucas Nana Wiredu Damoah	4/4
Mr. Michael Beekye	3/4
Mr. Edmund Afful	4/4

### 2. Credit/Risk and Compliance Committee

MEMBER	MEETINGS ATTENDED
Prof. Lucas Nana Wiredu Damoah	4/4
Mr. Moses Ampong	2/4
Mrs. Rosemary Boakye Yiadom	4/4
Mr. Michael Beekye	4/4

## Recruitment, Induction and Training of Directors

Individuals selected to be members of the Board have an appropriate diversity of skills and come from backgrounds necessary to provide the needed direction for the company. All new Directors to the Board are provided with a letter of appointment stating clearly the terms which shall govern their appointment after all the necessary regulatory approvals have been received with respect to the changes. The term of the directors is governed by the Bank of Ghana corporate governance directives, which limits the maximum period of service for the chairperson to six years and other members to nine years. New board members participate in a comprehensive induction program covering the company's financial, strategic, operational and risk management overviews to enable them effectively discharge their duties and responsibilities.

Below are the details of courses attended by the directors of the Bank to improve their capacity.





DATE	COURSE	PARTICIPANT	VENUE
03/02/2024	Directors Retreat by WERBA	Directors	WERBA House, Agona Nkwanta
21-22/3/2024	Emotional Intelligence Training	Directors	Noda Hotel, Kumasi
27/04/2024	Customer Demographics Insight & Data Cleanup.	Directors	Noda Hotel, Kumasi
04/09/2024	Financial Crime Mitigation	Directors	Virtual Zoom
14/09/2024	Satisfaction or Loyalty-Making Service a Competitive Advantage Training	Director	WERBA House, Agona Nkwanta
13/11/2024	Commitment to advancing Environment, Social & Governance (ESG) practices and Sustainability	Directors	Gold Plus Hotel, Kumasi.
27-28/6/2024	Corporate Governance Certification Training	Director	Noda Hotel, Kumasi
8-10/5/2024	Beyond Boundaries: Navigating new frontiers 2024 IIA Conference	Director	UPSA Auditorium, Accra
31-1/6/2024	Governance, Risk & Compliance Meeting	Directors	Raybow Hotel, Takoradi
24-27/6/2024	BOG Training on Regulatory & Supervisory Framework, Corporate Governance, Risk Management, Strategic Leadership, Internal Audit & Fraud Prevention, Ethics & Professionalism	Directors	Oak Plaza Hotel, Accra
23/5/2024	Workshop on Warehouse Receipt Finance (WFP) and Aggregator Finance (AF) Products	Director	Tyco City, Sunyani

## Board Qualifications and Composition

In accordance with sections 19 to 21 of the Corporate Governance Directive, all Board members are qualified for the position and remain qualified through training, for their positions. They have a clear understanding of their role in corporate governance and are able to exercise sound and objective judgement about the affairs of the company. They also possess, individually and collectively, appropriate experience, competencies and personal qualities, including professionalism and integrity.

There is one (1) female Director on the Board; and that there are not more than two (2) Directors serving on the Board that are related persons.

## Related Party Transactions

The Board has in place policies and procedures to ensure that all related party transactions are carried out at arm's length in accordance with the Directive and in accordance with the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930). This is intended to ensure that there is no favourable treatment given to a related party. Therefore, in any connected transactions the company ensures all the necessary approvals are obtained prior to the execution of the transaction.





## Board Performance Evaluation

The Board hereby certifies that it has complied with sections 45 and 46 of the Corporate Governance of 2021 on board evaluation.

## Business Strategy

In the year under review the Board approved and monitored the overall business strategy of the company, taking into account the long-term financial interest of the company, its exposure to risk, and its ability to manage risk effectively. This was in line with section 13 of the Directive.

## Internal Control and Internal Audit Framework

The Board has put an effective internal control system in accordance with the Directive and has a risk management in place. The Key Management Personnel holding these roles have sufficient authority, stature, independence, resources and access to the board.

Internal controls have been designed to ensure that each key risk has a policy, process or other measure, as well as a control to ensure that such policy, process or other measure is being applied and work as intended.

In accordance with section 15 of the Directive, the company also has an Internal Audit Department that have no involvement in the day-to-day activities and business line responsibilities of the company. The staff of the Department have the professional competence to collect, analyse financial information as well as evaluate audit evidence and communicate with the stakeholders of the internal audit function. The Internal Auditor possesses sufficient knowledge of auditing techniques and methodologies and reports directly to the Audit Committee and has direct access to the Board. The Board recognizes the importance of external auditors as vital to the corporate governance process and engaged during the year, the services of K & A Accounting Services, Chartered Accountants; an independent, competent and qualified external auditor, to undertake this function.

## Key Management Oversight

The Board has established a management structure that promotes accountability and transparency and oversees the implementation of appropriate systems for managing risks-both financial and non-financial to which the company is exposed. The company has engaged skilled and competent staff and provides training and development opportunities to sustain the delivery of short and long-term business objectives and the risk management framework that protects the reputation of the company.

## Succession Planning

Sections 16 and 17 of the Directive, directs the company to continue to pursue a robust talent and succession management process, knowing that our success is hinged on our ability to attract and retain the best talent in the industry, whilst maintaining a bench strength that ensures seamless leadership continuity. The company promotes a culture of regularly reviewing and refreshing the succession pipeline to align with the fluid nature of the current talent landscape. Business Unit Heads have been empowered to own the succession management process end-to-end in their





respective businesses. Executive Management's sponsorship and oversight of the process has ensured accountability from Business Heads across the company.

Our succession planning process prioritizes all critical roles at all levels in the organization; to ensure business and leadership continuity.

## **Code of Conduct**

As part of the company's corporate governance practice, management has communicated the principles of the company's code of conduct to all employees. The code of conduct provides a basic framework and guidance for behaviours and business conduct. The code of conduct also serves as a reference point in all aspects of employee's working relationships with other employees, customers, suppliers, government officials, regulators, joint venture partners, competitors and the broader community.

## **Corporate Culture and Values**

The company has established a corporate culture and values that promote and reinforces norms for responsible and ethical behaviour in terms of the company's risk awareness, risk-taking and risk management in accordance with section 14 of the Directive. This is achieved by the company through its board members setting and adhering to corporate values for itself. Key management and employees also create expectations that business should be conducted in a legal and ethical manner at all times. The corporate values, professional standards it sets together with supporting policies and appropriate sanctions for unacceptable behaviour are communicated to all employees.

## **Separation of Powers**

There is clearly in place a division of responsibilities between the positions of the Board Chair and the Chief Executive Officer in accordance with section 17 of the Directive.

## **Conflict of Interest**

The company's directors have a statutory duty not to place themselves in a position which gives rise to a real or substantial possibility of conflict of interest or duty in relation to any matter which is, or is likely to be brought, before the board. There was no conflict of interest.

## **Anti-Money Laundering**

The company has established an anti-money laundering system in compliance with the requirements of the Anti-Money Laundering (Amendment) Act 2020 (Act 1044). These include due diligence for opening new accounts, customer identification, monitoring of high-risk accounts, record keeping and training of staff on money laundering which assist in reducing regulatory and reputational risk to its business.

## **Compliance Declaration**

The Board declares that the company has complied with the requirement of section 13 of the Corporate Governance Directive.





# REPORT OF DIRECTORS

## to the Members of Amenfiman Rural Bank PLC

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### **Directors' Responsibilities and Approval**

The Directors are required in terms of the Companies Act, 2019 (Act 992) to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Bank as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Bank and place considerable importance on maintaining a strong control environment.

To enable the Directors to meet these responsibilities, the Board of Directors set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Bank and all employees are required to maintain the highest ethical standards in ensuring the Bank's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Bank is on identifying, assessing, managing and monitoring all known forms of risk across the Bank. While operating risk cannot be fully eliminated, the Bank endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

The Directors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Directors have reviewed the Bank's cash flows forecast for the year to December 31, 2024 and, in light of this review and the current financial position, they are satisfied that the Bank has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the Bank's annual financial statements.

### **Incorporation**

The Bank was incorporated on May 13, 1980 and re-registered on July 20, 2018. The Bank was granted a license to operate as a Rural Bank by the Bank of Ghana in accordance with the Banks and specialized Deposit Taking Institutions Act 2016, (Act 930).

The Bank is domiciled in Ghana where it is incorporated as a Limited liability by shares under the Companies Act, 2019 (Act 992). The address of the registered office is set out on page 2.



# REPORT OF DIRECTORS

## to the Members of Amenfiman Rural Bank PLC



### Nature of Business

The principal activity of the Bank is to provide full banking services as a banking financial institution. The Bank was licensed to operate as a Deposit-Taking Bank Financial Institution regulated by the Bank of Ghana under the Banking Act, 2004 (Act 673), (as repealed by the Banks and Specialized Deposit Taking Institutions Act, 2016 (Act 930)).

There have been no material changes to the nature of the Bank's business from the prior year.

### Review of financial results and activities

The annual report and financial statements have been prepared in accordance with International Financial Reporting Standards, the requirements of the Companies Act, 2019 (Act 992) and in manner required by the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). The accounting policies have been applied consistently compared to the prior year.

The Bank recorded a Net Profit after tax for the year ended December 31, 2024 of GHS 55,377,856. This represented a significant improvement from a profit-making position of GHS 16,802,293 for the prior year.

The Bank's net income increased by 105.35% from GHS 133,889,558 in the prior year to GHS274,938,605 for the year ended December 31, 2024.

### DETAILS ON THE STATE OF AFFAIRS OF THE BANK

The results of operations for the year ended 31st December, 2024 are set out in the Statement of Comprehensive income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and the Notes to the Financial Statements.

A summary of the results is as follows:

	<b>2024</b>	<b>2023</b>
	Ghc	Ghc
Profit / (Loss) Before Tax	89,017,024	24,419,539
Total Comprehensive Income	324,667,147	160,585,520
Total Assets	1,777,104,195	876,374,384





# REPORT OF DIRECTORS

## to the Members of Amenfiman Rural Bank PLC

### REGISTER OF INTEREST HELD BY DIRECTORS

S/N	NAME OF DIRECTOR	DESIGNATION	NUMBER OF SHARES	VALUE OF SHARES	SHARE-HOLDER (%)
1	Dr. Toni Aubynn	Chairman	509,244	90,513.99	0.60
2	Mr. Edmund Afful	Member	555,308	111,061.60	0.74
3	Prof. Lucas Nana Wiredu Damoah	Member	115,653	23,130.00	0.15
4	Mr. Michael Beekye	Member	79,305	15,861.00	0.11
5	Dr. Frederick Ohenebeng Sarpong	Member	268,819	53,763.80	0.36
6	Ms. Rosemary Obeng-Kwaah Esq.	Member	47,000	9,400.00	0.06

### Stated Capital

The Bank's Stated Capital increased from GHS 9,674,854 at the end of the previous year to GHS 15,081,305 resulting in an increase of GHS 5,406,451 which represents 55.88%. The increase emanates from the sale of shares of 27,032,252 at GHp 0.20 per share which amounted to GHS 5,406,450. The number of shares also increased from 49,492,795 in 2023 to 76,525,047 in 2024 representing 54.62% from the previous year.

### Property, Plant and Equipment

There was no change in the nature of property, plant and equipment of the bank or in the policy regarding their use. As at December 31, 2024, the Bank's investment in property, plant and equipment amounted to GHS 37,112,572 (2023: GHS 22,364,454) of which GHS 18,973,903 (2023: GHS 7,125,783) was added in the current year.

### Events after the reporting period

The Directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the company.

### Going concern

The Directors believe that the Bank has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The Directors have satisfied themselves that the Bank is in a sound financial position and that revenue from the assets under management would be enough to meet its foreseeable cash requirements. The Directors are not aware of any new material changes that may adversely impact the Bank. The Directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Bank.



# REPORT OF DIRECTORS

## to the Members of Amenfiman Rural Bank PLC



### Litigation statement

The Bank is not currently involved in any such claims or lawsuits, which individually or in the aggregate, are expected to have a material adverse effect on the business or its assets.

### Auditors

Messrs K and A Accounting services are willing to continue in office as auditors to the Bank for the ensuing year in accordance with the provision of Section 139 (5a) of Ghana Companies Act 2019 (Act 992) and Section 81 (4) of the Banks and Specialized Deposit – Taking Institutions Act, 2016 (Act 930). The Directors hereby recommend their re-appointment.

### Audit Fee Payable

Audit fee for the year ended 31st December 2024 amount to GHS 100,00.00 VAT exclusive.

### Corporate Social Responsibility

The amount spent on Corporate Social Responsibility during the year by the Bank amounted to GHS 1,322,380 (2023: GHS 459,084).

SECTOR	DETAILS	AMOUNT (GHC)
Education	Bursaries	13,340.00
Education	Donation to Faith Montessori and Child Dev. Centre	7,600.00
Education	Donation of 100 bags of cement to support BOA Amponsem SHS	13,000.00
Education	Amenfi State University	1,049,000
Health	Donation to support Healthcare of Samuel A. Kwadwo Ampong.	20,000.00
Health	Donation of 100bags of cement to support construction of Community Hospital at JAPA.	10,200.00
Sports	Donation given to SAMARTEX FC	20,000.00
Agriculture	2024 National Farmers Day Donations (Districts and Municipal Assemblies)	130,540.00
Other Social Needs	Donation made to Japa stool land	9,100.00
Other Social Needs	Donation to Rotary Club of Dunkwa Health Care Initiative	5,000.00
Other Social Needs	Donation to Wasa Amenfi East Municipal Assembly.	20,000.00
Other Social Needs	Donation made to NCCE IRO Interparty Dialogue	5,000.00
Other Social Needs	200 bags of cement supplied to Wasa Adansi Stool land.	19,600.00
<b>TOTAL</b>		<b>1,322,380.00</b>





# REPORT OF DIRECTORS

## to the Members of Amenfiman Rural Bank PLC

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### **Anti – Money Laundering**

The Bank has established an anti-money laundering system in compliance with the requirements of Ghana’s Anti-Money Laundering Act, 2020 (Act 1044) and Anti – Terrorism Act, 2008 (Act 762), and the Regulations made under these enactments. These include due diligence for opening new accounts, customer identification, monitoring of high-risk accounts, record keeping and training of staff on money laundering which assist in reducing regulatory and reputational risk to its business.

### **Dividend**

The Directors have proposed the payment of dividend of GHS 5,537,786 (2023: GHS 3,464,496) for the year ended 31st December, 2024.

### **State of Affairs**

The Directors consider the state of the Bank’s affairs to be satisfactory.

### **Directors’ Interest in Contract**

The directors have no interest in contracts entered into by the Bank.

### **Approval of Financial Statements**

The financial statements of Amenfiman Rural Bank PLC were approved by the Board of Directors on 28th April 2025 and signed on their behalf by:

**Dr. Anthony Aubynn**

**Rosemary Obeng Kwaah Esq**





## Report on the Audit of the Financial Statements.

### Opinion

We have audited the accompanying financial statements of Amenfiman Rural Bank Plc which comprise the statement of financial position as at 31 December 2024, the statement of comprehensive income, the Statement of cash flows, and the Statement of changes in equity for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements show a true and fair view of the financial position as at 31 December 2024, and of its financial performance and cash flows for the year then ended in accordance with the Companies Act, 2019 (Act 992), the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), the Anti- Money Laundering Act, 2008 (Act 749), the International Financial Reporting Standards (IFRS).

### 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 Code of Ethics for Professional Accountant (Including International Independence Standards)( The Code) issued by the International Standards Board for Accountants and the independence requirement of section 143 of the Companies Act ( Act 992). We have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgments, were of most significance in our audit of the financial statements of the current period. These matters were 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. We have determined that there are no such matters to report on.

### Other Information

The directors are responsible for the other information. The other information comprises Corporation Information and Report of the Directors but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not and will 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 identified above 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 on the other information that we have obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are





# INDEPENDENT AUDITORS REPORT on the Financial Statements for the year ended 31st December, 2024

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required to report that fact. We have nothing to report in this regard.

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

The Bank's Directors are responsible for the preparation of these financial statements in accordance with the Companies Act, 2019(Act 992), the Banks and Specialised Deposit – Taking Institutions Act, 2016 (Act 930), and the International Financial Reporting Standards (IFRSs). This responsibility includes designing, implementing, and maintaining internal control as Management determines is necessary and relevant to the preparation and fair presentation of the financial statements that are free from material misstatements, whether due to fraud or error, and selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances. In preparing the financial statements, Management is 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 Management either intends to liquidate the Bank or to cease operations, or has no realistic alternative, but to do so. Management and Board of Directors are responsible for overseeing the 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 judgments 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, misrepresentation 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Management's 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 Bank's 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 and appropriate audit evidence regarding the financial information of the entities or business activities within the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Bank's audit. We remain solely responsible for our audit opinion

We communicate with Management and Board of 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 those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to 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 those charged with governance, 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 not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

The Companies Act, 2019(Act 992) requires that in carrying out audit we report on the following:

We confirm that:

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii. In our opinion proper books of account have been kept by the Bank, so far as appears from our examination of those books, and
- iii. The statement of financial position, the statement of profit or loss and other comprehensive income, the statement of cash flows are in agreement with the books of account.

The Banks and Specialised 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 31 December 2024 of the Bank and the results for the year ended on that date.
- ii. We obtained all the information and explanation required for the efficient performance of our audit.
- iii. The transactions of the Bank are within their powers; and The Bank has generally complied





# INDEPENDENT AUDITORS REPORT on the Financial Statements for the year ended 31st December, 2024

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with the provisions of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930); the Anti-Money Laundering Act, 2008 (Act 749) and the Anti-Terrorism Act, (Act 762).

The Engagement Partner on the audit resulting in this independent auditor's report was Kwadwo Kwarteng

**K. and A. Accounting Services (ICAG/F/2024/089)  
(Chartered Accountants)**

**Partner Signing: Kwadwo Kwarteng**

**License Number (ICAG/P/1097)**

**49 Boundary Road (Coastal)**

**Off Spintex Road, Baatsonaa (Accra)**

**Date: 29th April, 2025**



# STATEMENT OF COMPREHENSIVE INCOME

## as at 31st December, 2024



	NOTES	2024 GH¢	2023 GH¢
Interest Income	(7)	<b>305,373,441</b>	153,129,686
Interest Expenses	(8)	(49,728,542)	(26,695,962)
<b>NET INTEREST INCOME</b>		<b>255,644,899</b>	<b>126,433,724</b>
Commissions and Fees	(9)	10,941,251	4,082,269
Other Operating Income	(10)	8,352,455	3,373,565
<b>TOTAL OPERATING INCOME</b>		<b>274,938,605</b>	<b>133,889,558</b>
Impairment Allowance	(11)	(6,372,251)	(2,313,563)
Investments/Specific Bad Debt	(12)	(24,525,698)	(10,475,669)
Operating Expenses	(13)	(149,836,822)	(93,258,696)
Depreciation and Amortisation	(14)	(5,186,811)	(3,422,091)
<b>OPERATING PROFIT/ (LOSS) BEFORE TAXATION</b>		<b>89,017,024</b>	<b>24,419,539</b>
Deferred Tax Liability	(17b)	(6,093,673)	420,847
Growth and Sustainability Levy	(16)	(4,450,851)	(1,220,977)
Income Tax Expense	(16)	(23,094,644)	(6,817,116)
<b>NET OPERATING PROFIT/ (LOSS) AFTER TAX</b>		<b>55,377,856</b>	<b>16,802,293</b>
<b>EARNINGS PER SHARE (EPS)</b>			
Basic Earnings per share (in GHP)		0.724	0.339
Diluted Earnings per share (in GHP)		0.724	0.339





# STATEMENT OF FINANCIAL POSITION

## as at 31st December, 2024

ASSETS	NOTES	2024 GH¢	2023 GH¢
<b>CURRENT ASSETS</b>			
Cash and Short Term Funds	(18)	164,899,114	89,117,901
Investments	(19)	934,271,262	538,261,507
Loans and Advances to Customers	(20a)	618,975,085	207,472,899
Other Assets Account	(21)	18,788,820	9,322,299
		<b>1,736,934,281</b>	<b>844,174,606</b>
<b>NON-CURRENT ASSETS</b>			
Long Term Investments	(22)	364,985	301,671
Property, Plant & Equipment	(23)	37,112,572	22,364,454
Intangible Assets	(25)	-	237,908
Right of Use - Lease Assets	(26)	2,692,357	3,272,694
Deferred Tax Asset	(17b)	-	6,023,051
<b>TOTAL ASSETS</b>		<b>1,777,104,195</b>	<b>876,374,384</b>
<b>LIABILITIES AND SHAREHOLDERS' FUND LIABILITIES</b>			
Deposits and Current Accounts	(27)	1,553,748,542	768,738,823
Creditors and Accruals	(28)	72,462,316	26,549,572
<b>SHORT TERM BORROWING</b>			
Commercial Banks	(29)	37,682,144	3,181,818
<b>TAX LIABILITIES</b>			
Current Corporate Tax	(17a)	3,520,564	3,071,108
Deferred Tax Liability	(17b)	1,929,637	1,859,016
<b>TOTAL LIABILITIES</b>		<b>1,662,302,075</b>	<b>803,400,337</b>



# STATEMENT OF FINANCIAL POSITION

as at 31st December, 2024



	NOTES	2024 GH¢	2023 GH¢
<b>SHAREHOLDERS' FUNDS</b>			
Stated Capital	(30)	15,081,305	9,674,854
Preference Shares		13	13
Statutory Reserve Fund	(31)	25,928,713	12,084,249
Credit Risk Reserve	(32)	266,358	301,035
Retained Earnings	(33)	54,912,156	41,652,150
Development Fund	(34)		
Staff Fund	(35)	3,638,138	1,423,024
Scholarship Fund	(36)	4,297,995	2,186,781
University Project Fund	(37)	4,557,388	1,473,621
Impaired Investment Fund	(38)	2,889,013	2,889,013
<b>TOTAL SHAREHOLDERS' FUNDS</b>		<b>114,802,120</b>	<b>72,974,047</b>
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' FUNDS</b>		<b>1,777,104,195</b>	<b>876,374,384</b>

Approved by the Directors on 28th April, 2025 and signed by;

**Dr. Anthony Aubynn**  
Chairman

**Rosemary Obeng Kwaah Esq**  
Director





# STATEMENT OF CASH FLOW

## for the year ended 31st December, 2024

<b>CASHFLOW FROM OPERATING ACTIVITIES</b>	<b>2024 GH¢</b>	<b>2023 GH¢</b>
Operating Profit/(Loss) for the Year	89,017,024	24,419,539
ADD: NON-CASH MOVEMENT		
Depreciation	5,186,811	3,386,430
Amortisation-Software	-	35,661
Loss on Disposal	-	71,840
Transfer of CWIP/Non-Cash Movement	-	365,970
Impairment Charges on Financial Assets	6,372,251	2,313,563
Adjustment in Equity	2,342,876	-
Scholarship Fund	4,297,995	2,186,781
University Project Fund	4,557,388	1,473,621
Impaired Investment Fund	(2,889,013)	2,889,013
<b>OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL MANAGEMENT</b>	<b>98,233,210</b>	<b>30,593,003</b>
<b>LIABILITIES AND SHAREHOLDERS' FUND LIABILITIES</b>		
(Increase) / Decrease in Loans and Advances	(417,874,437)	55,401,787
(Increase) / Decrease in Other Assets	(9,466,521)	2,339,869
(Increase) / Decrease in Investment	(396,009,755)	263,252,322
Increase / (Decrease) in Payable and Accruals	45,912,744	10,633,159
Increase / (Decrease) in Customers Deposits	785,009,718	211,565,659
<b>NET CASH (OUT) / IN FLOW FROM OPERATING ACTIVITIES</b>	<b>(1,662,302,075)</b>	<b>803,400,337</b>
Tax Paid	(34,137,167)	7,280,527



# STATEMENT OF CASH FLOW

## for the year ended 31st December, 2024



	<b>2024 GH¢</b>	<b>2023 GH¢</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
P.P.E. - Acquired During the Year	(16,845,956)	5,468,125
Right of Use - Lease Assets	(591,060)	1,608,749
Increase in Capital Work-in-Progress Expenditure	(2,127,947)	1,657,658
Write-off	448,278	-
<b>NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES</b>	<b>(19,116,685)</b>	<b>8,734,532</b>

<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
(Increase) / Decrease in Long Term Investment	(63,314)	57,519
(Increase) / Decrease in Short Term Borrowing	34,500,326	1,818,182
Dividend Payable	(16,613,357)	-
Proceeds From Disposal	-	50,000
Proceeds From Issue of Shares	5,406,451	1,172,351
<b>NET CASH (OUTFLOW) FROM FINANCING ACTIVITIES</b>	<b>23,230,105</b>	<b>(653,350)</b>
<b>INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>75,781,213</b>	<b>(84,870,566)</b>
<b>CASH AND CASH EQUIVALENTS AT 1ST JANUARY</b>	<b>89,117,901</b>	<b>173,988,467</b>
<b>CASH AND CASH EQUIVALENTS AS AT 31ST DECEMBER</b>	<b>164,899,114</b>	<b>89,117,901</b>

<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	47,255,211	32,444,721
Bank Balances with ARB Apex Bank - Current	16,234,429	6,748,041
- 5% Apex Deposit	72,235,632	36,319,336
Bank Balances with Other Bank	29,173,842	13,605,803
	<b>164,899,114</b>	<b>89,117,901</b>





# STATEMENT OF CHANGES IN EQUITY

for the year ended 31st December, 2024

<b>2024</b>	<b>STATED CAPITAL GHS</b>	<b>PREFERENCE SHARES GHS</b>	<b>STATUTORY RESERVE FUND GHS</b>	<b>CREDIT RISK RESERVE GHS</b>	
Balance as at 1/1/2024	9,674,854	13	12,084,249	301,035	
Proposed Dividend	-	-	-	-	
Funds receive during the year	-	-	-	-	
Credit Reserve	-	-	-	(34,677)	
Adjustment for the Year	-	-	-	-	
Profit for the Year	-	-	-	-	
Appropriation	-	-	13,844,464	-	
Utilised During the Year	-	-	-	-	
Proceeds from Issue of Shares	5,406,451	-	-	-	
<b>Balance as at 31/12/2023</b>	<b>15,081,305</b>	<b>13</b>	<b>25,928,713</b>	<b>266,358</b>	

<b>2023</b>	<b>STATED CAPITAL GHS</b>	<b>PREFERENCE SHARES GHS</b>	<b>STATUTORY RESERVE FUND GHS</b>	<b>CREDIT RISK RESERVE GHS</b>	
Balance as at 1/1/2024	8,024,158	13	9,983,962	214,343	
Appropriation	-	-	2,100,287	-	
Credit Reserve	-	-	-	86,692	
Profit for the Year	-	-	-	-	
Utilised During the Year	-	-	-	-	
Proceeds from Issue of Shares	1,650,696	-	-	-	
<b>Balance as at 31/12/2023</b>	<b>9,674,854</b>	<b>13</b>	<b>12,084,249</b>	<b>301,035</b>	



# STATEMENT OF CHANGES IN EQUITY

for the year ended 31st December, 2024



	RETAINED EARNINGS GHS	COMMUNITY DEV'T FUND GHS	SCHOLARSHIP FUND GHS	STAFF FUNDS GHS	UNIVERSITY PROJECT FUNDS GHS	IMPAIRED INVESTMENT FUND GHS	Total GHS
	41,652,150	1,289,307	2,186,781	1,423,024	1,473,621	2,889,013	72,974,047
	(20,077,852)	-	-	-	-	-	(20,077,852)
	-	3,000	-	-	220,729	-	223,729
	34,677	-	-	-	-	-	-
	2,845,361	-	-	-	-	-	2,845,361
	55,377,856	-	-	-	-	-	55,377,856
	(24,920,035)	2,215,114	2,215,114	2,215,114	4,430,228	-	-
	-	(276,380)	(103,900)	-	(1,567,190)	-	(1,947,470)
	-	-	-	-	-	-	5,406,451
	<b>54,912,156</b>	<b>3,231,041</b>	<b>4,297,995</b>	<b>3,638,138</b>	<b>4,557,388</b>	<b>2,889,013</b>	<b>114,802,120</b>

	RETAINED EARNINGS GHS	COMMUNITY DEV'T FUND GHS	SCHOLARSHIP FUND GHS	STAFF FUNDS GHS	UNIVERSITY PROJECT FUNDS GHS	IMPAIRED INVESTMENT FUND GHS	Total GHS
	30,244,257	618,676	1,356,666	602,909	587,061	2,889,013	49,823,388
	(5,796,792)	840,115	840,115	840,115	1,176,160	-	-
	(86,692)	-	-	-	-	-	-
	16,802,293	-	-	-	-	-	16,802,293
	489,084	(169,484)	(10,000)	(20,000)	(289,600)	-	-
	-	-	-	-	-	-	1,650,696
	<b>41,652,150</b>	<b>1,289,307</b>	<b>2,186,781</b>	<b>1,423,024</b>	<b>1,473,621</b>	<b>2,889,013</b>	<b>72,974,047</b>





# ACCOUNTING POLICIES

## for the year ended 31st December, 2024

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### 1. General Information

#### 1.1 Registration and Nature of Business

Amenfiman Rural Bank Plc is a Private Company incorporated and domiciled in Ghana. The Registered office is located at Wassa Akropong, Western Region. The Bank primarily is involved in rural banking. Amenfiman Rural Bank Plc (“the Bank”) is a Limited liability Bank incorporated under the Companies Act, 1963, Act 179, (now repealed and replaced by the Companies Act, 2019, Act 992) on 13th May, 1980, and re-registered on 20th July, 2018. The Bank is licensed by the Bank of Ghana (BOG) to receive deposits from and grant loans to customers and also provide any other service ancillary to financial services allowed by the regulator.

The address of its registered office is Unnumbered Bank Building, Old Town Junction, Amenfiman, Wassa Akropong and a Postal Address of P. O. Box 14, Wassa Akropong, Western Region, Ghana. The Bank provides a wide range of services to a substantial and diversified client base that includes other financial institutions, businesses, government and public corporations and individuals.

The Bank provides a wide range of services to a substantial and diversified client base that includes other financial institutions, businesses, government and public corporations and individuals.

### 2. Basis of Preparation of Financial Statements

#### 2.1 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) and in the manner required by the Companies Act 2019, (Act 992) and the Banks and Specialized Deposit Taking Institutions Act, 2016, (Act 930).

#### 2.2 Basis of Measurement

The financial statements have been prepared on a historical cost convention, except for the measurement of available-for-sale financial assets that are measured at fair value.

Historical cost is generally based on the fair value of consideration given in exchange for goods and services.

Fair value is the price that will be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Bank takes into account the characteristics of the asset or liability if market participants will take those characteristics into account when pricing the asset or liability at the measurement date.

#### 2.3 Functional and presentation currency

The financial statements are presented in Ghana cedi which is the Bank’s functional and presentation currency. Except otherwise indicated, the financial information presented has been rounded off to the nearest one Ghana cedi.





### 2.4 Use of estimates and Judgement

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

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

### 2.5 Income and Statement of cash flows

The Bank has elected to present a single statement of profit or loss and other comprehensive income and presents its expenses by function of expense method.

The Bank reports cash flows from operating activities using the indirect method. Interest received is presented within operating cash flows; interest paid is presented within operating cash flows.

## 3. Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

### 3.1 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured. The following specific recognition criteria apply in revenue recognition.

Revenue includes interest income, commissions and fees, gain on disposal of securities and financial advisory fees.

#### a. Interest Income and Expenses

Interest income and expense are recognised within “finance income” and “finance costs” in profit or loss using the effective interest rate method, except for borrowing costs relating to qualifying assets, which are capitalised as part of the cost of that asset.

The Bank has chosen to capitalise borrowing costs on all qualifying assets irrespective of whether they are measured at fair value or not.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period





# ACCOUNTING POLICIES

## for the year ended 31st December, 2024

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where appropriate, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Bank estimates cash flows considering all contractual terms of the financial instrument (for example, pre-payment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

### **b. Fees and Commission**

Fees and commission are generally recognized on accrual basis. Fees and commission fee including advisory fees, transfer commission, facility and processing fees and syndication fees are recognised as the related services are performed. Fees and commission arising from negotiating or participating in a transaction on behalf of a third party are recognised upon completion of the underlying transaction.

### **c. Other income**

Other incomes are recognised as and when they are earned.

### **d. Dividends income**

Revenue is recognised when the Bank's right to receive the payment is established (provided that it is probable that the economic benefits will flow to the Bank and the amount of income can be measured reliably)

### **e. Right of Use**

Payments for office rent are recognised in profit or loss on a straight-line basis over the term of the lease after discounting it over the lease period. 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.

## **3.2 General and administrative expenses**

Expenses include legal, accounting, auditing and other fees. They are recognised in profit or loss in the period in which they are incurred (on an accruals basis).

## **3.3 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 Benefits Pension Scheme, the Bank contributes 13% of employees' basic salary in addition to 5.5% deduction from employees' basic salary to SSNIT for employee pensions.

### **ii. Provident Fund**

The Bank has a provident fund scheme for all employees who have completed probation with the Bank. Employees contribute 5% of their basic salary to the fund whilst the Bank contributes 12.5%. The obligation under the plan is Plc to the relevant contribution and these are settled on due dates.





### iii. Termination Benefits

Termination benefits are recognised as an expense when the Bank is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date.

### 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 recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans 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.

## 3.4 Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and Bank overdrafts.

Cash and cash equivalents are carried at amortised 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.

## 3.5 Intangible Assets

### a. Initial recognition

Intangible assets that are acquired by the Bank and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment charges.

### b. Subsequent measurement

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including internally generated goodwill, is written off in profit or loss as incurred.

### c. Amortisation

Intangible assets are amortised on a straight-line basis in profit or loss over their estimated useful lives, from the date they are available for use.

The annual amortisation rate for the current and comparative years is as follows:

- computer software licenses: 33.33%





# ACCOUNTING POLICIES

## for the year ended 31st December, 2024

### 3.6 Property, Plant and Equipment (PPE)

All property, plant and equipment (PPE) is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items and where applicable borrowing costs.

Cost of an item of PPE includes its purchase price and any direct attributable costs. Cost includes the cost of replacing part of an existing PPE at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an item of PPE.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Bank and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognized. All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

#### Depreciation

Depreciation, based on a component approach, is calculated using the straight-line method to allocate the cost over the assets estimated useful lives as follows:

ASSETS	RATE (%)
Office Furniture and Equipment	20
Building	5
Temporal Structure	20
Office Equipment	20
Motor Vehicles	33.33
Computers	20
Generator	25
Safe, Lawn and Mower	15
Leasehold Property	2
Solar Energy	20
Lawn Mower	25

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at least at each financial year end.

An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the statement of profit or loss.





### 3.7 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 recognised 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 recognised as part of net trading income in profit or loss. Trading assets and liabilities are not reclassified subsequent to their initial recognition.

### 3.8 Financial Instruments

#### 3.8.1 Initial Recognition and Subsequent Measurement

##### i. Recognition

Financial assets and liabilities, with the exception of loans and advances to customers and balances due to customers, are initially recognised on the trade date, i.e. the date that the Bank becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace. Services provided to customers on credit are recognised when the service is provided to the customers. The Bank recognises due to customer balances when payment reaches the Bank.

##### ii. Initial Measurement of Financial Instruments

The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial instruments are measured initially at their fair value plus transaction cost, except in the case of financial assets and liabilities recorded at fair value through profit or loss.

##### iii. Amortised Cost Measurement

The amortised 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 amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

##### iv. 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 markets or 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.

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.

##### v. 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 realise the asset and settle the liability simultaneously.





# ACCOUNTING POLICIES

## for the year ended 31st December, 2024

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### 3.8.2 Financial Assets or Financial Liabilities Held for Trading

The Bank classifies financial assets or financial liabilities as held for trading when they have been purchased or issued primarily for short term profit making through trading activities or form part of a portfolio of financial instruments that are managed together for which there is evidence of a recent pattern of short-term profit taking. Held for trading assets and liabilities are recorded and measured in the statement of financial position at a fair value.

Changes in fair value are recognised in net trading income, interest and dividend income or expense is recorded in net trading income according to the terms of the contract, or when the right to payment has been established.

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

### 3.8.3 The Effective Interest Rate Method

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate a shorter period, to the net carrying amount of the financial asset or financial liability. The amortised cost of the financial asset or financial liability is adjusted if the Bank revises its estimates of payment or receipts.

The adjusted amortised cost is calculated based on the original or latest re estimated EIR and the change in is recorded as 'interest and similar income' for financial assets and 'for financial assets' and 'Interest and similar expense' for financial liabilities. The accounting policies for the EIR method vary by instruments.

### 3.8.4 Available-for-sale- Financial Investments

Available-for-sale investments include equity and debt securities. Equity investments classified as available-for-sale are those which are neither classified as held for trading nor designated at Fair Value through Profit or Loss (FVPL). Debt securities in this category are intended to be held for an indefinite period of this time and may be sold in response to needs for liquidity or in response to changes in market conditions.

The Bank has not designated any loans or receivables as available-for sale. After initial measurement, available-for-sale financial investments are subsequently measured at fair value.

Gains and losses are recognised directly in OCI in the available-for-sale reserve. When the investment is disposed of, the cumulative gain or loss previously recognised in equity is recognised in the income statement, in other operating income. Where the Bank holds more than one investment in the same security, they are deemed to be disposed of on a first-in-first- out basis.

Interest earned whilst holding available-for-sale financial investments is reported as interest income using the EIR which takes into account any discount/premium and qualifying transaction cost that are an integral part of the instrument's yield.

Dividends earned whilst holding available-for-sale financial investments are recognised in the income statements other operating income when the right of the payment has been established. The losses arising from impairment of such investments are recognised in the income statement in 'impairment losses on financial investments' and removed from the available-for-sale reserve.





### 3.8.5 Held-to-Maturity Financial Investments

Held-to-maturity financial investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Bank has the intention and ability to hold to maturity. After initial measurement, held-to-maturity financial investments are subsequently amortised cost using the EIR less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the EIR. The amortisation is included in interest and similar income in the income statement. The losses arising from impairment of such investments are recognised in the income statement within credit loss expense.

If the Bank were to sell or reclassify more than an insignificant amount of held-to-maturity investments before maturity (other in certain specific circumstances), the entire category would be tainted and would have to be reclassified as available-for-sale. Furthermore, the Bank would be prohibited from classifying any financial asset as held-to-maturity during the following two years.

### 3.8.6 Financial Assets and Financial Liabilities Designated at Fair Value Through Profit or Loss

Financial assets and financial liabilities classified in this category are those that have been designated by management upon initial recognition. Management may only designate an instrument at FVPL upon initial recognition when one of the following criteria are met, and designation is determined on an instrument-by-instrument basis:

The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis or The assets and liabilities are part of a group of financial assets, financial liabilities, or both, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy or

The financial instrument contains one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative (s) is prohibited.

Financial assets and financial liabilities at FVPL are recorded in the statement of financial position at fair value. Changes in fair value are recognised in net gain or loss on financial assets and liabilities designated at FVPL. Interest earned or incurred is accrued in interest income or interest expense, respectively, integral part of instrument, while dividend income is recorded in other operating income when the right to the payment has been established.

#### i. 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 eliminated 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 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.





# ACCOUNTING POLICIES

## for the year ended 31st December, 2024

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### 3.8.7 Reclassification of Financial Assets

For a financial asset reclassified out of the available-for-sale category, any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment, using the EIR. Any difference between the new amortised cost and the expected cash flows is also amortised over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is recycled to the income statement.

In rare circumstances, the Bank may reclassify a non-derivative trading asset out of the held for trading category and into the investments and receivables category if it meets the definition of investments and receivables and the Bank has the intention and ability to hold financial asset for the foreseeable future or until cash receipts as a result of increased recoverability of those cash receipts, the effect of that increase is recognised as an adjustment to the EIR from the date of the change in estimate. Reclassification is at the election of management and is determined on an instrument-by-instrument basis. The Bank does not reclassify any financial instrument into the FVPL category after initial recognition.

### 3.8.8 De-recognition of Financial Assets and Financial Liabilities

#### i. Financial Assets

A financial asset (or, where applicable a part of financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the asset have expired. The Bank also derecognises the assets if it has both transferred the asset, and the transfer qualifies for de-recognition.

The Bank will transfer the asset if and only if, either: The Bank has transferred its contractual rights to receive cash flows from the asset or It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass through” arrangement.

Pass-through arrangements are transactions when the Bank retains the contractual rights to receive the cash flows of a financial asset (the ‘original asset’), but assumes a contractual obligation to pay those cash flows to one or more entities (the ‘eventual recipients’), when all of the following three conditions are met:

The Bank has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances by the entity with the right to full recovery of the amount lent plus accrued interest at market rates. The Bank cannot sell or pledge the original asset other than as security to the eventual recipients for the obligation to pay them cash flows.

The Bank has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Bank is not entitling to reinvest such cash flows, except for investments in cash or cash equivalents during the short settlement period from the collection date to the date of required remittance to the eventual recipients, and interest earned on such investments is passed to the eventual recipients.



# ACCOUNTING POLICIES

## for the year ended 31st December, 2024

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A transfer only qualifies for de-recognition if either:

In relation to the above, the Bank considers the control to be transferred if, and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

When the Bank has transferred its rights to receive cash flows from an asset or has entered into pass-through arrangement and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Bank continuing involvement in it. In that case, the Bank also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Bank has retained.

Continuing involvement takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Bank could be required to repay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, bank's continuing involvement is the amount of the transferred asset that the Bank may repurchase. However, in the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price. The Bank also recognises a financial asset, in particular, a when sales are made to customer when the terms and conditions have been renegotiated to the extent that it substantially became a new receivable, with the difference recognised as impairment in the income statement.

### **ii. Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged, cancelled, or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.





# ACCOUNTING POLICIES

## for the year ended 31st December, 2024

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### 3.9 Impairment of Financial Assets

#### 3.9.1 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 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 other financial assets (carried at amortised cost) with similar risk characteristics.

The Bank records an allowance for expected credit loss for all loans and loans receivables, and other debt instruments held at amortized cost, together with off balance sheet items (loan commitments and financial guarantee contracts). In this section, all referred to as 'financial instruments'. Equity instruments are not subject to impairment under IFRS 9.

#### 3.9.2 Calculation of Expected Credit Loss

ECLs are a probability-weighted average estimate of credit losses that reflects the time value of money. Upon initial recognition of the financial instruments in scope of the impairment policy, the Bank records a loss allowance equal to 12-month ECL, being the ECL that result from default events that are possible within the next twelve months. Subsequently, for those financial instruments that have experienced a significant increase in credit risk (SICR) since initial recognition, a loss allowance equal to lifetime ECL is recognized, arising from default events that are possible over the expected life of the instrument. The expected credit losses are weighted on the basis of three macroeconomic scenarios (adverse, basic and favorable).

For the purposes of calculating expected credit losses, the financial instruments are classified in three stages as follows:

- **Stage 1:** Stage 1 includes performing exposures that do not have significant increase in credit risk since initial recognition. Stage 1 also includes exposures for which credit risk has been improved and the exposure has been reclassified from Stages 2 or 3. In this stage expected credit losses are recognized based on the probability of default within the next 12 months.
- **Stage 2:** Stage 2 includes performing exposures for which there has been a significant increase in credit risk since initial recognition. Stage 2 also includes exposures for which the credit risk has improved, and the exposure has been reclassified from stage 3. In this stage, lifetime expected credit losses are recognized.
- **Stage 3:** Stage 3 includes non-performing / credit-impaired exposures. In this stage lifetime expected credit losses are recognized.

The Bank calculates impairment losses on a portfolio basis, except for financial assets that are credit-impaired in which case they are calculated on an individual basis. The Bank applies three





main components to measure expected credit losses which are LGD, PD and EAD, and assigns general market scenarios for potential credit risk deterioration.

There can be transfers of exposures from one stage to another, depending on whether there is a change in the credit risk of that exposure. Probability of default is an estimate of the likelihood of default over a given time horizon.

The Bank uses information obtained from the Global Emerging Markets (GEMs) database in order to assign LGD to its loan asset classes. GEMs is an International Financial Institution (IFI) wide initiative designed to pool default and recovery rates experienced by IFIs in emerging markets. Treasury asset classes derive their PDs from the assigning rating agency. LGD is an estimate of the loss arising on default. The Bank uses information obtained from the GEMs database to assign LGDs to its lending asset classes, and treasury asset classes derive their LGDs from the assigning rating agency.

### 3.9.3 Basic Parameters Used for The Calculation of Expected Credit Loss

The calculation of expected credit losses is based on the following parameters:

- Probability of Default (PD) represents the probability that a debtor will default on his debt obligations either over the next twelve months or over the remaining maturity of his debt. In accordance with IFRS 9, the Bank uses non-discriminatory point-in-time PDs that adjust to macroeconomic assumptions using the Expected Credit Loss.
- Exposure at Default (EAD) is defined as the estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, and undrawn commitments based on the Bank's own experience.
- Loss Given Default (LGD) represents the extent of the loss that the Bank expects for exposures that are in default and is defined as the difference between the contractual cash flows and those that the Bank expects to collect, including collateral amounts.

LGD, which is usually expressed as a percentage of the EAD, varies according to the category of the counterparty, the category and priority of the claim, the existence of collateral and other credit enhancements.

The Bank assigns credit rating to each loan at inception based on the internal scorecard methodologies for Financial Institutions, Corporates or Project Finance and all loans are subject to annual credit review if rated to a category up to BB+, while all loans below that rating are subject to semi annual credit review. The credit rating is primary input to the PD which is calculated based on statistical model and incorporates macroeconomic projections.

The LGD estimates are according to values and determined estimates mainly by geography and by type of counterparty, with three main exposure classes: sovereign, public and private sectors. In case of sovereign default of member countries, the Bank believes that its payment would remain uninterrupted, benefitting from its preferred creditor status resulting in no credit risk of impairment loss from sovereign exposures or loans guaranteed by sovereign. The Bank calculates expected credit losses based on the weighted probability of three scenarios. More specifically the Bank uses a statistical model to produce forecasts of the possible evolution of macroeconomic variables (GDP





# ACCOUNTING POLICIES

## for the year ended 31st December, 2024

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and unemployment rate) that affect the level of expected credit losses of loans under a baseline and under alternative macroeconomic scenarios (adverse and favorable) and also assigns the cumulative probabilities associated with these scenarios. The baseline scenario is the most likely scenario and is in line with the Bank's information for strategic planning and budgeting purposes.

### 3.9.4 Significant increase in credit risk

At each reporting date, the Bank assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Bank compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

In order to determine whether there has been a significant increase in the credit risk since origination, and hence transition to Stage 2, a combination of quantitative and qualitative risk metrics are used. All loans with at least a 3-notch downgrade in PD on the Bank's internal ratings scale since origination, all loans for which the contractual payments are overdue by between 31 and 90 days inclusive, as well as all loans placed on the 'watch list' are transitioned to Stage 2.

For financial guarantee contracts, the date the Bank becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purpose of assessing the financial instrument for impairment.

In assessing whether there has been a significant increase in credit risk since initial recognition of a financial guarantee contract, the Bank considers the risk that the specified debtor will default on the contract in line with the above determination for loans.

Generally, there will be a significant increase in credit risk before a financial asset becomes credit impaired or an actual default occurs. The assessment of significant increase in credit risk is key in transferring an exposure from Stage 1 to Stage 2 and the respective change in the ECL measurement from 12-month to lifetime ECL.

### 3.9.5 Credit-impaired

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the issuer or the borrower;
- A breach of contract, such as a default or past due event;
- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- It is becoming probable that the borrower will enter Bankruptcy or other financial reorganization;
- The disappearance of an active market for that financial asset because of financial difficulties; or
- The purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.





It may not be possible to identify a single discrete event – instead, the combined effect of several events may have caused financial assets to become credit-impaired.

### 3.9.6 Definition of Default

The definition of default used for determining the risk of a default occurring shall be applied consistently to all financial instruments unless information becomes available that demonstrates that another default definition is more appropriate for a particular financial instrument. A default is considered to have occurred when either of the following conditions had taken place.

#### a. Qualitative

Unlikelihood to Pay (UTP) criterion: the Bank considers that the obligor is unlikely to pay its credit obligations to the Bank without recourse by the Bank to actions such as realizing security. Below are some elements that are taken as indications of unlikelihood to pay

- The Bank puts the credit obligation on non-accrued status.
- The Bank recognizes a specific credit adjustment resulting from a significant perceived decline in credit quality subsequent to the institution taking on the exposure.
- The Bank has filed for the obligor's Bankruptcy or a similar order in respect of an obligor's credit obligation to the Bank, the parent undertaking or any of its subsidiaries.
- The obligor has sought or has been placed in Bankruptcy or similar protection where this would avoid or delay repayment of a credit obligation to the Bank, the parent undertaking or any of its subsidiaries.

#### b. Quantitative.

Past due criterion: the exposure is past due more than 90 days on any credit obligation to the Bank. Impairment losses for guarantees are recognized while a guarantee is in effect and the amounts are determined based on the level of utilization of the guarantee. The methodology is consistent to that of loan commitments, and such losses are included in 'Other liabilities.

Interest income is calculated on the gross carrying amount for financial assets in Stage 1 and 2. As the primary definition for credit-impaired financial assets moving to Stage 3, the Bank applies the definition of default, and interest income is calculated on the net carrying amount for these financial assets only. If the amount of impairment subsequently decreases due to an event occurring after a write-down, the release (i.e. reverse) of the impairment is credited to the provision for impairment asset losses. Unwinding of the discount is treated as income and remaining provision is then reassessed.

### 3.9.7 Renegotiated financial assets.

When necessary, the Bank seeks to restructure a financial asset that may involve extending the payment arrangements and the agreement of new loan terms and conditions.

These are generally renegotiated in response to an adverse change in the financial condition of the borrower.

Modifications occur when the contractual cash flows of a financial asset are renegotiated or otherwise modified. Some modifications result in derecognition of the existing asset and recognition of a new asset with the difference recognized as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded, while other modifications do not





# ACCOUNTING POLICIES

## for the year ended 31st December, 2024

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result in derecognition. Modifications that result in derecognition are considered to be substantial modifications. A significant or substantial change is defined when the customer enters into a new loan contract (i.e. completely new product and new pricing) that has a different interest rate type, loan amount, term period (temporary term extension is excluded), and/or customer (e.g. from single customer to joint or change in one of the joint customer names).

A distressed restructuring is an indication of unlikeliness to pay where this is likely to result in a diminished financial obligation caused by the material (change in the net present value of the asset by more than 10%) forgiveness, or postponement of either principal, interest or, where relevant fees. Distressed restructuring occurs when forbearance measures have been extended towards a debtor. Therefore, those forbore exposures where the forbearance measures are likely to result in a diminished financial obligation are classified as defaulted.

Restructured operations will be considered cured and normalized after two successful repayments (average of 6 months per repayment) and could therefore be subject to a Stage movement. For loans that are modified the Bank recalculates the gross book value based on the revised cash flows on the financial asset and recognizes the profit or loss from the modification in income statement. The new gross book value is recalculated by discounting the modified cash flows at the original effective interest rate.

### 3.10 Impairment of non-financial assets

Assets that have an indefinite useful life - for example, goodwill - are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash- generating units).

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. Impairment losses on goodwill are not reversed.

### 3.11 Financial Liabilities

The Bank recognizes a financial liability in its financial statements at the time of the arising from the item (that is, the day the transaction took place). Financial liabilities primarily include (a) borrowings and (b) other liabilities.

#### 3.11.1 Borrowings

Borrowing transactions which are amounts due to financial institutions and debts evidence by certificates, are recognized in the statement of financial position at the time the funds are transferred to the Bank. They are measured initially at the fair value of the funds transferred, less any transaction costs. They are subsequently measured at amortized cost unless they qualify for hedge accounting in which case the amortized cost is adjusted for the fair value movements attributable to the to the





risks being hedged. Interest expense is accrued in the income statement within “Interest expense” using the effective interest rate method.

### 3.11.2 Other Liabilities

Other liabilities that are not derivatives or designated at FVTPL, are recorded at amortized cost. The amounts include accrued finance charges on borrowings and other accounts payable.

### 3.12 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 recognised 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 recognised in the Bank financial statements. Loans and advances are initially measured at fair value plus incremental direct transaction costs, and subsequently measured at their amortised cost using the effective interest method, except when the Bank chooses to carry the loans and advances at fair value through profit or loss as described in accounting policy.

### 3.13 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 hold-to-collect, hold-to-sell or hold-to-collect and sell.

#### i. Hold-to-collect

Hold-to-collect 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 collect, and which are not designated at hold to sell or hold to collect and sell. Holdto- collect investments are carried at amortised cost using the effective interest method. It must be noted that IFRS 9 only considers fair value and amortised cost based on the business models for managing the financial asset and the contractual cash flow characteristics of the financial asset. Thus, all hold to collect assets is classified asamortised costs.

#### ii. Hold to sell

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

#### iii. Hold to collect and sell

Hold to collect and sell investments is 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 amortised cost. All other hold to collect and sell investments are varied at fair value. Other fair value changes are recognised directly in equity until the investment is sold or impaired and the balance in equity is transferred to profit or loss.





# ACCOUNTING POLICIES

## for the year ended 31st December, 2024

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### 3.14 Pre-payment

Pre-payments are carried at cost less any accumulated impairment losses.

### 3.15 Stated Capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

### 3.16 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.

### 3.17 Dividend

Dividend distribution to the Bank's shareholders is recognized as a liability in the Bank's financial statements in the period in which the dividends are declared. Dividend receivable from unquoted investments is recognised when the Bank's right to receive the dividend is established.

### 3.18 Income Tax Expense

The income tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of profit or loss, except to the extent that it relates to items recognised directly in other comprehensive income or equity - in which case, the tax is also recognised in other comprehensive income or equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the date of the statement of financial position in Ghana where the Bank operates. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation, and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects either accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the date of the statement of financial position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. The carrying value of the Bank's investment property is assumed to be realised by sale at the end of use.

The capital gains tax rate applied is that which would apply on a direct sale of the property recorded





in the statement of financial position regardless of whether the Bank would structure the sale via the disposal of the subsidiary holding the asset, to which a different tax rate may apply. The deferred tax is then calculated based on the respective temporary differences and tax consequences arising from recovery through sale.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Bank and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

### 3.19 Provisions

Provisions for legal claims are recognised when:

- The Bank has a present legal or constructive obligation as a result of past events;
- It is probable that an outflow of resources will be required to settle the obligation; and
- The amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost.

Where the Bank, as lessee, is contractually required to restore a leased property to an agreed condition prior to release by a lessor, provision is made for such costs as they are identified.

### 3.20 Write-offs

According to the IFRS 9 (B5.4.9), the gross carrying amount of a financial asset may be directly reduced when there is no reasonable expectation of recovering the financial asset in its entirety or a portion of it. As such, the Bank may record a write-off of Stage 3 loans. The Bank may also, on an ad-hoc basis, examine the need for any further write-offs of Stage 2 loans if there is relevant evidence.

### 3.21 Write-backs

Recoveries (write-backs) of an asset, or part thereof, are credited to the income statement if previously written off.

### 3.22 Borrowings (Liabilities to Banks and Customers)

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





# ACCOUNTING POLICIES

## for the year ended 31st December, 2024

### 3.23 Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss for the year.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents, unless they are capitalized, are presented net in the statement of profit or loss within finance costs and finance income respectively.

### 4. Quantitative Disclosures

	2024 %	2023 %
Capital Adequacy Ratio	12.94	13.06
Non-Performing Loans	1.79	5.46
Loan Loss Provision Ratio	1.41	9.32
Liquid Ratio	104.49	71.59

### 5. Critical accounting judgements and key sources of estimation uncertainties

Estimates and judgements are continually evaluated and are based on historical experience as adjusted for current market conditions and other factors. Estimates and assumptions are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

#### 5.1 Critical Accounting Estimates and Assumptions

##### a. Income Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Bank establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the Bank and the tax authority.

Deferred tax assets are recognised for all unutilised capital allowances to the extent that it is probable that taxable profit will be available against which the capital allowances can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.





### **b. Fair Value of Non-Derivatives and Other Financial Instruments**

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Bank uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

## **5.2 Critical Judgements in Applying The Bank's Accounting Policies**

In the process of applying the Bank's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements:

### **Useful Economic Life of Property, Plant and Equipment**

To a large extent, the Bank financial statements are based on estimates, judgements and models rather than exact depictions of reality. Providing relevant information about the Bank's Property, plant and equipment requires estimates and other judgements. This includes measuring the cost of an item of property, plant and equipment, including those that are self-constructed.

The subsequent allocation of depreciation involves further judgements and estimates including:

- allocating the cost of the asset to particular major components;
- determining the most appropriate depreciation method;
- estimating useful life; and estimating residual value.

## **6. Credit Risk Reserve**

The Credit risk is a non- distribution reserve and it represents the excess of total provisions for loans and advances determined in accordance with the Bank of Ghana prudential guidelines over the impairment loss for loans and advances under the IFRS framework. The Bank applies the general approach and calculates expected losses on all its instruments.

As at the reporting date, total provision for losses for loans and advances under Bank of Ghana provisioning criteria amount to GHS27,650,204 (2023: 21,613,665). This was lower than the impairment allowances for loans and advances recognized under the IFRS framework of GHS 27,684,881 (2023: GHS 21,312,630).

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





# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024

	2024 GHS	2023 GHS
<b>7. INTEREST INCOME</b>		
Interest on Loans and Advances	175,602,418	85,547,958
Interest on Investments	129,771,023	67,581,728
	<b>305,373,441</b>	153,129,686
<b>8. INTEREST EXPENSE</b>		
Interest Paid on Savings	17,673,553	10,486,779
Interest Paid on Fixed Deposit	30,624,079	15,587,365
Interest on Borrowing	1,430,910	621,818
	<b>49,728,542</b>	26,695,962
<b>9. COMMISSIONS AND FEES</b>		
Commitment Fees and Commission Received	10,941,251	4,082,269
	<b>10,941,251</b>	4,082,269
<b>10. OTHER OPERATING INCOME</b>		
Miscellaneous Income	8,352,455	3,373,565
	<b>8,352,455</b>	3,373,565
<b>11. IMPAIRMENT ALLOWANCE</b>		
Provision at the Beginning 1st January,	21,312,630	18,999,067
Credit /Charge for the year( Page 4)-Loans	6,372,251	2,313,563
Provision at the End 31st December	<b>27,684,881</b>	21,312,630
<b>12. INVESTMENTS/SPECIFIC BAD DEBT</b>		
Investments/Bad debt Written Off	<b>24,525,698</b>	10,475,669

This represents investments written off during the year after approval from Board of Directors.

<b>13. OPERATING EXPENSES</b>		
Staff Cost - Appendix I	91,704,526	55,435,319
Occupancy Cost - Appendix II	11,170,870	8,348,169
Administrative and Other Expenses - Appendix III	46,614,826	29,176,208
Directors' remuneration	246,600	199,000
Audit Fees	100,000	100,000
Provision at the End 31st December	<b>149,836,822</b>	93,258,696



# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024



		2024 GHS	2023 GHS
<b>14.</b>	<b>DEPRECIATION AND AMORTISATION</b>		
	Depreciation of Property, Plant and Equipment	4,223,914	2,554,814
	Depreciation of Right of Use Assets	962,897	831,616
	Amortisation of Intangible Assets	-	35,661
		<b>5,186,811</b>	<b>3,422,091</b>
<b>15.</b>	<b>DIRECTORS EMOLUMENTS</b>		
	Board Meeting Expenses	-	72,024
	Directors Fees	246,600	199,000
	Directors Transportation	-	360,155
	Directors Sitting Allowance	1,553,136	957,200
		<b>1,799,736</b>	<b>1,588,379</b>
<b>16.</b>	<b>INCOME TAX EXPENSE</b>		
	Current Tax Charge	23,094,644	6,817,116
	Growth and Sustainability Levy	4,450,851	1,220,977
		<b>27,545,495</b>	<b>8,038,093</b>

### 17. CURRENT CORPORATE TAX

Year of Assessment	Balance as at Jan 1	Tax Charge	Tax Paid	Tax Adjustment	Balance as at Dec 31
	GHS	GHS	GHS	GHS	GHS
2020	(14,818)	3,763,254	(2,300,000)	-	1,448,436
2021	1,448,436	3,566,828	(3,049,958)	-	1,965,306
2022	1,965,306	4,823,846	(4,475,610)	-	2,313,542
2023	2,313,542	6,817,116	(6,798,455)	-	2,332,203
<b>2024</b>	<b>2,332,203</b>	<b>23,094,644</b>	<b>(28,281,833)</b>	<b>-</b>	<b>(2,854,987)</b>

### 17a. GROWTH AND SUSTAINABILITY LEVY

Year of Assessment	Balance as at Jan 1	Tax Charge	Tax Paid	Tax Adjustment	Balance as at Dec 31
	GHS	GHS	GHS	GHS	GHS
2023	-	1,220,977	(482,072)	-	738,905
2024	738,905	4,450,851	(28,281,833)	-	(665,578)
<b>TOTAL</b>	<b>3,071,108</b>	<b>27,545,495</b>	<b>(34,137,167)</b>	<b>-</b>	<b>(3,520,564)</b>

The tax computation (Charge for the year) is subject to agreement with the Domestic Tax Revenue Division of GRA





# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024

	2024 GHS	2023 GHS
<b>17b. DEFERRED TAX</b>		
Balance as at 1 January	4,164,036	3,743,189
Charged for the Year	6,093,673	420,847
Balance as at 31 December	1,929,637	4,164,036

The previous year balance of (GHS 4,164,036) was made up of (GHS 6,023,051) - GHS 1,859,016

### 17c. RECONCILIATION OF EFFECTIVE TAX

The tax on the Bank's profit before tax differs from the theoretical amount that would arise using the statutory tax rate on the applicable profit as follows:

Accounting Profit before income tax	89,017,024	24,419,539
Statutory income tax rate of 25% (2023: 25%)	22,254,256	6,104,885
Non- deductible expenses for tax purposes	2,889,765	1,995,824
Effect on non-chargeable income	23,094,644	152,922
Effect on capital allowance utilised	2,049,377	1,130,670
Change in recognised temporary differences	6,093,673	420,847
Income tax reported in the statement of profit or loss	6,093,673	6,396,270
Effective tax rate	6.85	26.19

<b>18. CASH AND SHORT TERM FUNDS</b>		
Cash on Hand	47,255,211	32,444,721
ARB Apex Bank (5% Deposit)	72,235,632	36,319,336
ARB Apex Bank (Clearing Account)	16,234,429	6,748,041
Other Banks	29,173,842	13,605,803
Balance as at 31 December	1,929,637	4,164,036
<b>TOTAL</b>	<b>164,899,114</b>	<b>89,117,901</b>

<b>19a. INVESTMENT</b>		
Government Securities(Treasury Bills)	723,164,914	326,269,949
Government Securities(Bonds)	176,106,348	169,465,861
ACOD	35,000,000	18,000,000
Money Placement with Discount House		24,525,697
<b>TOTAL</b>	<b>934,271,262</b>	<b>538,261,507</b>

Accounting policies for financial instruments have been applied to the following line items.



# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024



		2024 AT AMORTIZED	FAIR VALUE	
		COST	TP&L	TOTAL
19a.	FINANCIAL ASSETS BY CATEGORY	GHS	GHS	GHS
	Cash and short-term funds	-	164,899,114	164,899,114
	Investment	934,271,262	-	934,271,262
	Loans and advances to Customers	618,975,085	-	618,975,085
	<b>TOTAL</b>	<b>1,553,246,347</b>	<b>164,899,114</b>	<b>1,718,145,461</b>

		2023 AT AMORTIZED	FAIR VALUE	
		COST	TP&L	TOTAL
		GHS	GHS	GHS
	Cash and short-term funds	-	89,117,901	89,117,901
	Investment	538,261,507	-	538,261,507
	Loans and advances to Customers	207,472,899	-	207,472,899
	<b>TOTAL</b>	<b>745,734,406</b>	<b>89,117,901</b>	<b>834,852,307</b>

19b.	FINANCIAL LIABILITIES BY CATEGORIES		GHS	GHS	GHS
	Deposits and Current Accounts	2024	1,553,748,541	-	1,553,748,541
	Deposits and Current Accounts	2023	768,738,823	-	768,738,823

		2024	2023
20a.	LOANS AND ADVANCES TO CUSTOMERS	GHS	GHS
	Analysis by type of customer Individuals	143,201,381	197,515,232
	Private Enterprises	24,616,276	31,270,297
	Public Enterprise	28,679,842	-
	Staff	55,222,394	-
	Others	646,659,966	-
		(27,684,881)	228,785,529
	Impairment allowance	618,975,085	(21,312,630)
	<b>TOTAL</b>	<b>1,553,246,347</b>	<b>207,472,899</b>
20b.	IMPAIRMENT CHARGES/ ALLOWANCES INDIVIDUAL ALLOWANCES FOR IMPAIRMENT		
	Balance at 1 January	21,312,630	18,999,067
	Impairment Charge for the year	6,372,251	2,313,563
	Balance at 31 December	27,684,881	21,312,630





# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024

		2024	2023
<b>20c.</b>	<b>BANK OF GHANA PROVISION</b>	<b>GHS</b>	<b>GHS</b>
	Balance at 1 January	21,613,665	19,213,410
	Laon impairment Charge	6,036,539	2,400,255
	Balance at 31 December	27,650,204	21,613,665
<b>20d.</b>	<b>ANALYSIS BY TYPE OF SECTOR</b>		
	Agriculture	40,489,961	3,894,570
	Transport, Storage & Communication	610,289	689,953
	Trading	518,712,094	149,284,470
	Miscellaneous	86,847,622	74,916,536
		646,659,966	228,785,529
	Impairment Allowance	(27,684,881)	(21,312,630)
	<b>TOTAL</b>	<b>618.975.086</b>	<b>207.472.899</b>
<b>20e.</b>	<b>ANALYSIS BY TYPE OF ADVANCE</b>		
	loans	574,965,739	200,525,592
	Overdraft	71,694,227	28,259,937
	Deferred Fee Income	646,659,966	228,785,529
	Impairment Allowance	(27,684,881)	(21,312,630)
	<b>TOTAL</b>	<b>618.975.085</b>	<b>207.472.899</b>
<b>20f.</b>	<b>ANALYSIS BY PERFORMANCE</b>		
	Performing Loans and Overdrafts	635,091,841	213,796,928
	Non -Performing Loans and Overdrafts	11,568,125	14,988,601
		646,659,966	228,785,529
	Impairment Allowance	(27,684,881)	(21,312,630)
		618,975,086	207,472,899
	Ratio of Non-Performing to Total Advances	1.79%	6.55%
<b>20g.</b>	<b>EXPECTED CREDIT LOSS [ECL] COVERAGE RATIO</b>	<b>1.41%</b>	<b>3.42%</b>



# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024



		2024	2023
<b>21.</b>	<b>OTHER ASSETS ACCOUNT</b>	<b>GHS</b>	<b>GHS</b>
	Stationery Stocks	598,868	530,660
	Prepayment-Rent	45,610	
	Interest and Commission Accrued	16,188,499	8,049,888
	Office Accounts DR.	18,935	741,751
	E-Zwisch Operations	1,885,052	
	Interbranch	51,856	
	<b>TOTAL</b>	<b>18,788,820</b>	<b>9,322,299</b>
<b>22.</b>	<b>LONG TERM INVESTMENTS</b>		
	Shares in ARB Apex Bank Plc	249,692	186,378
	WERBA Investment	115,293	115,293
	<b>TOTAL</b>	<b>364,985</b>	<b>301,671</b>
<b>20e.</b>	<b>ANALYSIS BY TYPE OF ADVANCE</b>		
	loans	574,965,739	200,525,592
	Overdraft	71,694,227	28,259,937
	Deferred Fee Income	646,659,966	228,785,529
	Impairment Allowance	27,684,881	21,312,630
	<b>TOTAL</b>	<b>618,975,085</b>	<b>207,472,899</b>
<b>20f.</b>	<b>ANALYSIS BY PERFORMANCE</b>		
	Performing Loans and Overdrafts	635,091,841	213,796,928
	Non -Performing Loans and Overdrafts	11,568,125	14,988,601
		646,659,966	228,785,529
	Impairment Allowance	27,684,881	21,312,630
		618,975,086	207,472,899
	Ratio of Non-Performing to Total Advances	1.79%	6.55%
<b>20g.</b>	<b>EXPECTED CREDIT LOSS [ECL] COVERAGE RATIO</b>	<b>141%</b>	<b>3.42%</b>





# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024

		2024	2023
21.	OTHER ASSETS ACCOUNT	GHS	GHS
	Stationery Stocks	598,868	530,660
	Prepayment-Rent	45,610	-
	Interest and Commission Accrued	16,188,499	8,049,888
	Office Accounts DR.	18,935	741,751
	E-Zwiche Operations	1,885,052	-
	Interbranch	51,856	-
	<b>TOTAL</b>	<b>18,788,820</b>	<b>9,322,299</b>
22.	LONG TERM INVESTMENTS		
	Shares in ARB Apex Bank Plc	249,692	186,378
	WERBA Investment	115,293	115,293
	<b>TOTAL</b>	<b>364,985</b>	<b>301,671</b>



EXCELLENCE REWARDS



# 2024 THE RURAL BANK OF THE YEAR

AMENFIMAN RURAL BANK PLC

SAVINGS | INVESTMENTS | LOANS | MONEY TRANSFER



**AMENFIMAN**  
RURAL BANK PLC



# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024

2024 COST		Land & Building GHS	Motor Vehicle GHS	Office Furniture Equipment GHS	Computers & Accessories GHS
<b>24.</b>	<b>PROPERTY, PLANT &amp; EQUIPMENT</b>				
	Balance as at 1/1/2024	11,826,683	2,928,009	3,223,826	3,523,050
	Additions for the Year	3,558,962	6,741,035	4,215,082	1,595,276
	Balance as at 31/12/2024	<b>15,385,645</b>	<b>9,669,044</b>	<b>7,438,908</b>	<b>5,118,326</b>
	<b>ACCUMULATED DEPRECIATION</b>				
	Balance as at 1/1/2024	1,127,015	1,179,223	509,435	1,044,323
	Charge for the year	491,164	1,782,655	639,778	823,702
	Adjustment for the Year	-	-	-	-
	Balance as at 31/12/2024	<b>1,618,179</b>	<b>2,961,878</b>	<b>1,149,213</b>	<b>1,868,025</b>
	<b>NET BOOK VALUE - 31/12/2024</b>	<b>13,767,466</b>	<b>6,707,166</b>	<b>6,289,695</b>	<b>3,250,301</b>

2023 COST		Land & Building GHS	Motor Vehicle GHS	Office Furniture Equipment GHS	Computers & Accessories GHS
<b>23.</b>	<b>PROPERTY, PLANT &amp; EQUIPMENT</b>				
	Balance as at 1/1/2023	6,932,669	2,984,373	4,738,708	5,176,901
	Additions for the Year	1,272,865	828,000	1,447,890	783,040
	Transfer from Work-In-Progress	3,621,149	-	-	-
	Disposal/Write-off	-	884,364	2,962,772	2,436,891
	Balance as at 31/12/2023	<b>11,826,683</b>	<b>2,928,009</b>	<b>6,186,598</b>	<b>3,523,050</b>
	<b>ACCUMULATED DEPRECIATION</b>				
	Balance as at 1/1/2023	924,529	1,192,610	3,000,257	2,823,303
	Charge for the year	202,486	870,977	471,950	657,911
	Disposal	-	(884,364)	2,962,772	2,436,891
	Balance as at 31/12/2023	<b>1,127,015</b>	<b>1,179,223</b>	<b>509,435</b>	<b>1,044,323</b>
	<b>NET BOOK VALUE - 31/12/2023</b>	<b>10,699,668</b>	<b>1,748,786</b>	<b>2,714,391</b>	<b>2,478,727</b>



# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024



	Safe & Lawn Mower GHS	Generator GHS	Solar Energy GHS	Leasehold Property GHS	CWIP GHS	Total GHS
	884,737	1,017,620	329,638	87,278	2,886,899	26,707,740
	292,700	442,901	-	-	2,127,947	18,973,903
	<b>1,177,437</b>	<b>1,460,521</b>	<b>329,638</b>	<b>87,278</b>	<b>5,014,846</b>	<b>45,681,643</b>
	182,116	84,373	211,736	5,065	-	4,343,286
	219,092	199,849	65,928	1,746	-	4,223,914
	-	-	-	1,871	-	1,871
	<b>401,208</b>	<b>284,222</b>	<b>277,664</b>	<b>8,682</b>	<b>-</b>	<b>8,569,071</b>
	<b>776,229</b>	<b>1,176,299</b>	<b>51,974</b>	<b>78,596</b>	<b>5,014,846</b>	<b>37,112,572</b>

	Safe & Lawn Mower GHS	Generator GHS	Temporal Structure GHS	Solar Energy GHS	Leasehold Property GHS	CWIP GHS	Total GHS
	604,850	559,768	292,415	329,638	87,278	5,216,360	26,922,960
	455,062	681,268	-	-	-	1,657,658	7,125,783
	-	-	-	-	-	(3,987,119)	(365,970)
	(175,175)	(223,416)	(292,415)	-	-	-	(6,975,033)
	<b>884,737</b>	<b>1,017,620</b>	<b>-</b>	<b>329,638</b>	<b>87,278</b>	<b>2,886,899</b>	<b>26,707,740</b>
	179,876	216,008	155,955	145,808	3,319	-	8,641,665
	177,415	91,781	14,620	65,928	1,746	-	2,554,814
	175,175	223,416	(170,575)	-	-	-	(6,853,193)
	<b>182,116</b>	<b>84,373</b>	<b>-</b>	<b>211,736</b>	<b>5,065</b>	<b>-</b>	<b>4,343,286</b>
	<b>702,621</b>	<b>933,247</b>		<b>117,902</b>	<b>82,213</b>	<b>2,886,899</b>	<b>22,364,454</b>





# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024

	2024 GHS	2023 GHS
<b>25. INTANGIBLE ASSETS</b>		
Balance as at 1/1/2024	356,611	386,611
Additions during the year	-	-
Write-off	356,611	30,000
Balance as at 31/12/2024	-	356,611
AMORTISATION AND IMPAIRMENT		
Balance as at 1/1/2024	118,703	113,042
Impairment Loss	-	35,661
Write-off	(118,703)	(30,000)
Balance as at 31/12/2024	-	118,703
CARRYING AMOUNT		
Balance as at 31st December	-	237,908
<b>26. RIGHT OF USE-LEASE ASSETS</b>		
Balance as at 1/1/2024	7,263,097	5,654,348
Additions during the year	591,060	1,608,749
Write-off to Rent Prepaid	208,500	-
Balance as at 31/12/2024	7,645,657	7,263,097
AMORTISATION AND IMPAIRMENT		
Balance as at 1/1/2024	3,990,403	3,158,787
Charge for the year	962,897	831,616
Balance as at 31/12/2024	4,953,300	3,990,403
CARRYING AMOUNT		
Balance as at 31st December	2,692,357	3,272,694
These related to the lease of office buildings for the Bank's branches across		
<b>27. DEPOSIT ACCOUNTS</b>		
Current Account Deposit	284,104,882	127,979,795
Savings Accounts	998,925,242	503,686,744
Time Deposits	268,787,858	137,068,448
Other Deposit	1,930,560	3,836
<b>TOTAL</b>	<b>1,553,748,542</b>	<b>768,738,823</b>



# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024



	2024 GHS	2023 GHS
<b>28. CREDITORS AND ACCRUALS</b>		
Interest and Bills Payable	29,896,893	11,122,746
Interbranch Balance		4,128
Audit Fess	100,000	136,900
Other Payable	21,900	-
Managed Fund	182,544	-
Accrued Charges	36,000	-
Office Accounts	4,942,626	-
Deferred Interest on Bond	17,665,175	11,012,901
Sundry Creditors	19,617,178	4,272,897
<b>TOTAL</b>	<b>72,462,316</b>	<b>26,549,572</b>
<b>29. SHORT TERM BORROWINGS</b>		
RDF Ghana	1,363,636	3,181,818
Absa Bank	13,075,000	-
ARB Apex Bank Plc	5,000,000	-
DBG Loan	18,243,508	-
<b>TOTAL</b>	<b>37,682,144</b>	<b>3,181,818</b>

This represents the short-term loan the Bank took from the Commercial Banks. With the Absa Bank loan the Bank has used Treasury Bills with face value of GHS 22,523,344 as collateral.

<b>30. STATED CAPITAL</b>		
i) Authorised Ordinary Shares of No Par value	100,000	100,000
ii) Issued Ordinary Shares of No Par Value	76,525,047	49,492,795
iii) Proceeds Issued for Cash Consideration	9,674,854	8,024,158
iv) Proceeds from issued of shares for the year	5,406,451	1,650,696
<b>TOTAL</b>	<b>15,081,305</b>	<b>9,674,854</b>

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

<b>31. STATUTORY BESERYE FUND</b>		
Balance as at 1 January	12,084,249	9,983,962
Add: Transfer from Retained Profit	13,844,464	2,100,287
Balance as at 31 December	25,928,713	12,084,249

This represents the cumulative amounts set aside as non-distributable reserve from annual net profit after tax in accordance with section 34, of the Banks and Special Deposit-Taking Institution Act 2016,( Act 930)





# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024

	2024 GHS	2023 GHS
<b>32. CREDIT BISK BESERYE FUND</b>		
Balance as at 1 January	301,035	214,343
Add: Movement for the year	(34,677)	86,692
Balance as at 31 December	266.358	301.035
<b>33. RETAINED EARNINGS ACCOUNT</b>		
Balance as at 1/1/2024	41,652,150	30,244,257
Profit for the year transferred from Statement of Comprehensive Income	55,377,856	16,802,293
Transfers to:	97,030,005	47,046,550
Statutory Reserve Fund	(13,844,464)	(2,100,287]
Community Development Fund	(2,215,114)	(840,115]
Scholarship Fund	(2,215,114)	(840,115]
Staff Fund	(2,215,114)	[840,115]
University Project Fund	(4,430,228]	(1,176,160)
Credit Risk Reserve	34.677	(86,692)
Dividend Paid	(20,077,852)	-
Funds Utilization	2,845,361	489,084
Balance as at 31st December	54.912.156	41.652.150

This represents the residual of cumulative annual profits. The Movement in the retained earnings account is shown as part of the statement of changes in equity.

<b>34. COMMUNITY DEYELOPMENT FUND</b>		
Balance as at 1/1/2024	1,289,307	618,676
Transfer from Retained Earnings	2,215,114	840,115
Transfer to Community Development Fund	3000	
	3,507,421	1,458,791
Utilization during the year	(276,380)	(169,484)
Balance as at 31/12/2024	3,231,041	1,289,307
<b>35. STAFF FUND</b>		
Balance as at 1/1/2024	1,423,024	602,909
Transfer from Retained Earnings	2,215,114	840,115
	3,638,138	1,443,024
Utilization during the year	-	(20,000)
Balance as at 31 December	3,638,138	1,423,024

This represents portion of Retained Earnings set aside for Development projects.



# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024



	2024 GHS	2023 GHS
<b>36. SCHOLARSHIP FUND</b>		
Balance as at 1 January	2,186,781	1,356,666
Transfer from Retained Earnings	2,215,114	840,115
	4,401,895	2,196,781
Utilization during the year	103,900	10,000
Balance as at 31 December	4,297,995	2,186,781

This represents portion of Retained Earnings set aside for Development projects.

<b>37. UNIVERSITY PROJECT FUND</b>		
Balance as at 1 January	1,473,621	587,061
Transfer from Retained Earnings	4,430,228	1,176,160
Transfer from Community Development Fund	220,729	-
	6,124,578	1,763,221
Utilization during the year	(1,567,190)	(289,600)
<b>Balance as at 31 December</b>	<b>4,557,388</b>	<b>1,473,621</b>

This represents portion of Retained Earnings set aside for Development projects.

<b>38. IMPAIRED INVESTMENT FUND</b>		
Balance as at 1 January	2,889,013	2,889,013
Transfer from Retained Earnings	-	-
Utilization during the year	2,889,013	2,889,013
<b>Balance as at 31 December</b>	<b>2,889,013</b>	<b>2,889,013</b>

### 39. EARNINGS PER SHARE

The calculation of Basic and Diluted earnings per share at 31 December 2024, was based on the profit attributable to ordinary shareholders of GHS 83,346,069 (2023: GHS 16,802,293) and number of ordinary shares of 76,525,047 (2023: 49,492,795), calculated as follows:

Profit attributable to ordinary shareholders	55,377,856	16,802,293
Net Profit for the period attributable to equity holders		
Weighted average number of ordinary shares		
Issued ordinary shares at 1 January	49,492,795	43,631,039
Effect of shares issued as at 31 December	27,032,252	5,861,756
Number of ordinary shares at 31 December	76,525,047	49,492,795
Basic and Diluted Earnings per Share	0.724	0.339

There are no potentially dilutive shares outstanding at 31 December 2023. Dilutive earnings per share are therefore the same as the basic earnings per share.





# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024

### 41. Commitments

The Directors have proposed payment of dividend of GHS 5,537,786 for the year ended 31 December, 2024 (2023 GHS 3,464,496) and bonus shares of GHS 11,075,571 for the year ended 31st December, 2024.. This is subject to Bank of Ghana approval. The proposed dividend is GHS 0.072 per share on 76,525,047 ordinary shares.

### 42. Contingent liabilities

There were no contingent liabilities as at the balance sheet date.

### 43. Related party transactions and balances

A number of transactions are entered into with related parties in the normal course of business. These normally include loans and advances to related persons. The disbursements and related outstanding balances at the year-end are as follows:

	2024 GHS	2023 GHS
<b>a. Loans to Directors and Connected Persons</b>		
Loans outstanding as at 1 Jan.	3,276,212	3,905,494
Loans granted during the year		
Loans repayment during the year	(853,752)	(629,282)
Loans outstanding as at 31 Dec.	2,422,460	3,276,212
<b>b. Loans to Key Management Staff and connected persons</b>		
Loans outstanding as at 1 Jan.	3,684,408	3,319,758
Loans granted during the year	8,501,494	2,150,000
Loans repayment during the year	(5,522,596)	(1,785,350)
Loans outstanding as at 31 Dec.	6,663,306	3,684,408

Interest rate charged on these loans and advances were at commercial rates. The loans granted are secured over property and provident fund of the respective persons. No impairment loss has been recorded against balances during the period with directors and key management personnel. Interest on fixed deposit is the same as applied to other customers of the bank. All transactions with related parties are priced on arm's length basis and was entered into the normal course of business.

<b>c. Key Management personnel and Directors Emoluments</b>		
Directors Emoluments Fees	246,600	199,000
Directors Sitting Allowance	868,521	957,200
Directors Transportation	363,617	360,155
Directors Meeting Expenses	74,448	72,024
Key Management Salaries	4,678,532	3,362,581
	6,231,718	4,950,960





#### 44. Financial Risk Management

##### Introduction and Overview

An organisation may be exposed to different types of financial risks depending on the size and complexity of business activities. Amenfiman Rural Bank Plc, however, is generally exposed to:

- |                     |                      |
|---------------------|----------------------|
| a. Credit risk      | e. Compliance risk   |
| b. Liquidity risk   | f. Legal risk        |
| c. Market risk      | g. Reputational risk |
| d. Operational risk | h. Capital risk      |

##### Risk Management Framework

The Board of Directors and Senior management have developed and established policies and procedures to facilitate effective risk management. These policies and procedures provide guidance on risk appetite/tolerance limit, risk identification, monitoring and control and adherence to set risk limits. Risk management policies and procedures are continually reviewed to reflect changes in economic and financial landscape as well as products and services offered.

The Board of Directors has the overall responsibility for the establishment and oversight of the Bank's risk management framework. The responsibilities of the Board of Directors include; setting out the Bank's overall risk appetite/tolerance limit, ensuring that the Bank's overall risk exposure is maintained at prudent levels and consistent with available capital. They also include ensuring that Management as well as individuals responsible for Risk Management possess sound expertise and knowledge to accomplish the risk management function and that appropriate policies and procedures for risk management are in place. The Board's Sub-Committees on Investment and the Management as a whole oversee the implementation of the board risk management policies and objectives of the Bank.

##### (a) Credit Risk Management

Credit risk represents the loss which the Bank would suffer if a customer or counter-party to financial instruments failed to meet its contractual obligations.

Credit Risk stems from outright default due to inability or unwillingness of a client or counterpart to meet commitments in relation to lending, trading settlement and other financial transaction. Resultant losses may result in reduction in receivables portfolio value due to the actual or perceived deterioration in those receivables portfolio quality.

The Bank has established credit policies under which new customers are assessed for credit worthiness before credit is extended to them.

The Investment Committee is responsible for implementing the credit risk policy/strategy, monitoring credit risk on a bank-wide basis and ensuring compliance with credit limits to be approved by the Board.

Business strategies, policies and procedures for managing credit are determined bankwide with specific policies and procedures being adopted for corporate and small and medium-sized enterprises.





# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024

### Managing problems of Loans and Advances

The Recoveries Unit within the Credit Department manages delinquent facilities including outright recoveries or nursing of such problem Loans back to health.

At delinquent and past due stages, where recovery efforts are unsuccessful, the Bank refers the client to the Bank's Solicitors for legal action to be initiated.

### Provisioning for Loans and Advances

Credit losses are anticipated and charged in the statement of profit or loss on a monthly basis. The balance in the impairment allowance account is always equal to at least the required provisions based on the Bank's current risk rating profile. If the status of the loan worsens, the balance of the provision account is increased by an additional charge against earnings.

In conformity with Bank of Ghana 's directives, the minimum provision that are held are as follows;

Credit Risk Rating	Days Past Due	Minimum Prov. Required (%)
Current	Less than 30	1
OLEM	30 - 90	10
Sub-standard	91-180	25
Doubtful	181 - 360	50
Loss	Over 360	100

### Impairment losses

The ageing of Loan and Advances at the reporting date was:

		2024		2023	
		Gross. Amt	Impairment	Gross. Amt	Impairment
		GHS	GHS	GHS	GHS
<b>Current</b>	0-30 days	<b>633,701,840</b>	<b>17,420,826</b>	<b>225,662,574</b>	<b>12,056,280</b>
<b>Olem</b>	31-90 days	<b>1,389,932</b>	<b>138,993</b>	<b>1,110,025</b>	<b>108,942</b>
<b>Sub-Standard</b>	91- 180 days	<b>883,435</b>	<b>220,859</b>	<b>804,413</b>	<b>700,353</b>
<b>Doubtful</b>	181 - 360 days	<b>1,561,113</b>	<b>780,557</b>	<b>890,526</b>	<b>930,099</b>
<b>Loss</b>	> 360 days	<b>9,123,646</b>	<b>9,123,646</b>	<b>317,991</b>	<b>7,817,991</b>
		<b>646,659,966</b>	<b>27,684,881</b>	<b>228,785,529</b>	<b>21,613,665</b>



# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024



### Exposure to credit risk

The carrying amount of financial assets represents the Bank's maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2024 GHS	2023 GHS
Loans and advances	646,659,966	228,785,529
Investments	934,271,262	538,261,507
Other assets Account	18,788,820	9,322,299
<b>Total</b>	<b>1,599,720,048</b>	<b>776,369,335</b>

The receivables that are neither past due nor impaired are within their approved credit limits. At 31st December, 2024, the Bank's Loans and Advances were categorized under IFRS 9 as follows:

Stage 1 – At initial recognition Performing

Stage 2 – Significant increase in Credit risk since initial recognition – Underperforming

Stage 3 – Credit Impaired – Non- Performing

2024	Stage 1.	Stage 2.	Stage3.	Total
	GHS	GHS	GHS	GHS
<b>Loans and Advances to Customers</b>	610,901,908	36,634,482	9,123,576	<b>646,659,966</b>
<b>Loss Allowances</b>	6,109,019	12,452,286	9,123,576	<b>27,684,881</b>
<b>Net Carrying Amount</b>	604,792,889	24,182,196	-	<b>618,975,085</b>

### 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 is 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 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, a Bank shall recalculate the gross carrying amount of the financial asset and shall recognise a





# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024

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 incurred adjust the carrying amount of the modified financial asset and are amortised 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 loans when it determines that the loans are uncollectible. This determination will be reached after considering information such as the occurrence of significant changes in the borrower's financial position such that the borrower can no longer discharge the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure. Related and connected lending is not permitted to be written off unless with the approval of Bank of Ghana.

### Collateral of Impaired Exposures

The Bank holds collateral against loans and advances to customers in the form of cash deposits, 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 Bank, 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 at 31 December 2024 and 2023. 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 of 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	Loans & Advances to Customers
	2024 GHS	2023 GHS
Cash and Near Cash Instruments	52,720,106	33,278,339



# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024



### 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 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:

	2024 GHS	2023 GHS
Agriculture	40,489,961	3,894,570
Transport	610,289	689,953
Trading	518,712,094	149,284,470
Others	86,847,622	74,916,536
	646,659,966	228,785,529
<b>Credit Impairment Loss</b>	<b>(27,684,881)</b>	<b>(21,312,630)</b>
	<b>618,975,085</b>	<b>207,472,899</b>

### b) Liquidity Risk

Liquidity risk is the risk that the Bank will not be able to meet its financial obligations 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 to the Bank's reputation.

The Head office receives information from other 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 inter-bank facilities, to ensure that sufficient liquidity is maintained within the Bank as a whole. The liquidity requirements of branches are met through short-term loans 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 the regulatory limit in co-ordination with Head Office, Head Office monitors compliance of branches with local regulatory limits on a daily basis. The daily liquidity position is monitored and regular liquidity stress testing is conducted under a variety of scenarios covering both normal and more





# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024

severe market conditions. All liquidity policies and procedures are subject to review and approval by the Finance and operation committee. Daily reports cover the liquidity position of the Bank.

### Exposure to Liquidity Risk

A summary report, including any exceptions and remedial action taken, is submitted regularly to the finance and operations committee. 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:

	2024 %	2023 %
At 31 December	70.74	81.33
Average for the period	69.02	79.05
Maximum for the period	71.05	81.50
Minimum for the period	58.52	68.16

### (c) Market Risk

Market risk represents the risk exposures the Bank has in relation to instruments whose value vary with the level of interest rates. These include investments, debt securities, and borrowings. The Bank's exposure to the risk of changes in market interest rates relates primarily to its long-term borrowings with floating interest rates. All of its borrowings are at floating interest rates. 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 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). The 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 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 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 and marketing 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 utilisation of VaR limits are submitted to Bank risk and regular summaries are submitted to the credit and marketing 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 trading 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.





# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024

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### **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, deposits from banks and derivative instruments 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.

### **(d) Operational Risk**

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.

### **e) Compliance and Regulatory Risk**

In order to strengthen the Bank's compliance with regulatory requirements, the Bank organises series of dedicated training on a regular basis to equip staff with compliance and regulatory issues in order to minimise risk emanating therefrom.

### **(f) Legal Risk**

The Bank's activities are undertaken in a manner which adequately reduces the risks which may arise out of material litigation to be initiated against it (the Bank).

### **g) Reputational Risk**

The Bank conducts its business in a responsible, professional and transparent manner. The Bank safeguards the interest of its clients as well as its reputation. This is aimed at demonstrating our commitment and fostering a long-term relationship with our clients and the public at large. We manage our image and reputation in a professional manner.

### **h) Capital Risk Management**

The Capital Management Objective of the Bank is to ensure that the financial net asset at the end of the financial year exceeds the financial amount of the net assets at the beginning of the year after deducting distributions and adding contributions from owners.

This objective will be to ensure that at any time, the Stated Capital requirement by the Bank of Ghana would be met and also to comply with the Capital Adequacy Ratio Regulatory requirements of the Bank of Ghana. This will be achieved by maintaining an appropriate level of profits to meet these expected Capital increases by the Bank of Ghana.

The Bank's regulator, the Bank of Ghana sets and monitors capital requirements for the Bank as a whole. In implementing the current capital requirement, the Bank of Ghana requires the Bank to maintain a prescribed ratio of total capital to total risk-weighted assets.

The Bank's regulatory capital is analyzed as follows:

Tier 1 Capital, also referred to as core/primary capital is made up of equity and disclosed reserves. Equity includes issued and fully paid ordinary share capital and perpetual noncumulative preference shares. Disclosed reserves relate to those created or increased by an appropriation of after-tax retained earnings/surplus, retained profits, and general statutory reserves and do not include regulatory credit risk reserve.





# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024

### The Level of Capital Adequacy

	2024 GHS	2023 GHS
Paid Capital	15,081,305	9,674,854
Disclosed Reserves	99,720,802	65,609,768
Permanent Preference Shares	13	13
<b>Tier 1 Capital</b>	<b>114,802,120</b>	<b>75,284,635</b>
Investments in the capital		
of other Banks	(266,358)	(301,671)
Revaluation Reserves	-	-
<b>Tier 2 Capital</b>	<b>114,535,762</b>	<b>74,982,964</b>

The Bank's policy is to maintain a strong capital base so as to maintain investor, creditor, and market confidence, and to sustain the 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 complied with the statutory capital requirements throughout the period. There have been no material changes in the Bank's management of capital during this period.



# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024



### 45. Financial assets and financial liabilities

#### Fair Values

Set out below is a comparison by class of the carrying amounts and fair values of the Bank's financial instruments that are carried in the financial statements.

	Carrying amount		Fair Value	
	Dec.31	Dec.31	Dec.31	Dec.31
	2024	2023	2024	2023
	GHS	GHS	GHS	GHS
<b>Financial assets</b>				
Cash and Balances with Other Banks	164,899,114	89,117,901	164,899,114	89,117,901
Investments	934,271,263	538,261,507	934,271,263	538,261,507
Loans and advances	646,659,966	228,785,529	618,975,085	207,472,899
Other assets	18,788,820	9,322,299	18,788,820	9,322,299
<b>Total</b>	<b>1,764,619,163</b>	<b>865,487,236</b>	<b>1,736,934,282</b>	<b>844,174,606</b>
<b>Financial Liabilities</b>				
Current Accounts	284,104,882	127,979,795	284,104,882	127,979,795
Savings Accounts	998,925,242	503,686,744	998,925,242	503,686,744
Time Deposits	268,787,858	137,068,448	268,787,858	137,068,448
Other Deposits	1,930,560	3,836	1,930,560	3,836
Interest Payable and Other Liabilities	55,848,961	26,549,574	55,848,961	26,549,574
Due to Other Financial Institutions	37,682,144	3,181,818	37,682,144	3,181,818
<b>Total</b>	<b>1,647,279,647</b>	<b>798,470,215</b>	<b>1,647,279,647</b>	<b>798,470,215</b>

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- Cash and short-term deposits, loans and advances, deposits and current accounts and other current liabilities approximate their carrying amounts largely due to the shortterm maturities of these instruments.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Bank based on parameters such as interest rates. Based on this evaluation, allowances are taken to account for the expected losses of these receivables. As at December 31, 2024, the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.





# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024

### 46. Fair Value Hierarchy

As at 31 December 2024 the Bank held the following financial instruments carried at fair value on the statement of financial position: The Bank uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

As at 31 December 2024, the Bank held the following financial instruments measured at fair value:

2024	Total 1	Level 1	Level 2	Level 3
	GHS	GHS	GHS	GHS
<b>Financial assets</b>				
Cash and Balances with Other Banks	164,899,114	-	164,899,114	-
Investments	934,271,262	-	934,271,262	-
Loans and advances	618,975,085	-	618,975,085	-
Other Assets Account	18,788,820	-	18,788,820	-
<b>Total</b>	<b>1,736,934,281</b>	<b>-</b>	<b>1,736,934,281</b>	<b>-</b>
<b>Financial Liabilities</b>				
Current Accounts	284,104,882	-	284,104,882	-
Savings Accounts	998,925,242	-	998,925,242	-
Time Deposits	268,787,858	-	268,787,858	-
Other Deposits	1,930,560	-	1,930,560	-
Interest Payable and Other Liabilities	70,627,487	-	70,627,487	-
Due to Other Financial Institutions	37,682,144	-	37,682,144	-
<b>Total</b>	<b>1,662,058,173</b>	<b>-</b>	<b>1,662,058,173</b>	<b>-</b>



# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024



2023	Total 1	Level 1	Level 2	Level 3
	GHS	GHS	GHS	GHS
<b>Financial assets</b>				
Cash and Balances with Other Banks	89,117,901	-	89,117,901	-
Investments	538,261,507	-	538,261,507	-
Loans and advances	207,472,899	-	207,472,899	-
Other assets	9,322,299	-	9,322,299	-
<b>Total</b>	<b>844,174,606</b>	<b>-</b>	<b>844,174,606</b>	<b>-</b>
<b>Financial Liabilities</b>				
Current Accounts	127,979,795	-	127,979,795	-
Savings Accounts	503,686,744	-	503,686,744	-
Time Deposits	137,068,448	-	137,068,448	-
Other Deposits	3,836	-	3,836	-
Interest Payable and Other Liabilities	26,549,574	-	26,549,572	-
Due to Other Financial Institutions	3,181,818	-	3,181,818	-
<b>Total</b>	<b>798,470,215</b>	<b>-</b>	<b>798,470,213</b>	<b>-</b>

The Bank carries unquoted equity shares as available-for-sale financial instruments classified as Level 3 within the fair value hierarchy.





# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024

	2024 GHS	2023 GHS
<b>47. CREDIT BISK BESERYE FUND</b>		
Interest earned and other operating income	324,667,147	160,585,520
Direct cost of services	(107,614,238]	(64,320,339)
Value added by Banking Services	217,052,909	96,265,181
Non-banking services	(6,093,673)	420,847
Investments/Specific Bad Debt	(24,525,698)	(10,475,669)
Impairment Allowance	(6,372,251)	(2,313,563)
<b>Value Added</b>	<b>180,061,287</b>	83,896,796
Distributed as follows:	<b>180,061,287</b>	83,896,796
<b>To employees:</b>		
Directors	1,553,186	1,588,379
Other Employees	91,704,526	55,435,319
<b>To Government:</b>		
Income Tax	1,553,186	1,588,379
To Providers of Capital Dividend to Shareholders	91,704,526	55,435,319
To Expansion and Growth Depreciation	5,186,811	3,386,430
Amortisation - Software	-	35,661
Retained Earnings	37,457,912	11,948,418
<b>Total Distribution</b>	<b>180,061,287</b>	83,896,796

#### 48. Number of Shareholders

The Bank had Seventy Six Million, Five Hundred and Twenty Five Thousand and Forty-Seven (76,525,047) Ordinary Shares as at 31st December, 2024 distributed as follows:

CATEGORY	Number of Shares	Percentage Holding (%)
1-1,000	1,576,813	2.06%
1,001-5,000	4,674,796	6.11%
5,001-10,000	3,700,047	4.84%
Over 10,000	66,573,391	87.00%
<b>Total</b>	<b>76,525,047</b>	<b>100.00%</b>



# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024



### 49. Top Twenty (20) Shareholders List

	Name Of Shareholder	Value (GHS)	Number of Shares	Percentage Holding (%)
1	Adei Stephen	663,309	3,316,544	4.40
2	Nartey Desmond Afutu	548,596	2,742,978	3.64
3	Nartey Sophie	454,640	2,273,198	3.01
4	Anthony Peter Amissah	364,758	1,823,792	2.42
5	Wasa Amenfi Traditional Council	328,293	1,646,466	2.18
6	Aubynn Gaisie Richard	300,000	1,500,000	1.99
7	Anokye Godfred	254,139	1,282,297	1.69
8	Dadzie Samuel	239,510	1,246,927	1.59
9	Wasa Amenfi Dist Assembly	157,876	1,189,138	1.05
10	Nyamekeh Martha	226,505	1,133,527	1.50
11	Michael Oppong Mensah	220,871	1,104,356	1.46
12	Martha Buabin	206,568	1,052,842	1.37
13	Essien Vincent Blaychie	177,600	888,000	1.18
14	Boateng Frank	160,000	800,000	1.06
15	Ofori Nicholas Yaw	151,412	762,062	1.00
16	Dennis Mensah Nkrumah	134,622	673,110	0.89
17	Apo Benjamin Tetteh	130,000	650,000	0.86
18	Agyeman Aboagye Abraham	126,543	632,715	0.84
19	Obiri-Tetteh Joseph	126,050	630,250	0.84
20	Peprah Ernestina Agyapomah	124,320	621,600	0.82
	<b>Total</b>	<b>15,081,304</b>	<b>76,525,047</b>	<b>100.13</b>





# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024

	2024 GHS	2023 GHS
<b>50. APPENDIX I – STAFF COST</b>		
Salaries and Wages	54,723,228	35,734,100
Social Security Contribution	4,236,630	2,781,437
Provident Fund Contribution	2,148,681	1,434,447
Staff Medical Expenses	2,509,508	1,231,411
Staff Training Expenses	1,898,897	1,328,235
Staff Gratuity	-	20,000
<b>Annual Bonus</b>	<b>21,181,818</b>	10,047,540
Staff Clothing	4,037,174	2,500,362
<b>Staff Party and Awards</b>	<b>968,590</b>	357,787
<b>TOTAL (PAGE 34)</b>	<b>91,704,526</b>	55,435,319
<b>51. APPENDIX II- O C CUPANCY CO ST</b>		
General Repairs and Maintenance	1,545,621	1,966,340
Rent, Rates and Taxes	551,761	40,223
Electricity and Water Expenses	2,156,096	1,669,027
Generator Running Expenses	1,038,368	476,529
Police / Security Guard Expenses	4,012,768	2,761,656
Cleaning & Sanitation Expenses	1,866,256	1,434,394
<b>TOTAL (PAGE 34)</b>	<b>91,704,526</b>	55,435,319



# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31st December, 2024



	2024 GHS	2023 GHS
<b>52. APPENDIX III - ADMINISTRATIVE AND OTHER EXPENSES</b>		
Board Meeting Expenses	-	72,024
Travelling and Transport	4,640,051	2,499,090
Printing and Stationery	1,368,768	866,268
Business Development	4,410,859	1,828,744
Micro Finance	4,570	1,842
Specie Movement Expenses	454,563	248,070
Deposit Mobilisation Programme	3,215,725	2,412,726
VAT on Audit Fees	21,900	21,900
Audit Expense	441,979	199,082
Office Expense	5,904,276	3,647,192
Insurance	2,687,424	2,154,658
Postal and Telecommunications	486,110	342,293
Scholarship	-	10,000
Motor Vehicle Running Expenses	7,835,204	5,512,300
Legal Expenses	4,444,769	1,490,702
Newspapers, Subscriptions and Periodicals	618,760	297,220
Bank Charges	467,434	384,917
SFC Expenses	593,773	348,468
Loss on Disposal (Note 25 b)	-	71,840
Advertising and Publicity	2,153,738	1,024,285
Annual General Meeting Expenses	1,114,793	708,643
Directors Transportation	-	360,155
Directors Sitting Expenses	1,553,136	957,200
Tax Consultancy and Professional Charges	-	15,000
Social Responsibility	-	459,084
Computerization Expenses	4,168,267	3,242,505
Cashiers Overs and Shortages	28,727	
<b>TOTAL (PAGE 34)</b>	<b>46,614,826</b>	<b>29,176,208</b>





# NOTES

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# NOTES

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# PROXY



I .....of  
.....being a Member  
of the above-named Company hereby appoint .....of  
..... as my proxy to  
vote for me on my behalf at the 41st Annual General Meeting of the Company to be held on 21st  
June 2025 and at any adjournment thereof.

Signed this ..... Day of ..... 2025.

This form is to be used:

<b>RESOLUTION</b>	<b>FOR</b>	<b>AGAINST</b>
To receive the 2024 Financial Statements and the Report of the Directors and Auditors thereon		
To authorise the Directors to fix the remuneration of the Auditors		
To approve the remuneration of Directors		
To (re) elect Directors in place of those retiring by rotation		

.....  
.....  
.....

Unless otherwise instructed, the proxy will vote as he/she thinks fit.  
\*Strike out whichever is not desired.







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