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**AKIM BOSOME RURAL BANK LTD**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**K AND A ACCOUNTING SERVICES  
CHARTERED ACCOUNTANTS  
P.O.BOX 8361  
ACCRA - NORTH  
TEL: 0302 8194 12**

## **AKIM BOSOME RURAL BANK LTD**

### **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

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# BOARD MEMBERS



**Dr. Betty Nanor  
Arthur**  
Chairperson



**Dr. Patrick  
TANDOH- OFFIN**  
Vice Chairman



**Mr. John  
ANTWI - BOASIAKO**  
Member



**Mr. Felix Botwe  
AHENKORA**  
Member



**Mr. Benjamin  
WIREHENE**  
Member



**Mr. Van IKE  
ASARE - ODEI**  
Member



**Mr. Peprah Berko  
Agyeman (Esq)**  
Secretary



**AKIM BOSOME RURAL BANK LTD**  
**MANAGEMENT TEAM**

NAME OF STAFF	DESIGNATION
MR. IBRAHIM NUHU ALEMBIL	CHIEF EXECUTIVE OFFICER
MR. THOMAS ADU-APPIAGYEI	HEAD, BANKING OPERATIONS
MR. ELISHA FYNN GYAMFI, CA	HEAD, INTERNAL AUDIT
MR. CHARLES KOBINA EYIAH	HEAD, FINANCE
MR. VICTOR ANAKWAH	HEAD, CREDIT
MS. JUDITH YOMLE OKRAH	HEAD, HUMAN CAPITAL
MR. AMO KUTIN MENSAH	HEAD, IT
MS. BENEDICTA BIAMAH ADOM	BUSINESS DEVELOPMENT MANAGER
MR. HAYFORD AFRIFA OFOSU	AG. LEGAL & RISK MANAGER
MR. EMMANUEL NYAME-TEASE ANKOMAH	COMPLIANCE OFFICER
MR. MOSES MFODJOE	MICROFINANCE CO-ORDINATOR
MR. EMMANUEL OFOSUHENE BEMPONG	SUSU CO-ORDINATOR

<b>BRANCH MANAGERS</b>	
NAME OF STAFF	BRANCH
MS. ROSEMOND ODURO AMPOFO	AKIM SWEDRU
MR. EMMANUEL NART ADDO	AKIM ODA
MR. ERIC TETTEH NANOR	AKIM MANSO
MS. LESLIE CAULEY-BAIDOO	AKIM AKROSO
MR. ISAAC BONSA	ASAMANKESE
MR. JEFFREY ABOAGYE	KADE
MS. PRISCILLA BEDIAKO ASARE	AKIM OFOASE

# **AKIM BOSOME RURAL BANK LTD**

## **NOTICE AND AGENDA OF 34<sup>TH</sup> ANNUAL GENERAL MEETING (AGM)**

**NOTICE IS HEREBY GIVEN** that the 34<sup>th</sup> Annual General Meeting (AGM) of Akim Bosome Rural Bank Limited (the Bank) would be held in-person at the conference hall of the Wesley Methodist Church of Ghana, Akim Swedru on Saturday the 15<sup>th</sup> day of November 2025 at 10.00 am.

### **AGENDA**

1. To confirm the minutes of the 33<sup>rd</sup> Annual General Meeting.
2. To receive and consider the Directors' and Chair person's report for the year ended 31<sup>st</sup> December 2024.
3. To consider and adopt the Annual Reports and the Audited Financial Statements of the Bank for the year ended 31<sup>st</sup> December 2024.
4. To elect One (1) new Director of the Bank.
5. To fix the remuneration of the Directors.
6. To authorize the Directors to fix the remuneration of the Auditor for the ensuing year.
7. To authorize the Directors to appoint new Auditors for the 2026 financial year.
8. To transact any other business appropriate to be dealt with at an Annual General Meeting.

**Dated this 14<sup>th</sup> day of October 2025**

**BY ORDER OF THE BOARD OF DIRECTORS**

(SGD)

**AGYEMAN, PEPRAH BERKO ESQ.**  
(BOARD SECRETARY)

Note:

1. A member is entitled to attend and vote at the Annual General Meeting (AGM) or appoint a proxy to attend and vote in his place. A proxy need not be a member or shareholder of the Bank.
2. The instrument appointing such a proxy, nomination/letters of directorship must be deposited at the Bank's registered office at Akim Swedru at least 72 hours before the commencement of the meeting.
3. Shareholders may contact any of the Bank's branches for copies of the audited accounts.
4. Shareholders are informed that a key slot for a director with knowledge of Banking is to be filled.

## **AKIM BOSOME RURAL BANK LTD**

**ADDRESS BY DR. BETTY NANOR ARTHUR, CHAIRPERSON OF THE  
BOARD OF DIRECTORS OF AKIM BOSOME RURAL BANK LTD, AKIM  
SWEDRU, AT THE 34<sup>TH</sup> ANNUAL GENERAL MEETING OF SHAREHOLDERS  
HELD ON SATURDAY, 15<sup>TH</sup> NOVEMBER, 2025**



Nananom, Managing Director oof ARB Apex BANK PLC, Honorable MP for Akim Swedru, Honorable DCE for Birim South District, Distinguished Invited Guests, Fellow Directors, Fellow Shareholders, Press, Ladies and Gentlemen. On behalf of the board of Directors, Management and Staff, it is my pleasure to welcome you all to the 34<sup>th</sup> Annual General Meeting of shareholders of Akim Bosome Rural Bank Ltd. This meeting will present the Bank's Annual Report for the financial year ended 31<sup>st</sup> December 2024. The Bank's financial performance remained generally strong within the context of the daunting economic and financial sector challenges that have characterized the entire Banking industry, amid extreme competition.

### **1.THE GENERAL ECONOMY**

Ghana's economy demonstrated a strong rebound in 2024, as evidenced by an impressive average real GDP growth rate of 5.7 percent for the year, a significant improvement from the 2.9 percent recorded during the corresponding period in 2023 (World Bank). A key factor in the overall economic expansion was a robust performance in the industry sector, particularly the extractives and construction sectors, with contributions from services and agricultural sectors.

Another crucial element in Ghana's economic recovery has been the debt restructuring programme in 2023, coupled with continued efforts in external debt restructuring, has been instrumental in creating a more stable macroeconomic environment. These measures have helped to alleviate fiscal pressures and improve the country's overall financial standing.

Despite the robust growth, the economy remains susceptible to the challenges posed by exchange rate volatility. The country's significant amount of dollar-denominated debt makes it particularly vulnerable to the depreciation of the Ghanaian Cedi against the US Dollar. This currency depreciation has led to an increase in the cost of debt servicing, which continues to present challenges for the government's fiscal management and could offset some of the gains made through economic growth and debt restructuring efforts.

Headline inflation fluctuated throughout the year, reaching a high of 23.8 percent in December 2024 compared with 23.2 percent recorded during the same period in 2023 (Ghana Statistical Service). Monetary policy rate, on the other hand, ended the year at 27.0 percent, compared with 30.0 percent for the same period the previous year.

## **2. HIGHLIGHTS OF THE BANK'S PERFORMANCE**

Our Bank has performed comparatively well in the year under review. Our financials clearly show that the Bank has performed creditably well, as all the key financial indicators suggest.

Despite complicated and unfriendly market forces, the Bank has made a profit for the fourth time running in five (5) years. This gives credence to our promise and resolve to make the Bank a profitable entity again. We told shareholders at our AGM last year that our Bank has excellent prospects to work hard to achieve more and be profitable again. We will continue to pursue this goal and make the Bank a solid choice for customers, enabling it to achieve laurels and ultimately benefit shareholders by receiving returns on their investment, and dividends in the near future.

## **3. OPERATIONAL RESULTS**

### **PROFIT BEFORE TAX**

Fellow Shareholders, I am happy to announce that the Bank recorded a profit after tax of Two Million, Five Hundred and Eleven Thousand and Sixty-Seven Ghana Cedis (GH¢ 2,511,067.00) in 2024, compared with One Million, Seven Hundred and Fifty-Eight Thousand, and Fifty-Seven Ghana Cedis (GH¢ 1,758,057.00) recorded in 2023. Five (5) years' performance indicators of the financials of the Bank are indicated in the table below.

#### SUMMARY OF BANK'S FIVE-YEAR PERFORMANCE

ITEM	2020	2021	2022	2023	2024	% CHANGE 2024/2023
Total Assets	25,656,198	33,478,798	48,485,067	60,627,896	106,094,644	74.99
Total Deposits	33,897,062	38,874,355	46,120,956	53,678,411	95,542,037	77.99
Net Loans and Advances	7,248,939	12,841,506	17,250,474	16,526,472	22,858,639	38.32
Investments	12,154,974	12,797,699	17,057,730	24,569,032	56,919,309	133.57
Profit Before Tax	(655,803)	2,029,900	1,146,039	1,720,424	3,813,843	121.68
Shareholders Fund	(12,040,940)	(9,540,040)	(217,180)	4,499,379	6,751,518	50.05
Total Operating Income	3,942,636	7,914,358	8,472,218	11,302,540	16,566,376	46.57
Profit After Tax	(661,114)	2,104,693	1,095,499	1,758,057	2,511,067	42.83

#### STATED CAPITAL

The Stated Capital of the Bank increased from One Million, Two Hundred and Thirty-Three Thousand, Two Hundred and Sixteen Ghana Cedis (GHS1,233,216) in 2023 to One Million, Four Hundred and Seventy-Five Thousand, Three Hundred and Ten Ghana Cedis (GHS1,475,310), representing 19.63% growth. Shareholders are, therefore, encouraged to buy more shares to increase the Stated Capital and help strengthen the Capital Adequacy Ratio

(CAR). The increase in share capital will also provide the Bank with its own funds to undertake capital projects for expansion.

## 5. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Bank supports and assists institutions, individuals, and communities within our operational catchment areas as part of our corporate social responsibility. These corporate social responsibilities involve broad support for the Farmers' Day celebrations, support for annual breast awareness campaigns, and financial support requests from institutions such as schools, the Ghana Fire Service, and the District Assemblies.

Also, the Bank, as part of its CSR has been giving opportunities to tertiary students within its catchment areas to do industrial attachments or internships. These internships help students gain practical knowledge of the corporate environment and also assist them in meeting the course requirements of their schools. A total of thirteen (13) students benefited from this opportunity in the year under review.

During the fiscal year, a total of GHS 11,200 was spent on corporate social responsibility initiatives. Details are as follows:

#	PURPOSE	AMOUNT GHS
1	Assistance to Methodist JHS, Akim Swedru towards speech and prize given day	500
2	Assistance to Ghana Health Service, Birim South District, towards mental health awareness	300
3	Assistance to Akim Oda Community Nursing School towards Breast Cancer Awareness Week Celebration	1,500
4	Assistance towards Cocoa Farmers rally, Akim Swedru	1,500
5	Assistance to Dwumah Memorial School Complex	200
6	Assistance to District Assemblies, Oda and Asene-Manso-Akroso	400
7	Assistance towards GNFS signage at Akroso	200
8	Assistance to various District Assemblies towards 2024 Farmers Day Celebration	6,600
	<b>Total</b>	<b>11,200</b>

## 6. FUTURE OUTLOOK

Our Bank is making significant strides to position itself well and become a relevant and force to be reckoned with in the financial space. We will continue to develop products and services tailored to our valued patrons and customers. We shall continue to expand, grow, and extend our

products and services to our customers, especially in the areas of deposits and loans. The Bank will continue to utilize Information and Communication Technology for our Banking services to meet the needs of our more extensive customer base and deepen financial inclusion.

## **7. 2024 FINANCIAL OUTLOOK**

The Bank's Deposit grew from Ninety-Five Million, Five Hundred and Forty-Two Thousand, and Thirty-Seven Ghana Cedis (GHS 95,542,037) in December 2024 to One Hundred and Seventeen Million, One Hundred and Thirty-Eight Thousand, Five Hundred and Five Ghana Cedis (GHS 117,138,505) in September 2025. This represents a 22.60% growth.

Fellow Shareholders, a total unaudited profit before tax of Four Million, Two Hundred and Thirty-Thousand, One Hundred and Sixty-Four Ghana Cedis (GHS4,230,164) was obtained at the end of September 2025. This puts the Bank in a sound financial footing to generate sufficient profit for you by the end of 2025.

The Bank's Total Assets are also growing. During the period, Total Assets increased from One Hundred and Six Million, Ninety-Four Thousand, Six Hundred and Forty-Four Ghana Cedis (GHS106,094,644) in December 2024 to One Hundred and Thirty-One Million, Three Hundred and Ninety-Three Thousand, One Hundred and Seventy-Five Ghana Cedis (GHS 131,393,175) in September 2025, representing 23.85% growth.

## **8. CONCLUSION**

In conclusion, let me express my gratitude, as well as that of my colleague Directors, to you, our dear Shareholders, for standing with the Bank and always responding to our calls in various ways. We appreciate the continuous contributions and hard work of the Directors, Management, and Staff, as well as all stakeholders, including our customers, for your steadfast support in ensuring the Bank's solid financial performance.

Our Bank will maintain its focus in the future and ensure steady and sustainable growth in assets and earnings to maximize gains for you, our shareholders. We are grateful to you, our Shareholders and our customers. We encourage you to continue doing business with the Bank, which will help ensure the Bank's continued viability for the foreseeable future.

Thank you, and may the good Lord bless us all.

Thank you.

Dr. Betty Nanor Arthur  
Board Chairperson



## **AKIM BOSOME RURAL BANK LTD**

### **CORPORATE INFORMATION**

<b>BOARD OF DIRECTORS</b>	<b>Position on the Board</b>	<b>Date of Appointment</b>	<b>End of Term</b>
Dr. Betty Nanor Arthur	Board Chairperson	27 <sup>th</sup> Nov. 2021	27 <sup>th</sup> Nov. 2024
Patrick Tandoh-Offin	Vice-Chairperson	27 <sup>th</sup> Nov. 2021	27 <sup>th</sup> Nov. 2024
John Antwi-Bosiako	Member	27 <sup>th</sup> Nov. 2021	27 <sup>th</sup> Nov. 2024
Felix Botwe Ahenkora	Member	27 <sup>th</sup> Nov. 2021	27 <sup>th</sup> Nov. 2024
Benjamin Wirehene	Member	27 <sup>th</sup> Nov. 2021	27 <sup>th</sup> Nov. 2024
Van Ike Asare-Odei	Member	20 <sup>th</sup> Dec. 2022	20 <sup>th</sup> Dec. 2025
<b>SECRETARY:</b>	Peprah Berko Agyeman Esq.		
<b>REGISTERED OFFICE:</b>	Adjacent Akim Swedru Post Office Nana Oware Agyekum Street P. O. Box 49 Akim Swedru		
<b>AUDITORS:</b>	K and A Accounting Services 49 Boundary Road (Coastal) Off Spintex Road, Baatsona Accra P. O. BOX 8361, Accra North		
<b>BANKERS</b>	ARB Apex Bank Ghana PLC GCB Bank PLC		

## REPORT OF DIRECTORS

The Directors have the pleasure in submitting their annual report for the year ended 31 December 2024 together with the audited Statement of Comprehensive Income for the Year, Statement of Financial Position as at 31 December 2024, Statement of Cash Flows and Statement of Changes in Equity for the year ended 31 December 2024.

The bank was incorporated on October 15th, 1980 with registration (No. C0007057180) and issued with certificate to commence business and license under the Banking Act, 1970 (Act 339) now replaced by the Banking Act 2004 (Act 673), on February 1, 1980 with registration (No. C0007057180) and January 10, 1980 respectively. The bank commenced business on February 1, 1984. The nature of the business the bank is authorized to carry on includes the provision of current as well as savings and time deposit accounts for its customers. It also acts as agent of the other financial institutions in the country, accepts and discounts bills of exchange and provides finance for small scale farmers, merchants, industrialists, etc.

### Directors' Responsibilities

The Companies Act 2019 (Act 992), requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Bank as at the end of the financial year and of the comprehensive income of the Bank for that period.

The Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930) requires every bank to prepare annually as at 31<sup>st</sup> December of each year financial statements and returns in accordance with that Act.

In preparing these financial statements, the directors are required to:

- Select accounting policies, which comply with the Companies Act 2019 (Act 992) (as amended) and the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930) and in accordance with International Financial Reporting Standards and to apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- Ensure applicable accounting standards have been followed and any material departures disclosed.
- Prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Bank will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the Bank and which enable them to ensure that the financial statements comply with the Companies Act 2019 (Act 992), the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930), Anti-Money Laundering Act, 2020 (Act 1044) and the International Financial Reporting Standards (IFRS).

They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Bank and prevent and detect fraud and other irregularities.

The above statement which should be read in conjunction with the statement of the auditor's responsibilities set out on pages 9 and 10 is with the view of distinguishing for the shareholders the respective responsibilities of the Directors and the Auditors in relation to the financial statements.

## Continued

### Incorporation

The bank was incorporated on 3<sup>rd</sup> October 1983 with registration (No. 23,015) and issued with certificate to commence business and license under the Banking Act, 1970 (Act 339) now replaced by the Banking Act 2004 (Act 673), on February 15, 1983 with registration (No. C0007057180) and February 7, 1984 respectively. The bank commenced business on February 1, 1984.

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.

### Principal Activities

The Principal activities carried out by the Bank during the year under review are within the limits permitted by its regulations and also consistent with its strategic focus.

There were no changes in the principal activities of the Bank during the year.

### Operational Results

The results from operations for the year ended 31<sup>st</sup> 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 from page 16 to 43.

A summary of the results is as follows:

	2024 GH¢	2023 GH¢
<b>Total Income</b>	<b>19,032,227</b>	<b>12,972,005</b>
Total Expenditure	(15,218,384)	(11,251,580)
Profit before tax	3,813,843	1,720,424
Income Tax expense	(1,302,776)	37,633
<b>Profit after tax</b>	<b>2,511,067</b>	<b>1,758,057</b>
<b>Deposit</b>	<b>95,542,037</b>	<b>53,678,411</b>
<b>Total Asset</b>	<b>106,212,659</b>	<b>60,627,896</b>

### Events after the reporting date

Events subsequent to the Statements of Financial Position date are reflected in the financial statements only to the extent that they relate to the period under review and the effect is material. There were no subsequent events at the reporting date, 31 December 2024.

### Particulars of entries in the interests register during the financial year

There were no entries in the interest register of Directors during the year.



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### **Capacity of Directors**

The Directors of Akim Bosome Rural Bank Ltd have years of relevant experience in banking, finance, and tax administration. As part of discharging their duties, the Directors have periodic trainings from the Ghana Banking College, Bank of Ghana and other Training providers to build their capacity. The Bank ensures that only fit and proper persons are appointed to the board after obtaining the necessary approval from the regulator, Bank of Ghana. For the year under review, Dr. Betty Nanor Arthur and Mr. Van Ike Asare-Odei attended USSD/ Agency Banking Road Show organized by Banking College and Apex Bank PLC.

### **Directors**

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

### **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.

### **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 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 Bank performed to achieve the minimum Capital Adequacy Ratio required by Bank of Ghana. The Bank will now declare dividend payment to shareholders pending approval by the Bank of Ghana (2023: nil).

### **Audit Fee Payable**

Included in the general and administrative expenses is the agreed auditor's remuneration of GH¢38,555.86 exclusive of Taxes and Levies.

### **Auditors**

Messrs K and A Accounting services are willing to continue in office as auditor to the Bank for the ensuing year in accordance with the provision of Section 139 (5a) of Ghana Companies Act 2019 (Act 992). The Directors hereby recommend their re-appointment.

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#### Director's interest in contract

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

#### Corporate Social Responsibility

The amount spent on Corporate Social Responsibility during the year by the Bank amounted to GH¢11,200 (2023: GH¢8,200).

Details are as follows;

AREAS OF SUPPORT	BRIEF NARATION	BENEFICIARY COMMUNITIES / INSTITUTIONS	AMOUNT GH¢
Education	Donation made to Akim Swedru JHS towards Speech and Prize.	Akim Swedru Methodist JHS	500.00
Education	Donation made to Akim Oda Community Nursing Training School.	Community Nursing Training School	1,500.00
Education	Donation made to Dwumah Memorial Educational Complex	Dwumah Memorial Educational Complex	200.00
Health	Support to create awareness on mental health issues	Akim Akroso Clinic	300.00
Agriculture	Donation towards Cocoa Farmers rally at Akim Swedru	Coacoa Farmers-Akim Swedru	1,500.00
District Assembly	Donation to Municipal Assemblies.	Oda and Asene Municipal Assembly /	400.00
Security	Support for GNFS signage at Akroso.	Ghana National Fire Service	200.00
Agriculture	Donation to support Farmers Day Celebration.	Farmers in the host communities	6,600.00
<b>Total</b>			<b>11,200.00</b>

#### Directors

The Directors who held office during the year and their percentage shareholdings were as follows:

S/N	NAME OF DIRECTOR	DESIGNATION	NO. OF SHAREHOLDINGS	PERCENTAGE (%) SHAREHOLDING
1.	Dr. Betty Nanor Arthur	Chairperson	50,000	0.17
2.	Benjamin Wirehene	Member	192,000	0.65
3.	Felix Botwe Ahenkora	Member	2,318,000	7.93
4.	Dr. Patrick Tandoh-Offin	Member	103,508	0.35
5.	John Antwi Boasiako	Member	28,000	0.10
6.	Van Ike Asare-Odei	Member	232,500	0.79

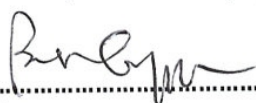
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**Related Party Transactions**

Information regarding key management and Directors' interests in the Bank are disclosed in the notes to the financial statements.

**Approval of Financial Statements**

The report of the directors of the bank was approved by the Board of Directors on 23/04/2025 and signed on its behalf by Dr. Patrick Tandoh - Offin and John Antwi - Basiako as required by Section 135(1b) of the Companies Act, 2019 Act 992.



Chairperson



Director

Date 23-04-2025

Date 23/04/2025



## **CORPORATE GOVERNANCE REPORT TO THE MEMBERS OF AKIM BOSOME RURAL BANK LTD**

### **Introduction**

Akim Bosome Rural Bank Ltd recognizes the importance of good corporate governance as a means of sustained long-term viability of the business and therefore always seeks to align the attainment of the business objectives with good corporate behavior in line with our corporate vision, values and business principles. Akim Bosome Rural Bank's vision is to provide its customers with the best financial products. The business adopts prudent standard accounting practices and ensures sound internal controls to facilitate transparency in the disclosure of information and to give assurance to the reliability of the financial statements.

### **Corporate Governance Directives for Rural and Community Banks 2021**

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

In accordance with Section 45 and 46 of the Corporate Governance Directive for RCBs, the independent external evaluation of the Board for the year was done by Mikensy Consulting Ltd. The scope of the engagement included roles and responsibilities of the board, competencies of the members, structure and composition of the board and its sub-committees, processes and relationships, and other key governance issues.

### **Certification of Compliance with Bank of Ghana Risk Management Directive 2021**

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

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

### **Systems of internal control, risk management and compliance**

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



## CORPORATE GOVERNANCE REPORT TO THE MEMBERS OF AKIM BOSOME RURAL BANK LTD-CONT'D

### Internal Audit Control and Framework

The Internal Audit Unit reviews the business' risk, management practices, compliance with policies, applicable laws, and regulations, and assesses the adequacy of systems of internal controls. The Chief Internal Auditor holding this role has sufficient authority, independence, resources and access to the board.

In accordance with section 50 of the Directive, the Internal Auditor has no involvement in the day-to-day activities of the bank.

### Board of Directors

The Board of Directors is responsible for setting the bank's strategic direction. As of 31 December 2024, the Board of Directors of Akim Bosome Rural Bank Ltd consisted of five (5) Non-Executive Directors. This is in compliance with sections 19 to 21 of the Corporate Governance Directive 2021. The Board members have wide experience and in-depth knowledge in management, industry and financial markets which enables them to make informed decisions and valuable contributions to the Banks progress. The Board met four (4) times during the year, which met the minimum required number of meetings to be held by the Board per section 32 of the Corporate Governance Directive of 2021.

### Attendance at Board Meetings

Membership and attendance at Board meetings during the year are set out below:

MEMBER	POSITION	MEETINGS ATTENDED
Dr. Betty Nanor Arthur	Chairperson	4/4
Dr. Patrick Tandoh-Offin	Member	4/4
Mr. John Antwi-Bosiako	Member	4/4
Mr. Felix Botwe-Ahenkora	Member	4/4
Mr. Benjamin Wirehene	Member	4/4
Mr. Van Ike Asare-Odei	Member	4/4

### Board Committees

The Board has two sub-committees with specific delegated authorities. These are the Board Audit, Risk and Legal, Compliance and ICT Committee and Credit, Finance and Human Capital Development Committee.

The respective Chairpersons present their reports to the Board at each schedule meeting throughout the reporting period.

**CORPORATE GOVERNANCE REPORT  
TO THE MEMBERS OF AKIM BOSOME RURAL BANK LTD-CONT'D**

**Audit, Risk, and Legal, Compliance and ICT Committee**

The Committee is appointed by the Board for the purpose of assisting it in assessing; the adequacy and effectiveness of the controls over financial reporting, the independence of the bank's external auditors; the effectiveness, independence and overall performance of the bank's Internal Audit, the adequacy and effectiveness of risk management framework and practices; the adequacy and effectiveness of the bank's management recommendations regarding material risks related to the performance of the strategic activities of the bank.

The Committee is also mandated to review and approve the bank's risk policies; set a risk appetite or tolerance and strategy including Anti-Money Laundering within which management is required to develop business strategy or plans, objectives and targets for achievements. The Committee is to advise the Board on the recommended risk strategy or appetite within which its business is to be conducted.

**Schedule of Attendance of Meetings**

<b>Members</b>	<b>Position</b>	<b>Meetings Attended</b>
Mr. Botwe Ahenkora	Chairperson	4/4
Dr. Patrick Tandoh-Offin	Member	4/4
Mr. Van Ike Asare-Odei	Member	4/4

**Credit, Finance and Human Capital Development Committee**

The Credit Committee has the oversight responsibilities on behalf of the Board for the approval of credit facilities for the bank. The role of the credit committee includes the following; considering and approving specific loans above the Head of Credit authority level limit as determined by the Board; reviewing Management Credit Committee's authority level as and when deemed necessary and recommending new levels to the Board for consideration, conducting review of credits granted by the bank to ensure compliance with the banks internal controls systems and credit approval procedures. The Committee also ensures training programs of the Bank is adhere followed.

**Schedule of Attendance of Meetings**

<b>Members</b>	<b>Position</b>	<b>Meetings Attended</b>
Mr. John Antwi Boasiako	Chairperson	4/4
Mr. Benjamin Wirehene	Member	4/4
Dr. Betty Nanor-Athur	Member	3/4



**CORPORATE GOVERNANCE REPORT  
TO THE MEMBERS OF AKIM BOSOME RURAL BANK LTD-CONT'D**

**Code of Conduct**

As part of the Bank'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 and the broader community.

**Board Qualifications and Composition**

In accordance with sections 19 to 21 of the 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 a female Director on the Board; The Board met the minimum number of Directors, at 31 December 2024, the Directors were five (5) on the Board. There are no Directors serving on the Board that are related persons.

**Remuneration Structure**

Directors do not receive fixed fees for serving on the Board; however, they are provided with Sitting Allowance and fuel reimbursement for attending board meetings. The Board members' Sitting Allowance was not approved by the shareholders at Annual General Meeting.

**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. The Board has completed the self-evaluation assessment for 2024.

**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 bank ensures all the necessary approvals are obtained prior to the execution of the transaction.

**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.

**CORPORATE GOVERNANCE REPORT  
TO THE MEMBERS OF AKIM BOSOME RURAL BANK LTD-CONT'D**

**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 Bank has complied with the requirement of section 13 of the Corporate Governance Directive.



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AKIM BOSOME RURAL BANK LTD

### Opinion

We have audited the financial statements of *Akim Bosome Rural Bank Ltd* which comprise the Statement of Comprehensive Income for the year ended 31 December 2024, the Statement of Financial Position as at 31 December 2024, the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes as set out on pages 21 to 48.

In our opinion, the accompanying financial statements give 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 International Financial Reporting Standards (IFRSs), and in the manner required by the Companies Act, 2019 (Act 992), the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), and the Anti-Money Laundering Act, 2020 (Act 1044).

### 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 Accountants (Including International Independence Standards) (the Code) issued by the International Ethics Standards Board for Accountants and the independence requirement of section 143 of the Companies Act, 2019 (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.

The key audit matter below was noted;

The Key Audit Matter	How the matter was addressed in the audit
<p><b>1. <u>Impairment of Long Term Investments</u></b></p> <p>The Bank has invested Non-Pledged Trading Assets with Black Shield Fund Management and Mcottley Capital totaling GH¢6,181,107. This investment has matured as at 9 September 2022 but repayments have not yet been received. The total value of these investments has however been validated by the Receiver.</p> <p>Due to the significant judgment that is applied by Bank of Ghana and Management in determining that there should be no impairment contrary to IFRS 9 application, we considered this to be a key audit matter.</p>	<p><b>1. <u>Long Term Investment</u></b></p> <p>The precarious weakness position of going concern that confronts the bank has been dealt with by the advice of Bank of Ghana to treat the investment with Black Shield Capital Management Ltd and McOttley Capital Ltd amounting to GH¢6,181,108 as long term investment.</p>



Continued...

#### **Other Information**

The directors are responsible for the other information. The other information comprises the Report of the Directors and the Corporate Governance Report 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 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 Specialized 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 based on 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

Continued...

- 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 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:

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

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

i. The statement of financial position, the statement of comprehensive income, the statement of cash flows are in agreement with the Accounting records.

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

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.



Continued...

iii. The transactions of the Bank are within their powers; and

iv. The Bank has generally complied with the provisions of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930); the Anti-Money Laundering Act, 2020 (Act 1044) and the Anti-Terrorism Act, 2008 (Act 762) and Regulations made under these enactments.

V. The Bank has generally complied with provisions of the Banks and Specialised Deposit Taking Institutions Act, 2016 (Act 930)

The Engagement Partner on the audit resulting in this independent auditor's report is Mr. Kwadwo Kwarteng (ICAG/P/1097).

*K & A Services*

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

(Chartered Accountants)

Partner Signing: Kwadwo Kwarteng

License Number (ICAG/P/1097)

19 Boundary Road (Coastal)

Off Spintex Road, Baatsonaa (Accra)

Date: 24/04/2025

K & A ACCOUNTING SERVICES  
CHARTERED ACCOUNTANTS

**AKIM BOSOME RURAL**  
**STATEMENT OF COMPREHENSIVE INCOME FOR T.**

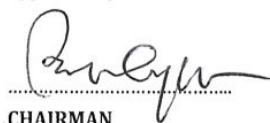
			<b><u>GHC</u></b>
Interest Income	3	16,062,218	10,422,965
Interest Expense	4	<u>(2,465,851)</u>	<u>(1,669,465)</u>
<b>Net Interest Income</b>		<b>13,596,367</b>	<b>8,753,500</b>
Fee and Commission Income	5	1,891,629	1,503,825
Other Operating Income	6	<u>1,078,380</u>	<u>1,045,215</u>
<b>Total Operating Income</b>		<b>16,566,376</b>	<b>11,302,540</b>
Impairment Charge on Financial Assets	7	(505,454)	(946,994)
Personnel Expenses	8	(7,258,284)	(4,825,057)
Depreciation and Amortisation	9	(254,555)	(259,197)
Other Operating Expenses	10	<u>(4,734,240)</u>	<u>(3,550,868)</u>
<b>Net Operating Profit Before Taxation</b>		<b>3,813,843</b>	<b>1,720,424</b>
Income Tax Expense	20(a)	(1,061,798)	37,633
Growth and Sustainability Levy	20(b)	(190,692)	-
Deferred Tax	20 (c)	(50,286)	-
<b>Net Profit after Tax</b>		<b><u>2,511,067</u></b>	<b><u>1,758,057</u></b>
<b>Total Comprehensive Income</b>		<b><u>2,511,067</u></b>	<b><u>1,758,057</u></b>

Notes 1 - 38 form an integral part of these financial statements  
Independent Auditors' Report - Page 13 - 16

**AKIM BOSOME RURAL BANK LTD**  
**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024**

	Note	2024 GH¢	2023 GH¢
<b>ASSETS</b>			
Cash and Short Term Funds	11	14,832,122	7,076,623
Short Term Investment	12 (a)	56,919,309	24,569,032
Loans and Advances to Customers	13(a)	22,858,639	16,526,472
Current Tax Assets		-	249,343
Deferred Tax Assets		-	6,073
Other Assets Account	14	1,213,090	2,016,048
		<b>95,823,160</b>	<b>50,443,591</b>
Long Term Investments	15	6,253,958	6,216,458
Property, Plant & Equipment	16 (a)	3,970,956	3,835,537
Intangible Assets	17	164,585	132,310
<b>TOTAL ASSETS</b>		<b>106,212,659</b>	<b>60,627,896</b>
<b>LIABILITIES AND SHAREHOLDERS' FUND</b>			
<b>LIABILITIES</b>			
Deposits and Current Accounts	18	95,542,037	53,678,411
Creditors and Accruals	19	2,780,976	2,100,402
Tax Provision and Growth & Sust. Levy	20 (a)	888,746	-
Deferred Tax Liabilities	20 (d)	44,213	-
Long Term Borrowings	22	87,154	104,584
<b>TOTAL LIABILITIES</b>		<b>99,343,126</b>	<b>55,883,397</b>
<b>SHAREHOLDERS' FUNDS</b>			
Stated Capital	23	1,475,310	1,233,216
Preference Shares	23	13	13
Statutory Reserve	24	2,051,831	1,424,063
Deposit for Shares	25	7,450	245,120
Capital Surplus	26	2,832,184	2,832,184
Credit Risk Reserve	27	176,909	120,546
Retained Earnings	28	325,836	(1,260,643)
Development Fund		-	150,000
<b>TOTAL SHAREHOLDERS' FUNDS</b>		<b>6,869,533</b>	<b>4,744,499</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>		<b>106,212,659</b>	<b>60,627,896</b>

Approved by the Directors on 23.04.2025 and signed by;



CHAIRMAN



DIRECTOR

Notes 1 - 38 form an intergral part of these financial statements  
Independent Auditors' Report - Page 13 - 16

**AKIM BOSOME RURAL BANK LTD**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024**

	Stated Capital GH¢	Preference Shares GH¢	Credit Risk Reserve GH¢	Developme nt Fund GH¢	Capital Surplus GH¢	Statutory Reserves GH¢	Deposit for Shares GH¢	Income Surplus GH¢	Total GH¢
Balance as at January 1	1,233,216	13	120,546	150,000	2,832,184	1,424,064	245,120	(1,260,643)	4,744,500
Adjustment for the Year	-	-	-	-	-	-	-	(240,459)	(240,459)
Net Profit for the Year	1,233,216	13	120,546	150,000	2,832,184	1,424,064	245,120	2,511,067	7,015,108
Proceeds-Unreg. Shares	-	-	-	-	-	-	4,424	-	4,424
Transfers	242,094	-	-	(150,000)	-	627,767	(242,094)	(627,766)	(150,000)
Credit Risk Balance	-	-	56,363	-	-	-	-	(56,363)	-
Balance as at December 31	1,475,310	13	176,909	-	2,832,184	2,051,831	7,450	325,836	6,869,533

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2023**

	Stated Capital GH¢	Preference Shares GH¢	Credit Risk Reserve GH¢	Developme nt Fund GH¢	Capital Surplus GH¢	Statutory Reserves GH¢	Deposit for Shares GH¢	Income Surplus GH¢	Total GH¢
Balance as at January 1	1,203,152	13	197,485	150,000	-	984,549	245,120	(2,752,379)	27,940
Adjustment for the year	-	-	-	-	-	-	-	96,255	96,255
Net Profit for the Year	1,203,152	13	197,485	150,000	-	-	-	1,758,056	1,758,056
Revaluation Surplus	-	-	-	-	2,832,184	984,549	245,120	(898,068)	1,882,251
Proceeds from Issue of Sha	30,064	-	-	-	-	-	-	-	2,832,184
Transfer to Statutory Reserve	-	-	-	-	-	439,514	-	(439,514)	30,064
Credit Risk Balance	-	-	(76,939)	-	-	-	-	76,939	-
Balance as at December 31	1,233,216	13	120,546	150,000	2,832,184	1,424,063	245,120	(1,260,643)	4,744,499



**AKIM BOSOME RURAL BANK LTD**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>2024</b>	<b>2023</b>
	<b>GHC</b>	<b>GHC</b>
<b>Cash Flow From Operating Activities</b>		
Net Profit Before Tax	3,813,843	1,720,424
<b>ADJUSTMENTS TO RECONCILE OPERATING PROFIT TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Depreciation and Amortisation	254,555	259,197
Charge for Loan Impairment	505,454	946,994
Deferred Fee Income	39,215	39,091
Adjustment	(122,444)	(403)
<b>NET CASH FLOW PROVIDED BY OPERATING ACTIVITIES BEFORE CHANGES IN OPERATING ASSETS AND LIABILITIES</b>	4,490,623	2,965,303
(Increase)/ Decrease in Loans and Advances to Customers	(6,837,622)	(222,992)
(Increase)/ Decrease in Other Assets	802,960	(739,016)
Increase/ (Decrease) in Deposits Liability	41,863,626	7,557,455
Increase/ (Decrease) in Creditors and Accruals	597,631	(243,300)
	40,917,218	9,317,450
Corporate Tax Paid	(354,861)	(8,883)
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	40,562,357	9,308,567
<b>INVESTING ACTIVITIES</b>		
Government Securities	(32,350,277)	(7,511,302)
Purchase of Property, Plant and Equipment	(422,247)	(166,013)
Other Investments	(37,500)	(31,250)
<b>NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES</b>	(32,810,024)	(7,708,565)
<b>FINANCING ACTIVITIES</b>		
Proceeds from Issue of Shares	20,596	30,064
Borrowing	(17,430)	104,584
<b>NET CASH (OUTFLOW) FROM FINANCING ACTIVITIES</b>	3,166	134,648
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>7,755,498</b>	<b>1,734,650</b>
Cash and Cash Equivalents as at 1/1/2024	7,076,623	5,341,973
Net Increase / (Decrease) in Cash and Cash Equivalents	7,755,498	1,734,650
<b>Cash and Cash Equivalents as at 31/12/2024</b>	<b>14,832,122</b>	<b>7,076,623</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	6,986,634	3,798,359
Bank Balances with ARB Apex Bank - Current	2,085,867	572,929
- 5% Apex Deposit	4,250,823	2,680,325
Balances with Other Financial Institutions	1,508,798	25,010
	<b>14,832,122</b>	<b>7,076,623</b>

**AKIM BOSOME RURAL BANK LTD**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

**1.0 GENERAL INFORMATION**

**1.1 Registration and Nature of Business**

Akim Bosome Rural Bank Ltd is a Private Company incorporated and domiciled in Ghana. The Registered office is located at Akim Swedru, Eastern Region. The Bank primarily is involved in rural banking. The bank was incorporated on 3<sup>rd</sup> October, 1983 with registration (No. 23,015) and issued with certificate to commence business and license under the Banking Act, 1970 (Act 339) now repealed and replaced by the Companies Act, 2019 Act 992 on February 1, 1984 with registration (No. C0007057180) and February 7, 1984 respectively. The bank commenced business on February 1, 1984. 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 Adjacent Akim Swedru Post Office, Nana Oware Agyekum Street and Post Office of P. O. Box 49, Akim Swedru, Eastern Region, Ghana.

The company was registered to undertake the business of rural banking.

**1.2 Basis of Preparation and Presentation of financial statements**

**1.3 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 Specialized Deposit Taking Institutions Act, 2016, (Act 930).

**1.4 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 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.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2024-CONT'D**

**1.5 Functional and Presentation Currency**

The financial statements are presented in Ghana Cedi (GH¢) which is the functional and presentation currency of the Bank. Except otherwise indicated, the financial information presented has been rounded off to the nearest One Ghana Cedi.

**1.6 Use of Estimates and Judgements**

In the process of applying the Bank's accounting policies, management has exercised judgement and estimates in determining the amounts recognized in the financial statements.

**2.0 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies applied by Akim Bosome Rural Bank Ltd in the preparation of the financial statements are set out below:

**2.1 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 reliably be measured. The following specific recognition criteria apply in revenue recognition.

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

**a) Interest Income and Expenses**

Interest income and expense are recognized 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 capitalized 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 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.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2024-CONT'D**

**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.

**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).

**2.2 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 6.5% of their basic salary to the fund whilst the Bank contributes 9.5%.

**ii. 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.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2024-CONT'D**

**2.3 Cash & Cash Equivalents**

For the purposes of the statement of cash flows, cash and cash equivalents include cash in hand, balance with ARB Apex Bank, amounts due from other banks and financial institutions and short-term government securities.

**2.4 Intangible Assets**

**i. 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.

**ii. 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.

**iii. 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.

**2.5 Property, Plant and Equipment (PPE)**

- a. 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.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2024-CONT'D**

**b. 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	RATES (%)
Land and Building	2
Office Equipment	20
Motor Vehicle	25
Furniture and Fittings	20
T24 Software	10
Other Software	33.33

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.

**2.6 a 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.

**2.6 b Deferred tax**

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.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2024-CONT'D**

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.

## **2.7 Provisions**

Provisions are recognised when a present legal or constructive obligation exists as a result of past events, where it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably measured. When the Bank expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

### **a. 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.

### **b. 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.

### **c. Post statement of financial position events**

Events subsequent to the statement of financial position date are reflected only to the extent that they relate directly to the financial statements and the effect is material.

### **d. Contingent liabilities**

Contingent liabilities are potential liabilities that arise from past events, the existence of which will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events which are not wholly within the control of the Bank.

Provisions for liabilities are recorded when a loss is considered probable and can be reasonably estimated. The determination of whether or not a provision should be recorded for any potential liabilities is based on management's judgment.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2024-CONT'D**

**2.8 Borrowings**

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 borrowing. 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.

**2.9 Foreign currencies translation**

Transactions are recorded on initial recognition in Ghana cedis, being the currency of the primary economic environment in which the Bank operates (the functional currency). Transactions in foreign currencies during the year are converted into Ghana cedis at prevailing rates of exchange ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Ghana cedis at the rates of exchange ruling at the statement of financial position date. The resulting gains and losses are dealt with in the profit or loss account. The Bank is not expected to keep funds in foreign currency.

**2.10 Critical accounting estimates and assumptions**

Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Because of the inherent uncertainties in this evaluation process, actual losses may be different from the originally estimated provision. In addition, significant estimates are involved in the determination of provisions related to taxes and litigation risks. These estimates are subject to change as new information becomes available and changes subsequent to these estimates may significantly affect future operating results.

**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.

Where the final outcomes of these matters are different from the amounts that were initially recorded, such differences will impact the income tax provisions in the period in which such determination is made.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2024-CONT'D**

**2.11 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.

**2.12 Financial Instruments**

**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.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2024-CONT'D**

**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. Expected Credit Loss Impairment Model**

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. IFRS 9 brings together all three aspects of the accounting for financial instruments: classification and measurement, impairment and hedge accounting. It is effective for annual periods beginning on or after 1 January 2019, with early application permitted.

The Bank assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors are experiencing significant financial difficulty, default, the probability that they will enter bankruptcy or other financial reorganization, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and advances category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2024-CONT'D**

**vi. Credit Risk Reserve**

The Credit risk is a non- distribution reserve and it represents the excess of total provisions for loans and overdraft 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 GH¢2,222,924 (2023: GH¢1,584,167). This was above the impairment allowances for loans and Overdraft recognized under the IFRS framework of GH¢2,166,560 (2023: GH¢1,661,107).

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, Risk, and Compliance Committee which is responsible for developing and monitoring the Bank's risk appetite framework.

**Expected Credit Loss Schedule**

<b>Instrument</b>	<b>Stage 1 12-months GH¢</b>	<b>Stage 2 Lifetime ECL GH¢</b>	<b>Stage 3 Lifetime ECL GH¢</b>	<b>Total GH¢</b>
2024 Loans (Incl. Overdraft)	228,539	233,247	1,704,774	<b>2,166,560</b>
2023 Loans (Incl. Overdraft)	132,688	205,934	1,322,485	<b>1,661,107</b>

**Bank of Ghana Provisioning for Loans and Advances**

<b>CREDIT RISK RATING</b>	<b>DAYS PAST DUE</b>	<b>MINIMUM REQUIRED (%)</b>
Current	Less than 30	1%
Special Mention	31-90	10%
Sub-Standard	91-180	25%
Doubtful	181-360	50%
Loss	> 360	100%



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2024-CONT'D**

**Impairment Losses**

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

		2024		2023	
		Gross Amt	Impairment	Gross Amt	Impairment
		GH¢	GH¢	GH¢	GH¢
Current	0-30 days	22,853,931	426,331	16,788,587	427,474
OLEM	31-90 days	343,143	34,314	125,641	12,564
Sub-Standard	91-180 days	16,684	4,171	37,692	9,423
Doubtful	181-360 days	106,668	53,334	201,890	100,945
Loss	Over 360 days	1,704,774	1,704,774	1,033,761	1,033,761
<b>Total</b>		<b>25,025,200</b>	<b>2,222,924</b>	<b>18,187,571</b>	<b>1,584,167</b>

Continued

**AKIM BOSOME RURAL BANK LTD**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b><u>GHC</u></b>	<b><u>GHC</u></b>
<b>3 <u>INTEREST INCOME</u></b>		
Loans and Advances	8,915,646	7,208,121
Investment	7,146,572	3,214,844
<b><u>TOTAL (PAGE 17)</u></b>	<b><u>16,062,218</u></b>	<b><u>10,422,965</u></b>
<b>4 <u>INTEREST EXPENSE</u></b>		
Interest paid on Deposits	2,454,224	1,660,889
Interest paid on Borrowing	11,627	8,576
<b><u>TOTAL (PAGE 17)</u></b>	<b><u>2,465,851</u></b>	<b><u>1,669,465</u></b>
<b>5 <u>FEES AND COMMISSION INCOME</u></b>		
Commitment Fees	1,187,959	915,863
Commission Received	690,589	575,436
Cheque Clearing Fee	13,081	12,526
<b><u>TOTAL (PAGE 17)</u></b>	<b><u>1,891,629</u></b>	<b><u>1,503,825</u></b>
<b>6 <u>OTHER OPERATING INCOME</u></b>		
Other Income	1,078,380	1,045,215
<b><u>TOTAL (PAGE 17)</u></b>	<b><u>1,078,380</u></b>	<b><u>1,045,215</u></b>
<b>7 <u>IMPAIRMENT CHARGE ON FINANCIAL ASSETS</u></b>		
Loans and Advances	505,454	946,994
Impairment of Government Bonds	-	-
<b>Total Impairment Charge for the year</b>	<b><u>505,454</u></b>	<b><u>946,994</u></b>
<b>8 <u>PERSONNEL EXPENSES</u></b>		
Staff Cost (Appendix I)	<b><u>7,258,284</u></b>	<b><u>4,825,057</u></b>
<b>9 <u>DEPRECIATION AND AMORTISATION</u></b>		
Depreciation of Property, Plant & Equipment	225,710	238,842
Amortization of Intangible Assets	28,845	20,355
<b>Total Charge for the Year</b>	<b><u>254,555</u></b>	<b><u>259,197</u></b>
<b>10 <u>OTHER OPERATING EXPENSES</u></b>		
Occupancy Costs (Appendix II)	857,774	643,806
Administrative Expenses (Appendix III)	3,123,960	2,322,056
Director's Remuneration	473,051	298,095
Audit Fees	47,000	50,000
Micro Finance Expenses	232,455	236,911
<b><u>TOTAL (PAGE 17)</u></b>	<b><u>4,734,240</u></b>	<b><u>3,550,868</u></b>

Continued

**AKIM BOSOME RURAL BANK LTD**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>2024</b>	<b>2023</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>11 CASH AND SHORT TERM FUNDS</b>		
Cash on Hand	6,986,634	3,798,359
5% ARB Apex Bank Deposit	4,250,823	2,680,325
ARB Apex Bank Clearing Account	2,085,867	572,929
Balances with Other Financial Institutions	1,508,798	25,010
<b>TOTAL (PAGE 18)</b>	<b>14,832,122</b>	<b>7,076,623</b>

The balances held with ARB Apex Bank includes a mandatory 5% reserve deposit of GHS 4,250,823 (2023: GHS 2,680,325) which is not available for use in the Bank's day to day operations. Cash on Hand and Balances with ARB Apex Bank are non-interest bearing.

**12 (a) SHORT-TERM INVESTMENTS**

Treasury Bills	45,150,788	23,023,791
ACOD	13,500,000	2,800,000
Unearned Income on Treasury Bills	(1,731,479)	(1,254,759)
<b>TOTAL (PAGE 18)</b>	<b>56,919,309</b>	<b>24,569,032</b>

Accounting Policies for Financial Instruments have been applied to the following line items.

		<b>AT AMORTISED</b>	<b>FAIR VALUE</b>	
		<b>COST</b>	<b>TPL</b>	<b>TOTAL</b>
	<b>2024</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>
Description				
Cash and Short Term Funds		-	14,832,122	14,832,122
Investments		56,919,309	-	56,919,309
Loans and Advances to Customers		22,858,639	-	22,858,639
		<b>79,777,948</b>	<b>14,832,122</b>	<b>94,610,070</b>
	<b>2023</b>			
Cash and Short Term Funds		-	7,076,623	7,076,623
Investments		24,569,032	-	24,569,032
Loans and Advances to Customers		16,526,472	-	16,526,472
		<b>41,095,504</b>	<b>7,076,623</b>	<b>48,172,127</b>

**12 (c) FINANCIAL LIABILITIES BY CATEGORY**

Deposits and Current Accounts	<b>2024</b>	95,542,037	-	95,542,037
Deposits and Current Accounts	<b>2023</b>	53,678,411	-	53,678,411

**13 (a) LOANS AND ADVANCES TO CUSTOMERS**

	<b>2024</b>	<b>2023</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>Analysis by Type of Customer:</b>		
Individuals	13,244,051	9,013,065
Private and Public Enterprises	10,250,069	7,475,775
Staff and Directors	1,531,080	1,698,738
	25,025,200	18,187,578
Less: Impairment charge	(2,166,561)	(1,661,106)
	<b>22,858,639</b>	<b>16,526,472</b>

**13 (b) Analysis by Business segment:**

Agriculture, Forestry & Fishing	1,634,273	3,069,915
Trading	6,695,832	10,368,908
Others	16,695,095	4,748,755
	25,025,200	18,187,578
Less: Impairment charge	(2,166,561)	(1,661,106)
	<b>22,858,639</b>	<b>16,526,472</b>

Continued

<b>AKIM BOSOME RURAL BANK LTD</b>		
<b>NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024</b>		
	<b>2024</b>	<b>2023</b>
	<b>GHC</b>	<b>GHC</b>
<b>13(c) Analysis by Type of Product</b>		
Loans	16,410,124	15,203,931
Overdraft	8,615,076	2,983,647
	25,025,200	18,187,578
Less: Impairment charge	(2,166,561)	(1,661,106)
	<b>22,858,639</b>	<b>16,526,472</b>
<b>13(d) Analysis by Performance</b>		
Performing	23,320,426	15,203,931
Non Performing	1,704,774	2,983,647
	25,025,200	18,187,578
Less: Impairment charge	(2,166,561)	(1,661,106)
	<b>22,858,639</b>	<b>16,526,472</b>
<b>Ratio of Non Performing to Total</b>	<b>6.81%</b>	<b>16.40%</b>
<b>13 (e) Impairment Charges / Allowances</b>		
<b>Allowances for Impairment -IFRS 9</b>		
Balance at 1 January	1,661,107	714,113
Impairment Charge for the year	505,454	946,994
<b>Balance at 31 December</b>	<b>2,166,561</b>	<b>1,661,107</b>
<b>13 (f) Bank of Ghana Provisions</b>		
Balance at 1 January	1,661,107	791,052
Impairment Charge for the year	561,817	870,055
<b>Balance at 31 December</b>	<b>2,222,924</b>	<b>1,661,107</b>
<b>14 OTHER ASSET ACCOUNT</b>		
Interest In Arrears	295,701	520,543
Stationery Stocks	181,433	177,886
Prepaid Rent	352,619	418,189
Office Account	128,972	180,359
Insurance Prepaid	30,317	20,197
Interest and Commission Accrued	166,526	600,620
E-Zwich Operation	27,194	86,639
GhanaPay Operation	10,002	10,002
Sundry Debtors	20,326	1,613
	<b>1,213,090</b>	<b>2,016,048</b>
<b>15 LONG TERM INVESTMENTS</b>		
Government Bond	6,181,108	6,181,108
ARB Apex Bank Shares	72,750	35,250
Produce Buying Company Ltd	100	100
	<b>6,253,958</b>	<b>6,216,458</b>



Continued

**AKIM BOSOME RURAL BANK LTD**  
**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024**

**16 (a) PROPERTY, PLANT AND EQUIPMENT-2024**

<b>COST / VALUATION</b>	<b>Freehold Land GH¢</b>	<b>Land &amp; Building GH¢</b>	<b>Equipment and Computer GH¢</b>	<b>Office Furniture &amp; Fittings GH¢</b>	<b>Motor Vehicles GH¢</b>	<b>TOTAL GH¢</b>
Gross value as at January 1, 2024	83,900	3,543,550	1,072,093	223,829	660,757	5,584,129
Additions for the Year	-	-	361,113	10,192	-	371,304
<b>Gross value as at December 31, 2024</b>	<b>83,900</b>	<b>3,543,550</b>	<b>1,433,206</b>	<b>234,021</b>	<b>660,757</b>	<b>5,955,433</b>
<b>ACCUMULATED DEPRECIATION</b>						
Balance as at 01/01/2024	-	216,726	695,117	211,155	625,592	1,748,590
Charge for the Year	-	64,011	142,809	6,834	12,056	225,710
Transfer	-	15,438	(3,670)	(589)	(1,002)	10,177
<b>Balance as at 31/12/2024</b>	<b>-</b>	<b>296,175</b>	<b>834,256</b>	<b>217,400</b>	<b>636,646</b>	<b>1,984,477</b>
<b>CARRYING AMOUNT</b>						
<b>Balance as at 31/12/2024</b>	<b>83,900</b>	<b>3,247,375</b>	<b>598,950</b>	<b>16,621</b>	<b>24,111</b>	<b>3,970,956</b>

Continued

**AKIM BOSOME RURAL BANK LTD**  
**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024**

**16(b) PROPERTY, PLANT AND EQUIPMENT-2023**

<b>COST / VALUATION</b>	<b>Freehold Land GH¢</b>	<b>Land &amp; Buildings GH¢</b>	<b>Other Premises GH¢</b>	<b>Office Equipment and Computer GH¢</b>	<b>Furniture &amp; Fittings GH¢</b>	<b>Motor Vehicles GH¢</b>	<b>TOTAL GH¢</b>
Gross value as at January 1, 2023	83,900	590,408	139,701	906,080	223,828	660,757	2,604,674
Additions for the Year	-	-	-	166,013	-	-	166,013
Disposal	-	-	(18,743)	-	-	-	(18,743)
Transfer	-	120,958	(120,958)	-	-	-	-
Revaluation Surplus	-	2,832,184	-	-	-	-	2,832,184
<b>Gross value as at December 31, 2023</b>	<b>83,900</b>	<b>3,543,550</b>	<b>-</b>	<b>1,072,093</b>	<b>223,828</b>	<b>660,757</b>	<b>5,584,128</b>
<b>ACCUMULATED DEPRECIATION</b>							
Balance as at 01/01/2023	-	207,402	51,435	556,110	202,142	608,061	1,625,150
Charge for the Year	-	70,871	2,419	139,007	9,013	17,531	238,842
Disposal	-	-	(11,721)	-	-	-	(11,721)
Transfer	-	42,133	(42,133)	-	-	-	-
Release on Revaluation	-	(103,680)	-	-	-	-	(103,680)
<b>Balance as at 31/12/2023</b>	<b>-</b>	<b>216,726</b>	<b>-</b>	<b>695,117</b>	<b>211,155</b>	<b>625,592</b>	<b>1,748,591</b>
<b>CARRYING AMOUNT</b>							
Balance as at 31/12/2023	83,900	3,326,824	-	376,976	12,673	35,165	3,835,537

Continued

**AKIM BOSOME RURAL BANK LTD**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

17. <b><u>INTANGIBLE ASSETS</u></b>	<b><u>WINDOWS 10 SOFTWARE</u></b>	<b><u>T24 LICENSE SOFTWARE</u></b>	<b><u>TOTAL</u></b>
<b><u>COST</u></b>	<b><u>GH¢</u></b>	<b><u>GH¢</u></b>	<b><u>GH¢</u></b>
Balance as at 1/1/2024	26,550	203,553	230,103
Additions	-	50,943	50,943
<b>Balance as at 31/12/2024</b>	<b><u>26,550</u></b>	<b><u>254,496</u></b>	<b><u>281,046</u></b>
<b><u>Accumulated Amortisation</u></b>			
Balance as at 1/1/2024	26,550	71,243	97,793
Charge for the year		28,845	28,845
Transfer		(10,177)	(10,177)
<b>Balance as at 31/12/2024</b>	<b><u>26,550</u></b>	<b><u>89,911</u></b>	<b><u>116,461</u></b>
<b><u>Carrying Amount</u></b>			
Balance as at 31st December, 2024	<u>-</u>	<u>164,585</u>	<u>164,585</u>
Balance as at 31st December, 2023	<u>-</u>	<u>132,310</u>	<u>132,310</u>

Continued

**AKIM BOSOME RURAL BANK LTD**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023			
	GH¢	GH¢			
18 DEPOSITS AND CURRENT ACCOUNTS					
Analysis by Type of Deposits					
Savings Accounts	42,419,375	24,845,077			
Current Accounts	15,903,915	10,168,046			
Time Deposit	16,900,424	8,429,831			
Susu / Others	20,318,323	10,235,457			
TOTAL (PAGE 18)	95,542,037	53,678,411			
19 CREDITORS AND ACCRUALS					
Interest Suspense	232,956	379,423			
Audit Fee	47,000	50,000			
Accrued Interest Payable	615,049	363,304			
Office Accounts	642,121	560,096			
Dividend Payable	117,762	124,848			
Bills Payable	388,583	108,190			
Deferred Income	159,533	120,318			
Development Fund	150,000	-			
Managed Funds	43,072	43,072			
Sundry Creditors	384,900	351,151			
TOTAL (PAGE 18)	2,780,976	2,100,402			
20(a) TAXATION - CURRENT					
Year	Opening Balance	Tax Charged	Tax Paid	Adjustment	Closing Balance
	GH¢	GH¢	GH¢	GH¢	GH¢
2011 - 2016	(80,161)	-	-	80,161	-
2018	(116,829)	-	-	116,829	-
2019	(31,770)	-	-	31,770	-
2022	(11,700)	-	-	11,700	-
2023	(8,328)	-	-	-	(8,328)
2024		1,061,798	(351,530)	-	710,269
	(248,788)	1,061,798	(351,530)	240,460	701,941
20(b) GROWTH AND SUSTAINABILITY LEVY					
Year	Balance	Charged	Paid	Adjustment	Balance
	GH¢	GH¢	GH¢	GH¢	GH¢
2023	-	-	(555)	-	(555)
2024	-	190,692	(3,331)	-	187,361
	-	190,692	(3,886)	-	186,806
20(c) DEFERRED TAX					
		2024	2023		
		GH¢	GH¢		
Balance as at 1 January		(6,073)	31,560		
Charged for the Year		50,286	(37,633)		
Balance as at 31 December		44,213	(6,073)		
20(d) INCOME TAX EXPENSE					
Current Tax Charge		(1,061,798)	-		
Growth and Sustainability Levy		(190,692)	-		
Deferred Tax		(50,286)	37,633		
TOTAL (PAGE 1)		(1,302,776)	37,633		



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2024-CONT'D**

<b>21. RECONCILIATION OF TAX EXPENSE TO PRODUCT OF ACCOUNTING AND APPLICABLE RATE</b>			
		<b>2024</b>	<b>2023</b>
		<b>GH¢</b>	<b>GH¢</b>
Profit Before Tax		<u>3,813,843</u>	<u>1,720,424</u>
Adjustable Pre-tax Profit			
Tax at Applicable Rate @ 25%		953,461	430,106
Tax Effect of Non-Deductible Expenses		212,655	312,979
Tax Effect of Capital Allowances		(80,846)	(63,838)
Add Origination of Temporary Differences		50,286	(37,633)
<b>TOTAL TAX EXPENSE</b>		<b>1,135,555</b>	<b>641,614</b>
<b>Effective Tax Rate</b>		<b>29.77%</b>	<b>37.29%</b>

<b>22 LONG TERM BORROWING</b>			
		<b>2024</b>	<b>2023</b>
		<b>GH¢</b>	<b>GH¢</b>
Apex Bank		87,154	104,584
		<b>87,154</b>	<b>104,584</b>

<b>23. STATED CAPITAL</b>			
		<b>Number</b>	<b>Number</b>
i) Authorised Ordinary Shares of No Par Value		100,000,000	100,000,000
ii) Issued Ordinary Shares of No Par Value		29,655,190	28,818,766
iii) Preference Shares Issued for Cash		125,000	125,000
		<b>GH¢</b>	<b>GH¢</b>
Proceeds issued for Cash-Preference Shares		<u>12.50</u>	<u>12.50</u>
Proceeds issued for Cash-Ordinary Shares		1,052,098	1,022,034
Transfer from Deposit held for shares		242,094	30,064
Transfer from Income Surplus-(2022)		181,118	181,118
		<b>1,475,310</b>	<b>1,233,216</b>

There is no unpaid liability on any share and there is no share in Treasury. During the year under review the Bank registered and transferred 484,188 Ordinary Shares amounting to GH¢242,094 from Deposit held for shares to Stated Capital. This resulted in Issued Ordinary Shares of no Par Value of 29,655,190.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2024-CONT'D**

<b>24.</b>	<b>STATUTORY RESERVE FUND</b>	<b>2024 GH¢</b>	<b>2023 GH¢</b>
	Balance at 1 January	1,424,063	984,549
	Add: Transfer from Retained Profits	627,767	439,514
	<b>Balance as at 31 December</b>	<b>2,051,831</b>	<b>1,424,063</b>

The Statutory Reserve Fund is non-distributable reserve required by section 34 of the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930). This Statute requires a mandatory transfer of a specified percentage of profit after tax, before declaring dividends to a non-distributable statutory reserve fund. The transfer to statutory reserve fund represents 25% of the Bank's profit after tax. The Bank transferred an amount of GH¢627,767 to the Statutory Reserve Fund.

<b>25</b>	<b>DEPOSIT FOR SHARES</b>	<b>2024 GH¢</b>	<b>2023 GH¢</b>
	Balance at 1 January	245,120	245,120
	Add: Transfer to Stated Capital	(242,094)	-
	Share purchased not registered-2024	4,424	30,064
	<b>Balance as at 31 December</b>	<b>7,450</b>	<b>245,120</b>

This represents shares held with the bank yet to be registered with the Office of Registrar General. The quantity of shares and amount are transferred to issued shares and share capital respectively when the registration process is completed at Office of Registrar of Companies.

<b>26</b>	<b>REVALUATION SURPLUS</b>	<b>2024 GH¢</b>	<b>2023 GH¢</b>
	Balance at as 1 January	2,832,184	2,832,184
	Add: Additions during the year	-	-
	<b>Balance as at 31 December</b>	<b>2,832,184</b>	<b>2,832,184</b>

This represents the Bank's Landed Properties at Akim Swedru and Kade carried out by a certified Valuer, Orient Property Consulting in November, 2023 and approved by the Bank of Ghana.

<b>27</b>	<b>CREDIT RISK RESERVE</b>	<b>2024 GH¢</b>	<b>2023 GH¢</b>
	Balance as at 1 January	120,546	197,485
	Add: Movement for the year	56,363	(76,939)
	<b>Balance as at 31 December</b>	<b>176,909</b>	<b>120,546</b>

This represents the difference between provisions for loans and advances provision determined in accordance with the Bank of Ghana prudential guidelines over the impairment loss for loans and advances recognized in the income statement under the IFRS Framework.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2024-CONT'D**

28	RETAINED EARNINGS ACCOUNT	2024 GH¢	2023 GH¢
	Balance as at 1 January	(1,260,642)	(2,752,379)
	Net Adjustment for the year	(240,459)	96,255
	Credit Risk Reserve	-	76,939
	Profit for the year transferred from Statement of Comprehensive Income	2,511,067 1,009,965	1,758,057 (821,128)
	Transfers to:		
	Statutory Reserve Fund	(627,766)	(439,514)
	Credit Risk Reserve	(56,363)	-
	<b>Balance as at 31 December</b>	<b>325,836</b>	<b>(1,260,642)</b>

This represents the residual of cumulative annual profits that is available for distribution to shareholders. The movements in the Retained Earnings account is shown as part of the Statement of Changes in Equity.

**29. EARNINGS PER SHARE**

	2024 GH¢	2023 GH¢
Profit attributable to ordinary shareholders	2,511,067	1,758,057
Weighted average number of ordinary shares		
Issued ordinary shares as at 1 January	29,385,143	20,038,391
Effect of Shares issued as at 31 December	121,047	60,128
Number of ordinary shares at 31 December	29,506,190	29,385,143
Basic and Diluted Earnings per Share	0.085	0.060

**30. PROPOSED DIVIDEND**

The Board of Directors are awaiting directives from Bank of Ghana in regards to payment of dividend for the year ended 31 December 2024 (2023: Nil).

**31. CONTINGENT LIABILITIES**

At the time of our audit, the audit division of the Ghana Revenue Authority was conducting Tax Audit of Akim Osome Rural Bank Ltd. Their audit report was not available to enable us ascertain the extent of liability in terms of Corporate and Withholding Taxes.

The Bank has four (4) pending legal issues against the National Labour Commission and the Industrial and Commercial Workers' Union in respect of labour issues of some previous employees. We do not know the extent of liability that would arise from these pending legal cases.

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

**32. CAPITAL EXPENDITURE COMMITMENTS**

There were no capital commitments as at the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2024-CONT'D**

**33. 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 advanced to related persons. The disbursements and related outstanding balances at the year-end are as follows:

**a. Loans to Directors**

There was no outstanding balance for Loans and advances for the Directors (2023:Nil)

**b. Loans to Key Management Staff**

	<b>2024 GH¢</b>	<b>2023 GH¢</b>
Loans outstanding as at 1 January	1,698,738	1,739,261
Movement during the year	(167,658)	(40,523)
<b>Loans outstanding as at 31 December</b>	<b>1,531,080</b>	<b>1,698,738</b>

**c. Key Management Staff Compensation**

Key management staff are defined as persons having authority and responsibility for planning, directing and controlling the activities of Akim Bosome Rural Bank Ltd. The Details of their compensation is as follow;

	<b>GH¢ 2024</b>	<b>GH¢ 2023</b>
Salaries and Wages	833,279	708,287
Employer Social Security	78,587	66,799
Employer Provident Fund	45,339	38,538
<b>Total Compensation</b>	<b>957,205</b>	<b>813,624</b>

**d. Directors Emoluments**

Remuneration paid to directors in the form of sitting allowances, transportation and other related expenses are shown below;

	<b>2024 GHS</b>	<b>2023 GHS</b>
Directors Sitting Allowance	236,526	149,048
Board Meeting Expenses	70,958	44,714
Directors Transportation	165,567	104,333
<b>Total</b>	<b>473,051</b>	<b>298,095</b>



Continued

**AKIM BOSOME RURAL BANK LTD**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

**34 VALUE ADDED STATEMENT**

	<b>2024</b>	<b>2023</b>
	<b>GH¢</b>	<b>GH¢</b>
Interest earned and other operating income	19,032,227	12,972,005
Direct cost of services	(6,727,040)	(4,922,238)
<b>Value added by banking services</b>	<b>12,305,187</b>	<b>8,049,767</b>
Non-banking Services	-	-
Impairment	(505,454)	(946,994)
<b>Value added</b>	<b>11,799,733</b>	<b>7,102,773</b>
<b>Distributed as follows:</b>		
Directors (Non-Executives)	473,051	298,095
Other Employees	7,258,284	4,825,057
<b>To Government:</b>		
Income Tax	1,302,776	(37,633)
<b>To Providers of Capital:</b>		
Dividends to Shareholders	-	-
<b>To expansion and growth:</b>		
Depreciation and Amortization	254,555	259,197
Retained Earnings	2,511,067	1,758,057
<b>Total Distribution</b>	<b>11,799,733</b>	<b>7,102,773</b>

<b>35 Quantitative Disclosure</b>	<b>2024</b>	<b>2023</b>
Capital Adequacy Ratio	14.41%	10.03%
Non-Performing Loans	6.81%	16.40%
Loan Loss Provision	8.66%	9.13%
Liquidity Ratio	96.46%	90%

**Minimum Paid Up Capital**

According to section 28 of the Bank and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), the bank has met the minimum paid up capital requirement of GH¢1,000,000.00 for Rural and Community Banks.



Continued

**AKIM BOSOME RURAL BANK LTD**  
**CAPITAL ALLOWANCE COMPUTATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	<u>Class 1</u>	<u>Class 2</u>	<u>Class 3</u>	<u>Class 4</u>	<u>Class 5</u>	<u>TOTAL</u>
	<u>Computers</u>	<u>Motor Vehicle</u>	<u>Plant, Furn. / Equipments</u>	<u>Building</u>	<u>T24 User License</u>	
	<u>40%</u>	<u>30%</u>	<u>20%</u>	<u>10%</u>	<u>10%</u>	
	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>	<u>GH¢</u>
Capital Allowance						
WDV B / Fwd	97,301	57,893	366,659	268,985	152,906	943,744
Additions	361,113		10,192		50,943	422,248
TOTAL	458,414	57,893	376,851	268,985	203,849	1,365,992
Less: Capital Allowance	183,366	17,368	75,370	26,898	20,384	323,386
WDV C / Fwd	275,048	40,525	301,481	242,087	183,465	1,042,606

**INCOME TAX COMPUTATION**  
**FOR THE YEAR ENDED 31ST DECEMBER 2024**

	<u>2024</u>	<u>2023</u>
	<u>GH¢</u>	<u>GH¢</u>
Net Profit before Tax	3,813,843	1,720,424
Add Back : Depreciation and Amortisation	254,555	259,197
Donation	90,609	21,725
Impairment Allowance	505,454	946,994
Penalty	-	24,000
Assesable Income	4,664,461	2,972,340
Less : Capital Allowance	(323,386)	(228,219)
Chargeable Income	4,341,075	2,744,121
Carried over loss b/f	-	(2,838,002)
Carried over loss b/f	(93,882)	(93,882)
	4,247,193	
Tax thereon @ 25%	1,061,798	-
Growth and Sustainability Levy @ 5%	190,692	-

**Continued**

	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b><u>GH¢</u></b>	<b><u>GH¢</u></b>
<b><u>APPENDIX I</u></b>		
<b><u>STAFF COST</u></b>		
Salaries and Allowances	2,456,565	1,812,071
Social Security Fund Contribution	408,974	327,180
Provident Fund	471,894	377,515
Other Employee Cost	3,719,837	2,155,587
Staff Training Expenses	102,457	64,000
Medical	98,217	87,322
Housing Expenses	340	1,382
<b><u>TOTAL (PAGE 16)</u></b>	<b><u>7,258,284</u></b>	<b><u>4,825,057</u></b>
<b><u>APPENDIX II</u></b>		
<b><u>OCCUPANCY COSTS</u></b>		
Electricity and Water	279,181	227,574
Police Guard	74,923	71,780
Rent, Rates and Taxes	114,131	128,136
Generator Running Expenses	216,482	75,619
Repairs and Maintenance	173,057	140,697
<b><u>TOTAL (PAGE 16)</u></b>	<b><u>857,774</u></b>	<b><u>643,806</u></b>
<b><u>APPENDIX III</u></b>		
<b><u>ADMINISTRATIVE EXPENSES</u></b>		
Motor Running Expenses	193,290	154,347
Printing and Stationery	226,633	177,188
Insurance	339,521	268,508
Subscriptions & Periodicals	67,592	81,018
Audit Expenses	16,070	2,074
Transport and Travelling	405,103	200,630
Specie Expenses	66,538	32,540
Computerisation Expenses	185,176	680,548
AGM Expenses	57,600	57,600
Postage, Telephone & Telegraph	34,610	30,235
Bank Charges	73,530	99,247
Other Expenses	7,160	3,827



**Continued**

Legal Expenses	215,712	33,456
Loan Recovery Expenses	10,837	59,876
Mobiliasation Expenses	10,855	29,197
Motor Vehicle Repairs and Maintenance	151,241	89,258
Cleaning & Sanitation	56,108	51,749
Entertainment	6,975	3,078
Cheque Clearing Expenses	19,165	12,378
Donation	90,609	21,725
Funeral Grant	7,000	10,350
Professional Fees	80,720	38,421
Penalty	-	24,000
Anniversary Expenses	700	1,432
Consultancy Fee	-	7,314
Commission on Susu	175,620	113,737
Advertising and Publicity	35,663	31,753
Cashiers Overs and Shortage	6,433	6,570
Software License and Support	583,499	-
<b><u>TOTAL (PAGE 32)</u></b>	<b><u>3,123,960</u></b>	<b><u>2,322,056</u></b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2024-CONT'D**

**37.0 Risk Management**

The Bank's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. The Bank's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize the potential adverse effects on its financial performance. Risk management is carried out by the management of the Bank under policies approved by the Board of Directors. Management identifies, evaluates and hedges financial risks. For example, cash requirements are reviewed, and any excess funds invested for interest to hedge against loss of value.

- a. Credit risk
- b. Liquidity risk
- d. Operational risk
- C. Management of Capital
- d. Compliance Risk

**37.1 Credit Risk**

**Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Bank is in the business of advancing loans to customers and therefore has a high exposure to credit risk. The Bank maintains a provision for loan loss based upon the expected collectability of all loans. Strict credit control is exercised through a robust assessment of customer requests before granting loans, monitoring of customers' loan performance and, when necessary, provision is made for specific doubtful accounts. As at the year end, management had provided for general credit risk and specific risk exposure based on how long some loans and advances have been outstanding and future economic benefits likely to accrue from those loans. The table below shows the maximum exposure to credit risk by class of financial instrument:

	2024	2023
	GH¢	GH¢
Bank Balances	7,845,487	3,278,264
Loans and advances to clients	25,025,200	18,187,578
Investments	63,173,267	30,785,490
<b>Total Credit risk exposure</b>	<b>96,043,954</b>	<b>52,251,332</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2024-CONT'D**

**Liquidity risk**

The Bank evaluates its ability to meet its obligations on an ongoing basis. Based on these evaluations, the Bank devises strategies to manage its liquidity risk. The bank's liquidity risk management is aimed at ensuring that sufficient cash is readily available to meet depositors' demands. This is done by maintaining high bank balances. This is due to the peculiar nature of the industry, where depositors can make demands on very short notice and inability to honor may trigger panic withdrawals.

**Operational Risk**

Operational risk is the potential for loss from failed systems and processes, staff incompetence and misconduct and uncontrolled external events. These risks are monitored and controlled in the Bank through well designed operating manuals that reflect the main operating procedures, business continuity planning, reconciliations, internal audit and timely and reliable management reporting.

**Management of capital**

The primary objectives of the company's capital management are to ensure that the Bank is able to advance loans to clients as and when they apply, meet its depositors' demands as they make requests and also pay up creditors as and when their bills fall due. In doing so, the Bank also seeks to maximize shareholders value. The objectives, policies and processes adopted and applied were consistent throughout the period.

**(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.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2024-CONT'D**

**Number of Shareholders**

**Twenty (20) largest Shareholders**

No.	NO NAME	VALUE GH¢	NUMBER OF SHARES	PERCENTAGE HOLDING %)
1	GEORGE KUMI BROBBEY	204,154.70	4,083,094	13.96
2	FELIX BOTWE AHENKORA	115,900.00	2,318,000	7.93
3	SAMUEL DADZIE	91,749.35	1,834,987	6.27
4	KENNETH KWAKU ACHEAMPONG	69,130.70	1,382,614	4.73
5	JOSEPH JOHNSON	62,594.70	1,251,894	4.28
6	AHENKORA ITF DIAMOND AHENKORA BOTWE	50,000.00	1,000,000	3.42
7	REGINALD ACQUAYE	49,053.85	981,077	3.35
8	AHENKORA ITF JEWELL AHENKORA BOTWE	48,000.00	960,000	3.28
9	KWABENA AMOAH GYAAMI	32,500.85	650,017	2.22
10	FRANCIS DEI-AMOAH	29,154.65	583,093	1.99
11	KWAME OPPONG-NKRUMAH	28,614.65	572,293	1.96
12	JOSEPH ASIEDU	24,232.65	484,653	1.66
13	COMFORT OWUSU BEMPAH	24,000.00	480,000	1.64
14	NANA ASUA SINTIM II	22,654.65	453,093	1.55
15	GEORGE GILBERT APPIAH-MARFO	21,496.65	429,933	1.47
16	KENNEDY OSEI NYARKO	20,400.00	408,000	1.40
17	KWAME OSEI BONSU	20,000.00	400,000	1.37
18	ALBERT VINCENT APPIAH	17,554.65	351,093	1.20
19	REV. DR KWAME AMOAH-KUMA	16,954.65	339,093	1.16
20	MRS. ADELAID OWUSU AGYAPONG	16,327.75	326,555	1.12
		<b>964,474.45</b>	<b>19,289,489</b>	<b>65.96</b>
	OTHERS	1,482,759.50	10,365,701	34.04
	<b>TOTAL SHARE HOLDING</b>	<b>1,482,759.50</b>	<b>29,655,190</b>	<b>100</b>



**AKIM BOSOME RURAL BANK LTD**  
**CAPITAL ADEQUACY AS AT 31 DECEMBER 2024**

	<b>2024</b>	<b>2023</b>
	<b>GHC</b>	<b>GHC</b>
<b>ITEM</b>		
1 Paid-Up Capital	1,475,310	1,233,216
2 Disclosed Reserves	2,710,965	433,966
3 <b>Tier 1 Capital (1+2)</b>	4,186,275	1,667,182
<b>Less:</b>		
4 Goodwill/Intangibles – Preliminary Expenses		
5 Losses not Provided For		
6 Investments in Unconsolidated Subsidiaries		
7 Investment in the capital of other Banks & Fin Insts.		
8 Connected Lending of Long Term Nature		
9 <b>Net Tier 1 Capital (3-4-5-6-7-8)</b>	4,186,275	1,667,182
<b>Add:</b>		
10 Revaluation Reserves	1,416,092	1,416,092
11 Subordinated Term Debt (Limited to 50% of 3)		
12 Hybrid Capital		
13 <b>Tier 2 Capital (9+10+11+12)(Limited to 100% of 3)</b>		
14 <b>ADJUSTED CAPITAL BASE (9 +12)</b>	5,602,367	3,083,274
15 TOTAL ASSETS(Less contra items)	106,212,659	60,627,896
<b>Less:</b>		
16 Cash on Hand	6,986,634	3,798,359
<b>Claim on ARB Apex Bank:</b>		
17 i. 5% Deposit ARB	4,250,823	2,680,325
18 ii. Clearing Account Balance	2,085,867	572,929
19 iii. ACOD	13,500,000	2,800,000
20 iv. Balances with other Banks		
<b>Claims on Government</b>		
21 i) Treasury Securities (Bills and Bonds)	45,150,788	23,023,791
22 ii) Stocks/ Bonds	6,181,108	6,181,108
23 80% of Cheques drawn on other banks		
24 Goodwill/Intangibles		
25 Investments in Unconsolidated Subsidiaries		
26 Investments in the Capital of Other Banks & Fin Institutions	72,850	35,350
27 Connected Lending of Long Term Nature		
28 80% of claims on Discount Houses		
29 80% of claims on Other Banks	1,207,038	20,008
30 50% of claims on Other Insts. (Public Sector)		
31 80% of loans guaranteed by government		
32 80% of loans guaranteed by multilateral banks		
33 50% of Residential Mortgage Loans		
34 50% of Export Financing Loans		
35 <b>Adjusted Total Assets (15-(16+17 to 34)</b>	26,777,551	21,516,026
<b>Add:</b>		
36 100% of 3yrs Average Annual Gross Income	12,113,711	9,229,705
37 <b>ADJUSTED ASSET BASE (35+36)</b>	38,891,262	30,745,731
38 <b>Adjusted Asset Base: (14/37 x 100)</b>	14.41%	10.03%
39 <b>CAPITAL SURPLUS/DEFICIT (14 – (10% of 35)</b>	1,713,241	8,701

**AKIM BOSOME RURAL BANK LTD**  
**LIQUIDITY RATIO FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b><u>2024</u></b> <b><u>GHC</u></b>	<b><u>2023</u></b> <b><u>GHC</u></b>
<b><u>DEPOSITS</u></b>		
1 Demand Deposit	15,903,915	10,168,046
2 Savings Deposit	42,419,375	24,845,077
3 Time Deposit	16,900,424	8,429,831
4 Other Deposit	20,318,323	10,235,457
5 Sub-Total (1+2+3+4)	<u>95,542,037</u>	<u>53,678,411</u>
<b><u>LIQUID ASSETS (ACTUAL)</u></b>		
<b><u>A PRIMARY</u></b>		
6 Cash on Hand	6,986,634	3,798,359
7 ACOD	13,500,000	2,800,000
8 Other Banks Balances	7,845,487	3,278,264
9 Sub - Total (6+7+8)	<u>28,332,121</u>	<u>9,876,623</u>
<b><u>B SECONDARY</u></b>		
10 Call Account	-	-
11 Other Investments	6,181,108	6,181,108
12 Treasury Bills	45,150,788	23,023,791
13 Total ( 10+11+12)	<u>51,331,896</u>	<u>29,204,899</u>
14 Primary Reserve % of 9/5	29.65	18.40
15 Secondary Reserve % of 13/5	53.73	54.41
<b><u>Required Reserves</u></b>		
16 Primary 13% ( of No. 5)	12,420,465	6,978,193
17 Secondary 30% (of No. 5)	28,662,611	16,103,523
<b><u>EXCESS RESERVES</u></b>		
<b><u>Primary Reserve</u></b>		
18 Available Reserve (No. 9)	28,332,121	9,876,623
19 Required Reserve (No. 16)	12,420,465	6,978,193
20 Excess Reserve (18-19) (i)	<u>15,911,656</u>	<u>2,898,430</u>
<b><u>Secondary Reserve</u></b>		
21 Available Reserve (No. 13)	51,331,896	29,204,899
22 Required Reserve (No. 17)	28,662,611	16,103,523
Excess Reserve (21 - 22) (ii)	<u>22,669,285</u>	<u>13,101,376</u>
<b><u>TOTAL EXCESS/(DEFICIT) RESERVE</u></b>		
Total Excess/(Deficit) Reserves (i) + (ii)	<u>38,580,940</u>	<u>15,999,805</u>