

AHANTAMAN RURAL BANK LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2018

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AHANTAMAN RURAL BANK LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2018

BASIC INFORMATION

| | | |
|-------------------------------------|---|---------------------------------|
| DATE OF INCORPORATION: | DATE OF INCORPORATION: | 03-Oct-83 |
| CERTIFICATE NUMBER: | CERTIFICATE NUMBER: | 23018 |
| DATE OF COMMENCEMENT | DATE OF COMMENCEMENT | 23-Nov-84 |
| DATE LICENCE WAS ISSUED: | DATE LICENCE WAS ISSUED: | 12-Mar-85 |
| BANK OF GHANA LICENCE NUMBER | BANK OF GHANA LICENCE NUMBER | |
| OLD TIN | OLD TIN | 365B000002 |
| NEW TIN | NEW TIN | C0009043063 |
| BOARD OF DIRECTORS: | BOARD OF DIRECTORS: | |
| CHAIRMAN: | MR. VINCENT BLAYCHIE ESSIEN | |
| VICE CHAIRMAN: | MR. ERIC DANING | |
| MEMBER/SECRETARY: | HON. EBENEZER KOJO KUM | |
| MEMBER: | DR. DOLF KOFI BADU SUTHERLAND | |
| MEMBER: | MS. ELIZABETH OBENG | |
| MEMBER: | HON. SAMUEL JOHNFIAH | |
| MEMBER: | MR. ANTHONY PETER AMISSAH | |
| MEMBER: | MR. JOHN PAPA EKOW MENSAH-WOODE | |
| MEMBER: | MR. ALEXANDER KWAKU KRAH | Resigned 31-Aug-18 |
| CHIEF EXECUTIVE OFFICER | MR. BENJAMIN AFFUL-ESHUN | |
| BRANCH NETWORK | AGONA | KOJOKROM AGONA MARKET |
| | ABURA | HOLY CHILD ACCRA STATION (TKDI) |
| | APOWA | NSUAEM EFFIA |
| | ANAJI | SEKONDI ADUM BANSO |
| | AXIM | TAKORADI TWIFO PRASO |
| | KWESIMINTIM | TARKWA AIYINASE |
| | | WASSA BENSO |
| CLEARING BANK: | ARB APEX BANK, TAKORADI | |
| REGISTERED OFFICE: | AHANTAMAN RURAL BANK LIMITED PREMISES UNN PLT P. O. BOX AA 41 AGONA AHANTA-TAKORADI ROAD | |
| EMAIL ADDRESS | info@ahantamanbank.com.gh | |
| WEBSITE | www.ahantamanbank.com.gh | |
| AUDITORS: | ASAMOA BONSU & CO, CHARTERED ACCOUNTANTS, 56 (e146/10) ORGLE ROAD, KANESHIE. P. O. BOX AN-7751, ACCRA. | |
| SOLICITOR | KENDICKS LAW FIRM (LAWYERS, CONSULTANTS & NOTARY PUBLIC) 22/8 OLD JOHN SARBAH ROAD P. O. BOX 1656, TAKORADI | |

AHANTAMAN RURAL BANK LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2018

DIRECTORS' REPORT TO THE MEMBERS

The Directors present herewith the audited Consolidated Financial Statements of the Bank for the year ended 31st December, 2018 and report thereon as follows:

DIRECTORS' RESPONSIBILITY STATEMENT

The Bank's Directors are responsible for the preparation and fair presentation of the Consolidated Financial Statements, comprising the Statement of Financial Position as at 31st December, 2018, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended and the Notes to the Consolidated Financial Statements, which include a summary of significant accounting policies and other explanatory notes in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies' Act, 1963, (Act 179) as amended by Companies (Amendment) Act, 2012, (Act 835) and the Banks and Specialised Deposit-Taking Institutions Act, 2016, (Act 930) and Anti-Money Laundering Act, 2008, (Act 749) (AML).

The Directors' responsibilities include: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of Consolidated Financial Statements that are free from material misstatement, making accounting estimates that are reasonable in the circumstances.

The Directors have assessed the Bank's ability to continue as a going concern and have no reason to believe the business will not be a going concern in the year ahead.

CONSOLIDATED FINANCIAL STATEMENTS AND DIVIDEND

The results are summarised as follows:

| | 2018 Bank GH¢ | 2018 Group GH¢ | 2017 Bank GH¢ | 2017 Group GH¢ |
|--|---------------------|----------------------|---------------------|----------------------|
| Profit for Year, after Taxation, ended 31st Decer Income Surplus | 1,287,997 | 1,314,001 | 2,973,372 | 3,058,713 |
| Opening Income Surplus Account brought forward of | 6,623,640 | 6,967,979 | 2,483,825 | 2,746,402 |
| Prior Period Error | - | (8,440) | 46,459 | 42,879 |
| | 6,623,640 | 6,959,539 | 2,530,284 | 2,789,281 |
| Transfers From/(to)/Dividend Payable | | | | |
| Dividend Approved | (1,514,827) | (1,514,827) | - | - |
| Other Reserves | - | - | 1,690,544 | 1,690,544 |
| Stated Capital | (2,641,149) | (2,641,149) | - | - |
| Wit'ding Tax on Bonus | (229,666) | (229,666) | | |
| Scholarship/Others | (131,959) | (131,959) | | |
| Statutory Reserves | (321,999) | (321,999) | (371,671) | (371,671) |
| Credit Risk Reserve | (232,967) | (232,967) | (198,888) | (198,888) |
| | (5,072,568) | (5,072,568) | 1,119,985 | 1,119,985 |
| Leaving the balance Income Surplus Account carried forward of | 2,839,070 | 3,200,973 | 6,623,640 | 6,967,979 |
| TOTAL ASSETS | 87,801,695 | 88,273,443 | 67,720,663 | 68,219,540 |

In accordance with Section 134 of the Companies Act, 1963, (Act 179), the Auditors, Messrs' Asamoia Bonsu & Co. continue in office as auditors of the Bank.

The Directors recommend the payment of dividend of GH¢0.045 per share totalling GH¢1,514,827 in respect of the year ended 31st December, 2018 (2017: GH¢0.065: GH¢1,093,282).

NATURE OF BUSINESS

The Bank is registered to carry out the business of banking.

There was no change in the activities of the Bank.

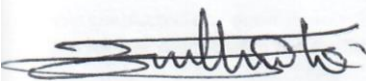
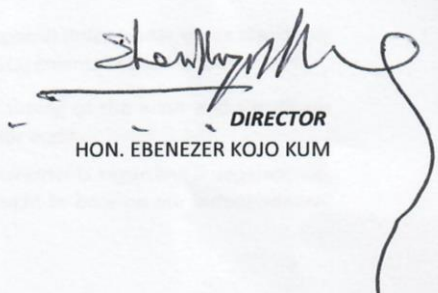
APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Bank as indicated above were approved by the Board of Directors on the date stated below.

Directors' Assessment of the State of the Group's Affairs

The Bank has put in place strategies to meet the Financial Reporting Guidelines on Bank's Financial Statement ending December 31, 2018. This is a requirement as directed and published in the 'Guide for Financial Publication for Banks & BOG Licensed Financial Institutions for all Financial Statements ending December 31, 2016.

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

| | |
|--|--|
|  DIRECTOR VINCENT BLAYCHIE ESSIEN |  DIRECTOR HON. EBENEZER KOJO KUM |
| <u>AGONA-NKWANTA</u> | |
| APRIL 14, 2019 | |

AHANTAMAN RURAL BANK LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2018
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Report on the Audit of the Consolidated Financial Statements

We have audited the Consolidated Financial Statements of Ahantaman Rural Bank Limited, which comprise the Statement of Financial Position as at 31st December, 2018, and the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and Notes to the Consolidated Financial Statements, which include a summary of significant accounting policies as set on pages 12 to 30

Modified Opinion

In our opinion, except for few compliance issues regarding the Bank of Ghana Guidelines for Financial Publication for Banks & Other Licensed Financial Institutions, the accompanying Consolidated Financial Statements present fairly, in all material respects, the Consolidated Financial Position of the Group as at 31st December, 2018, and of its financial performance and its cash flows for the year ended in accordance with International Financial Reporting Standards and the requirements of the Companies' Act, 1963 (Act 179) as amended by the Companies (Amendment) Act, 2012, (Act 835) and Anti-Money Laundering Act, 2008, (Act 749) (AML).

Basis of Modified 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 Consolidated Financial Statements section of our report.

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

We also provide the Directors 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.

Key Audit Matters

The Bank is engaged in training to ensure full compliance with Bank of Ghana Guide for Financial Publication for Banks and Bank of Ghana Licensed Financial Institutions.

Independence

We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Directors are responsible for the preparation and fair presentation of the Consolidated Financial Statements in accordance with Companies Act, 1963, (Act 179) as amended by Companies (Amendment) Act, 2012, (Act 835), Banks and Specialised Deposit-Taking Institutions Act, 2016, (Act 930), and Anti-Money Laundering Act, 2008, (Act 749) (AML) and the International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error. In preparing the Consolidated 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. Those charged with governance are responsible for overseeing the Bank's Financial reporting process.

Auditor's responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 a aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's 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 Group's ability to continue as a Going Concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated 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 Group to cease to continue as a Going Concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated 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 Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the Group 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.

Report on other Legal and Regulatory Requirements

The Companies Act, 1963 (Act 179) as amended by the Companies (Amendment) Act, 2012, (Act 835) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- We have obtained all the information and explanations which we considered necessary for the performance of the audit.
- In our opinion, proper books of account have been kept by the Bank, so far as appears from our examination of those books; and
- The Statement of Financial Position (Balance Sheet) and Statement of Comprehensive Income (Profit or Loss Account) of the Bank are in agreement with the books of account.

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

- The Consolidated Financial Statements give a true and fair view of the state of affairs of the Bank and its results for the year under review;
- We were able to obtain all the information and explanations required for the efficient performance of our duties as auditors;
- The Bank's and its subsidiary's transactions were within its powers; and
- The Bank has complied with the provisions in the Banks and Specialised Deposit-Taking Institutions Act, 2016, (Act 930), Anti-Money Laundering Act, 2008, Act 749 (AML) and Anti-Terrorism Act, 2008, (Act 762).

KOFI KUSI ASAMOA-BONSU (ICAG/P/1479)

ACCRA 14 April 2019

Asamoia Bonsu & Co.
asamoia bonsu & co. (ICAG/F/2018/155)
chartered accountants
otb 169, odum, near kataban house
p. o. box ks 7909
Kumasi

AHANTAMAN RURAL BANK LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2018

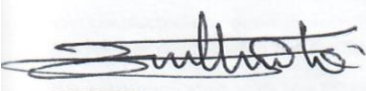
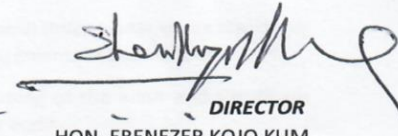
STATEMENT OF COMPREHENSIVE INCOME

| | NOTES | 2018 Bank GH¢ | 2018 Group GH¢ | 2017 Bank GH¢ | 2017 Group GH¢ |
|---|-------|---------------------|----------------------|---------------------|----------------------|
| Interest Income | 8 | 22,548,154 | 22,548,154 | 22,536,446 | 22,536,446 |
| Interest Expenses | 9 | (4,260,787) | (4,260,787) | (3,326,667) | (3,326,667) |
| Net Interest Income | | 18,287,367 | 18,287,367 | 19,209,779 | 19,209,779 |
| Fees and Commission Income | | 4,451,374 | 4,451,374 | 3,088,056 | 3,087,866 |
| Fees and Commission Expense | 10 | | | - | - |
| Net Fees and Commission | | 4,451,374 | 4,451,374 | 3,088,056 | 3,087,866 |
| Net Trading Income | | | | - | - |
| Other Operating Income | | 1,236,037 | 2,409,101 | 1,090,474 | 2,262,708 |
| | | 1,236,037 | 2,409,101 | 1,090,474 | 2,262,708 |
| Operating Income | | 23,974,777 | 25,147,841 | 23,388,309 | 24,560,353 |
| Net Impairment Loss on Financial Assets | 29 | (3,067,542) | (3,067,542) | (1,102,618) | (1,102,618) |
| Personnel Expenses | 26.1 | (8,860,338) | (8,860,338) | (9,211,702) | (9,273,663) |
| Depreciation and Amortisation | 26.2 | (1,149,759) | (1,150,298) | (725,249) | (731,151) |
| Other Expenses | 26.3 | (8,390,738) | (9,528,333) | (7,837,458) | (8,826,279) |
| | | (21,468,377) | (22,606,510) | (18,877,027) | (19,933,711) |
| Profit Before Taxation | | 2,506,401 | 2,541,331 | 4,511,282 | 4,626,642 |
| Tax Expense | | (1,218,404) | (1,227,330) | (1,537,910) | (1,567,929) |
| Net Profit for the Year | | 1,287,997 | 1,314,001 | 2,973,372 | 3,058,713 |
| OTHER COMPREHENSIVE INCOME | | | | | |
| Revaluation of Property, Plant and Equipment | | - | - | - | - |
| Defined Benefit Plan Actuarial Gain/(Loss) | | - | - | - | - |
| Other Comprehensive Inc. for the Year (Net of Tax) | | - | - | - | - |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | | | | |
| Profit attributable to: | | | | | |
| Controlling Equity Holders of the Bank | | 1,287,997 | 1,314,001 | 2,973,372 | 3,058,713 |
| Non-Controlling Interest | | | | - | - |
| Profit for the Year | | 1,287,997 | 1,314,001 | 2,973,372 | 3,058,713 |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | | | | |
| Basic Earnings per Share | | 0.04 | 0.04 | 0.13 | 0.13 |
| Total Comprehensive Income for the year | | 1,287,997 | 1,314,001 | 2,973,372 | 3,058,713 |
| Earnings per Share GH¢ | | 0.03915 | 0.03994 | 0.12759 | 0.13125 |
| Diluted Earnings per Share GH¢ | | 0.03915 | 0.03994 | 0.12759 | 0.13125 |

AHANTAMAN RURAL BANK LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2018
STATEMENT OF FINANCIAL POSITION

| <u>ASSETS</u> | <u>NOTES</u> | 2018 Bank GH¢ | 2018 Group GH¢ | 2017 Bank GH¢ | 2017 Group GH¢ |
|--|--------------|---------------------|----------------------|---------------------|----------------------|
| CURRENT ASSETS | | | | | |
| Cash and Short-Term Funds | 12 | 14,202,095 | 14,202,095 | 12,562,058 | 12,562,058 |
| Short-Term Investments | 13 | 25,963,485 | 25,963,485 | 23,012,003 | 23,012,003 |
| Advances | 14 | 43,401,616 | 43,401,616 | 41,528,582 | 41,528,582 |
| Inventories | 15 | 105,154 | 105,154 | 126,815 | 259,548 |
| Investment Securities | 17 | 394,952 | 284,952 | 394,952 | 284,952 |
| Taxation | 19 | 244,840 | 205,562 | - | - |
| Deferred Taxation | 19 | - | - | - | - |
| Other Assets | 16 | 2,674,822 | 3,172,797 | 3,213,640 | 3,661,877 |
| | | 86,986,964 | 87,335,661 | 80,838,050 | 81,309,020 |
| NON CURRENT ASSETS | | | | | |
| Intangibles | 27 | 520,195 | 520,196 | 32,240 | 32,241 |
| Property, Plant and Equipment | 28 | 7,792,539 | 7,792,777 | 6,931,405 | 6,932,182 |
| TOTAL ASSETS | | 95,299,699 | 95,648,634 | 87,801,695 | 88,273,443 |
| LIABILITIES AND SHAREHOLDERS FUNDS | | | | | |
| Deposits and Current Accounts | 20 | 79,527,360 | 79,420,015 | 67,228,617 | 67,192,125 |
| Other Liabilities | 21 | 3,425,044 | 3,519,167 | 4,139,954 | 4,243,956 |
| Taxation | 19 | - | - | 599,808 | 659,513 |
| Deferred Taxation | 19 | 349,940 | 350,193 | 108,076 | 108,270 |
| Borrowings | 18 | 511,851 | 511,851 | 4,327,899 | 4,327,899 |
| | | 83,814,194 | 83,801,226 | 76,404,355 | 76,531,764 |
| FINANCED AS FOLLOWS: | | | | | |
| Stated Capital | 22 | 5,481,697 | 5,481,697 | 2,163,929 | 2,163,929 |
| Revaluation Surplus | | 42,590 | 42,590 | 42,590 | 42,590 |
| Other Reserves | | - | - | - | - |
| Income Surplus | | 2,839,070 | 3,200,973 | 6,623,640 | 6,967,979 |
| Credit Risk Reserve | | 431,855 | 431,855 | 198,888 | 198,888 |
| Statutory Reserve | | 2,690,293 | 2,690,293 | 2,368,294 | 2,368,293 |
| Shareholders Fund | | 11,485,505 | 11,847,408 | 11,397,341 | 11,741,679 |
| TOTAL LIABILITIES AND SHAREHOLDERS FUND | | 95,299,699 | 95,648,634 | 87,801,695 | 88,273,443 |

These Consolidated Financial Statements were approved at a meeting of the Board held on the date below.

| | |
|---|--|
|  DIRECTOR VINCENT BLAYCHIE ESSIEN AGONA-NKWANTA APRIL 14, 2019 |  DIRECTOR HON. EBENEZER KOJO KUM |
|---|--|

AHANTAMAN RURAL BANK LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2018

STATEMENT OF CHANGES IN EQUITY

BANK

| 2018 | Stated Capital | Statutory Reserve | Revaluation Surplus | Income Surplus | Credit Risk Reserve | Other Reserves | Shareholders' Fund |
|----------------------------|-----------------------|--------------------------|----------------------------|-----------------------|----------------------------|-----------------------|---------------------------|
| | GH¢ | GH¢ | GH¢ | GH¢ | GH¢ | GH¢ | GH¢ |
| Balance b/f | 2,163,929 | 2,368,294 | 42,590 | 6,623,640 | 198,888 | - | 11,397,341 |
| Prior Period Error | - | - | - | - | - | - | - |
| Total Comp. Profit | - | - | - | 1,287,997 | - | - | 1,287,997 |
| | 2,163,929 | 2,368,294 | 42,590 | 7,911,637 | 198,888 | - | 12,685,338 |
| Dividend Approved | - | - | - | (1,514,827) | - | - | (1,514,827) |
| | 2,163,929 | 2,368,294 | 42,590 | 6,396,810 | 198,888 | - | 11,170,511 |
| Transfers | | | | | | | |
| Reversal | - | - | - | - | - | - | - |
| Bonus - Stated Capital | 2,641,149 | - | - | (2,641,149) | - | - | - |
| Wit'ding Tax on Bonus | - | - | - | (229,666) | - | - | (229,666) |
| Scholarship/Others | - | - | - | (131,959) | - | - | (131,959) |
| Statutory Reserve | - | 321,999 | - | (321,999) | - | - | - |
| Credit Risk Reserve | - | - | - | (232,967) | 232,967 | - | - |
| | 2,641,149 | 321,999 | - | (3,557,741) | 232,967 | - | (361,625) |
| Dividend for Shares | 321,609 | - | - | - | - | - | 321,609 |
| Sale of Share | 355,009 | - | - | - | - | - | 355,009 |
| | 5,481,697 | 2,690,293 | 42,590 | 2,839,070 | 431,855 | - | 11,163,895 |

BANK

| 2017 | Stated Capital | Statutory Reserve | Revaluation Surplus | Income Surplus | Credit Risk Reserve | Other Reserves | Shareholders' Fund |
|-----------------------|-----------------------|--------------------------|----------------------------|-----------------------|----------------------------|-----------------------|---------------------------|
| | GH¢ | GH¢ | GH¢ | GH¢ | GH¢ | GH¢ | GH¢ |
| Balance b/f | 1,630,846 | 1,996,622 | 42,590 | 2,483,825 | - | 1,690,544 | 7,844,427 |
| Prior Period Error | - | - | - | 46,459 | - | - | 46,459 |
| Total Comp. Income | - | - | - | 2,973,372 | - | - | 2,973,372 |
| | 1,630,846 | 1,996,622 | 42,590 | 5,503,656 | - | 1,690,544 | 10,864,258 |
| Dividend | - | - | - | - | - | - | - |
| | 1,630,846 | 1,996,622 | 42,590 | 5,503,656 | - | 1,690,544 | 10,864,258 |
| Transfers | | | | | | | |
| Reversal | - | - | - | 1,690,544 | - | (1,690,544) | - |
| Stat. Reserve | - | 371,671 | - | (371,671) | - | - | - |
| Credit Risk Reserve | - | - | - | (198,888) | 198,888 | - | - |
| | - | 371,671 | - | 1,119,985 | 198,888 | (1,690,544) | - |
| Sale of Shares | 533,083 | - | - | - | - | - | 533,083 |
| | 2,163,929 | 2,368,294 | 42,590 | 6,623,640 | 198,888 | - | 11,397,341 |

GROUP**2018**

| | Stated Capital | Statutory Reserve | Revaluation Surplus | Income Surplus | Credit Risk Reserve | Other Reserves | Shareholders' Fund |
|----------------------------|------------------|-------------------|---------------------|--------------------|---------------------|----------------|--------------------|
| | GHC | GHC | GHC | GHC | GHC | GHC | GHC |
| Balance b/f | 2,163,929 | 2,368,293 | 42,590 | 6,967,979 | 198,888 | - | 11,741,679 |
| Prior Period Error | - | - | - | (8,440) | - | - | (8,440) |
| Total Comp. Profit | - | - | 0 | 1,314,001 | - | - | 1,314,001 |
| | 2,163,929 | 2,368,293 | 42,590 | 8,273,540 | 198,888 | - | 13,047,241 |
| Dividend Approved | - | - | - | (1,514,827) | - | - | (1,514,827) |
| | 2,163,929 | 2,368,293 | 42,590 | 6,758,713 | 198,888 | - | 11,532,414 |
| Transfers | | | | | | | |
| Reversal | - | - | - | - | - | - | - |
| Bonus - Stated Capital | 2,641,149 | - | - | (2,641,149) | - | - | - |
| Wit'ding Tax on Bonus | - | - | - | (229,666) | - | - | (229,666) |
| Stated Capital | - | - | - | (131,959) | - | - | (131,959) |
| Statutory Reserve | - | 321,999 | - | (321,999) | - | - | - |
| Credit Risk Reserve | - | - | - | (232,967) | 232,967 | - | - |
| | 2,641,149 | 321,999 | - | (3,557,741) | 232,967 | - | (361,625) |
| Dividend for Shares | 321,609 | - | - | - | - | - | 321,609 |
| Sale of Share | 355,009 | - | - | - | - | - | 355,009 |
| | 5,481,697 | 2,690,293 | 42,590 | 3,200,973 | 431,855 | - | 11,525,798 |

2017

| | Stated Capital | Statutory Reserve | Revaluation Surplus | Income Surplus | Credit Risk Reserve | Other Reserves | Shareholders' Fund |
|-----------------------|------------------|-------------------|---------------------|------------------|---------------------|--------------------|--------------------|
| | GHC | GHC | GHC | GHC | GHC | GHC | GHC |
| Balance b/f | 1,630,846 | 1,996,622 | 42,590 | 2,746,402 | - | 1,690,544 | 8,107,004 |
| Prior Period Error | - | - | - | 42,879 | - | - | 42,879 |
| Total Comp. Income | - | - | - | 3,058,713 | - | - | 3,058,713 |
| | 1,630,846 | 1,996,622 | 42,590 | 5,847,994 | - | 1,690,544 | 11,208,596 |
| Dividend | - | - | - | - | - | - | - |
| | 1,630,846 | 1,996,622 | 42,590 | 5,847,994 | - | 1,690,544 | 11,208,596 |
| Transfers | | | | | | | |
| Other Reseves | - | - | - | 1,690,544 | - | (1,690,544) | - |
| Stat. Reserve | - | 371,671 | - | (371,671) | - | - | - |
| Credit Risk Reseve | - | - | - | (198,888) | 198,888 | - | - |
| | - | 371,671 | - | 1,119,985 | 198,888 | (1,690,544) | - |
| Sale of Shares | 533,083 | - | - | - | - | - | 533,083 |
| | 2,163,929 | 2,368,293 | 42,590 | 6,967,979 | 198,888 | - | 11,741,679 |

AHANTAMAN RURAL BANK LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2018
STATEMENT OF CASH FLOWS

| | 2018 Bank GH¢ | 2018 Group GH¢ | 2017 Bank GH¢ | 2017 Group GH¢ |
|---|---------------------|----------------------|---------------------|----------------------|
| Cash Flow from Operating Activities | | | | |
| Net Profit Before Tax | 2,506,401 | 2,541,331 | 4,511,282 | 4,626,642 |
| Prior Period Error | - | - | 46,459 | 42,879 |
| Credit Risk Reserve | 232,967 | 232,967 | 198,888 | 198,888 |
| Profit on Disposal of Motor Vehicle | - | - | - | - |
| Impairment Loss | 3,024,647 | 3,024,647 | 1,102,618 | 1,102,618 |
| Depreciation | 1,008,248 | 1,008,788 | 713,959 | 717,898 |
| Amortisation | 141,510 | 141,510 | 11,290 | 13,253 |
| | 6,913,773 | 6,949,243 | 6,584,496 | 6,702,178 |
| (Increase)/Decrease in Advances | (1,873,034) | (1,873,034) | (13,391,077) | (13,391,077) |
| (Increase)/Decrease in Inventories | 21,661 | 154,394 | 6,900 | 16,407 |
| (Increase)/Decrease in Other Assets Account | (436,004) | (402,964) | (1,622,855) | (1,337,789) |
| Increase/(Decrease) in Deposits & Current Accounts. | 12,298,743 | 12,227,890 | 12,783,074 | 12,764,377 |
| Increase/(Decrease) in Other Liabilities | (714,910) | (724,789) | 617,173 | 470,616 |
| Net Changes in Working Capital | 9,296,456 | 9,381,498 | (1,606,785) | (1,477,465) |
| Cash Flow from Operating Activities | 16,210,229 | 16,330,740 | 4,977,711 | 5,224,713 |
| Tax Paid | (1,821,188) | (1,850,482) | (1,443,772) | (1,474,273) |
| Net Cash Flow from Operating Activities | 14,389,041 | 14,480,258 | 3,533,939 | 3,750,440 |
| Cash Flow from Investing Activities | | | | |
| Additions | | | | |
| Work-In-Progress | (117,019) | (117,019) | (2,414,577) | (2,414,577) |
| Intangibles | (629,466) | (629,466) | (10,925) | (10,925) |
| Purchase of Fixed Assets | (4,617,924) | (4,734,942) | (617,524) | (808,224) |
| | (5,364,408) | (5,481,427) | (3,043,026) | (3,233,726) |
| | 9,024,633 | 8,998,832 | 490,913 | 516,713 |
| Financing Activities | | | | |
| Stated Capital | 676,609 | 676,609 | 533,083 | 533,083 |
| Dividends Paid | (1,293,673) | (1,293,673) | (927,088) | (927,088) |
| Borrowings | (3,816,049) | (3,816,049) | 3,090,894 | 3,090,894 |
| | (4,433,113) | (4,433,113) | 2,696,889 | 2,696,890 |
| Net Inc./(Dec.) in Cash and Cash Equivalent | 4,591,519 | 4,565,718 | 3,187,802 | 3,213,603 |
| Opening Cash and Cash Equivalent | 35,574,060 | 35,599,861 | 32,386,258 | 32,386,258 |
| Net Inc./(Dec.) in Cash and Cash Equivalent | 4,591,519 | 4,565,718 | 3,187,802 | 3,213,603 |
| Closing Cash and Cash Equivalent | 40,165,580 | 40,165,580 | 35,574,060 | 35,599,861 |
| Represented by Cash and Cash Equivalents | 40,165,580 | 40,165,580 | 35,574,060 | 35,574,061 |

AHANTAMAN RURAL BANK LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2018

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 NATURE OF OWNERSHIP AND OPERATIONS

The Bank was incorporated as a Public Limited Liability Company on 3rd October, 1983 with Registration No. 23018 under the Companies' Act 1963 (Act 179) in Ghana. The Bank was issued with a licence on 12th March, 1985, with Licence No. 110 by Bank of Ghana to operate a business of Banking. The registered address of the Bank is Ahantaman Rural Bank Premises, P. O. Box 41, Agona Nkwanta. The Consolidated Financial Statements of the Group as of year ended 31 December, 2018 comprise the Bank and its subsidiary, Ahantaman Trading Company Limited, referred to as the "Group"). The Group primarily is involved in Rural Banking being Corporate and Retail and the subsidiary engaged in Trading.

1.1 Functional and Presentational Currency

The Consolidated Financial Statements are presented in Ghana Cedis (GH¢) which is the Company's functional currency.

2.0 ACCOUNTING POLICIES

The significant Accounting Policies adopted by the Bank and which have been applied in preparing these Consolidated Financial Statements are stated below:

2.01 Basis of Accounting

These Consolidated Financial Statements have been prepared under the historical cost convention but modified in appropriate areas by the adoption of Fair Value measurement basis. The Bank of Ghana Guideline 'Guide for Financial Publication for Banks and BOG Licensed Financial Institutions' for 2016 and 2018 require certain disclosures to be completely complied with in applicable areas. These guidelines have not been so completely complied with and to this extent, the Consolidated Financial Statements are not in compliance with International Financial Reporting Standards, IFRS.

2.02 Revenue Recognition

Revenue is recognised on accrual basis and to the extent of the economic benefits expected to flow to the Bank and that the Revenue can be reliably measured as provided hereunder.

2.03 Interest Income and Expense

Interest income and expense are recognised in the Consolidated Statement of Comprehensive Income in respect of interest bearing Financial Instruments including Loans and Advances as interest accrues using the Effective Interest Rate method. This method calculates the amortised cost of a Financial Asset or Liability and allocates the Interest Income or Interest Expense also the discount rate applicable to future cash flows (receipts or payments), over the life of the Financial Asset or Liability to its net carrying amount.

2.031 Non-Interest Income

Commission and Fees are earned on accrual basis on services such as Funds Transfer on completion of the transaction.

2.04 Income Tax

Income Tax comprises Current Tax and Deferred Tax.

Current Tax relates to determination of expected payable tax from the Profits of the Consolidated Financial Statements in relations to Tax obligations imposed from by legislation of Ghana.

Deferred Income Tax relates to Tax Provision on all Temporary differences at the Financial Position date arising from Tax bases of assets and liabilities and their carrying amounts. Deferred Tax Assets are the recoverable taxes of future periods which include deductible Temporary differences. Deferred Tax Liabilities are the recognised payable Taxable Temporary differences on future taxable profits. Deferred taxes(Assets or Liabilities) are calculated using the enacted rate expected to be applicable in the period when the asset is realised or the liabilities settled.

Deferred Tax Assets and Liabilities are offset when they arise in the same tax reporting entities and relate to income taxes of the same taxation authority, and when a legal right to set-off exists.

The carrying amounts of Deferred Tax Assets or Liabilities are reviewed at the end of each reporting date and adjusted to reflect the new values through the Profit or Loss.

2.05 Financial Instruments Categorisation, Initial Recognition and Subsequent Measurement**2.051 Categorisation**

The Bank classifies its Financial Assets into those measured at Fair Value through Profit or Loss and those measured at Amortised Cost; and Financial Assets measured at Fair Value through Other Comprehensive Income.

2.052 Date of Recognition

Purchases and Sale of Financial Assets are recognised on the Transaction date.

2.053 Initial Recognition of Financial Instruments

Financial Instruments are initially recognised at their fair value plus, in the case of Financial Assets or Financial Liabilities not at Fair Value through Profit or Loss, transaction costs that are directly attributable to the acquisition or issue of the Financial Asset or Financial Liability.

2.054 Subsequent Measurement of Financial Instruments**(a) Financial Assets at Fair Value Through Profit or Loss**

A Financial Asset at fair value through Profit or Loss is that which meets either of the following conditions.

Held for Trading

A Financial Asset is classified as Held for Trading if it is acquired principally for the purpose of selling in the near future, or is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking.

Designated at Fair Value through Profit or Loss

Upon initial recognition as Financial Asset, it is designated at fair value through Profit or Loss. Financial Assets at fair value through Profit or Loss are measured at fair value subsequent to initial recognition. Gains or Losses upon subsequent measurement are treated in Profit or Loss.

All equity instruments are measured at fair value.

(b) Financial Assets Measured at Amortised Cost

A Financial Asset is measured at amortised cost if the following conditions are met:

- (i) The Asset is held within a business model whose objective is to hold assets in order to collect contractual Cash Flows.
- (ii) The contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Term Loans to customers come under this category. They are initially recognised when cash is advanced to the borrowers at fair value, inclusive of transaction costs. Subsequent to initial recognition, Term Loans are measured at amortised cost less impairment losses.

(c) Financial Assets Measured at Fair Value Through Other Comprehensive Income

Securities including investments in money market and equity shares, other than those classified as trading securities, or at fair value through Profit or Loss, are classified and recognised in the Consolidated Statement of Financial Position at their fair value. Other Financial Assets that are neither cash nor categorised under any other category also come under this classification.

Financial Assets measured at fair value through Other Comprehensive Income are measured at Fair Value with gains and losses arising from changes in Fair Value recognised directly in Other Comprehensive Income until the Financial Asset is either sold, becomes impaired, or matures, at which time the cumulative gain or loss previously recognised in equity is recognised in Profit or Loss.

Interest calculated using the effective interest method is recognised in the Consolidated Statement of Comprehensive Income. Dividends on equity instruments are recognised in the income statement when the Bank's right to receive payment is established.

(d) Financial Liabilities

Financial Liabilities are classified as non-trading, held for trading or designated as at fair value through Profit and Loss. Non-Trading Liabilities are measured subsequent to initial recognition at Amortised Cost applying the effective interest method. Held for Trading Liabilities or Liabilities designated as at fair value through Profit or Loss, are measured at fair value. All Financial Liabilities shown in the Consolidated Statement of Financial Position are non-trading liabilities.

2.055 Determination of Fair Value of Financial Instruments**i. Availability of Active Market**

The fair value of a financial instrument traded in active markets such as the Ghana Stock Exchange (GSE) at the reporting date is based on its quoted market price without any deduction of transaction costs.

ii. Non-Availability of Active Market

Equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. However, Fair Values for such equity investments, are determined from the declaration of capital appreciations by the investee organisation of amounts so declared in the form of additional shares in the equity holdings. Investments whose fair value can be reliably measured are measured professionally through the use of valuation techniques.

iii. Short-Term Receivables

The fair value of short term receivables approximate book value and are measured as such.

2.056 Offsetting of Financial Instruments

Financial Assets and Financial Liabilities are offset when there is a legally enforceable right to do so and the net amount stated in the Consolidated Statement of Financial Position. This happens when there is the intention settle on net basis or realise the Financial Asset and redeem the Financial Liability.

2.057 Derecognition of Financial Assets and Liabilities

A Financial Asset or a portion thereof, is derecognised when the Bank's rights to cash flows has expired or when the Bank has transferred its rights to cash flows relating to the Financial Assets, including the transfer of substantially all the risk and rewards associated with the Financial Assets or when control over the Financial Assets has passed.

A Financial Liability is derecognised when the obligation is discharged, cancelled or has expired.

2.058 Impairment of Financial Assets**(a) Framework for measuring impairment of Financial Assets .**

At each reporting date the Bank assesses whether, as a result of one or more events occurring after initial recognition, there is objective evidence that a Financial Asset or group of Financial Assets has become impaired.

Evidence of impairment may include indications that the borrower or a group of borrowers is/are experiencing significant financial difficulty, default or delinquency in interest or principal payments, or the fact that the debt is being restructured to reduce the burden on the borrower.

(b) Loans and Advances and Amounts due from Banks & other Financial Institutions

For loans and advances to customers and amounts due from banks and other financial institutions carried at amortised cost, the Bank first assesses individually whether objective evidence of impairment exists individually for Financial Assets that are individually significant, or collectively for Financial Assets that are not individually significant. If the Bank determines that no objective evidence of impairment exists for an individually assessed Financial Asset, whether significant or not, it includes the asset in a group of Financial Assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognized, are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The carrying amount of the asset is reduced through the use of an Allowance Account and the amount of the loss is recognised in the Profit or Loss.

Loans together with the associated allowances are written off when there is no realistic prospect of future recovery and all collaterals have been utilised or have been transferred to the Bank and all the necessary procedures have been completed.

If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the Allowance Account. If a write-off is later recovered, the recovery is credited to the Profit or Loss and charged to the Allowance Account ('Credit Loss Expense').

The present value of the estimated future cash flows is determined using the Financial Asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

For the purposes of collective evaluation of impairment, Financial Assets are grouped on the basis of the Bank's internal credit grading system that considers credit risk characteristics, such as asset type, industry, geographical location, collateral type, past-due status and other relevant factors.

2.059 Derecognition of Financial Assets and Liabilities

A Financial Asset or a portion thereof, is derecognised when the Bank's rights to cash flows has expired or when the Bank has transferred its rights to cash flows relating to the Financial Assets, including the transfer of substantially all the risk and rewards associated with the Financial Assets or when control over the Financial Assets has passed.

A Financial Liability is derecognised when the obligation is discharged, cancelled or has expired.

2.060 Impairment of Financial Assets

(a) Basis for Measuring impairment of Financial Assets

At each reporting date the Bank assesses whether, as a result of one or more events occurring after initial recognition, there is objective evidence that a Financial Asset or group of Financial Assets has become impaired.

Evidence of impairment may include indications that the borrower or a group of borrowers is experiencing significant financial difficulty, default or delinquency in interest or principal payments, or the fact that the debt is being restructured to reduce the burden on the borrower.

If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the Income Statement, the impairment loss is reversed through the income statement.

(b) Loans and Advances and amounts due from Banks & Other Financial Institutions

For loans and advances to customers and amounts due from banks and other Financial Institutions carried at amortised cost, the Bank first assesses individually whether objective evidence of impairment exists individually for Financial Assets that are individually significant, or collectively for Financial Assets that are not individually significant. If the Bank determines that no objective evidence of impairment exists for an individually assessed Financial Asset, whether significant or not, it includes the asset in a group of Financial Assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised, are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The carrying amount of the asset is reduced through the use of an Allowance Account and the amount of the loss is recognised in the Profit or Loss.

Loans together with the associated allowances are written off when there is no realistic prospect of future recovery and all collaterals have been utilised or have been transferred to the Bank and all the necessary procedures have been completed.

If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the Allowance Account. If a write-off is later recovered, the recovery is credited to the Profit or Loss and charged to the Allowance Account (Credit Loss Expense).

The present value of the estimated future cash flows is determined using the Financial Asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

For the purposes of collective evaluation of impairment, Financial Assets are grouped on the basis of the Bank's internal credit grading system that considers credit risk characteristics, such as asset type, industry, geographical location, collateral type, past-due status and other relevant factors.

(c) Other Financial Assets

The Bank assesses at each reporting date whether there is objective evidence that an investment or group of investments is impaired.

In the case of equity investments, objective evidence would include significant or prolonged decline in the fair value of the investment below its cost.

In the case of other debt instruments, impairment is assessed based on the same criteria as Financial Assets carried at amortised cost. If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the Income Statement, the impairment loss is reversed through the Income Statement.

(d) Derecognition of Financial Assets and Liabilities

A Financial Asset or a portion thereof, is derecognised when the Bank's rights to cash flows has expired or when the Bank has transferred its rights to cash flows relating to the Financial Assets, including the transfer of substantially all the risk and rewards associated with the Financial Assets or when control over the Financial Assets has passed.

A Financial Liability is derecognised when the obligation is discharged, cancelled or has expired.

3 Regulatory Credit Risk Reserve

To cater for any difference between the Bank of Ghana's Credit Loss Provision requirements and Loans and Advances Impairments based on IFRS Principles, a charge or credit is made to Income Surplus in respect of the difference required to bring up the cumulative provision to the level required under the Bank of Ghana regulations. Under current regulations the Credit Risk Reserve does not qualify as Tier 1 Capital for the computation of Capital Adequacy.

4 Property, Plant and Equipment

The Bank recognises an item of Property, Plant and Equipment as an asset when it is probable that future economic benefits will flow to it and the amount meets the materiality threshold set by the Bank.

Property, Plant and Equipment are stated at Cost or revalued amount less Accumulated Depreciation and any impairment in value. Depreciation is provided on the depreciable amount of each component on a straight-line basis over the anticipated useful life of the asset which is determined in percentages. The depreciable amount of each asset is the difference between the cost/revaluation and the residual value which is set to zero of the asset. No depreciation is provided on Land.

The residual value is the estimated amount, net of disposal costs, that the Bank would currently obtain from the disposal of an asset in similar age and condition as expected at the end of the useful life of the asset. In the last year or period of the charge of depreciation to Profit or Loss, the depreciation amount is reduced by GH¢1 so that the asset has GH¢1 value to give an indication of the existence of the item of Property, Plant and Equipment.

The current Annual Depreciation rates for each class of Property, Plant and Equipment are as follows:

| | |
|-------------------------------|------------|
| Buildings | 5.0% |
| Branch Development | 20.0% **** |
| Bungalow Furniture & Fittings | 20.0% |
| Office Equipment | 25.0% |
| Motor Vehicles | 20.0% |
| Office Furniture & Fittings | 20.0% |
| Plant and Machinery | 25.0% |

****Branch Development is for a useful life of 5 years, that is, 20% or the lease period which ever is earliest.

Costs associated with routine servicing and maintenance of assets are expensed as incurred. Subsequent expenditure is only capitalised if it is probable that future economic benefits associated with the item will flow to the Bank.

The carrying values of property, plant and equipment are reviewed for indications of impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of property, plant and equipment is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Income Statement in the year the item is derecognised.

Residual values, useful lives and methods of depreciation for Property, Plant and Equipment are reviewed and adjusted if appropriate, at each financial year end.

5 Use of Estimates and Judgement

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

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the Consolidated Financial Statements are described in Notes 4.

6 RISK MANAGEMENT

The Bank's operations come with these risks: Credit, Market, Liquidity and Operational.

6.1 Credit Risk

To the Bank, Credit Risk is the likelihood that a receivable from a financial instrument issued by the Bank to a borrower is unlikely to be received regarding the principal with or the interest according to the terms contained in the financial instrument. This will result in economic loss to the Bank.

The Credit Risk arises from largely Loans and Advances to customers.

The Credit Risk is managed through the systems and controls established by the Credit Department that ensures that periodic review of the status of the receivable at every stage from application to completion of the repayment of the advance by the borrower. The Credit Department submits reports of the performance of the Loans and Overdrafts to a Credit Committee which takes appropriate actions for recovery. Credit facilities are monitored for early warning signals of non-performance.

6.2 Market Risk

Market Risk is the potential of losses arising from movements in market prices such as Interest Rates, Exchange Rates, and Equity and Commodity Prices. Currently, the Bank's activities expose it to Interest Rate risks with no exposure to exchange rate, equity or commodity price risks. The Interest Rate risk is inherent in the Bank's Financial Assets and Liabilities such as Loans, Customer Deposits and Borrowings.

6.3 Liquidity Risk

Liquidity Risk is the potential loss to the Bank arising from either its inability to meet its maturing Short-Term obligations as they fall due or to fund increases in assets without incurring unacceptable costs. The management of this risk enables the Bank to minimise the timing of cash flows relating to its Assets and Liabilities to ensure that it regularly maintains the Primary Reserve requirement of 13% of Total Deposits as required by Bank of Ghana and ARB Apex Bank.

6.4 Operational Risk

Operational Risk is direct or indirect loss resulting from inadequate or failed internal and processes, staff and systems. These are managed by well designed operating manuals that reflect the main operating procedures, business continuity planning, reconciliations, internal audit and timely and reliable management reporting.

7 CAPITAL

7.1 The Objectives of Capital Management

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

The objective is also to ensure that, at any time, the Stated Capital requirement by Bank of Ghana could be met and also to comply with the Capital Adequacy Ratio Regulatory requirements of Bank of Ghana. This is achieved by maintaining the appreciable level of profits to meet the expected Capital increases by Bank of Ghana.

7.2 Capital Description

The Bank's Capital is its Shareholders' funds comprising Stated Capital, Statutory Reserves and Income Surplus, which includes current and previous year's retained earnings. The current level of the Bank's capital complies with the existing minimum Stated Capital requirement of Bank of Ghana.

7.3 Regulatory Capital

The Group's Regulatory Capital consists of both Tier 1 and Tier 2 capital.

Tier 1 Capital consists of Stated Capital, Statutory Reserves and Income Surplus, after deductions of Intangible Assets and Other Regulatory Adjustments relating to items that are included in equity but are treated differently for Capital Adequacy purposes.

Tier 2 Capital consists of Convertible Debentures and Revaluation Surpluses. Total Tier 2 Capital is limited to 100% of the Net Tier 1 Capital.

The Group's Regulatory Capital position as at 31st December, is summarised below:

7.4 The Level of Capital Adequacy

Tier 1 Capital

| | 2018 Bank GH¢ | 2018 Group GH¢ | 2017 Bank GH¢ | 2017 Group GH¢ |
|------------------------------|---------------------|----------------------|---------------------|----------------------|
| Ordinary Share Capital | 5,481,697 | 5,481,697 | 2,163,929 | 2,163,929 |
| Disclosed Reserves | 5,571,953 | 5,933,855 | 9,034,524 | 9,378,862 |
| Less Intangible Assets | (3,195,017) | (3,692,993) | (3,245,880) | (3,694,118) |
| Other Regulatory Adjustments | (394,952) | (284,952) | (394,952) | (284,952) |
| Total | 7,463,680 | 7,437,607 | 7,557,621 | 7,563,721 |

Tier 2 Capital

| | | | | |
|---|------------------|------------------|------------------|------------------|
| Fair Value Reserve for Available for Sale Equity Securities | | | | |
| Revaluation Reserve | 42,590 | 42,590 | 42,590 | 42,590 |
| Qualifying Subordinated Liabilities | | | - | - |
| Total | 42,590 | 42,590 | 42,590 | 42,590 |
| Total Regulatory Capital | 7,506,270 | 7,480,198 | 7,600,211 | 7,606,311 |

Risk Weighted Assets

| | | | | |
|-----------------------------------|-------------------|-------------------|-------------------|-------------------|
| Total Adjusted Assets | 64,663,101 | 64,663,101 | 59,666,908 | 59,666,908 |
| Net Contingent Liabilities | | | | |
| Operational Risk | | | | |
| Market Risk | | | | |
| Total Risk Weighted Assets | 64,663,101 | 64,663,101 | 59,666,908 | 59,666,908 |

Capital Ratios

| | | | | |
|--|--------|--------|--------|--------|
| Total Regulatory Capital Expressed as a Percentage of Total Risk Weighted Assets | 11.61% | 11.57% | 12.74% | 12.75% |
| Total Tier 1 Capital Expressed as a Percentage of Risk Weighted Assets. | 11.54% | 11.50% | 12.67% | 12.68% |

I) Dividend

Dividend payable is recognised as a liability in the period in which they are approved at the AGM.

| | 2018 Bank GH¢ | 2018 Group GH¢ | 2017 Bank GH¢ | 2017 Group GH¢ |
|---|---------------------|----------------------|---------------------|----------------------|
| 8 INTEREST INCOME | | | | |
| Advances - Loans | 14,926,090 | 14,926,090 | 12,835,267 | 12,835,267 |
| Advances - Overdrafts | 2,924,519 | 2,924,519 | 4,057,356 | 4,057,356 |
| Investment | 4,697,545 | 4,697,545 | 5,643,823 | 5,643,823 |
| | 22,548,154 | 22,548,154 | 22,536,446 | 22,536,446 |
| 9 INTEREST EXPENSES | | | | |
| Savings Deposits | 1,617,403 | 1,617,403 | 702,673 | 702,673 |
| Time Deposits | 2,116,735 | 2,116,735 | 1,936,046 | 1,936,046 |
| Borrowings | 526,650 | 526,650 | 687,948 | 687,948 |
| | 4,260,787 | 4,260,787 | 3,326,667 | 3,326,667 |
| 10 COMMISSIONS AND FEES | | | | |
| Commissions on Turnover | 2,566,694 | 2,566,694 | 1,192,991 | 1,192,801 |
| Commitment Fees | 1,830,793 | 1,830,793 | 1,851,601 | 1,851,601 |
| Cheque Clearing/Domestic Money Transfer Fee | 53,887 | 53,887 | 43,464 | 43,464 |
| | 4,451,374 | 4,451,374 | 3,088,056 | 3,087,866 |
| 11 OTHER INCOME | | | | |
| Overs in Till | - | - | 3,277 | 3,277 |
| Bad Debts Recovered | 12,335 | 12,335 | 105,258 | 105,258 |
| Sundry Income | 1,223,702 | 2,396,766 | 981,939 | 2,154,173 |
| | 1,236,037 | 2,409,101 | 1,090,474 | 2,262,708 |

12 CASH AND SHORT TERM FUNDS

| | | | | |
|--|-------------------|-------------------|-------------------|-------------------|
| Cash on Hand | 3,564,844 | 3,564,844 | 3,629,088 | 3,629,088 |
| GT Bank | 976,081 | 976,081 | 245,175 | 245,175 |
| Ecobank | 1,421,080 | 1,421,080 | 541,660 | 541,660 |
| CAL Bank | 2,870,638 | 2,870,638 | 869,262 | 869,262 |
| ARB Apex Bank - ACOD | - | - | - | - |
| ARB Apex Bank - Current | 1,388,415 | 1,388,415 | 2,420,866 | 2,420,866 |
| ARB Apex Bank - Reserve (5% Placement) | 3,884,758 | 3,884,758 | 3,233,104 | 3,233,104 |
| Items in Terms of Collection | 95,191 | 95,191 | 1,503,328 | 1,503,328 |
| UNIBANK | 1,055 | 1,055 | 119,542 | 119,542 |
| Money At Call | 33 | 33 | 33 | 33 |
| | 14,202,095 | 14,202,095 | 12,562,058 | 12,562,058 |

13 SHORT-TERM INVESTMENTS

| | | | | |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|
| Fixed Deposit | | | | |
| i. Government Treasury Unibank | - | - | - | - |
| - Gold Coast Fund Management | 7,648,732 | 7,648,732 | 7,757,414 | 7,757,414 |
| ii. BOG Bills- 1 YR Treasury Bank | 1,823,959 | 1,823,959 | 4,055,978 | 4,055,978 |
| - Ivory Finance - CDH | 4,987,428 | 4,987,428 | 5,834,215 | 5,834,215 |
| iii. Other Banks Beige Capital (CBG) | 2,429,928 | 2,429,928 | 1,157,242 | 1,157,242 |
| - One-Year Treasury Note | 225,750 | 225,750 | 210,000 | 210,000 |
| iv. Treasury Bills 91 Days | 8,847,688 | 8,847,688 | 4,027,490 | 4,027,490 |
| | 25,963,485 | 25,963,485 | 23,042,339 | 23,042,339 |
| Interest Receivable on Investment | - | - | (30,336) | (30,336) |
| | 25,963,485 | 25,963,485 | 23,012,003 | 23,012,003 |

14 LOANS AND ADVANCES

| | 2018 | 2018 | 2017 | 2017 |
|-----------------------------|-------------------|-------------------|-------------------|-------------------|
| | Bank | Group | Bank | Group |
| | GH¢ | GH¢ | GH¢ | GH¢ |
| Loans | 44,131,027 | 44,131,027 | 39,387,522 | 39,387,522 |
| Overdraft | 2,965,242 | 2,965,242 | 3,258,814 | 3,258,814 |
| | 47,096,269 | 47,096,269 | 42,646,336 | 42,646,336 |
| Impairment Loss | (3,694,653) | (3,694,653) | (1,117,754) | (1,117,754) |
| | 43,401,616 | 43,401,616 | 41,528,582 | 41,528,582 |
| Impairment Provision | | | | |
| Opening Balance | 1,117,754 | 1,117,754 | 1,121,915 | 1,121,915 |
| Bad Debts Reversed | (447,748) | (447,748) | (1,106,779) | (1,106,779) |
| | 670,006 | 670,006 | 15,136 | 15,136 |
| Loan Impairment Charges | 3,024,647 | 3,024,647 | 1,102,618 | 1,102,618 |
| Closing Balance | 3,694,653 | 3,694,653 | 1,117,754 | 1,117,754 |
| Loan Impairment Charges | 3,024,647 | 3,024,647 | 1,102,618 | 1,102,618 |
| Impairment Loss | 42,895 | 42,895 | - | - |
| Charged to Profit or Loss | 3,067,542 | 3,067,542 | 1,102,618 | 1,102,618 |

15 INVENTORIES

| | | | | |
|--------------|----------------|----------------|----------------|----------------|
| Stationery | 67,458 | 67,458 | 70,663 | 70,663 |
| Other Stores | 37,696 | 37,696 | 56,153 | 188,886 |
| | 105,154 | 105,154 | 126,815 | 259,548 |

16 OTHER ASSETS

| | | | | |
|----------------------------------|------------------|------------------|------------------|------------------|
| Prepaid Rent | 718,789 | 718,789 | 457,478 | 457,478 |
| Sundry Payments | - | - | 47,000 | 47,000 |
| Western Union Money | - | - | 6,599 | 6,599 |
| Subscription | 3,000 | 3,000 | - | - |
| Inter-Agency | 757,895 | 757,895 | 143,810 | 143,810 |
| Interest on 1-Year Treasury Note | - | - | 45,000 | 45,000 |
| Anti-Virus | 21,101 | 21,101 | 7,523 | 7,523 |
| Deposit for Bankmill Software | - | - | 37,013 | 37,013 |
| Cocoa Purchases Suspense | - | - | 35,220 | 35,220 |
| Interest In Arrears | 186,883 | 186,883 | 1,348,811 | 1,348,811 |
| Business Promotion | - | - | 382,487 | 382,487 |
| Others | 987,155 | 1,485,130 | 702,699 | 1,150,936 |
| | 2,674,822 | 3,172,797 | 3,213,640 | 3,661,877 |

17 INVESTMENT SECURITIES

| | | | | |
|--------------------------------------|----------------|----------------|----------------|----------------|
| Ahantaman Trading Co. Ltd 100% Owned | 110,000 | - | 110,000 | - |
| ARB Apex Bank | 169,659 | 169,659 | 169,659 | 169,659 |
| ARB - WERBA | 115,293 | 115,293 | 115,293 | 115,293 |
| | 394,952 | 284,952 | 394,952 | 284,952 |

18 BORROWINGS

| | | | | |
|---|----------------|----------------|------------------|------------------|
| ARB APEX BANK LOAN | 277,241 | 277,241 | 770,768 | 770,768 |
| OTHER FIN. INST. - S I F/ ARB APEX BANK | 234,610 | 234,610 | 497,732 | 497,732 |
| CYRANO LOAN | - | - | 3,059,400 | 3,059,400 |
| | 511,851 | 511,851 | 4,327,899 | 4,327,899 |

18a ARB APEX BANK LTD 277,241 (2016:GH¢770,768)

This loan was contracted on February 05, 2015 for GH¢1,000,000 with a tenor of 60 months and a moratorium of 6 months giving a repayment covering 54 months.

The loan is secured on a lien of Treasury Bills up to same amount of loan (with interest) outstanding at any given time.

18b ARB APEX BANK LTD (S.I.F) 234,610 (2017:GH¢497,732)

This loan was contracted on March 10, 2017 for GH¢483,858 with a tenor of 24 months and a moratorium of 4 months with instalment repayments commencing in the fifth month from the date of the disbursement of the first tranche of GH¢373,858.

The facility could be recalled without notice to Ahantaman Rural Bank Limited if it was established that the loan had been diverted from its original purpose of 'on-lending' to various micro and medium scale farmers in both animal and crop farming activities.

The loan is collateralised on a lien placed on Bank's Treasury Bills with the lender up to same quantum of loan amount (with interest) outstanding at any given time.

18a WHOLESALE MICROFINANCE FACILITY, (CYRANO), (2017:GH¢3,000,000)

This loan was contracted on May 26, 2017 for GH¢3,000,000 with a tenor of 36 months and fully repaid in three tranches of GH¢1,000,000 with the following repayment (due) dates:

| Months from Date of First Disbursement | Due Date | Amount GH¢ |
|--|-----------|------------|
| 24 | 29-May-19 | 1,000,000 |
| 30 | 29-Nov-19 | 1,000,000 |
| 36 | 29-May-20 | 1,000,000 |

This loan was extinguished by the end of the year 2018 upon a mutual agreement reached between the two contracting parties.

19 TAXATION

| 19a BANK | Balance | Charges | Payments | Balance | Charge | Balance |
|-----------|-----------|----------|----------|-----------|----------|-----------|
| Tax Years | 01-Jan-17 | for Year | | 31-Dec-17 | for year | 31-Dec-18 |

| | GHC | GHC | GHC | GHC | GHC | GHC | GHC |
|---------------|----------------|------------------|--------------------|----------------|------------------|--------------------|----------------|
| Up to 2012 | - | (37,561) | - | (37,561) | - | - | (37,561) |
| 2013 | - | (37,732) | - | (37,732) | - | - | (37,732) |
| 2014 | (106,826) | 78,913 | - | (27,913) | - | - | (27,913) |
| 2015 | (301,497) | 288,380 | - | (13,117) | - | - | (13,117) |
| 2016 | 870,387 | 53,620 | (899,259) | 24,748 | - | - | 24,748 |
| 2017 | - | 1,235,896 | (544,513) | 691,383 | - | (599,808) | 91,575 |
| | 462,064 | 1,581,516 | (1,443,772) | 599,808 | - | (599,808) | - |
| 2018 | - | - | - | - | 976,540 | (1,221,380) | (244,840) |
| | 462,064 | 1,581,516 | (1,443,772) | 599,808 | 976,540 | (1,821,188) | (244,840) |
| Deferred Tax | 151,682 | (43,606) | - | 108,076 | 241,864 | - | 349,940 |
| | 613,746 | 1,537,910 | (1,443,772) | 707,884 | 1,218,404 | (1,821,188) | 105,100 |
| Div. Tax 2017 | - | - | - | - | 121,186 | (121,186) | - |
| Div. Tax 2018 | - | - | - | - | 229,666 | (229,666) | - |
| | - | - | - | - | 350,852 | (350,852) | - |

| 19b GROUP | GHC | GHC | GHC | GHC | GHC | GHC | GHC |
|---------------|----------------|------------------|--------------------|----------------|------------------|--------------------|----------------|
| Up to 2012 | - | (37,561) | - | (37,561) | - | - | (37,561) |
| 2013 | - | (37,732) | - | (37,732) | - | - | (37,732) |
| 2014 | (106,826) | 78,913 | - | (27,913) | - | - | (27,913) |
| 2015 | (241,732) | 288,380 | - | 46,648 | - | - | 46,648 |
| 2016 | 871,003 | 53,620 | (899,259) | 25,364 | - | - | 25,364 |
| 2017 | - | 1,265,721 | (575,014) | 690,707 | - | (599,808) | 90,899 |
| | 522,445 | 1,611,341 | (1,474,273) | 659,513 | - | (599,808) | 59,705 |
| 2018 | - | - | - | - | 985,407 | (1,250,674) | (265,267) |
| | 522,445 | 1,611,341 | (1,474,273) | 659,513 | 985,407 | (1,850,482) | (205,562) |
| Deferred Tax | 151,682 | (43,412) | - | 108,270 | 241,923 | - | 350,193 |
| | 674,127 | 1,567,929 | (1,474,273) | 767,783 | 1,227,330 | (1,850,482) | 144,631 |
| Div. Tax 2017 | - | - | - | - | 121,186 | (121,186) | - |
| Div. Tax 2018 | - | - | - | - | 229,666 | (229,666) | - |
| | - | - | - | - | 350,852 | (350,852) | - |

RECONCILIATION/COMPUTATION OF EFFECTIVE TAX RATE

| | BANK 2018 GHC'000 | GROUP 2018 GHC'000 | BANK 2017 GHC'000 | GROUP 2017 GHC'000 |
|--|-------------------------|--------------------------|-------------------------|--------------------------|
| Profit Before Tax | 2,506,401 | 2,541,331 | 4,511,282 | 4,626,642 |
| Income Tax Using Applicable Tax Rate 25% | 626,600 | 635,333 | 1,127,820 | 1,156,661 |
| Deferred Tax | | | | |
| Balance 31-Dec | 108,076 | 108,076 | 151,682 | 151,682 |
| Adjustment to Prior Years | 241,864 | 265,748 | (43,606) | (43,606) |
| Balance 31-Dec | 349,940 | 373,824 | 108,076 | 108,076 |
| Profit Before Tax Expense | 976,540 | 1,009,157 | 1,235,896 | 1,266,212 |
| Deferred Tax | 241,864 | 265,748 | (43,606) | (43,606) |
| Total | 1,218,404 | 1,274,906 | 1,192,290 | 1,222,606 |
| Effective Tax Rate % | 48.61 | 50.17 | 26.43 | 26.43 |

20 DEPOSIT AND CURRENT ACCOUNT

| | 2018 Bank GHC | 2018 Group GHC | 2017 Bank GHC | 2017 Group GHC |
|--------------------------|---------------------|----------------------|---------------------|----------------------|
| Current Accounts | 18,567,074 | 18,459,730 | 15,415,508 | 15,379,016 |
| Savings Accounts | 34,341,075 | 34,341,075 | 30,543,449 | 30,543,449 |
| Time | 15,813,526 | 15,813,526 | 12,045,270 | 12,045,270 |
| Susu Deposits and Others | 10,176,070 | 10,176,070 | 9,074,174 | 9,074,174 |
| Others | 629,615 | 629,615 | 150,216 | 150,216 |
| | 79,527,360 | 79,420,015 | 67,228,617 | 67,192,125 |

20.1 CURRENT ACCOUNTS

| | | | | |
|---------------------|-------------------|-------------------|-------------------|-------------------|
| Individuals | 15,073,240 | 15,073,240 | 12,614,794 | 12,614,794 |
| Private Enterprises | 2,691,376 | 2,691,376 | 1,505,507 | 1,505,507 |
| Public Enterprises | 802,458 | 802,458 | 1,292,704 | 1,292,704 |
| | 18,567,074 | 18,567,074 | 15,413,004 | 15,413,004 |

SAVINGS ACCOUNTS

| | | | | |
|---------------------|-------------------|-------------------|-------------------|-------------------|
| Individuals | 27,392,702 | 27,392,702 | 25,689,869 | 25,689,869 |
| Private Enterprises | 5,298,828 | 5,298,828 | 4,071,777 | 4,071,777 |
| Public Enterprises | 1,649,545 | 1,649,545 | 781,803 | 781,803 |
| | 34,341,075 | 34,341,075 | 30,543,449 | 30,543,449 |

20.2 TIME DEPOSIT ACCOUNTS

| | | | | |
|-------------|-------------------|-------------------|-------------------|-------------------|
| Individuals | 15,813,526 | 15,813,526 | 12,045,270 | 12,045,270 |
|-------------|-------------------|-------------------|-------------------|-------------------|

20.3 SUSU ACCOUNTS

| | | | | |
|-------------|-------------------|-------------------|------------------|------------------|
| Individuals | 10,176,070 | 10,176,070 | 9,074,174 | 9,074,174 |
|-------------|-------------------|-------------------|------------------|------------------|

20.4 OTHER DEPOSITS

| | | | | |
|---------|----------------|----------------|----------------|----------------|
| E-Zwich | 629,615 | 629,615 | 150,216 | 150,216 |
|---------|----------------|----------------|----------------|----------------|

21 OTHER LIABILITIES

| | 2018 | 2018 | 2017 | 2017 |
|--------------------------------|------------------|------------------|------------------|------------------|
| | Bank | Group | Bank | Group |
| | GH¢ | GH¢ | GH¢ | GH¢ |
| Sundry Creditors | 344,615 | 431,737 | 1,843,321 | 1,943,144 |
| Dividend Payable | 814,438 | 814,439 | 593,284 | 593,284 |
| Audit Fees | 31,077 | 38,077 | 15,527 | 19,706 |
| Bills Payable | 417,426 | 417,426 | 446,657 | 446,657 |
| Staff Ex-Gratia/Provident Fund | 420,364 | 420,364 | 321,687 | 321,687 |
| Discount on Treasury Bills | - | - | 55,749 | 55,749 |
| Loan Insurance | 3,228 | 3,228 | 51,264 | 51,264 |
| NLA Control | 4,086 | 4,086 | 3,774 | 3,774 |
| AGM | 381,552 | 381,552 | 359,840 | 359,840 |
| Office Account | 757,139 | 757,139 | 42,598 | 42,598 |
| Communication | 251,119 | 251,119 | 323,442 | 323,442 |
| Uncleared Effect | - | - | 82,811 | 82,811 |
| | 3,425,044 | 3,519,167 | 4,139,954 | 4,243,956 |

22 STATED CAPITAL

| <u>Authorised:</u> | | <u>Number</u> | | | |
|----------------------------------|----------------------|------------------|---------------|------------------|---------------|
| Ordinary Share of no par value | | 100,000,000 | | | |
| Preference Share of no par value | | 125,000 | | | |
| DETAILS | | NO. OF SHARES | Value | NO. OF SHARES | Value |
| | | 2018 | | 2017 | |
| <u>NO. OF SHARES</u> | <u>CONSIDERATION</u> | <u>Number</u> | <u>(GH c)</u> | <u>Number</u> | <u>(GH c)</u> |
| Ordinary | Cash | 20,075,021 | 2,009,595 | 18,635,637 | 1,476,512 |
| Additions | Cash | 1,828,673 | 676,609 | 1,439,384 | 533,083 |
| | | 21,903,694 | 2,686,204 | 20,075,021 | 2,009,595 |
| | | | | | |
| Ordinary | | 3,230,003 | 154,334 | 3,230,003 | 154,334 |
| Transfer from Surplus | | 7,768,115 | 2,641,159 | - | - |
| | | 10,998,118 | 2,795,493 | 3,230,003 | 154,334 |
| | | 32,901,811 | 5,481,697 | 23,305,024 | 2,163,929 |
| | | | | | |
| Opening Balance | | 23,305,024 | 2,163,929 | 21,865,640 | 1,630,846 |
| Additions | | 9,596,787 | 3,317,768 | 1,439,384 | 533,083 |
| Closing Balance | | 32,901,811 | 5,481,697 | 23,305,024 | 2,163,929 |
| | | | | | |
| Preference Shares | | - | - | - | - |
| | | 32,901,811 | 5,481,697 | 23,305,024 | 2,163,929 |

There is no liability on any share and there is no share in treasury.

23 OTHER RESERVES**23.1 PENSION FUND**

| | 2018 | 2018 | 2017 | 2017 |
|-------------------|-------------|--------------|----------------|----------------|
| | Bank | Group | Bank | Group |
| | GHc | GHc | GHc | GHc |
| Opening Balance | 400,000 | 400,000 | 200,000 | 200,000 |
| Addition | - | - | 200,000 | 200,000 |
| | 400,000 | 400,000 | 400,000 | 400,000 |
| Deduction/Payment | (400,000) | (400,000) | - | - |
| Closing Balance | - | - | 400,000 | 400,000 |

23.2 SCHOLARSHIP FUND

| | | | | |
|---------------------------------|----------|----------|---------------|---------------|
| Opening Balance | 80,000 | 80,000 | 80,000 | 80,000 |
| Addition | - | - | 80,000 | 80,000 |
| | 80,000 | 80,000 | 160,000 | 160,000 |
| Transfer Income Surplus/Payment | (80,000) | (80,000) | (80,000) | (80,000) |
| | - | - | 80,000 | 80,000 |

23.3 SOCIAL RESPONSIBILITY

| | | | | |
|-------------------|-----------|-----------|----------------|----------------|
| Opening Balance | 169,256 | 169,256 | 91,456 | 91,456 |
| Addition | - | - | 80,000 | 80,000 |
| | 169,256 | 169,256 | 171,456 | 171,456 |
| Deduction/Payment | (169,256) | (169,256) | (2,200) | (2,200) |
| Closing Balance | - | - | 169,256 | 169,256 |

23.4 STAFF BUILDING FUND

| | | | | |
|---------------------------------|----------|----------|---------------|---------------|
| Opening Balance | 82,311 | 82,311 | 82,311 | 82,311 |
| Addition | - | - | - | - |
| | 82,311 | 82,311 | 82,311 | 82,311 |
| Transfer Income Surplus/Payment | (82,311) | (82,311) | - | - |
| Closing Balance | - | - | 82,311 | 82,311 |

23.5 DEVELOPMENT FUND

| | | | | |
|---------------------------------|-----------|-----------|----------------|----------------|
| Opening Balance | 958,977 | 958,977 | 958,977 | 958,977 |
| Addition | - | - | - | - |
| | 958,977 | 958,977 | 958,977 | 958,977 |
| Transfer Income Surplus/Payment | (958,977) | (958,977) | - | - |
| Closing Balance | - | - | 958,977 | 958,977 |

| | | 2018 Bank GH¢ | 2018 Group GH¢ | 2017 Bank GH¢ | 2017 Group GH¢ |
|---|-----------|---------------------|----------------------|---------------------|----------------------|
| 23.6 TRANSFERS FROM OTHER RESERVES TO INCOME SURPLUS | | | | | |
| Opening Balance | | - | - | - | - |
| Addition | | - | - | - | - |
| | | - | - | - | - |
| Transfer to Income Surplus | | - | - | 1,690,544 | 1,690,544 |
| Closing Balance | | - | - | 1,690,544 | 1,690,544 |
| 24 OCCUPANCY | | - | - | 91,746 | 91,746 |
| 25 DEPRECIATION AND AMORTISATION | | 1,149,759 | 1,150,298 | 725,249 | 731,151 |
| 26 OTHER OPERATING EXPENSES | | | | | |
| 26.1 Staff Costs | | | | | |
| Salaries, Wages & Allowances | | 7,142,280 | 7,142,280 | 8,154,975 | 8,209,936 |
| Medical Expenses | | 62,086 | 62,086 | 67,583 | 67,583 |
| Staff Training | | 74,575 | 74,575 | 69,859 | 69,859 |
| Others | | 1,581,398 | 1,581,398 | 919,285 | 926,285 |
| | | 8,860,338 | 8,860,338 | 9,211,702 | 9,273,663 |
| 26.2 Depreciation & Amortisation | | | | | |
| Depreciation | 28 | 1,008,248 | 1,008,787 | 713,959 | 717,898 |
| Amortisation | 27 | 141,510 | 141,510 | 11,290 | 13,253 |
| | | 1,149,759 | 1,150,298 | 725,249 | 731,151 |
| 26.3 Operating Costs | | | | | |
| Repairs & Maintenance | | 394,406 | 394,406 | 329,046 | 329,046 |
| Occupancy | | 168,849 | 168,849 | 91,746 | 91,746 |
| Insurance | | 254,698 | 254,698 | 187,939 | 190,504 |
| Police Guard | | 126,434 | 126,434 | 106,833 | 106,833 |
| Generator Expenses | | 120,264 | 120,264 | 132,585 | 132,585 |
| Electricity & Water | | 360,005 | 360,005 | 712,062 | 721,062 |
| Audit Fees | | 24,750 | 24,750 | 21,600 | 25,104 |
| Administrative | | 6,941,332 | 8,078,926 | 6,255,647 | 7,229,399 |
| | | 8,390,738 | 9,528,333 | 7,837,458 | 8,826,279 |

| | | | |
|---|----------------|-----------|----------------|
| 27 INTANGIBLE ASSETS | Purchased | Developed | |
| 27.1 BANK | Software | Software | Total |
| 27.1.1 Cost | GH¢ | GH¢ | GH¢ |
| Balance at 1 January, 2017 | 51,063 | - | 51,063 |
| Acquisitions | 10,925 | - | 10,925 |
| Balance at 31 December, 2017 | 61,988 | - | 61,988 |
| Balance at 1 January, 2018 | 61,988 | - | 61,988 |
| Acquisitions | 629,466 | - | 629,466 |
| Balance at 31 December, 2018 | 691,454 | - | 691,454 |
| 27.1.2 Amortisation and Impairment | | | |
| Balance at 1 January, 2017 | 18,458 | - | 18,458 |
| Amortisation for the Year | 11,290 | - | 11,290 |
| Impairment Loss | - | - | - |
| Balance at 31 December, 2017 | 29,748 | - | 29,748 |
| Balance at 1 January, 2018 | 29,748 | - | 29,748 |
| Amortisation for the Year | 141,510 | - | 141,510 |
| Impairment Loss | - | - | - |
| Balance at 31 December, 2018 | 171,258 | - | 171,258 |
| 27.1.3 Carrying Amounts | | | |
| Balance at 1 January, 2017 | 32,605 | - | 32,605 |
| Balance at 31 December, 2017 | 32,240 | - | 32,240 |
| Balance at 31 December, 2018 | 520,195 | - | 520,195 |
| 27.2 GROUP | | | |
| 27.2.1 COST | | | |
| Balance at 1 January, 2017 | 56,955 | - | 56,955 |
| Acquisitions | 10,925 | - | 10,925 |
| Balance at 31 December, 2017 | 67,880 | - | 67,880 |
| Balance at 1 January, 2018 | 67,880 | - | 67,880 |
| Acquisitions | 629,466 | - | 629,466 |
| Balance at 31 December, 2018 | 697,346 | - | 697,346 |
| 27.2.2 Amortisation and Impairment | | | |
| Balance at 1 January, 2017 | 22,386 | - | 22,386 |
| Amortisation for the Year | 13,253 | - | 13,253 |
| Impairment Loss | - | - | - |
| Balance at 31 December, 2017 | 35,639 | - | 35,639 |
| Balance at 1 January, 2018 | 35,639 | - | 35,639 |
| Amortisation for the Year | 141,510 | - | 141,510 |
| Impairment Loss | - | - | - |
| Balance at 31 December, 2018 | 177,149 | - | 177,149 |
| 27.2.3 Carrying Amounts | | | |
| Balance at 1 January, 2017 | 34,569 | - | 34,569 |
| Balance at 31 December, 2017 | 32,241 | - | 32,241 |
| Balance at 31 December, 2018 | 520,196 | - | 520,196 |

28 PROPERTY, PLANT & EQUIP.**28.1 2018 BANK****28.1.1 COST**

| | GH¢ | GH¢ | GH¢ | GH¢ |
|---------------------------------|-------------------|--------------------|------------------|-------------------|
| BALANCE | | | | BALANCE |
| 01-Dec-18 | DISPOSSAL | ADDITIONS | | 31-Dec-18 |
| Buildings | 3,416,980 | - | 2,982,579 | 6,399,559 |
| Capital Works in Progress | 2,865,560 | (2,865,560) | 202,559 | 202,559 |
| Branch Development | - | - | - | - |
| Office Furn. & Fittings | 852,969 | - | 390,093 | 1,243,062 |
| Computers | 1,133,779 | - | 226,361 | 1,360,140 |
| Generators | 319,385 | - | - | 319,385 |
| Bungalow Fittings and Furniture | 14,393 | - | - | 14,393 |
| Office Equipment | 1,044,357 | - | 50,033 | 1,094,390 |
| Motor Vehicles | 1,230,306 | (67,272) | 883,319 | 2,046,353 |
| | 10,877,729 | (2,932,832) | 4,734,943 | 12,679,839 |

2018**28.1.2 DEPRECIATION**

| | BALANCE | | CHARGED | BALANCE |
|---------------------------------|------------------|-----------------|------------------|------------------|
| 01-Dec-18 | DISPOSSAL | FOR YEAR | 31-Dec-18 | |
| Buildings | 699,217 | - | 244,877 | 944,094 |
| Office Furn. & Fittings | 655,285 | - | 87,686 | 742,971 |
| Branch Development | - | - | - | - |
| Computers | 837,442 | - | 173,116 | 1,010,558 |
| Generators | 240,097 | - | 38,199 | 278,296 |
| Bungalow Fittings and Furniture | 14,393 | - | - | 14,393 |
| Office Equipment | 820,389 | - | 136,135 | 956,524 |
| Motor Vehicles | 679,500 | (67,272) | 328,235 | 940,463 |
| | 3,946,323 | (67,272) | 1,008,248 | 4,887,300 |

28.1.3 NET BOOK VALUE

| | |
|------------------|------------------|
| 6,931,405 | 7,792,539 |
|------------------|------------------|

2017 BANK**28.2 PROPERTY, PLANT & EQUIP.****28.2.1 COST**

| | GH¢ | GH¢ | GH¢ | GH¢ |
|---------------------------------|------------------|------------------|------------------|-------------------|
| BALANCE | | | | BALANCE |
| 01-Jan-17 | DISPOSAL | ADDITIONS | | 31-Dec-17 |
| Buildings | 3,407,713 | - | 9,267 | 3,416,980 |
| Capital Works in-Progress | 450,982 | - | 2,414,577 | 2,865,560 |
| Branch Development | - | - | - | - |
| Office Furn. & Fittings | 757,938 | - | 95,031 | 852,969 |
| Computers | 1,070,315 | - | 63,464 | 1,133,779 |
| Generators | 277,731 | - | 41,654 | 319,385 |
| Bungalow Fittings and Furniture | 14,393 | - | - | 14,393 |
| Office Equipment | 990,592 | - | 53,765 | 1,044,357 |
| Motor Vehicles | 875,963 | - | 354,343 | 1,230,306 |
| | 7,845,627 | - | 3,032,101 | 10,877,729 |

BANK**28.2.2 DEPRECIATION**

| | BALANCE | DISPOSAL | CHARGED | BALANCE |
|---------------------------------|------------------|-----------------|-----------------|------------------|
| 01-Jan-17 | | | FOR YEAR | 31-Dec-17 |
| GH¢ | GH¢ | GH¢ | GH¢ | GH¢ |
| Buildings | 444,380 | - | 254,837 | 699,217 |
| Office Furn. & Fittings | 614,406 | - | 40,879 | 655,285 |
| Branch Development | - | - | - | - |
| Computers | 648,297 | - | 189,145 | 837,442 |
| Generators | 204,794 | - | 35,303 | 240,097 |
| Bungalow Fittings and Furniture | 13,721 | - | 672 | 14,393 |
| Office Equipment | 674,089 | - | 146,300 | 820,389 |
| Motor Vehicles | 632,677 | - | 46,823 | 679,500 |
| | 3,232,364 | - | 713,959 | 3,946,323 |

28.2.3 NET BOOK VALUE

| | |
|------------------|------------------|
| 4,613,263 | 6,931,405 |
|------------------|------------------|

2018 GROUP
28.3 PROPERTY, PLANT & EQUIP.

28.3.1 COST

| | BALANCE | | | BALANCE |
|---------------------------------|-------------------|--------------------|------------------|-------------------|
| | 01-Jan-18 | DISPOSSAL | ADDITIONS | 31-Dec-18 |
| | GH¢ | GH¢ | GH¢ | GH¢ |
| Buildings | 3,416,980 | - | 2,982,579 | 6,399,559 |
| Capital Works in Progress | 2,865,560 | (2,865,560) | 202,559 | 202,559 |
| Branch Development | - | - | - | - |
| Office Furn. & Fittings | 853,091 | - | 390,093 | 1,243,184 |
| Computers | 1,136,346 | - | 226,361 | 1,362,707 |
| Generators | 319,385 | - | - | 319,385 |
| Bungalow Fittings and Furniture | 14,393 | - | - | 14,393 |
| Office Equipment | 1,045,632 | - | 50,033 | 1,095,665 |
| Motor Vehicles | 1,247,306 | (67,272) | 883,319 | 2,063,353 |
| (10,898,693) | 10,898,693 | (2,932,832) | 4,734,943 | 12,700,803 |

28.3.2 DEPRECIATION

| | BALANCE | | CHARGED | BALANCE |
|---------------------------------|------------------|--------------------|------------------|------------------|
| | 01-Jan-18 | DISPOSSAL | FOR YEAR | 31-Dec-18 |
| | GH¢ | GH¢ | GH¢ | GH¢ |
| Buildings | 699,217 | - | 244,877 | 944,094 |
| Office Furn. & Fittings | 655,406 | - | 87,686 | 743,092 |
| Branch Development | - | - | - | - |
| Computers | 839,470 | - | 173,655 | 1,013,125 |
| Generators | 240,097 | - | 38,199 | 278,296 |
| Bungalow Fittings and Furniture | 14,393 | - | - | 14,393 |
| Office Equipment | 821,420 | - | 136,135 | 957,555 |
| Motor Vehicles | 696,508 | (67,272) | 328,235 | 957,471 |
| | 3,966,511 | (67,272) | 1,008,787 | 4,908,026 |
| | 6,932,182 | (2,865,560) | 3,726,155 | 7,792,777 |

28.3.3 NET BOOK VALUE

2017 GROUP
28.4 PROPERTY, PLANT & EQUIP.

28.4.1 COST

| | BALANCE | | | BALANCE |
|---------------------------------|------------------|----------|------------------|-------------------|
| | 01-Jan-17 | DISPOSAL | ADDITIONS | 31-Dec-17 |
| | GH¢ | GH¢ | GH¢ | GH¢ |
| Buildings | 3,407,713 | - | 9,267 | 3,416,980 |
| Capital Works in Progress | 450,982 | - | 2,414,577 | 2,865,560 |
| Branch Development | - | - | - | - |
| Office Furn. & Fittings | 758,060 | - | 95,031 | 853,091 |
| Computers | 1,072,882 | - | 63,464 | 1,136,346 |
| Generators | 277,731 | - | 41,654 | 319,385 |
| Bungalow Fittings and Furniture | 14,393 | - | - | 14,393 |
| Office Equipment | 991,867 | - | 53,765 | 1,045,632 |
| Motor Vehicles | 892,963 | - | 354,343 | 1,247,306 |
| | 7,866,591 | - | 3,032,101 | 10,898,693 |

28.4.2 DEPRECIATION

| | BALANCE | DISPOSAL | CHARGED | BALANCE |
|---------------------------------|------------------|----------|------------------|------------------|
| | 01-Jan-17 | | FOR YEAR | 31-Dec-17 |
| | GH¢ | GH¢ | GH¢ | GH¢ |
| Buildings | 444,380 | - | 254,837 | 699,217 |
| Office Furn. & Fittings | 614,527 | - | 40,879 | 655,406 |
| Branch Development | - | - | - | - |
| Computers | 649,786 | - | 189,684 | 839,470 |
| Generators | 204,794 | - | 35,303 | 240,097 |
| Bungalow Fittings and Furniture | 13,721 | - | 672 | 14,393 |
| Office Equipment | 675,120 | - | 146,300 | 821,420 |
| Motor Vehicles | 646,285 | - | 50,223 | 696,508 |
| | 3,248,613 | - | 717,898 | 3,966,511 |
| | 4,617,978 | - | 2,314,203 | 6,932,182 |

28.4.3 NET BOOK VALUE

29 IMPAIRMENT/CHARGES

| | 2018 Bank GH¢ | 2018 Group GH¢ | 2017 Bank GH¢ | 2017 Group GH¢ |
|-------------------------|---------------------|----------------------|---------------------|----------------------|
| Loan Impairment Charges | 3,024,647 | 3,024,647 | 1,102,618 | 1,102,618 |
| | 3,024,647 | 3,024,647 | 1,102,618 | 1,102,618 |

30 DIVIDEND

| | | | | |
|---|----------------|----------------|----------------|----------------|
| Balance 01 January | 593,284 | 593,284 | 1,520,372 | 1,520,372 |
| Approved Dividend | 1,514,827 | 1,514,827 | - | - |
| | 2,108,111 | 2,108,111 | 1,520,372 | 1,520,372 |
| Dividend Paid Transferred to Stated Capital | (321,609) | (321,609) | - | - |
| Cash | (972,064) | (972,064) | (927,088) | (927,088) |
| Balance 31 December | 814,438 | 814,438 | 593,284 | 593,284 |
| Dividend per Share | 0.065 | 0.065 | - | - |

31 GROUP ENTITIES

There was only Subsidiary with details as below:

| | Country of incorporation | Ownership Interest | Ownership Interest |
|--------------------------------|-----------------------------|-----------------------|-----------------------|
| | | 2018 | 2017 |
| Ahantaman Trading Company Ltd. | Ghana | 100% | 100% |

31.1 Intention to Liquidation of Ahantaman Trading Company Ltd.

The Board, intends to liquidate its only subsidiary, Ahantaman Trading Company Limited in 2019 and for that matter, the subsidiary's Financial Statements have not been on the Going Concern bases.

32 RELATED PARTIES

a. Transactions with Key Management Personnel

32.1 Key Management Personnel and their immediate relatives have transacted with the Group during the period as follows:

| | 2018 Bank Max. Balance GH¢ | 2018 Bank Closing Balance GH¢ | 2017 Bank Max. Balance GH¢ | 2017 Bank Closing Balance GH¢ |
|--|-------------------------------------|--|-------------------------------------|--|
| Mortgage Lending and Other Secured Loans | 274,487 | 274,487 | 189,852 | 173,305 |
| Other Loans | 27,877 | 27,877 | 248,323 | 150,530 |
| | 302,364 | 302,364 | 438,175 | 323,835 |

32.2 Key management personnel compensation for the year comprised

| | 2018 Bank GH¢ | 2018 Group GH¢ | 2017 Bank GH¢ | 2017 Group GH¢ |
|------------------------------|---------------------|----------------------|---------------------|----------------------|
| Short-Term Employee Benefits | 823,951 | 823,951 | 600,816 | 600,816 |

The Group does not have any share options policy in place for its Executive Officers.

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

No impairment losses have been recorded against balances outstanding during the period with key management personnel, and no specific allowance has been made for impairment losses on balances with Key Management Personnel and their immediate relatives at the period end.

| | 2018 Bank GH¢ | 2018 Group GH¢ | 2017 Bank GH¢ | 2017 Group GH¢ |
|---|---------------------|----------------------|---------------------|----------------------|
| 32.3 Loans and Advances to Employees | | | | |
| Balance at 1 January | 1,938,658 | 1,938,658 | 1,050,083 | 1,050,083 |
| Loans Advanced during the Year | 823,400 | 823,400 | 1,870,220 | 1,870,220 |
| Loans Repayments Received | (702,853) | (702,853) | (981,646) | (981,646) |
| Balance at 31 December | 2,059,205 | 2,059,205 | 1,938,658 | 1,938,658 |

32.4 Loan and Advances to Directors and their Associates

The Group has entered into transactions with its directors and their Associates, Associate's Companies or Directors as follows:

| | 2018 Bank GH¢ | 2018 Group GH¢ | 2017 Bank GH¢ | 2017 Group GH¢ |
|------------------------------------|---------------------|----------------------|---------------------|----------------------|
| Gross Amount at 1 January | 58,333 | 58,333 | 144,603 | 144,603 |
| Interest Charged | 20,000 | 20,000 | 28,921 | 28,921 |
| Loans Disbursed | - | - | - | - |
| Cash Received | (53,333) | (53,333) | (115,190) | (115,190) |
| Net Movement in Overdraft Balances | - | - | - | - |
| Net Amount at 31 December | 25,000 | 25,000 | 58,333 | 58,333 |

Included in Loans and Advances is GH¢25,000 (2017: GH¢58,333) advanced to companies in which some of the Board of Directors have interest.

Included in Deposits is approximately GH¢1,882,835 (2017:GH¢930,204) due to subsidiary companies in which some of the Board of Directors have interest. Interest paid on these Deposits during the year amounted to GH¢267,435 (2017:GH¢144,361).

All the transactions with the Related Parties are priced on arm's length basis and have been entered into in the normal course of business.

The related interest income in 2018 was GH¢20,000 (2017 - GH¢28,921).

| 32.5 List of Related Parties | Designation | Period | | |
|-------------------------------------|------------------------|---------------|----------------|-----------|
| | | From | To/From | To |
| Mr. Vincent Blaychie Essien | Director | 01-Jan-17 | 01-Jan-18 | 31-Dec-18 |
| Mr. Eric Daning | Director | 01-Jan-17 | 01-Jan-18 | 31-Dec-18 |
| Hon. Ebenezer Kojo Kum | Director | 01-Jan-17 | 01-Jan-18 | 31-Dec-18 |
| Dr. Dolf Kofi Badu Sutherland | Director | 01-Jan-17 | 01-Jan-18 | 31-Dec-18 |
| Ms. Elizabeth Obeng | Director | 01-Jan-17 | 01-Jan-18 | 31-Dec-18 |
| Hon. Samuel Johnfia | Director | 01-Jan-17 | 01-Jan-18 | 31-Dec-18 |
| Mr. Anthony Peter Amissah | Director | 01-Jan-17 | 01-Jan-18 | 31-Dec-18 |
| Mr. John Papa Ekow Mensah-Woode | Director | 01-Jan-17 | 01-Jan-18 | 31-Dec-18 |
| Mr. Alexander Kwaku Krah | Director | 01-Jan-17 | 01-Jan-18 | 31-Aug-18 |
| Ahantaman Trading Company Limited | 100% Subsidiary | 01-Jan-17 | 01-Jan-18 | 31-Dec-18 |
| Rt. Rev. Daniel Degraft Brace | Director of Subsidiary | 01-Jan-17 | 01-Jan-18 | 31-Dec-18 |
| Mr. Ebenezer Coleman | Director of Subsidiary | 01-Jan-17 | 01-Jan-18 | 31-Dec-18 |
| Mr. Anthony Peter Amissah | Director of Subsidiary | 01-Jan-17 | 01-Jan-18 | 31-Dec-18 |

32.6 Key Management Personnel

| Name | Designation | Period | | |
|----------------------|----------------------------|---------------|----------------|-----------|
| | | From | To/From | To |
| BENJAMIN AFFUL-ESHUN | CHIEF EXECUTIVE OFFICER | 01-Jan-17 | 01-Jan-18 | 31-Dec-18 |
| SAMUEL YALLEY | HEAD OF FINANCE | 01-Jan-17 | 01-Jan-18 | 31-Dec-18 |
| SAMUEL AKOTO YEBOAH | HEAD OF HUMAN RESOURCE | 01-Jan-17 | 01-Jan-18 | 31-Dec-18 |
| CHRISTOPHER K. DENTU | HEAD OF BANKING OPERATIONS | 01-Jan-17 | 01-Jan-18 | 31-Dec-18 |
| AUGUSTINE N. BEAKANA | HEAD OF CREDIT | 01-Jan-17 | 01-Jan-18 | 31-Dec-18 |
| SAMUEL NYANZU ACKAH | HEAD OF INTERNAL AUDIT | 01-Jan-17 | 01-Jan-18 | 31-Dec-18 |
| JOSEPH ATO HAIZEL | HEAD OF ICT | 01-Jan-17 | 01-Jan-18 | 31-Dec-18 |

32.7 a. Number of Shareholders

| 2018 | 2018 | 2017 | 2017 |
|--------------|--------------|--------------|--------------|
| Bank | Group | Bank | Group |
| 3,554 | 3,554 | 3,426 | 3,426 |

b. Twenty Largest Shareholders**Name**

| No. of Share: %age Total | to | No. of Share: %age Total | to |
|-----------------------------|--------------|-----------------------------|--------------|
| 2018 | | 2017 | |
| Bank | | Bank | |
| 744,933 | 2.26 | 542,195 | 2.33 |
| 584,588 | 1.78 | 138,284 | 0.59 |
| 549,994 | 1.67 | 392,303 | 1.68 |
| 503,419 | 1.53 | 167,915 | 0.72 |
| 481,701 | 1.46 | 350,603 | 1.50 |
| 467,297 | 1.42 | 260,056 | 1.12 |
| 391,573 | 1.19 | 273,016 | 1.17 |
| 366,049 | 1.11 | 245,020 | 1.05 |
| 358,422 | 1.09 | 260,875 | 1.12 |
| 331,578 | 1.01 | 230,700 | 0.99 |
| 312,753 | 0.95 | 224,446 | 0.96 |
| 300,698 | 0.91 | 218,861 | 0.94 |
| 267,450 | 0.81 | 194,662 | 0.84 |
| 232,053 | 0.71 | 160,336 | 0.69 |
| 229,945 | 0.70 | 167,364 | 0.72 |
| 219,222 | 0.67 | 127,647 | 0.55 |
| 200,000 | 0.61 | 130,000 | 0.56 |
| 199,984 | 0.61 | 134,024 | 0.58 |
| 181,848 | 0.55 | 132,357 | 0.57 |
| 178,439 | 0.54 | 129,876 | 0.56 |
| 7,101,946 | 21.59 | 4,480,540 | 19.24 |

32.8 Number of Employees

| | | | |
|------------|------------|------------|------------|
| 340 | 342 | 351 | 353 |
|------------|------------|------------|------------|