



AHANTAMAN RURAL BANK PLC

THE PROGRESSIVE BANK

2021

ANNUAL REPORT

PROGRAMME

1. Arrival and Registration of Shareholders
2. Opening Prayer
3. Presentation of Chairman
4. Chairman's Response
5. Introduction of Board Members and Invited Guests
6. Main Business
 - a. Reading of Notice convening the meeting.
 - b. Chairman's Report.
 - c. Report of Directors and Auditors
 - d. Resolutions:
 - i. To authorize Directors to fix the remuneration of External Auditors.
 - ii. To elect directors retiring by rotation
 - iii. Resolution to fix the remuneration of Directors
7. Addresses
8. Chairman's Remarks
9. Vote of Thanks
10. Closing Prayer
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BASIC INFORMATION

DATE OF INCORPORATION:	3-Oct-83		
CERTIFICATE NUMBER:	23018		
DATE OF COMMENCEMENT	23-Nov-84		
DATE LICENCE WAS ISSUED:	12-Mar-85		
BANK OF GHANA LICENCE NUMBER	110		
OLD TIN	365B000002		
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:	RT REV. DANIEL DEGRAFT BRACE		
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	TANOKROM	TWIFO PRASO
	KWESIMINTIM	TARKWA	AIYINASE
CLEARING BANK:	ARB APEX BANK, TAKORADI		
REGISTERED OFFICE:	AHANTAMAN RURAL BANK PLC 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.		

VISION, MISSION AND CORE VALUES

Vision Statement

To become the most preferred financial institution in the rural banking industry, offering utmost satisfaction to all its stakeholders.

Mission Statement

‘The Mission of Ahantaman Rural Bank is to provide easy access to banking services to the people of its catchment area through effective and efficient customer care. In this regard the Bank will strengthen stakeholder relationships by providing the right solutions that combine technologies, expertise and financial strength. We will create customer loyalty, shareholder value and employee satisfaction’.

Corporate Values

- **Teamwork**
We believe in the strengths of all and will work together to achieve corporate objectives. We will support each other to succeed together.
- **Integrity**
We will demonstrate good faith in all our dealings with clients, regulators, staff, shareholders and the community.
- **Result Oriented**
We will keep our eyes on the targets we have set and ensure efficiency in service delivery.
- **Customer Satisfaction**
We have enthusiasm for serving our customers and will demonstrate this through customer responsiveness.
- **Confidentiality**
We will maintain high sense of responsibility in handling client information and information will be provided only on need to know basis.
- **Innovation**
We anticipate change and respond with innovation. We are responsive to the changing needs of stakeholders and we encourage staff initiatives which will lead to continuous improvement in service delivery standards.

BOARD OF DIRECTORS



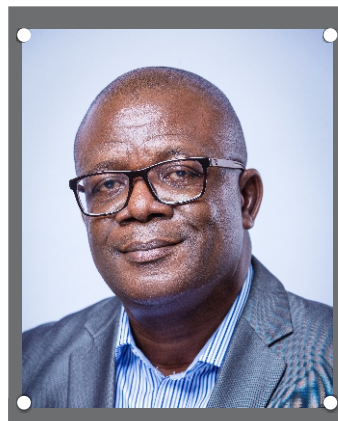
ERIC DANING ESQ.
(Lawyer/Magistrate)
CHAIRMAN



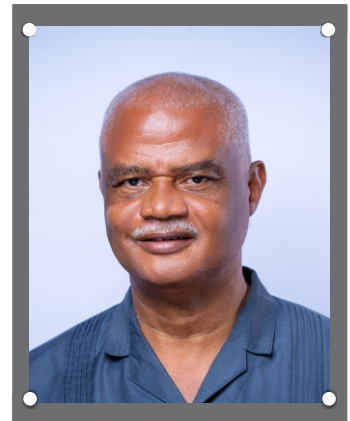
ELIZABETH OBENG
(Chartered Accountant)
VICE CHAIRPERSON



HON. EBENEZER KOJO KUM
(Lawyer/MP)
MEMBER/SECRETARY



VINCENT BLAYCHIE ESSIEN
(Chartered Banker)
MEMBER



DR. DOLF K. B. SUTHERLAND
(Medical Officer)
MEMBER



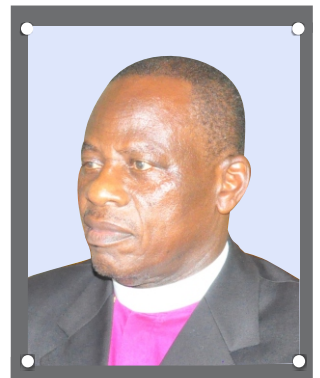
HON. SAMUEL JOHNFIAH
(Retired Banker/Formal MP)
MEMBER



EKOW MENSAH-WOODE
(Accountant/Businessman)
MEMBER



ANTHONY PETER AMISSAH
(Retired Educationist)
MEMBER

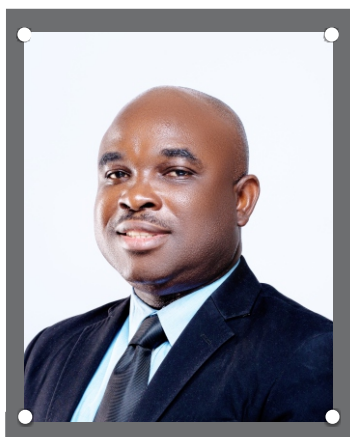


RT REV. DANIEL DEGRAFT BRACE
(Clergy)
MEMBER

MANAGEMENT TEAM



BENJAMIN AFFUL-ESHUN
(CHIEF EXECUTIVE OFFICER)



SAMUEL NYANZU ACKAH
(HEAD, FINANCE & OPERATION)



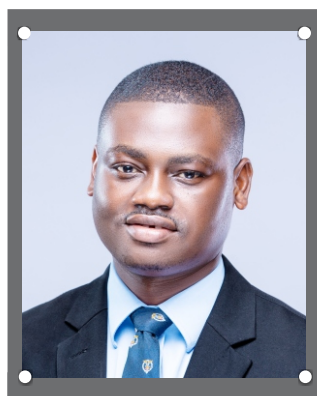
JEROME H. ANNAN
(HEAD, HUMAN RESOURCE)



ISAAC KOFI ASAMOAH
(HEAD, BRANCH NETWORK CONTROL)



GEORGE O. BUABIN
(HEAD, CREDIT)



BERFI ASAFO ADJEI
(HEAD, RISK & COMPLIANCE)



JOSEPH ATO HAIZEL
(HEAD, ICT)



DORIS NUSENU
(HEAD, INTERNAL AUDIT)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 34th Annual General Meeting (AGM) of Shareholders of Ahantaman Rural Bank PLC will be held at the Assembly Hall of Baidoo Bonsoe Senior High/Technical School, Agona Nkwanta, on Saturday, 26th March, 2022 at 10:00am prompt to transact the following business:

AGENDA

1. To read the Notice convening the meeting.
2. To receive the Chairman's Report.
3. To receive and consider the Accounts for the year ended 31st December 2021 together with the Report of the Directors and the Auditors thereon.
4. To authorize Directors to fix the remuneration of the External Auditors.
5. To declare a dividend.
6. To elect Directors retiring by rotation.
7. To fix the remuneration of Directors.

NOTE:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not to be a member of the Company.
2. Copies of proxy forms have been annexed to the report.
3. Shareholders can access soft copies of the Annual Report from the Bank's website (www.ahantamanbank.com.gh/media/annual-report/).

DATED THIS 4TH DAY OF MARCH, 2022

BY ORDER OF THE BOARD



BENJAMIN AFFUL-ESHUN
(Chief Executive Officer)

CHAIRMAN'S REPORT



Introduction

Nananom, Distinguished Shareholders, Fellow Directors. I warmly welcome you all to the 34th Annual General Meeting of Shareholders of Ahantaman Rural Bank Ltd which is being held physically for the first time since 2019 as a result of the novel coronavirus. It is a great joy for us to assemble once again and to present to you the performance of your Bank for the financial year ended 31st December, 2021.

The 2021 financial year was still a difficult and challenging one as a result of the effects of the outbreak of the COVID-19 pandemic and the aftereffect of the financial sector clean-up with locked-up funds. In spite of these adverse effects, Ahantaman Rural Bank braved the odds and provided our customers the best of services.

Economic Environment

Before I profile the performance of the Bank, I would like to touch on the macro-economic environment in which your Bank performed during the fiscal year 2021.

Key Economic Indicators

INDICATOR	31 DEC. 2021	31 DEC. 2020
Policy Rate	14.5%	14.5%
Inflation	12.7%	10.6%
91-Day T/Bill	12.14%	14.10%
182-Day T/Bill	12.39%	14.15%
1-Year T/Bill	14.27%	16.96%

The Ghana cedi depreciating by 3.93% in 2021, compared with a 3.1% depreciation in 2020.

The Banking Industry

The performance of the banking sector remained strong at the end of 2021, with robust growth in total assets, deposits and investments. The increase in total assets resulted in strong growth in investments in government securities. Total deposits recorded moderate year-on-year growth reflecting good liquidity flows. Overall, the industry's performance was good as banks remained liquid, profitable and well-capitalized.

Operating Results

Financials

Nananom, Distinguished Shareholders, we are happy to report that your Bank continued to record reasonably healthy performance and has achieved significant growth over the past years. Year on Year performance indicates significant growth in the key performance areas such as Deposits, Investments, Paid-up Capital and Total Assets.

Year on Year Performance

NO.	INDICATOR	2021	2020	% CHANGE
1	Total Income	40,824,982	30,560,461	33.6%
2	Total Operating Cost	34,460,654	27,341,669	26.0%
3	Deposits	143,303,446	120,681,905	18.7%
4	Investments	85,291,613	78,057,383	9.3%
5	Advances (Net)	49,685,290	37,762,544	31.6%
6	Shareholders' Funds	18,157,753	13,626,871	33.2%
7	Paid-up Capital	5,745,516	5,670,472	1.3%
8	Profit Before Tax	6,364,328	3,218,791	97.7%
9	Profit After Tax	4,455,839	2,178,604	104.5%
10	Total Assets	166,019,417	139,186,429	19.3%
11	Capital Adequacy Ratio	17.98%	15.33%	17.3%
12	Non-Performing Loans Ratio	4.01%	17.01%	-76.4%
13	Loan Loss Provision Ratio	4.33%	15.43%	-71.9%

The table below shows the performance from 2014 to 2020.

Performance Growth- 2014 to 2020

INDICATOR	2015	2016	2017	2018	2019	2020	2021
Total Income	15,950,254	21,226,713	26,714,976	28,235,565	27,016,727	30,560,461	40,824,982
Total Operating Cost	13,371,382	17,353,027	22,203,693	25,729,164	24,896,909	27,341,669	34,460,654
Deposits	41,732,828	54,145,626	67,228,617	79,527,360	89,962,409	120,681,905	143,303,446
Investments	19,044,383	22,597,322	23,012,003	25,963,485	45,593,013	78,057,383	85,291,613
Advances (Net)	21,214,378	28,730,102	41,528,582	43,401,616	36,116,020	37,762,544	49,685,290
Shareholders' Funds	6,869,614	8,775,546	11,397,341	11,485,505	11,405,472	12,278,536	18,157,753
Paid-up Capital	1,520,744	1,630,846	2,163,929	5,481,697	5,627,678	5,670,472	5,745,516
Net Impairment	480,000	960,000	1,102,618	3,067,542	1,577,952	2,961,561	2,539,092
Profit Before Tax	3,199,563	3,873,686	4,511,282	2,506,401	2,119,817	3,218,791	6,364,328
Total Assets	52,626,249	68,971,966	87,801,696	95,299,699	105,215,064	139,186,429	166,019,417
Capital Adequacy Ratio			12.74%	11.61%	11.21%	15.33%	17.98%

Dividend to Shareholders

As we may all be aware already, the Bank of Ghana per Notice No. BG/GOV/SEC/2020/03 dated 20th April, 2020 directed the suspension of distribution of dividends for the financial years 2019 and 2020. Thus for two years running, the Bank did not pay dividend to shareholders.

In view of this, the Directors recommend the payment of dividend of GH¢0.080 per share totalling GH¢2,714,278 in respect of the year ended 31st December, 2021.

Distinguished Shareholders, it is exciting to note that the proposed dividend of GH¢0.08 per share is 23.53% return on the share price of GH¢0.34.

Information and Communication Technology (ICT)

Your Bank continues to deploy innovations in the ICT sector to render efficient services to its customers. These include electronic passbook which enables customers to access the full account statements on their smartphones, and AHACONNECT, a USSD Short Code (*789*8#) which enables customers to have 24/7 access to their accounts to make deposits, withdrawals, and check balances at anytime and anywhere.

Bancassurance

The Bank has partnered with STARLIFE to bring insurance services to the doorsteps of customers and the general public. By this arrangement, the banking halls have become one stop shop for accessing all financial services. I urge all shareholders to sign on for these products to secure our future against uncertainties of life.

Corporate Social Responsibility:

Distinguished Shareholders, in line with the policy to give a portion of our profit back to the communities in which we serve, the Bank supported some social interventions within its catchment areas. During the period under review an amount of GH¢154,400 was spent to support critical areas of education and health.

Ahantaman Trading Company Ltd

The liquidation process has finally been brought to a close and the Gazette notification is expected to be published soon.

Outlook

The outbreak of the Covid-19 pandemic led to a slowdown in economic activities worldwide. Modest recovery was however achieved in 2021.

Distinguished Shareholders, in spite of all these challenges, Your Bank continues to rank high as one of the best in the rural banking sector with strong performance indicators. The Board and Management recognise that a lot still remains to be done to achieve the apex point of our objectives and goals. We will continue to apply the best strategies, good policies and prudent management of the Bank's resources to achieve sufficient and the expected growth in the years ahead.

We will continue to leverage on modern ICT platforms to introduce more innovative products, and to improve on

service delivery to ensure customer satisfaction and loyalty.

Acknowledgement

Nananom, Distinguished Shareholders, Ladies and Gentlemen. The visionary leadership of the Board and Management, coupled with the loyalty of our shareholders and customers, have enabled the Bank to ride the storms over the past years.

I wish to express my sincere gratitude to my fellow Board Members for their commitment and invaluable support in steering the affairs of the Bank.

Permit me also to congratulate the Management Team and the Staff for their hard work and commitment throughout the years.

To you our Cherished Shareholders, we owe you deep gratitude for the support and confidence reposed in us.

To our dear customers, we say thank you. We will continue to count on your loyalty and we pledge to work hard to satisfy your financial needs.

Finally, I wish to extend my profound appreciation to Nananom for their continuous support and good counsel.

THANK YOU ALL FOR YOUR ATTENTION AND MAY THE GOOD LORD BLESS US ALL.

ERIC DANING
CHAIRMAN
MARCH 2022

CORPORATE GOVERNANCE REPORT

TO THE MEMBERS OF AHANTAMAN RURAL BANK PLC

Ahantaman Rural Bank PLC has a good governance practice that ensures that governance is at the center of its core values. The Bank implements effective corporate governance principles in its business operations as a whole. The Board ensures that the Bank complies with the applicable provisions on corporate governance in the Banks and Specialized Deposit Taking Institutions Act, Act 930 and the Companies Act, Act 992 as well as the principles of best practices. The Bank has structures and processes set out in its regulations and policies, including the Board's Charter which promotes transparency, disclosures and accountability.

The Board of Directors

The Board of Directors of the Bank have the overall responsibility for ensuring compliance with the legal and regulatory provisions on corporate governance. The Board is ultimately responsible for ensuring that the best practices of corporate governance are maintained and adhered to by the Bank. In order to promote effective governance of the Bank, the following structures have been put in place for the execution of the Bank's Corporate Governance strategy:

1. Board of Directors
2. Board Committees
3. The Chief Executive Officer

As at 31 December 2021, Ahantaman Rural Bank PLC had 9 members of the Board of Directors.

- | | |
|------------------------------------|----------------------|
| 1. Mr. Eric Daning Esq. | - Chairman |
| 2. Ms. Elizabeth Obeng | - Vice Chairman |
| 3. Hon. Ebenezer Kojo Kum Esq. | - Secretary / Member |
| 4. Mr. Vincent Blaychie Essien | - Member |
| 5. Dr. Dolf Kofi Badu Sutherland | - Member |
| 6. Hon. Samuel Johnfiah | - Member |
| 7. Mr. Anthony Peter Amissah | - Member |
| 8. Mr. John Papa Ekow Mensah-Woode | - Member |
| 9. Rt. Rev. Daniel De-Graft Brace | - Member |

The Board of Directors executes its mandate and responsibility through its Committees. The Committees include the following: Credit; Finance, Audit, Risk & Compliance; and HR, ICT & Legal. The Committees have policies and laid down procedures with governance issues as the underlining principle.

Key Responsibility

The mandate of the Board of Directors is to act in the best interest of the Bank by ensuring that the core purpose of the Bank is achieved. The Board ensures this by protecting the interest of shareholders as well as other stakeholders of the Bank. The Board provides overall guidance policy direction and oversight in the Bank's strategic direction, policy formulation and is the ultimate decision-making body of the Bank.

The roles of the Board Chairman as well as the non-executive Directors and the Chief Executive Officer are separated and clearly defined.

The Chairman of the Board and the Directors are primarily responsible for the working of the Board whilst the Chief Executive Officer is responsible for the day-to-day operation of the business in accordance with the Board's strategic plans and policy direction. The Board is ultimately responsible for the Bank's structure and areas of operation, financial reporting, as well as ensuring that there is an effective system of internal control, risk management and compliance. The Board has the authority to delegate matters to Directors, Committees, the Chief Executive Officer and the Management Committee. The Board regularly reviews the Bank's performance, matters of strategic concern and any other matters it regards as material.

The Board meets bi-monthly. However, additional meetings may be convened as the need arises. The Board evaluates itself on an annual basis.

Directorship

During the 2021 financial year, Messrs. Eric Daning Esq., Hon. Ebenezer Kojo Kum Esq., and Dr. Dolf Kofi Badu Sutherland were re-elected at the 33rd Annual General Meeting.

Three (3) Directors in the persons of Hon. Samuel Johnfiah, Mr. Vincent Blaychie Essien, and Ms. Elizabeth Obeng are due to retire on rotation. Mr. Vincent Blaychie Essien and Ms. Elizabeth Obeng have offered themselves for re-election.

In line with the Corporate Governance Directives issued by the Bank of Ghana, the Board has put in place a succession plan for gradual replacement of directors over a three-year period in compliance with the directives, as indicated below. The number of directors is also to be reduced from the current nine (9) to seven (7) over the period.

Succession Plan

The Bank, by an open and transparent selection and vetting processes, shall ensure that the normal rotational processes are made to suit new directors to replace those exiting from time to time. Accordingly, the Board Charter emphasizes on the recruitment of highly qualified management staff and very qualified directors with proven integrity and shall ensure that the Board is made up of persons who must possess qualifications in the areas of Accounting, Banking, Law, and Education and very recognizable banking experience. The succession plan therefore is as follows:

1. Mr Vincent Blaychie Essien- a chartered banker, ceased to be the chairman of the Board after the 33rd AGM, having served as chairman for six years, but will continue to serve as a director for one more term of three years from 2021 to 2024.
2. The current Chairman, Mr. Eric Daning who is a lawyer by profession shall serve his last term of three years from 2021 to 2024, having served his maximum term of nine years.
3. Hon. Ebenezer Kojo Kum, the Secretary, a professional lawyer, the Member of Parliament for Ahanta West and the Minister of Chieftaincy and Religious Affairs shall serve his last term of three years from 2021 to 2024 having served the maximum term of nine years.
4. Dr Dolf Kofi Badu Sutherland, a medical doctor having served his nine years' maximum term shall serve only for a period of one term of three years from 2021 to 2024.
5. Mr Anthony Peter Amissah, a retired educationist shall exit the Board in the year 2023 after serving the nine-year maximum term.
6. Mr John Papa Ekow Mensah-Woode, an accountant, having served for six years shall exit the board in 2023 after serving the nine-year maximum term.
7. Hon. Samuel Johnfiah, a former Member of Parliament shall exit the Board in 2022, which shall be nine years of serving as a board member.
8. Miss Elizabeth Obeng, the only female member on the Board, may exit the board in 2022, which shall be nine years of serving as a board member. However, in view of the depth of experience of the Director, the Board recommends a three-year one term after 2022.
9. Rt. Rev. Daniel De-Graft Brace who has served as a director since 2019 can possibly serve for two additional terms, which ends in the year 2028.

Attendance at Board Meetings

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

Name of Director	No. of Meetings	No. of Times Present	Percentage Attendance
1. Mr. Eric Daning Esq.	8	8	100%
2. Ms. Elizabeth Obeng	8	7	88%
3. Hon. Ebenezer Kojo Kum Esq.	8	5	63%
4. Mr. Vincent Blaychie Essien	8	7	88%
5. Dr. Dolf Kofi Badu Sutherland	8	8	100%
6. Hon. Samuel Johnfiah	8	8	100%
7. Mr. Anthony Peter Amissah	8	8	100%
8. Mr. John Papa Ekow Mensah-Woode	8	8	100%
9. Rt. Rev. Daniel De-Graft Brace	8	6	75%

Directors' Shareholdings

The shareholdings of Directors are as follows:

Name of Director	No. of Shares	Percentage Shareholding
1. Mr. Eric Daning Esq.	201,767	0.59%
2. Ms. Elizabeth Obeng	88,793	0.26%
3. Hon. Ebenezer Kojo Kum Esq.	61,971	0.18%
4. Mr. Vincent Blaychie Essien	510,000	1.49%
5. Dr. Dolf Kofi Badu Sutherland	194,316	0.57%
6. Hon. Samuel Johnfiah	61,123	0.18%
7. Mr. Anthony Peter Amissah	377,529	1.11%

8. Mr. John Papa Ekow Mensah-Woode	366,049	1.07%
9. Rt. Rev. Daniel De-Graft Brace	361,578	1.06%

Financial Reporting

The Board has presented a balanced assessment of the Bank's position and prospects. The Board is mindful of its responsibilities and is satisfied that in the preparation of its Financial Report, it has met its obligation under the Board Charter and applicable legal provisions.

The Directors make themselves accountable to the shareholders through regular publication of the Bank's Annual Financial Reports and holding of Annual General Meetings (AGM). The Board has ensured that the Bank's reporting procedure is conveyed on the most recent infrastructure to ensure accuracy. This procedure involves the monitoring of performance throughout the financial year, in addition to monthly reporting of key performance indicators.

Asamoah Bonsu & Co. acted as external auditors to the Bank during the 2021 financial year.

Internal Control

The Bank is mindful of the importance of its Internal Control functions in the general operations and has put in place effective control systems to ensure that the Bank's operations are carried in a safe, objective and effective manner. The Board reviews the effectiveness of the system through regular reports and reviews which is submitted at Committee and Board meetings.

1. Anti-Money Laundering

The Board and Management of the Bank are committed to ensuring compliance with the statutory provisions in the Anti-Money Laundering Act, 2020 (Act 1044) and the applicable regulations and guidelines. Staff are continuously trained on the Bank's anti-money laundering policies to ensure strict compliance.

2. Conflicts of Interest

The Bank has a comprehensive policy on conflict of interest and disclosures and the Bank ensures strict compliance with the legal provisions on conflicts of interest and disclosures. The Bank has an Interests Register where Directors and Key Management Personnel record their interests. The laid down policies and procedures of the Bank's businesses ensures that the law is strictly complied with to reduce any conflicts of interest that may arise and where there are conflicts, there are effective means of disclosing the conflict of interest.

3. Shareholdings Rights

The Board ensures that general meetings are held regularly in accordance with law and the shareholders are provided with all information as required by statute in respect of the Bank's general operations. Shareholders are treated equally and provided adequate time and equal opportunity to seek clarifications on the Bank's published Financial Statements at General Meetings.

4. Annual Certification

The Board certifies that for the financial year ended 31 December 2021, the Bank has complied with the provisions of the Corporate Governance as contained in Act 930 and Act 992 as well as the best practice, including but not limited to:

- a. Board qualification and composition
- b. Board size and structure
- c. Board Secretary
- d. Other engagements of Directors
- e. Board Committees

In addition, the Board certifies that:

1. It has independently assessed and resolved that the Bank's corporate governance process is effective and has successfully achieved its objectives.
2. Directors are aware of their responsibilities to the Bank as persons charged with governance.

AHANTAMAN RURAL BANK PLC

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2021

DIRECTORS' REPORT TO THE MEMBERS

The Directors present herewith the audited Financial Statements of the Bank for the year ended 31st December, 2021 and report thereon as follows:

DIRECTORS' RESPONSIBILITY STATEMENT

The Bank's Directors are responsible for the preparation and fair presentation of the Financial Statements, comprising the Statement of Financial Position as at 31st December, 2021, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended and the Notes to the Financial Statements, which include a summary of significant accounting policies and other explanatory notes in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies' Act, 2019, (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016, (Act 930) and Anti-Money Laundering Act 2020, (Act 1044)

The Directors' responsibilities include: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of 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.

FINANCIAL STATEMENTS AND DIVIDEND

The results are summarised as follows:

	2021 GH¢	2020 GH¢
Profit for Year, after Taxation, ended 31st December,	4,455,839	1,970,498
Opening Retained Earnings brought forward of	4,106,610	2,472,657
	4,106,610	2,472,657
Transfers From/(to)/Dividend Payable		
Other Reserves	-	-
Stated Capital	-	-
Reserve Fund	(1,113,960)	(544,651)
Credit Risk Reserve	-	-
	(1,113,960)	(544,651)
Leaving the balance Retained Earnings carried forward of	7,448,489	3,898,504
TOTAL ASSETS	166,019,417	139,186,429

In accordance with Section 139 of the Companies Act, 2019, (Act 992), the Auditors, Messrs' Asamoah Bonsu & Co. continue in office as auditors of the Bank.

The Directors recommend the payment of dividend of GH¢0.080 per share totalling GH¢2,714,278 in respect of the year ended 31st December, 2021 (2020: GH¢0.040: GH¢1,348,335). Bank of Ghana did not approve 2020 recommended dividend.

NATURE OF BUSINESS

The Bank is registered to carry out the business of banking.
There was no change in the activities of the Bank.

THE LIQUIDATION OF THE ONE HUNDRED PERCENT OWNED SUBSIDIARY, AHANTAMAN TRADING COMPANY LIMITED

The Bank has completed the liquidation of the above-named subsidiary. Full provision has been made for taxation and any adjustment that might arise in respect of the provision for taxation will be made subsequently in 2022, upon the agreement of the tax after the tax audit has been completed by Ghana Revenue Authority.

COMPARATIVE FIGURES

The comparative figures for year ending December 31, 2020 in the Financial Statements refer to the Bank's and not the Group's as the fully owned subsidiary has been liquidated and that the subsidiary no more exists. The figures for the financial year ending December 31, 2021 are those of only the Bank but it includes the Liquidation Surplus after Taxation.

APPROVAL OF THE FINANCIAL STATEMENTS

The 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 Bank's Affairs

The Bank has put in place strategies to meet the Financial Reporting Guidelines on Bank's Financial Statement ending December 31, 2021. 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 Bank'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 Financial Statements.

PARTICULARS OF ENTRIES IN THE INTERESTS REGISTER

There was no transaction with potential conflict of interest situation requiring entry in the Interests Register.

CORPORATE SOCIAL RESPONSIBILITY

The following expenses were incurred in respect of corporate social responsibility in the course of the year.


	2021	2020
	GH¢	GH¢
Ahanta West Health Directorate - COVID-19	-	35,950
Traditional Authorities	-	1,000
Laptop donated to Ahanta Language Project	-	2,000
Educational Scholarship	114,000	75,000
Medical Support	20,500	10,000
Farmers Day	13,100	-
Sundry Donation	6,800	-
TOTAL	154,400	123,950

AUDIT FEES

Audit fees payable amounts to Thirty-Two Thousand Ghana Cedis (GH¢32,000) inclusive of taxes.

STEPS TAKEN TO BUILD THE CAPACITY OF DIRECTORS

Directors undertook the following trainings during the year: AML/CFT; Investment Appraisal Guidelines for RCBs; Group Lending Methodology and Practices; Bank of Ghana Risk Management Guidelines for RCBs; Administrative Law in Banking.


DIRECTOR
ERIC DANING
AGONA-NKWANTA
JANUARY 21, 2022


DIRECTOR
ELIZABETH OBENG (MS)

AHANTAMAN RURAL BANK PLC
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER, 2021
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Report on the Audit of the Financial Statements

We have audited the Financial Statements of Ahantaman Rural Bank Plc, which comprise the Statement of Financial Position as at 31st December, 2021, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, which include a summary of significant accounting policies as set on pages 11 to 25.

Opinion

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the Financial Position of the Bank as at 31st December, 2021, 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, 2019 (Act 992) and Anti-Money Laundering Act, 2020 (Act 1044).

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report.

We 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 provided 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 Financial Statements

The Directors are responsible for the preparation and fair presentation of the Financial Statements in accordance with the Companies Act, 2019, (Act 992), Banks and Specialised Deposit-Taking Institutions Act, 2016, (Act 930), and Anti-Money Laundering Act, 2020, (Act 1044) and the International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error. In preparing the Financial Statements, 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 Financial Statements

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

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

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

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

- Conclude on the appropriateness of Management's use of the Going Concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a Going Concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a Going Concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank to express an opinion on the Financial Statements. We are responsible for the direction, supervision and performance of the Bank 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, 2019 (Act 992) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- a) We have obtained all the information and explanations which we considered necessary for the performance of the audit.
- b) In our opinion, proper books of account have been kept by the Bank, so far as appears from our examination of those books; and
- c) 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.
- b) In compliance with section 143 of the Companies Act, 2019, (Act 992), we are independent of the Bank.

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

- i) The Financial Statements give a true and fair view of the state of affairs of the Bank and its results for the year under review;
- ii) We were able to obtain all the information and explanations required for the efficient performance of our duties as auditors;
- iii) The Bank's and its subsidiary's transactions were within its powers; and
- iv) 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), 2020, (Act 1044) and Anti-Terrorism Act, 2008, (Act 762).

kofi kusi asamo-a-bonsu (icag/p/1479)

KUMASI Jan 21st 2022

Asamo-a Bonsu & Co.
asamo-a bonsu & co.(ICAG/F/2022/155)
chartered accountants
56 (e146/10) orgle road, kaneshie
p. o. box an-7751
accra

AHANTAMAN RURAL BANK PLC
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER, 2021
STATEMENT OF FINANCIAL POSITION


ASSETS

	<u>NOTES</u>	2021	2020
		<u>GH¢</u>	<u>GH¢</u>
<u>CURRENT ASSETS</u>			
Cash and Short-Term Funds	12	20,693,883	14,076,799
Short-Term Investments	13	85,291,613	78,057,383
Advances	14	49,685,290	37,762,544
Inventories	15	125,086	120,186
Investment Securities	17	284,952	394,952
Other Assets	16	1,352,958	1,777,241
		157,433,782	132,189,105
<u>NON CURRENT ASSETS</u>			
Intangibles	26	71,245	189,975
Property, Plant and Equipment	27	8,514,390	6,807,350
TOTAL ASSETS		166,019,417	139,186,429
<u>LIABILITIES AND SHAREHOLDERS FUNDS</u>			
Deposits and Current Accounts	19	143,303,446	120,681,905
Other Liabilities	20	3,577,830	3,995,490
Taxation	18	660,734	560,266
Deferred Taxation	18	319,652	321,897
Borrowings	18	-	-
		147,861,663	125,559,558
FINANCED AS FOLLOWS:			
Stated Capital	21	5,745,516	5,670,472
Revaluation Surplus		42,590	42,590
Other Reserves		-	-
Retained Earnings		7,448,489	4,106,610
Credit Risk Reserve		431,855	431,855
Reserve Fund		4,489,303	3,375,344
Shareholders Fund		18,157,753	13,626,871
TOTAL LIABILITIES AND SHAREHOLDERS FUND		166,019,417	139,186,429

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


DIRECTOR
ERIC DANING

JANUARY 21, 2022


DIRECTOR
ELIZABETH OBENG (MS)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2021

STATEMENT OF COMPREHENSIVE INCOME

	<u>NOTES</u>	2021 GH¢	2020 GH¢
Interest Income	8	32,587,973	23,476,872
Interest Expenses	9	(4,704,111)	(3,930,735)
Net Interest Income		27,883,862	19,546,137
Fees and Commission Income	10	7,151,637	5,573,072
Fees and Commission Expense		-	-
Net Fees and Commission		7,151,637	5,573,072
Other Operating Income		1,085,372	1,510,517
Operating Income		36,120,871	26,629,726
Net Impairment Loss on Financial Assets	28	(2,539,092)	(2,961,561)
Personnel Expenses	25.1	(13,272,891)	(10,091,854)
Depreciation and Amortisation	25.2	(1,278,608)	(1,287,587)
Corporate Social Responsibility	25.3	(154,400)	(95,500)
Directors Remuneration	25.4	(702,088)	(490,727)
Other Expenses	25.5	(11,809,465)	(8,483,706)
		(29,756,543)	(23,410,934)
Profit Before Taxation		6,364,328	3,218,791
Tax Expense		(1,908,489)	(1,040,188)
Net Profit for the Year		4,455,839	2,178,604
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		4,455,839	2,178,604
Non-Controlling Interest		-	-
Profit for the Year		4,455,839	2,178,604
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			
Total Comprehensive Income for the year		4,455,839	2,178,604
Basic Earnings per Share		0.13336	0.06520

AHANTAMAN RURAL BANK PLC
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER, 2021
STATEMENT OF CHANGES IN EQUITY

2021	Stated Capital	Reserve Fund	Revaluation Surplus	Retained Earnings	Credit Risk Reserve	Other Reserves	Shareholders' Fund
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Balance b/f	5,670,472	3,375,344	42,590	4,106,610	431,855	-	13,626,871
Total Comp. Profit	-	-	-	4,455,839	-	-	4,455,839
	5,670,472	3,375,344	42,590	8,562,449	431,855	-	18,082,709
Dividend Approved	-	-	-	-	-	-	-
	5,670,472	3,375,344	42,590	8,562,449	431,855	-	18,082,709
Transfers							
Reserve Fund	-	1,113,960	-	(1,113,960)	-	-	-
Credit Risk Reserve	-	-	-	-	-	-	-
	-	1,113,960	-	(1,113,960)	-	-	-
Dividend for Shares	-	-	-	-	-	-	-
Sale of Share	75,044	-	-	-	-	-	75,044
	5,745,516	4,489,303	42,590	7,448,489	431,855	-	18,157,753
2020	Stated Capital	Reserve Fund	Revaluation Surplus	Retained Earnings	Credit Risk Reserve	Other Reserves	Shareholders' Fund
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Balance b/f	5,627,678	2,830,693	42,590	2,472,657	431,855	-	11,405,472
Total Comp. Income	-	-	-	2,178,604	-	-	2,178,604
	5,627,678	2,830,693	42,590	4,651,261	431,855	-	13,584,076
Dividend	-	-	-	-	-	-	-
	5,627,678	2,830,693	42,590	4,651,261	431,855	-	13,584,076
Transfers							
Reserve Fund	-	544,651	-	(544,651)	-	-	-
Credit Risk Reserve	-	-	-	-	-	-	-
	-	544,651	-	(544,651)	-	-	-
Dividend for Shares	-	-	-	-	-	-	-
	-	544,651	-	(544,651)	-	-	-
Sale of Shares	42,795	-	-	-	-	-	42,795
	5,670,472	3,375,344	42,590	4,106,610	431,855	-	13,626,871

AHANTAMAN RURAL BANK PLC
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER, 2021
STATEMENT OF CASH FLOWS

	2021	2020
	GH¢	GH¢
Cash Flow from Operating Activities		
Net Profit Before Tax	6,364,328	3,218,791
Credit Risk Reserve	-	-
Bad Debts Written Off	(6,668,453)	40,939
Impairment Loss	2,539,092	2,961,561
Depreciation	1,117,317	1,122,466
Amortisation	161,291	165,121
	3,513,575	7,508,878
(Increase)/Decrease in Advances	(7,649,156)	(4,109,162)
(Increase)/Decrease in Inventories	(4,900)	(137)
(Increase)/Decrease in Other Assets Account	424,282	(385,825)
Increase/(Decrease) in Deposits & Current Accounts	22,621,541	30,255,866
Increase/(Decrease) in Other Liabilities	(417,660)	623,528
Net Changes in Working Capital	14,974,108	26,384,271
Cash Flow from Operating Activities	18,487,683	33,893,149
Tax Paid	(1,810,267)	(633,246)
Net Cash Flow from Operating Activities	16,677,416	33,259,903
Cash Flow from Investing Activities		
Additions		
Proceeds from Disposals of PPE	-	-
Work-In-Progress	(1,549,973)	(12,000)
Intangibles	(42,560)	-
Purchase of Fixed Assets	(1,274,385)	(929,931)
	(2,866,918)	(941,931)
	13,810,498	32,317,972
Financing Activities		
Stated Capital	75,044	42,795
Dividends Paid	(34,227)	(76,232)
Borrowings	-	-
	40,817	(33,438)
Net Inc./(Dec.) in Cash and Cash Equivalent	13,851,315	32,284,534
Opening Cash and Cash Equivalent	92,134,181	59,849,647
Net Inc./(Dec.) in Cash and Cash Equivalent	13,851,315	32,284,534
Closing Cash and Cash Equivalent	105,985,496	92,134,181
Represented by Cash and Cash Equivalents	105,985,496	92,134,181

AHANTAMAN RURAL BANK PLC

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31ST DECEMBER, 2021

NOTES TO THE 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 Financial Statements as of year ended 31 December, 2021 comprise the Bank only as its subsidiary, Ahantaman Trading Company Limited has been fully liquidated. The Bank primarily is involved in Rural Banking being Corporate and Retail.

1.1 Functional and Presentational Currency

The 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 Financial Statements are stated below:

2.01 Basis of Accounting

These 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 been complied with and to this extent, the Financial Statements are 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 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 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 years 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 year 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 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 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 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 Statement of Financial Position. This happens when there is the intention to 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.

(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 year 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 year 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 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 year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

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

7.4 The Level of Capital Adequacy

	2021 GH¢	2020 GH¢
Tier 1 Capital		
1 Ordinary Share Capital	5,745,503	5,670,459
2 Permanent Non-Cumulative Preference Shares	13	13
3 Disclosed Reserves	12,412,237	7,956,399
4 Sub-Total Tier 1 Capital (1+2.3)	18,157,753	13,626,871
Less		
5 Goodwill/Intangibles/Preliminary Expenses	(1,281,714)	(1,587,265)
6 Investments In Subsidiaries	-	(110,000)
7 Fair Value Reserve for Available for Sale Equity Securities	(284,952)	(284,952)
8 Revaluation Reserve	(42,590)	(42,590)
9 Connected Lending of Long-Term Nature	-	-
10 Net Tier 1 Capital(5-6-7-8-9)	16,548,498	11,602,064
Add		
11 Revaluation Reserves	42,590	42,590
12 Subordinated Term Debt (Limited to 50% of 4)	-	-
13 Tier 2 Capital (11+12)(Limited to 100% of 5)	42,590	42,590
14 Adjusted Capital Base (10 + 13)	16,591,088	11,644,654
Total Assets	166,019,417	139,186,429
Less		
15 Cash on Hand	5,728,886	4,218,945
16 Claims on Bank of Ghana/ARB Apex Bank	-	-
17 Cedi Clearing Account Balance	8,813,999	6,702,131
18 Bills and Bonds	69,900,000	61,900,000
19 Treasury Securities	7,930,448	8,335,577
20 Stocks	-	-
21 80% of Cheques drawn on Other Banks	208,199	410,782
22 Goodwill/Intangibles	(1,281,714)	(1,587,265)
23 Investments in Subsidiaries	-	(110,000)
24 Investments in the Capital of Other Banks & Fin. Insts	(284,952)	(284,952)
25 Connected lending of Long Term Nature	-	-
26 80% of claims on Discount Houses in Cedis/Forex	-	-
27 80% of claims on Other Banks (Cedis/Forex)	4,712,599	2,113,796
28 50% of claims on Other Fin Insts. (Public Sector)	3,730,582	3,910,903
29 50% of Export Financing Loans	-	-
30 Adjusted Total Assets (15-16-17-18.....-29)	99,458,048	85,609,917
31	66,561,368	53,576,512
TOTAL OFF- BAL SHEET ITEMS ()	-	-
Less:	-	-
32 50% of class 1 Risk Weighted Off-Bal Sheet Items	-	-
33 80% of Class 2 Risk 0	-	-
34 Net Contingent Liabilities (40+41-48)	-	-
35 Add:		
36 100% of 3yrs Average Annual Gross Income	25,720,280	22,373,673
ADJUSTED ASSET BASE (31+32+33+34+35+36)	92,281,648	75,950,186
Adjusted Capital Base as %age of Adjusted Asset Base	17.98	15.33
CAPITAL SURPLUS/(DEFICIT)	9,129,192	10,729,020

l) Dividend

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

	2021 GH¢	2020 GH¢
8 INTEREST INCOME		
Advances - Loans	14,952,962	11,515,444
Advances - Overdrafts & Salary Advances	3,765,525	3,497,435
Investment	13,869,486	8,463,993
	32,587,973	23,476,872
9 INTEREST EXPENSES		
Savings Deposits	1,496,225	1,233,677
Time Deposits	3,207,886	2,696,028
Borrowings	-	1,030
	4,704,111	3,930,735
10 COMMISSIONS AND FEES		
Commissions on Turnover	2,916,191	3,157,736
Commitment Fees	2,526,627	1,384,393
Commissions on SMS Alert	1,508,939	952,648
Cheque Clearing/Domestic Money Transfer Fee	199,879	78,294
	7,151,637	5,573,072
11 OTHER INCOME		
Bad Debts Recovered	1,081	38,219
Sundry Income	1,084,291	1,472,298
	1,085,372	1,510,517
12 CASH AND SHORT TERM FUNDS		
Cash on Hand	5,728,886	4,218,945
GT Bank	61,744	93,409
Ecobank	474,605	314,323
CAL Bank	855,792	709,440
ARB Apex Bank - Current	1,615,747	973,991
ARB Apex Bank - Reserve (5% Placement)	7,198,252	5,728,140
Items in Terms of Collection	260,248	513,478
CBG	70,617	66,327
GCB Bank	4,377,991	1,458,747
GCB Bank Tier 1	50,000	-
Money At Call	-	-
	20,693,883	14,076,799
13 SHORT-TERM INVESTMENTS		
i. Other Financial Institutions		
Fixed Deposit	7,461,165	7,821,806
ii. GOG Bills & Bonds		
One-Year Treasury Note	227,478	228,199
Treasury Bills	4,390,849	4,172,123
14 Days Treasury Bills	-	997,706
2YR, 3YR & 5YR BONDS	69,900,000	61,900,000
	81,979,492	75,119,834
Interest Receivable on Investment	3,312,120	2,937,549
	85,291,613	78,057,383

14 LOANS AND ADVANCES

	2021 GH¢	2020 GH¢
Loans	47,401,589	39,088,045
Overdrafts	4,531,674	5,515,966
	51,933,264	44,604,011
Impairment Loss	(2,247,973)	(6,841,466)
	49,685,290	37,762,544
Impairment Provision		
Opening Balance	6,841,466	4,419,768
Bad Debts Reversed	(6,668,453)	40,939
	173,014	4,460,707
Loan Impairment Charges	2,074,960	2,380,760
Closing Balance	2,247,973	6,841,466
Loan Impairment Charges	2,074,960	2,380,760
Impairment Loss	464,132	580,802
Charged to Profit or Loss	2,539,092	2,961,561

15 INVENTORIES

Stationery	65,577	61,732
Other Stores	59,509	58,454
	125,086	120,186

16 OTHER ASSETS

Prepaid Rent	655,921	819,440
Renovation of Rented Premises	246,504	360,595
Office Account	136,413	126,757
Inter-Agency	-	127
Interest on 2/1-Year Treasury Note	-	115,669
T24 Software Licence	314,120	354,652
	1,352,958	1,777,241

17 INVESTMENT SECURITIES

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

18 TAXATION

18a BANK	Balance 1-Jan-20 GH¢	Charges for Year GH¢	Payments GH¢	Balance 31-Dec-20 GH¢	Charge for year GH¢	Payments GH¢	Balance 31-Dec-21 GH¢
Tax Years							
Up to 2019	(244,840)	938,258	(693,418)	-	-	-	-
2020	-	1,126,595	(566,328)	560,267	-	(560,267)	-
	(244,840)	2,064,853	(1,259,746)	560,267	-	(560,267)	-
2021	-	-	-	-	1,910,734	(1,250,000)	660,734
	(244,840)	2,064,853	(1,259,746)	560,267	1,910,734	(1,810,267)	660,734
Deferred Tax	408,303	(86,407)	-	321,897	(2,245)	-	319,652
	163,463	1,978,446	(1,259,746)	882,164	1,908,489	(1,810,267)	980,386
Div. Tax Up to '20	-	-	-	-	-	-	-
Div. Tax 2021	-	-	-	-	-	-	-

RECONCILIATION/COMPUTATION OF EFFECTIVE TAX RATE**Profit Before Tax**

Income Tax Using Applicable Tax Rate 25%

Deferred Tax

Balance 31-Dec

Adjustment to Deferred Tax

Balance 31-Dec**Tax Expense****Deferred Tax****Total****Effective Tax Rate %**

2021 GH¢	2020 GH¢
6,364,328	3,218,791
1,591,082	804,698
321,897	408,303
(2,245)	(86,407)
319,652	321,897
1,910,734	1,126,595
(2,245)	(86,407)
1,908,489	1,040,188
29.99	32.32

19 DEPOSIT AND CURRENT ACCOUNT

Current Accounts

Savings Accounts

Time

Susu Deposits

Others

2021 GH¢	2020 GH¢
28,295,774	26,033,125
59,562,622	51,075,281
33,028,310	24,591,216
20,144,722	18,299,509
2,272,019	682,774
143,303,446	120,681,905

19.1 CURRENT ACCOUNTS

Individuals

Private Enterprises

21,558,886	20,596,491
6,736,888	5,436,635
28,295,774	26,033,125

SAVINGS ACCOUNTS

Individuals

Private Enterprises

54,987,367	47,455,903
4,575,255	3,619,378
59,562,622	51,075,281

19.2 TIME DEPOSIT ACCOUNTS

Individuals

Private Enterprises

30,809,016	23,655,448
2,219,294	935,768
33,028,310	24,591,216

19.3 SUSU ACCOUNTS

Individuals

20,144,722	18,299,509
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19.4 OTHER DEPOSITS

E-Zwich

Lien Account

430,712	363,710
1,841,307	319,064
2,272,019	682,774

20 OTHER LIABILITIES

	2021 GH¢	2020 GH¢
Sundry Creditors	982,272	846,506
Dividend Payable	913,305	947,532
Audit Fees	30,403	27,934
Bills Payable	66,846	241,547
Staff Ex-Gratia/Provident Fund	29,407	522,399
Loan Insurance	19,614	9,304
NLA Control	4,086	7,644
AGM	331,913	364,990
Office Account	676,221	142,811
Communication	-	119,595
PBC Cocoa Account	-	4,468
Payment Order	158,964	322,611
Scholarship/Donation	-	63,000
Interest Suspense on Fixed Deposit & Savings	100,000	164,420
Cont. & Accountant Generals Department	259,763	210,069
Uncleared Effect	4,475	662
Balance with Agencies	563	-
	3,577,830	3,995,490

21 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
		2021		2020	
<u>NO. OF SHARES</u>	<u>CONSIDERATION</u>	<u>Number</u>	<u>(GH ¢)</u>	<u>Number</u>	<u>(GH ¢)</u>
Ordinary	Cash	22,413,897	2,874,979	22,298,236	2,832,185
Additions	Cash	220,718	75,044	115,661	42,795
		22,634,615	2,950,023	22,413,897	2,874,979
Ordinary		10,998,118	2,795,493	10,998,118	2,795,493
Transfer from Surplus		-	-	-	-
		10,998,118	2,795,493	10,998,118	2,795,493
		33,632,733	5,745,516	33,412,015	5,670,472
Opening Balance		33,412,015	5,670,472	33,296,354	5,627,678
Additions		220,718	75,044	115,661	42,795
Closing Balance		33,632,733	5,745,516	33,412,015	5,670,472
Preference Shares		-	-	-	-
		33,632,733	5,745,516	33,412,015	5,670,472

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

22 OTHER RESERVES			
22.1 PENSION FUND		2021 GH¢	2020 GH¢
Opening Balance		-	-
Addition		-	-
		-	-
Deduction/Payment		-	-
Closing Balance		-	-
22.2 SCHOLARSHIP FUND			
Opening Balance		-	-
Addition		-	-
		-	-
Transfer Income Surplus/Payment		-	-
		-	-
22.3 SOCIAL RESPONSIBILITY			
Opening Balance		-	-
Addition		-	-
		-	-
Deduction/Payment		-	-
Closing Balance		-	-
22.4 STAFF BUILDING FUND			
Opening Balance		-	-
Addition		-	-
		-	-
Transfer Income Surplus/Payment		-	-
Closing Balance		-	-
22.5 DEVELOPMENT FUND			
Opening Balance		-	-
Addition		-	-
		-	-
Transfer Income Surplus/Payment		-	-
Closing Balance		-	-
22.6 TRANSFERS FROM OTHER RESERVES TO INCOME SURPLUS		2021 GH¢	2020 GH¢
Opening Balance		-	-
Addition		-	-
		-	-
Transfer to Income Surplus		-	-
Closing Balance		-	-
23 OCCUPANCY		405,150	173,805
24 DEPRECIATION AND AMORTISATION		1,278,608	1,287,587
25 OTHER OPERATING EXPENSES			
25.1 Staff Costs			
Salaries, Wages & Allowances		10,745,590	8,341,436
Medical Expenses		133,043	107,892
Staff Training		246,242	73,675
Others Staff Costs		2,148,015	1,568,851
		13,272,891	10,091,854
25.2 Depreciation & Amortisation			
Depreciation	27	1,117,317	1,122,466
Amortisation	26	161,291	165,121
		1,278,608	1,287,587
25.3 Corporate Social Responsibility			
The following funding arrangements/payments were embarked by the Bank as its Corporate Social Responsibilities:			
		154,400	95,500

25.4 Directors' Remuneration

The total Directors Remuneration for the year was

702,088	490,727
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25.5 Operating Costs

Repairs & Maintenance	481,723	317,868
Occupancy	405,150	173,805
Insurance	224,360	262,746
Police Guard	384,026	112,475
Generator Expenses	117,841	76,516
Electricity & Water	553,260	444,759
Audit Fees	32,000	24,700
Administrative	9,611,106	7,070,838
	11,809,465	8,483,706

26 INTANGIBLE ASSETS

27.1.1 Cost

Balance at 1 January, 2020

Acquisitions

Balance at 31 December, 2020

Balance at 1 January, 2021

Acquisitions

Balance at 31 December, 2021

27.1.2 Amortisation and Impairment

Balance at 1 January, 2020

Amortisation for the Year

Balance at 31 December, 2020

Balance at 1 January, 2021

Amortisation for the Year

Impairment Loss

Balance at 31 December, 2021

27.1.3 Carrying Amounts

Balance at 1 January, 2020

Balance at 31 December, 2020

Balance at 31 December, 2021

Purchased Software GH¢	Developed Software GH¢	Total GH¢
694,354	-	694,354
-	-	-
694,354	-	694,354
694,354	-	694,354
42,560	-	42,560
736,914	-	736,914
339,258	-	339,258
165,121	-	165,121
-	-	-
504,379	-	504,379
504,379	-	504,379
161,291	-	161,291
-	-	-
665,669	-	665,669
355,096	-	355,096
189,975	-	189,975
71,245	-	71,245

27 PROPERTY, PLANT & EQUIP.

27.1 2021

28.1.1 COST

	GH¢	GH¢	GH¢	GH¢
	BALANCE			BALANCE
	1-Jan-21	DISPOSAL	ADDITIONS	31-Dec-21
Buildings	6,507,555	-	12,553	6,520,108
Capital Works in Progress	270,809	-	1,549,973	1,820,781
Office Furniture & Fittings	1,710,168	-	305,160	2,015,328
Computers	1,573,760	-	531,134	2,104,894
Generators	409,637	-	83,557	493,194
Bungalow Fittings and Furniture	14,393	-	-	14,393
Office Equipment	1,255,005	-	77,211	1,332,216
Motor Vehicles	2,199,329	-	264,770	2,464,099
	13,940,654	-	2,824,358	16,765,012

2021

28.1.2 DEPRECIATION

	BALANCE		CHARGED	BALANCE
	1-Jan-21	DISPOSAL	FOR YEAR	31-Dec-21
Buildings	1,575,647	-	293,120	1,868,767
Office Furn. & Fittings	1,045,172	-	200,987	1,246,159
Computers	1,420,745	-	181,470	1,602,215
Generators	338,569	-	24,589	363,158
Bungalow Fittings and Furniture	14,393	-	-	14,393
Office Equipment	1,139,176	-	62,363	1,201,539
Motor Vehicles	1,599,603	-	354,788	1,954,391
	7,133,305	-	1,117,317	8,250,622

28.1.3 NET BOOK VALUE

6,807,350	8,514,390
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2020
27.2 PROPERTY, PLANT & EQUIPMENT
28.2.1 COST

Buildings
Capital Works in Progress
Office Furniture & Fittings
Computers
Generators
Bungalow Fittings and Furniture
Office Equipment
Motor Vehicles

GH¢	GH¢	GH¢	GH¢
BALANCE			BALANCE
1-Jan-20	DISPOSAL	ADDITIONS	31-Dec-20
GH¢	GH¢	GH¢	GH¢
6,507,555	-	-	6,507,555
258,809	-	12,000	270,809
1,337,224	-	372,944	1,710,168
1,430,083	-	143,677	1,573,760
385,688	-	23,949	409,637
14,393	-	-	14,393
1,130,667	-	124,338	1,255,005
1,934,306	-	265,023	2,199,329
12,998,723	-	941,931	13,940,654

2020
28.2.2 DEPRECIATION

Buildings
Office Furn. & Fittings
Computers
Generators
Bungalow Fittings and Furniture
Office Equipment
Motor Vehicles

BALANCE	DISPOSAL	CHARGED	BALANCE
1-Jan-20		FOR YEAR	31-Dec-20
GH¢	GH¢	GH¢	GH¢
1,256,051	-	319,596	1,575,647
885,609	-	159,563	1,045,172
1,256,583	-	164,162	1,420,745
304,963	-	33,606	338,569
14,393	-	-	14,393
1,067,678	-	71,498	1,139,176
1,225,561	-	374,042	1,599,603
6,010,839	-	1,122,466	7,133,305
6,987,884			6,807,350

28.2.3 NET BOOK VALUE

28.4.4 Disposal of PPE

Sale Value
Less Cost of PPE
Less Accumulated Depreciation of Disposed PPE
Net Book Value
Profit

2021	2020
Bank	Bank
GH¢	GH¢
-	183,407
-	(119,953)
-	91,674
-	(28,279)
-	155,128

28 IMPAIRMENT/CHARGES

Loan Impairment Charges

2,539,092	2,961,561
2,539,092	2,961,561

29 DIVIDEND

Balance 01 January
Approved Dividend

947,532	1,023,764
-	-
947,532	1,023,764

Dividend Paid Transferred to Stated Capital
Cash

-	-
(34,227)	(76,232)

Balance 31 December

913,305	947,532
----------------	----------------

Dividend per Share

-	-
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30 GROUP ENTITIES

The only Subsidiary has been liquidated.

Country of incorporation	Ownership Interest	Ownership Interest
	2021	2020
Ghana	-	100%

30.1 Liquidation of Ahantaman Trading Company Ltd.

The Bank has completed the liquidation of the above-named subsidiary. Full provision has been made for taxation and any adjustment that might arise in respect of the provision for taxation will be made subsequently in 2022, upon the agreement of the tax after the tax audit had been completed by Ghana Revenue Authority.

31 RELATED PARTIES

a. Transactions with Key Management Personnel

31.1 Key Management Personnel and their immediate relatives have transacted with the Bank during the year as follows:

	2021 Max. Balance GH¢	2021 Closing Balance GH¢	2020 Max. Balance GH¢	2020 Closing Balance GH¢
Mortgage Lending and Other Secured Loans	73,750	58,750	490,485	73,750
Other Loans	399,492	280,695	-	299,492
	473,242	339,445	490,485	373,242

31.2 Key management personnel compensation for the year comprised

2021 GH¢	2020 GH¢
830,502	506,994

Short-Term Employee Benefits

The Bank 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 borrowers.

No impairment losses have been recorded against balances outstanding during the year 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 year end.

31.3 Loans and Advances to Employees

	2021 GH¢	2020 GH¢
Balance at 1 January	1,533,991	1,553,770
Loans Advanced during the Year	1,248,120	844,610
Loans Repayments Received	(1,019,840)	(864,389)
Balance at 31 December	1,762,271	1,533,991

31.4 Loan and Advances to Directors and their Associates

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

	2021 GH¢	2020 GH¢
Gross Amount at 1 January	18,299	18,299
Interest Charged	-	-
Loans Disbursed	-	-
Cash Received	(18,299)	-
Net Movement in Overdraft Balances	-	-
Net Amount at 31 December	-	18,299

Included in Loans and Advances is Nil (2020: GH¢18,299) advanced to companies in which some of the Board of Directors have interest.

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.



AHABank Child Education Plan

Ensure a brighter future for your child today



AHABank HomeCall Plan

We do everything we can to make sure the people we love are taken care of. We do it in life. So why not in death? Funeral is an opportunity to honour and celebrate a life well-lived, this is why we have created a funeral plan that gives you flexibility to choose what's important to you and your loved ones, at a price that you can afford.

The HomeCall Plan is designed to cover the funeral expenses incurred when your loved ones pass on, by:

- minimizing the financial impact associated with death on the surviving members of your family.
- ensuring the surviving members of your family go through a smooth transition during this difficult period.
- providing you with peace of mind, knowing that the funeral expenses of your dear ones will be covered when they pass on.

Who can this plan cover?

Assured

- Account Holder
 - Child (ren)
 - Spouse
 - Parents (Father and Mother)
 - Parents-in-law (Father and Mother of spouse)
 - Partner
 - One Extended Family Member (Sibling, Auntie, Uncle etc)
- The HomeCall Plan cash benefit covers the following expenses:
- Mortuary Fee
 - Casket/Coffin
 - Pall Bearer Service, etc.
 - Cost for Post Burial Expenses
 - Hearse Service

Inception Age

- Not more than 64
- Up to 23 years
- Not more than 64
- Not more than 64
- Not more than 74
- Not more than 74



AHABank WealthMaster Plan

Achieve that financial goal with ease



AHABank WealthMaster Plan

We all want to live a comfortable life whether young, old, working or retired. We all have short, medium and long-term goals in life. Living comfortably and realizing these goals may look difficult but can be easier with the AHABank WealthMaster Plan.

AHABank WealthMaster Plan is specially designed to enable our valued clients realize their goals and aspirations in life with ease.

How to enjoy this plan

Requirement:

- Should have a regular stream of income
- A minimum contribution of GH¢ 50,000 a month to start with
- Should be 18 years and above but not over 60 years
- Evidence of health may be required

What are the benefits?

- It gives you absolute peace of mind. You know your maturity value from inception.
- This amount can be increased substantially through the application of benefit increase option which serve as inflation protector.
- Has attractive life cover same as sum assured.
- A plan loan can be accessed after 24 months of contributions
- Adequate financial provision in the event of permanent disability
- Dependent on your goal and ability, you can choose a plan suitable for you.



AHABank HomeCall Plan

Plan ahead for your peace of mind



AHABank Child Education Plan

The dream of providing quality education for our children will only be attained if we make provision towards financing their education from the cradle to the highest level.

The AHABank Child Education Plan will help you fulfill that dream by assisting you plan financially to ensure that your child receives quality education even in the event of your permanent disability or premature demise.

AHABank Child Education Plan

The Child Education Plan is a unique and flexible endowment plan designed to meet all your child/ren's education financing needs.

How to enjoy this wonderful plan

Basic requirements

- Minimum monthly payment of GH¢ 50.00
- Should be 18 and above but not over 52 years

Plan Features

- Insurance cover to meet life contingencies
- Competitive returns on investment
- Flexible and optional term at the outset of the plan
- Attractive premium and benefit increment options to hedge against inflation
- Easy access to Plan funds by way of Plan loans to pay for school fees

31.5 List of Related Parties	Designation	Period	
		From	To
Mr. Vincent Blaychie Essien	Director	1-Jan-21	31-Dec-21
Mr. Eric Daning	Director	1-Jan-21	31-Dec-21
Hon. Ebenezer Kojo Kum	Director	1-Jan-21	31-Dec-21
Dr. Dolf Kofi Badu Sutherland	Director	1-Jan-21	31-Dec-21
Ms. Elizabeth Obeng	Director	1-Jan-21	31-Dec-21
Hon. Samuel Johnfiah	Director	1-Jan-21	31-Dec-21
Mr. Anthony Peter Amissah	Director	1-Jan-21	31-Dec-21
Mr. John Papa Ekow Mensah-Woode	Director	1-Jan-21	31-Dec-21
Rt. Rev. Daniel De-Graft Brace	Director	1-Jan-21	31-Dec-21
Ahantaman Trading Company Limited	100% Subsidiary		
Rt. Rev. Daniel De-Graft Brace	Director of Subsidiary	1-Jan-21	6-Jun-21
Mr. Ebenezer Coleman	Director of Subsidiary	1-Jan-21	6-Jun-21
Mr. Anthony Peter Amissah	Director of Subsidiary	1-Jan-21	6-Jun-21

31.6 Key Management Personnel	Name	Designation	Period	
			From	To
	Benjamin Afful-Eshun	Chief Executive Officer	1-Jan-21	31-Dec-21
	Samuel Nyanzu Ackah	Ag. Head of Operations/Finance	1-Oct-21	31-Dec-21
	Joseph Ato Haizel	Head of ICT	1-Jan-21	31-Dec-21
	George Owusu Buabin	Head of Credit	1-Jan-21	31-Dec-21
	Isaac Kofi Asamoah	Head of Branch Network Control	1-Jan-21	31-Dec-21
	Asafo Adjei Berfie	Head of Compliance	1-Jan-21	31-Dec-21
	Jerome H. Annan	Ag. Head of Human Resource	1-Jan-21	31-Dec-21
	Doris Nusenu	Ag. Head of Internal Audit	1-Oct-21	31-Dec-21
	Samuel Nyanzu Ackah	Head of Internal Audit	1-Jan-21	30-Sep-21
	Christopher K. Dentu	Head of Finance And Operations	1-Jan-21	30-Sep-21

31.7 a. Number of Shareholders		2021	2020
		3,889	3,869
b. Twenty Largest Shareholders		No. of Shares	%age to No. of Shares
Name		Total	Total
		2021	2020
		Bank	Bank
1	Apori Samuel Obeng	744,933	2.23
2	Quartey David	584,588	1.75
3	Tawiah Joseph Wilfred Kwame	549,994	1.65
4	Ansah Joseph	534,276	1.60
5	Essien Vincent Blaychie	510,000	1.53
6	Arthur Moses Ameyaw	501,701	1.50
7	Cromwell Alfred	406,278	1.22
8	Amissah Anthony Peter	377,529	1.13
9	Mensah-Woode Ekow	366,049	1.10
10	De-Graft Brace Daniel	331,578	0.99
11	Dadzie Samuel	312,753	0.94
12	Amemo Stephen V.K.	300,698	0.90
13	Annan-Nunoo Regina	268,920	0.80
14	Afful-Eshun Benjamin	240,000	0.72
15	Acquaye Reginald	232,053	0.69
16	Asante Kwame Awuah	229,945	0.69
17	Awusi Isaac Sebastian	224,335	0.67
18	Yalley Kojo Asua-Benya	219,222	0.66
19	Kwabiah Alexander	204,606	0.61
20	Thompson William David Kwesi	196,413	0.59
		7,335,871	21.96
			7,276,764
			21.85

31.8 Number of Employees	327	330
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Note:

Proxy Form

I/We.....

being a member/members of Ahantaman Rural Bank PLC hereby appoint

.....

or failing him/her the duly appointed chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on 26th March, 2022 and at any adjourned date thereof.

1. In favour of / against the resolution to adopt the Report and the Financial Statements for the year ended 31st December, 2021.

2. In favour of / against the resolution to authorise the Directors to fix the remuneration of the Auditors.

On any other business transacted at the meeting and unless otherwise instructed in paragraphs 1 & 2 of the above, the resolution to which reference is made in these paragraphs, the proxy will vote as he / she thinks fit.

SIGNED THIS..... DAY OF, 2022

AHANTAMAN RURAL BANK



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Ahantaman
Rural Bank

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Withdraw

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anywhere because she has AHA Connect

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BRANCH NETWORK

HEAD OFFICE	0312091033/	NSUAEM	0202070087	ADUM BANSO	0501266860	ANAJI	0202070082
	0312029116	AINYINASE	0501569192	EFFIA	0501258744	AGONA MARKET	0501391339
APOWA	0202070085	KOJOKROM	0202070077	AXIM	0202070079	TARKWA	0202070076
AGONA	0202070084	KWESIMINTSIM	0202070083	TWIFO PRASO	0501585431	HOLY CHILD	0202070080
SEKONDI	0202070086	ABURA	0202070078	ACCRA STATION (TADI)	0501317801	TANOKROM	0202070088