ANUM RURAL BANK LIMITED

AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020

Anum Rural Bank Limited

Reports and Financial Statements

For the year ended 31st December 2020

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Corporate Information

Board of Directors

Daniel Adu Appea	Chairman
Samuel Yao Katsekpor	Vice Chairman
Nathaniel Kingsley Afunyah	Non-executive director
Edwin Kwabena Adjei	Non-executive director
Baadu Eric Agyemang	Non-executive director
Christian Ani Frimpong	Non-executive director
Martin Adu-Owusu	Non-executive director

Secretary

Nathaniel Kingsley Afunyah
P.O.Box 15, Anum

Management

Desmond R. Akrong	General Manager
Gideon Darkey	Deputy Gen. Mgr (1st Jul-31st Dec)
Eric Peprah	Head, Internal Audit
David Osei Obiri	Head, Operations (1st Jan-30th Jun)
Augustus Anyane Gyau	Head, Information Technology
Gideon Darkey	Head, Juapong Agency (Jan - Jun)
Emmmanuel P. Odame	Head, Credit & Investments
Bright Sarpeh	Head, Risk & Compliance Unit

Registered Office

Bank Premises
P.O.Box 15
Anum, Eastern Region
Ghana

Bankers

ARB Apex Bank Limited

Auditors

Owiredu-Yeboah Consult
Chartered Accountants
Hse No. 12 Kofi Adotei Road, Sahara-Dansoman
P. O. Box AN 7872 Accra-North
Tel: 0244668786 / 0208787273

Anum Rural Bank Limited

Financial Highlights

For the year ended 31st December, 2020

As at;	**2020 (GH¢)**	**2019 (GH¢)**
Total Assets	46,203,816	36,187,477
Loans and advances	20,388,274	15,905,256
Deposits	35,942,963	26,591,377
Property, plant and equipment	2,996,246	2,624,556
Shareholders' equity	6,831,438	6,443,952

For the year ended;		
Operating income	8,769,565	7,352,759
Profit before tax	659,672	317,329
Profit after tax	384,452	317,329
Earnings per share	0.56	0.47
Number of Agencies	8	8
Number of staff	115	113

Statement of Directors Responsibilities

The Bank's Directors are responsible for the preparation and fair presentation of the audited financial statement comprising the statement of comprehensive income, statement of financial position as at 31 December, 2020, the statement of cash flow, the statement of changes in equity, 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 Specialized Deposit-Taking Institutions Act, 2016 (Act 930)

The Company's Act, 2019 (Act 992) requires the Directors to prepare financial statement for each financial year which gives a true and fair view of the state of affairs of the Bank and of its profit or loss for that year.

In preparing those financial statements the directors are required to:

a. Select suitable accounting policies and apply them consistently;
b. Make judgments and estimates that are reasonable and prudent;
c. State whether applicable accounting standards have been followed, subject to any material departures;
d. Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping proper accounting records which discloses with reasonable accuracy at any time the financial position of the Bank which enable them to ensure that, the financial statements comply with the relevant applicable standards and are also responsible for safe guarding the assets of the Bank and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the Directors

The Directors submit their report together with the audited financial statement of the Bank for the year ended 31st December 2020.

The Directors are of the opinion that the financial statements give a true and fair view of the state of affairs of the company and of its profit or loss.

The Directors responsibilities include; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Going Concern

The Directors have made an assessment of the Bank's ability to continue as a going concern and have no reason to believe the business will not be a going concern. The financial statements therefore continue to be prepared on the going concern basis.

Principal Activities

The company operates as a Rural Bank under the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930)

Nature of business

The Bank is licensed to carry out the business of banking and related services including taking deposits and lending money. The activities of the Bank did not change during the year under review.

Corporate Social Responsibility

The Bank spent an amount of Ghs 20,288 on social responsibility within the financial year

Financial report and Dividends

The results of the year are set out in the attached detailed financial Statements and summarized below:

	2020 GH¢	2019 GH¢
Profit before tax for the year	**659,672**	**317,329**
From which is deducted a tax charge of	(275,220)	-
Resulting in a profit after tax of	**384,452**	**317,329**
To which must be added the balance brought forward on the income surplus account at the beginning of the year of	1,412,728	7 1,528,147
Leaving a balance before statutory and other transfers of	**1,797,181**	**1,845,475**
From which the following transfers were made:		
Dividend declared	-	(293,081)
Transfer to statutory reserve in accordance with section 34 of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930)	(96,113)	(39,666)
Transfer to building reserve fund	(100,000)	(100,000)
Transfer to stated capital	-	-
Leaving a balance on the income surplus account of	**1,601,068**	**1,412,728**

In accordance with BOG directives, the Directors do not recommend the payment of dividend for the year ending 31st December, 2020. (There was no dividend declared for the year ended 2019)

Retirement and re-election of Directors

In accordance with Company's Act 2019, (Act 992) and the regulations of the Bank, Messrs Adu Appea, Martin Adu Owusu and Yao Katsepkor (Late/Deceased) retired by rotation and being eligible offer themselves for re-election. However, Yao Katsepkor unfortunately passed away in the course of the year.

Auditors

In accordance with section 139(5) of the Companies Act, 2019 (Act 992), the Auditor, Owiredu-Yeboah Consult, will continue in office as auditors of the Bank

Approval of Financial Statements

The Financial Statements of the Bank were approved by the Board of Directors on ………………………… and signed on its behalf by:

By Order of the Board

………………………………………	………………………………………
Daniel Adu Appea	**Nathaniel Kingsley Afunyah**
(Board Chairman)	(Board Secretary)

Independent Auditor's Report

To the shareholders of Anum Rural Bank Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Anum Rural Bank Limited ("the Company"), which comprise the statement of financial position at 31 December 2020, and the statements of comprehensive income, statement of changes in equity and statement of cashflows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes as set out on pages.

In our opinion, these financial statements give a true and fair view of the financial position of Anum Rural Bank Limited at 31 December 2020, and its financial performance and cashflows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Companies Act, 2019 (Act 992), the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930).

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 are independent of the Company 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 of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter – Impairment of Loans and Advances

The impairment of financial assets (loans and advances) was determined under IFRS 9 which introduced a forward-looking Expected Credit Loss (ECL) model.

The ECL model requires considerable judgment and interpretation in its interpretation. These judgments were key in the development of ECL model which have been built and implemented to measure the expected credit losses on relevant financial assets (loans and advances) measured at amortized cost.

There is an increase in the data inputs required by the ECL model. The data is from a number of systems that have not been used previously for the preparation of the accounting records. This increases the risk of completeness and accuracy of the data that has been used to create assumptions and operate the model, as the bank has not yet had formal training on the subject matter. In some cases, data is unavailable and reasonable alternatives have been applied to allow calculations to be performed.

Expected credit losses (ECLs) are required to incorporate forward-looking information, reflecting management's view of potential future economic environment. The complexity involved requires management to develop new methodologies involving the use of significant judgments.

We have focused on the following significant judgments and estimates which could give rise to material or management bias:

- Probability of Default – PD: (estimate of the likelihood that borrowers will be unable to meet their debt obligations over a particular time
- Exposure At Default – EAD: (amount expected to be owed the Bank at the time of default)
- Loss Given Default – LGD: (percentage exposure at risk that is not expected to be recovered in an event of default)
- Forward looking economic information and scenarios
- Completeness, accuracy and integrity of data used in the model and the ECL calculations

How our audit addressed the key audit matter

We obtained the loan portfolio of the bank at the end of reporting period, tested the data, reconciling it to the underlying records.

We examined a sample of loans and advances which had not been identified by management as impaired or for which there was no significant increase in credit risk at the reporting date.

We assessed the information obtained, aged the balances and determined the following:

- Probability of default
- Exposure of default
- Loss given default

We assumed reasonable looking information to be incorporated into the calculation of the expected credit losses and weighted the loans and advances into stages

Other Information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2019 (Act 992), the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930), and for such internal controls as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatements whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the company'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 also arise from fraud or error and are considered material if, individually or in 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 misstatements 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 controls.
- 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 company's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 company 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.

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

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of the Companies Act, 2019(Act 992)

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
c) The statement of Financial Position and the Statement of Comprehensive Income of the Bank are in agreement with the books of account

Compliance with the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) - Section 85

a) The financial statements give a true and fair view of the state of affairs of the Bank and its result for the year under review
b) We were able to obtain all relevant information and explanations required for the efficient performance of our duties as auditors
c) The Bank's transactions were within its powers
d) The Bank has complied with the provisions in the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930)

The engagement partner on the audit resulting in this independent auditor's report is **Eugene Owiredu-Yeboah (ICAG/P/1229)**

...
Owiredu Yeboah Consult (ICAG/F/2021/144)
Chartered Accountants
Sahara-Dansoman
P.O.Box AN 7872 Accra North
Accra
..2021

Anum Rural Bank Limited

Statement of comprehensive income

For the year ended 31st December 2020

	Notes	2020 (GH¢)	2019 (GH¢)
Interest income	**5**	**7,427,994**	**6,253,158**
Interest expense	**6**	(1,171,590)	(1,044,902)
Net interest income		**6,256,405**	**5,208,257**
Commissions and fees	**7**	1,960,798	1,897,997
Other operating income	**8**	552,362	246,505
Total operating income		**8,769,565**	**7,352,759**
Charge for credit losses		(444,992)	(199,834)
Operating cost	**9**	(7,664,900)	(6,835,597)
Profit before taxation		**659,672**	**317,329**
Tax provision	**34**	(275,220)	-
Profit after tax		**384,452**	**317,329**

Earnings per share (EPS)

Basic and diluted earnings per share (in GHP)	**27**	0.56	0.47

Anum Rural Bank Limited

Statement of Financial Position

As at 31st December 2020

Assets	Notes	2020 (GH¢)	2019 (GH¢)
Cash and bank balances with ARB Apex Bank	**10**	6,693,084	3,642,137
Investments	**11**	14,592,350	10,291,679
Loans and advances	**12**	20,388,274	15,905,256
Other assets	**13**	1,389,807	3,599,158
Equity investments	**14**	84,004	84,004
Current tax asset	**18**	60,051	40,686
Property, plant and equipment	**15**	2,996,246	2,624,556
Total Assets		**46,203,816**	**36,187,477**
Liabilities and Equity			
Liabilities			
Customer deposits	**16**	35,942,963	26,591,377
Dividend payable	**17**	779,332	833,866
Other liabilities	**19**	2,063,606	2,004,291
Managed funds	**20**	294,804	152,883
Borrowings	**21**	291,673	161,108
Total Liabilities		**39,372,378**	**29,743,525**
Equity			
Stated capital	**22**	1,959,078	1,956,044
Statutory reserve fund	**23**	1,472,464	1,424,408
Building fund	**24**	394,039	294,039
Capital surplus	**25**	1,356,733	1,356,733
Income surplus	**26**	1,649,124	1,412,728
Total Equity		**6,831,438**	**6,443,952**
Total liabilities and equity		**46,203,816**	**36,187,477**
Net Asset Per Share (GHC per Share)		0.10	0.10

………………………………………… ……………………………………………

Director Director

………………………………………… ……………………………………………

Date Date

Anum Rural Bank Limited

Statement of cashflow *14*

For the year ended 31st December 2020

	2020 (GH¢)	2019 (GH¢)
Profit before tax	**659,672**	**317,329**
Depreciation	267,984	167,730
Provision for credit Losses	(444,992)	(199,834)
Profit on disposal	(45,000)	44,000
Adjustment-revaluation surplus & rounding off	0.12	(104,001)
Cash flow before changes in assests & liabilities	**437,664**	**225,224**
Changes in assets and liabilities		
Changes in loans and advances	(4,038,025)	(1,140,889)
Changes in other assets	2,209,352	(622,356)
Changes in creditors and accruals	59,315	724,314
Changes in customer deposits	9,351,586	4,092,522
Cashflow from operating activities	**8,019,891**	**3,278,815**
Dividends and tax		
Tax paid	(294,585)	(121,707)
Dividend paid	(54,534)	(195,719)
	7,670,771	**2,961,389**
Investing activities		
Purchase of property and equipment	(639,673)	(492,647)
Proceeds from disposal	45,000	250,000
	(594,673)	**(242,647)**
Financing		
Proceeds from issue of shares	3,034	38,791
Borrowings	130,565	(38,872)
(Decrease)/Increase in managed funds	141,921	(2,754)
	275,520	**(2,836)**
Net Increase in cash and cash equivalents	7,351,618	2,715,907
Adjusted Cash and cash equivalents at January 1	13,933,816	11,217,909
Cash and cash equivalents at December 31	**21,285,434**	**13,933,816**
Analysis of cash and cash equivalents as shown		
Cash & balances with ARB Apex	6,693,084	3,642,137
Short term investments	14,592,350	10,291,679
	21,285,434	**13,933,816**

Statement of changes in equity *15*

For the year ended 31st December 2020

	Stated Capital	Capital Surplus	Statutory Reserve Fund	Other Reserve Fund	Income Surplus	Total
2020						
1/1/2020	**1,956,044**	**1,356,733**	**1,424,408**	**294,039**	**1,412,728**	**6,443,952**
Shares issue	3,034	-	-	-	-	3,034
Profit/loss for the year	-	-	-	-	384,452	384,452
Transfers	-	-	48,057	100,000	(148,057)	-
31/12/20	**1,959,078**	**1,356,733**	**1,472,464**	**394,039**	**1,649,124**	**6,831,438**
2019						
1/1/2019	**1,917,253**	**1,460,733**	**1,384,741**	**194,039**	**1,528,147**	**6,484,914**
Shares issue	38,791	-	-	-	-	38,791
Transfers	-	-	-	-	(293,081)	(293,081)
Profit/loss for the year	-	-	-	-	317,329	317,329
Transfers	-	-	39,666	100,000	(139,666)	-
Capital surplus	-	(104,000)	-	-	-	(104,000)
31/12/19	**1,956,044**	**1,356,733**	**1,424,408**	**294,039**	**1,412,728**	**6,443,952**

The Other Reserve Fund relates to Building Fund at the end of the period

1. The reporting entity

1.1 The Company

The Anum Rural Bank Limited (the Bank) is a limited liability company incorporated and domiciled in Ghana. The Bank is registered under Ghanaian Legislation and authorized by its Regulations and a banking license issued by the Bank of Ghana to engage in the provision of banking and related services including the taking of deposits and lending of money. The bank is domiciled in Ghana with its head office at Anum in the Eastern Region with its network of Agencies located within the Eastern, Volta and Greater Accra Regions - Ghana. The registered office is at Anum in the Eastern region of Ghana and its registered address is Bank Premises, P.O.Box 15, Anum, Eastern Region, Ghana.

2. Summary of significant accounting policies

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

2.1 Basis of preparation

The set of financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. Additional information required by legislation, particularly the Companies Act 2019 (Act 992) and the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930) have also been disclosed or presented in the appropriate context. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policy

The Bank’s financial statements comprise the statement of comprehensive income, statement of financial position, the statement of changes in equity, the statement of cash flows and related notes.

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (‘‘the functional currency’’). The financial statements are presented in Ghana Cedis, which is the Bank’s functional and presentation currency. Except as indicated, the financial information in Ghana Cedi has been rounded to the nearest Ghana Cedi. Transactions in foreign currencies are translated to the functional currency of the Bank at exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions are recognized in profit or loss.

The disclosures on risks from the financial instruments are presented in the financial risk management contained in Note 4.8

The preparation of the financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Directors to exercise judgment in the process of applying the Bank's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period. The area(s) involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements is (are) disclosed below:

2.1.1 Critical Accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis for making the judgment 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 judgments that have a significant risk of causing a material adjustment to the carrying values of the assets and liabilities within the next financial year is (are) discussed below

(i) Measurement of the expected credit loss allowance

The measurement of the expected credit loss allowance (ECL) for the financial assets as per IFRS is a complex area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses)

A number of significant judgments are also required in applying the accounting requirements for measuring ECL, such as;

- Determining criteria for significant increase in credit risk
- Establishing the number of forward-looking economic scenarios and information
- Choosing an appropriate model and assumptions in the measurement of the ECL

2.2 Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements are measured using the currency or the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in 'Ghana Cedi' (GH¢) rounded to whole numbers

a) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss, except when deferred in other comprehensive income. All foreign exchange gains and losses are presented in profit or loss within other operating income. Changes in the fair value of monetary securities denominated in foreign currency classified as fair value through other comprehensive income/available for sale are analyzed between translation differences resulting from changes in the amortized cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortized cost are recognized in profit or loss, and other changes in carrying amount are recognized in other comprehensive income. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as fair value through other comprehensive income/available for sale, are included in other comprehensive income

2.3 Revenue recognition

Revenue is derived substantially from banking business and related activities and comprises Interest income, commission and fees, as well as other operating income recognized on an accrual basis in the year in which it accrues

a) Interest income

Interest income are recognized in the Financial Statements in respect to interest bearing Financial Instruments including loans and advances as interest accrues using the effective interest rate method. The effective interest method is used as basis to recognize interest income in the profit and loss account for all interest – bearing financial instruments including loans and advances. The effective interest method is a method of calculating the amortized cost of a financial asset and allocating the interest income. The applicable effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts available over the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the related financial asset.

The effective interest rate is calculated within the context of all estimated cashflows, and due consideration to all contractual terms of the financial instrument including any early payment options but not future credit losses.

The calculation also includes all related transactional cost such as processing and commitment fees received by the bank.

The recognition of interest income ceases when the payment of interest or principal is in doubt. Interest is included in income thereafter only when it is received. Loans are re-valued on the accrual basis only when doubts about their collectability are removed and when the outstanding arrears of interest and principal are received.

b) Commissions and Fees

The Bank earns fees and commission income from services it provides to its customers. Commissions and fees are credited to income when earned with reasonable certainty and in the case of loan fees, in the year the loan is granted.

c) Other Operating Income

This relates to income accruing from the consequential dimension of the bank's operations including the sale of value books, susu/microfinance operations and where applicable profits or gains from the sale of property and equipment.

2.4 Interest Expense

Interest expense is recognized in the profit or loss for all interest bearing Financial Instruments measured at amortised cost, including savings and fixed deposit, as interest accrues using the effective interest rate method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating the interest expenses.

The effective interest rate is the rate that exactly discounts the estimated future cash payments over the expected life of the instrument or, when appropriate, a shorter period to the carrying amount of the financial liability.

The effective interest rate is calculated on initial recognition of the financial liability, estimating the future cash flows after considering all the contractual terms of the instrument.

2.5 Financial assets and liabilities

2.5.1 Financial Assets

Measurement methods

Amortized cost and effective interest rate

The amortized cost is the amount at which the financial asset of financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and for financial assets, adjusted for any loss allowance.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset of financial liability to the gross carrying amount of a financial asset or to the amortized cost of a financial liability.

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. At initial recognition, the Bank recognizes the financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value though profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss.

Subsequent Measurement & Classification

Financial Assets at Fair Value through Profit and Loss

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 a part of a portfolio of identified instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit making

Designated at Fair Value through Profit and 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

Financial Assets Measured at Amortized Cost

A financial asset is measured at amortized cost if the following conditions are met:

The asset is held within a business model whose objective is to hold the assets in order to collect contractual cash flows, 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 recognized when cash is advanced to the borrowers at fair value, inclusive of transaction costs. Subsequent to initial recognition, Term loans are measured at amortized cost less impairment losses

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 in the Statement of Financial Position at their fair value. Other financial assets that are neither cash nor categorized under any 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 recognized directly in other comprehensive income until the Financial Asset is either sold, become impaired, or mature, at which time the cumulative gain or loss previously recognized in equity is recognized in profit or loss. Interest calculated using effective interest method is recognized in the Statement of comprehensive income. Dividends on equity instruments are recognized in the income statement when the Bank's right to receive payment is established

2.5.2 Financial Liabilities

Classification

The Bank's holding in financial liabilities represents mainly deposits from banks and customers, and other liabilities. Such financial liabilities are initially recognized at fair value and subsequently measured at amortized cost.

Measurement

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

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss

Determination of Fair Value

Availability of Active Market

For financial instruments traded in active markets, the determination of fair values of financial instruments is based on quoted market prices or dealer price quotations. This includes listed equity securities and quoted debt instruments on major exchanges. Thus, the fair value of a financial instrument traded in active market at the reporting date is based on its quoted market price without any deduction of transaction costs. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. If the criteria is not met, the market is regarded as being in-active

Non-availability of Active Market

Financial instruments 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 organization 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 technique.

Determination of Fair Value

The International Financial Reporting Standard (IFRS) 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, excluding transaction cost other than that relating to transport. In practical terms issues usually considered in such a determination would include highest and best use, physical possibility, legal permissiveness and financial feasibility.

Quoted market prices, inter-bank interest rates as well as regulatory discount rates are examples of the practical measurement standards applicable to the Bank.

2.5.3 De-recognition of financial assets and financial liabilities

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized where:

- The rights to receive cash flows from the asset have expired; or
- The Bank transferred its rights to receive cash flows from the asset or has assumed obligation to pay the received cash flows in full without material delay to a third-party under a 'pass-through' arrangement; and
- Either the Bank has transferred substantially all the risks and rewards of the asset or the Bank has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Bank has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the asset is recognized to the extent of the Bank's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Bank could be required to repay

Financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

2.5.4 Offsetting of Financial Instruments

Netting, where financial assets and liabilities are offset and the net amount reported in the statement of financial position, occurs if, and only if, there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on net basis, or to realize an asset and settle the liability simultaneously. In cases, even though master netting arrangements are in place, the lack of an intention to settle on a net basis results in the related assets and liabilities being presented gross in the statement of financial position.

2.5.5 Collateral

The Bank obtains collateral in respect of customer liabilities where this is considered appropriate. The collateral normally takes the form of cash or securities in respect of other credit instruments or a lien over the customer’s assets and gives the Bank a claim on these assets for both existing and future liabilities. Collateral received in the form of securities is not recorded on the statement of financial position. Collateral received in the form of cash is recorded on the statement of financial position with a corresponding liability. Any interest payable or receivable arising is recorded as interest payable or interest receivable except for future costs relating to trading activities which are recorded in operating income

3. Impairment and provisions

3.1 Impairment of financial assets

A financial asset or a group of financial assets is considered impaired only if there is an objective evidence of impairment as a result of one or more event(s) that have occurred after initial recognition of the asset and the event or events have diverse impact on the estimated future cash flow of such financial asset or group of financial assets.

The amount of impairment is measured as the difference between the carrying value of the financial asset or group of financial assets and the estimated future cash flows discounted at the original effective interest rate used to originate the financial asset or group of financial assets in question.

3.2 Impairment of non-financial assets

Non-financial assets are assets that have indefinite useful life and are not subject to amortization and are tested manually for impairment. An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the Asset Fair Value (Market Value) less cost to sell.

It is the policy of the bank to review all non-financial assets that suffer impairment for the possible reversal of the impairment at each reporting date.

3.3 Impairment of loans & advances

Loans and Advances are non-derivative financial assets having a fixed or determined cash flow patterns and are not quoted on any active market. Loans and Advances are initially recognized at fair value equivalent to the cash consideration or outflow required to originate or generate the loan including any transaction costs and measured subsequently at amortized cost using the effective interest method.

Loans and advances are designated as impaired and considered non-performing where recognized weakness indicates that full payment of either interest or principal become questionable or as soon as payment of interest or principal becomes questionable or as soon as payment of interest or principal is 90 days or more or overdue. Where any amount is considered uncollectible, an individual impairment provision is raised, being the difference between the loan carrying amount and the present value of estimated future cash flows.

Evidence of impairment may include indications that the holders of the bank's loans and advances are experiencing significant financial difficulty, default or delinquencies in the payment of interest and/or principal. It may also include the fact that the debt is being restructured to reduce the burden on the borrower.

Where any impairment arises the estimated impairment loss is fully provided for and recognized in the profit and loss as charge for credit losses.

3.3.1 Write-off policy

The Bank writes off a loan balance (and any related allowances for impairment losses) when the Bank determines that the loans are uncollectible. The determination is reached after considering information such as the occurrence of significant changes in the borrower's financial position such that the borrower can no longer pay the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure

3.3.2 Expected credit loss measurement

In determining the ECL, management considers numerous factors including, but not limited to, domestic economic conditions, the composition of the advance portfolio and prior bad debt experience. Provisions made during the year are charged as a separate amount in the profit and loss account.

When an advance is deemed irrecoverable it is written off against the related bad debt provision. Subsequent recoveries of advances that have been written off are credited to the profit and loss account under the category of Other Operating Income.

IFRS 9 outlines a ''three-stage'' model for expected credit losses, as summarized below:

- A financial instrument that is not credit impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored
- If a significant increase in credit risk since initial recognition is identified, the financial instrument is move to 'stage 2' but is not yet deemed to be credit-impaired
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'stage 3'.

Financial instruments in stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis. Forward-looking information are considered in measuring the credit losses

Measuring ECL – Explanation of inputs, assumptions and estimation techniques

The Expected Credit Loss, (ECL) is measured on either a 12 month or lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and the Loss Given Default (LGD), defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation
- EAD is based on the amounts the Bank expects to be owed at the time of default, over the remaining lifetime (Lifetime EAD)
- LGD represents the Bank's expectation of the extent of the loss on a defaulted exposure. LGD varies by type of counterparty, type of seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by projecting the PD, LGD and EAD and for each individual exposure or collective segment.

These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The lifetime PD is developed by applying a maturity profile to the current 12M PD. The maturity profile looks at how defaults develop on a portfolio from the point on initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported on historical analysis.

The 12-M and lifetime EAD are determined based on the expected payment profile, which varies by product type. Forward-looking economic information is also included in determining the 12-M and lifetime PD, EAD and LGD

During the period under review, the Internal Model based on IRFS has been applied to provide for credit losses with the underlining assumptions:

Internal model and assumptions – ECL measurement

- The Microfinance loans share similar risk characteristics. The loans are describes as ''Group Loans'', normally very homogeneous and within the same geographical area. Almost all the loans are credit impaired because they are past due and other detrimental effect on future cash flows. Their stage categorization is at stage 3, for which Lifetime Expected Credit Losses (ECL) will be recognized.
- All of the Loans were originated based on the prevailing interest rate fixed by the Bank based on the Bank of Ghana's Base rate
- Loans which are categorized under ''Current'' are those Loan Balances which have no significant increase in credit risk. Such current balances are stage 1 and 12 months ECL will be recognized.
- Loans which are not categorized under ''Current'' as well as not impaired or a ''Loss'' because of past due status will be assumed as significant increase in credit risk but not credit impaired. Such loans will be categorized as stage 2 and a lifetime ECL will be recognized.
- All loans and advances have been aged based on historical experience into stage 1, 2 and 3. The ageing balances of the Bank will be used for the computation of Expected Credit Losses (ECL). The loan types have been categorized into Personal, Trading/Commercial, Staff, Ex-staff, Directors, Ex-Directors, Agriculture and Group Loans which are the Microfinance.
- The computation is constrained by the fact that additional information or triggers such as bankruptcy, death, loss of jobs, re-location, collateral etc. about the loan types were not obtained. They were all generalized based on balances obtained from the Bank

- Forward looking information such as the inflation and interest rates were analyzed at the end of the period. A forward rate of 10% was assumed since the rate during the period had led to default in loan payments due to loss of job and unemployment. 10% was used to adjust the historical figures at the Probability of Default (PD) lifetime ECL. For stage 1, a future Forward rate of 0.5% will be assumed and added to the historical rate of 1% to arrive at 1.5%. For stage 2, a weighted average rate for provision rates in OLEM, Substandard and Doubtful will be used as historical and will be adjusted by the future rate of 10% to arrive at the PD. The Loss was still assumed at the rate of 100%
- The Loss Given Default (LGD) will be assumed at the Bank Monetary Policy Rate due to constraint as stated. This will be applied for all the loan types. The Loss Given Default is what the business will lose if a borrower defaults. It is the difference between the contractual cash flows due and those that the lender would expect to receive, including from any collateral. It is usually expressed as percentage of Exposure at Default (EAD)
- ECL is computed as EAD X LGD X PD.
- Below is the ageing figures for the period

Loan Type	**Total**	**Current**	**Overdue**	**In Arrears**	**Loss**
Personal	14,171,879	13,369,415	255,916	348,019	198,529
Commercial	2,470,334	1,637,818	138,643	151,434	542,439
Agric	23,526	7,599	-	-	15,927
Ex-staff	43,353	21,068	20,479	1,806	-
Microfinance	822,346	456,888	364,077	1,382	-
Directors	19,049	18,458	-	591	-
Staff	1,955,250	1,954,745	-	505	-
Overdraft	2,253,651	1,868,325	385,326	-	-
Total	**21,759,388**	**19,334,316**	**1,164,440**	**503,736**	**756,895**

At 31 December, the Bank's credit exposures were categorized under IFRS 9 as follows:

- Stage 1 – Performing (Current)
- Stage 2 – Underperforming (Substandard, doubtful)
- Stage 3 – Credit impaired (Loss)

4.1 Cash and Cash Equivalents

Cash and Cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. For the purposes of the cash flow statement, cash and cash equivalents comprise balances with 91 days or less from the date of acquisition including cash and balances with Apex Bank, money market placements and dealing securities

4.2 Equity Investments

Equity investments are marked to market. Market in this context refers to the periodic advice issued by the ARB Apex Bank regarding the price of its equity shares held by the bank.

4.3 Property, Plant and Equipment

Recognition and measurement

Items of property and equipment are stated at cost less depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the item. The cost of self-constructed assets includes the cost of materials, direct labour and other directly attributable to ringing the asset to a working condition for its intended use. The costs of the day to day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Subsequent Costs

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

Depreciation

Depreciation is charged to profit or loss on a straight-line basis to write down the cost of each asset to their residual values over the estimated useful lifes of each part of an item of property and equipment. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognized or classified as held for sale in accordance with IFRS 5. The estimated useful lifes for the current and corresponding years are as follows:

Motor Vehicle	20%
Office Equipment	25%
Furniture & Fittings	20%
Freehold Land & Buildings	2.5%
Building Renovations	20%
Chub Safe	10%

De-recognition

An item of property, plant and equipment is de-recognized on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the year the asset is derecognized

Capital work in progress

Property and equipment under construction is stated at initial cost and depreciated the date is made available for use over its estimated useful life. Assets are transferred from capital work in progress to an appropriate category of property and equipment when commissioned and ready for its intended use

4.4 Income Tax

Current income tax

Income tax payable on taxable profits is recognized as an expense in the year in which the profits arise. Income tax recoverable on tax allowable losses is recognized as an asset only to the extent that is regarded as recoverable by offset against current or future taxable profits.

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered or paid to the Ghana Revenue Authority. The tax rates and tax laws used to compute the amounts are those that are enacted or substantially enacted by the statement of financial position date.

Deferred Tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences.

The Bank have adopted the liability method on temporary differences that arise from the tax basis of assets and liabilities and their carrying amounts in the financial statements to calculate and make full provision for deferred tax in the financial statements of the bank. The determination of deferred income tax is based on tax rates (and tax laws as the case may be) that have been enacted or expected to become valid for application by the reporting date, or when the related deferred income tax asset may be realized or when the deferred income tax liability may be settled.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized and such future profits can be reliably measured.

As a result, deferred tax assets are reviewed periodically to ensure that their expected recoverable values grounding their initial recognition have not been impaired and where they have, to reduce the related deferred tax assets to their recoverable amounts.

4.5 Provisions

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

4.5 Borrowings

Borrowings are recognized initially at fair value, net of transactions costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be dawn, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

4.6 Stated Capital and Reserves

Stated Capital

Ordinary Shares

Ordinary shares are classified as stated capital, and comprise amount arising from the issue of shares for cash and transfers from retained earnings and other surpluses as defined under the Companies Act 2019 (Act 992). These shares are not redeemable by holders in the normal course of business.

Dividend on ordinary shares

Dividends on ordinary shares are recognized in the period, in equity in which they are approved by the shareholders, in the year in which they are paid.

Statutory Reserves

The statutory Reserve Fund is required under section 34 of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) to be set aside cumulatively from annual profit after tax. Depending on the ratio of existing Statutory Reserve Fund to paid up capital, the proportion of after-tax profits required to be transferred to this reserve fund ranges from 12.50% to 50%. The Bank during the year transferred an equivalent of 25% to reserve fund of its annual profit after tax.

Capital Surplus/Reserves

The capital surplus account is a creation of law company's Act 2019 (Act 992) and records gains or losses arising from the revaluation of assets of the company including its property, plant and equipment. The International Financial Reporting standards (IFRS) require the evaluation at regular intervals of these property, plant and equipment. The bank has therefore adopted a policy to evaluate its assets at regular intervals.

Income Surplus (Retained Earnings)

The Income Surplus account records the cumulative annual profits (after appropriations) available for distribution to shareholders.

4.7 Post Balance Sheet Events

Events subsequent to the balance sheet date are reflected in the Financial Statements only to the extent that they relate to the year under consideration and the effect is material.

4.8 Employment Benefit

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a separate entity and has no legal or constructive obligation to pay further amounts. Obligation for contributions to defined contribution pension plans are recognized as personnel expenses in statement of profit or loss in the period during which related services are rendered.

The Bank has the following defined contribution schemes:

National Pension Scheme

The Bank contributes 13.50% of basic salary to a National Pensions Scheme and the contribution is charged to the Profit and Loss Account as part of total Employee Benefit. The National Pension Scheme is a creation of law and managed by the Government of Ghana through the appropriate public and private sector entities.

Provident Fund

The Bank has a provident fund scheme for all employees. Employees of the Bank contribute 5% of their basic salary to the fund whilst the bank contributes 7.5%. Obligations under the scheme are limited to the relevant contributions made and any related investment income generated.

4.8 Financial Risk Management

Introduction and overview

The Bank's business involves taking on risks in a targeted manner and managing them professionally. The core functions of the Bank's risk management are to identify all key risks for the Bank, measure these risks, manage the risk positions and determine capital allocations. The Bank regularly reviews its risk management policies and systems to reflect changes in markets, products and best market practice. The Bank's aim is to achieve an appropriate balance between risk and return and minimize potential adverse effects on the Bank's financial performance.

The Bank defines risk as the possibility of losses or profits foregone, which may be caused by internal or external factors.

Risk Management structure

The Board of Directors has the overall responsibility for the establishment and oversight of the Bank's risk and management framework. Under this framework, the Board has established a number of separate independent bodies responsible for managing and monitoring risks. These include Board sub-committees, the internal audit department and risk and compliance department

The Bank has exposure to the following types of risk from its use of financial instruments: **a) Credit risk; b) Market risk; c) Liquidity risk; d) Operational risk**

The Bank continues to assess its overall risk management framework and governance structure. The notes below present information about the Bank's exposure to each of the above risk.

(i)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 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.

Credit Risk Management

Credit risk is the single largest risk for the Bank's business; the Directors therefore carefully manage the exposure to credit risk.

The credit risk is managed through the systems and controls established by the Credits department that ensures that periodic review of the status of the receivable at every stage of 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 the loans committed which takes appropriate actions for approval and recovery. Credit facilities are monitored for early warning signals of non-performance.

The Bank has well documented policies and procedures for managing credit risk in the Bank's operational manual. To manage the level of credit risk, the Bank deals with customers of good credit standing and for which in its assessment the transactions are appropriate and risks understood by the customer. The Bank employs a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security for loans and advances

(ii)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 which affects the Bank's income or the value of its holdings of financial instruments.

Market Risk Management

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's deposits and borrowings.

In the event when the Bank recognizes market risk as the exposure created by potential changes in market prices and rates, such as interest rates, equity prices and foreign exchange rates, the Bank mitigates these risk principally from customer driven transactions

(iii)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.

Liquidity Risk Management

The Bank maintains liquidity limit imposed by its regulator, the Bank of Ghana and the overall liquidity has always been within the regulatory limit of Bank of Ghana. The management of this risk enables the Bank to minimize 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

(iv) Operational Risk

Operational risk is direct or indirect loss resulting from inadequate or failed internal and processes, staff and systems.

Operational Risk Management

These are managed by well-designed manuals that reflect the main operating procedures, business continuity planning, reconciliations, internal audit, risk and compliance and timely and reliable management reporting

(v)Compliance and regulatory risk

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

(vi)Reputational risk

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

5. Interest Income	2020 (GH¢)	2019 (GH¢)
Micro Finance Income	188,812	69,681
Government Securities & Other Investments	1,199,461	873,714
Loans and Advances	6,039,721	5,309,764
	7,427,994	**6,253,158**

6. Interest Expense		
Fixed Deposit Accounts	721,355	673,704
Savings Accounts	450,235	371,197
	1,171,590	**1,044,902**

7. Commission and Fees		
Commission on Turnover	935,146	1,130,620
Commitment Fees	1,025,652	767,377
	1,960,798	**1,897,997**

8. Other operating income		
Profit/Loss on disposal **(20a)**	45,000	(44,000)
Credit insurance scheme	400,000	200,000
Commission on Electronic Transfers	56,753	61,802
Sundry Income	50,609	28,703
	552,362	**246,505**

9. Operating costs		
Staff Related Costs **(9a)**	4,823,749	4,468,808
Depreciation	267,984	167,730
Marketing and Publicity	1,821	1,347
Directors' Remuneration	74,101	70,959
Audit Fees	20,000	17,000
Social Responsibility	20,288	27,230
AGM Expenses	51,176	64,782
General and Administrative Expenses	2,405,781	2,017,741
	7,664,900	**6,835,597**

	2020	2019
9a. Staff related costs	**(GH¢)**	**(GH¢)**
Staff Remuneration	3,691,751	3,556,583
Staff Social Security Costs	346,871	335,562
Staff Provident Fund	200,286	196,281
Staff Training & Development	22,250	33,769
Staff Long Service Award	33,167	20,400
Staff Medical Costs	49,860	51,207
Staff Retirement Benefit	24,000	24,000
Staff Annual Bonus	216,700	-
Staff Clothing Allowance	218,384	219,645
Staff Bungalow expenses	20,479	31,361
	4,823,749	**4,468,808**

Relevant Statistics

(i) Number of persons in employment of the Bank at reporting date	115	113
(ii) Average annual basic remuneration per staff	32,102	31,474
(iii) Average annual costs per staff	41,946	39,547

10. Cash and Bank balances with ARB Apex Bank

Cash Holdings	1,622,591	1,371,472
5% Deposit reserve	1,783,115	1,303,782
ACOD	2,000,000	-
Apex Bank balance	1,287,379	966,882
	6,693,084	**3,642,137**

11. Investments

(Treasury Bills/Notes Redeemable within one year)

Government Treasury Bills	13,526,000	4,523,000
Less: Unearned Interest at Year End	(336,494)	(95,842)
At Amortised Cost	**13,189,506**	**4,427,158**
Shares with Amalgamated Mutual fund	1,402,844	-
Fixed Deposit with UniCredit Ghana Limited	-	2,146,970
Fixed Deposit with CDH Savings & Loans	-	3,717,551
	14,592,350	**10,291,679**

12. Loans and advances

(a) Analysed by Type of Facility	2020 (GH¢)	2019 (GH¢)
Overdraft	2,188,925	1,977,624
Loans	19,570,463	16,488,864
	21,759,388	**18,466,488**
Loans write offs (Non-Performing Loans)	-	(1,531,111)
Loans write offs (Reversal from Loan A/C)	-	(104,000)
Less accumulated credit losses	(1,371,114)	(926,122)
	20,388,274	**15,905,256**

The above constitute loans and advances to customers and staff. The maximum amount due from officers of the bank during the year amounted to GHc 1,992,118.87 (2019: GHc 1,992,119)

Relevant Statistics

(i) Credit loss provision ratio	2.05%	1.08%
(ii) Cumulative credit loss provision ratio at the balance sheet date was	6.30%	5.02%
(iii) Percentage of Staff loans	8.99%	10.79%
(iv) Percentage of 20 Largest Exposure	7.84%	8.41%

(b) Analysed by Type of Customer		
Staff	1,955,250	1,992,119
Private Enterprises	5,569,858	4,574,146
Individuals	14,234,281	11,900,223
	21,759,388	**18,466,488**
Loans write offs (Non-Performing Loans)	-	(1,531,111)
Loans write offs (Reversal from Loan A/C)	-	(104,000)
Less accumulated credit losses	(1,371,114)	(926,122)
	20,388,274	**15,905,256**

(C) Analysed by Business Segment		
Agriculture	23,526	33,343
Commerce	3,292,680	4,540,804
Miscellaneous/Salaried Personnel	18,443,181	13,892,342
	21,759,388	**18,466,488**
Loans write offs (Non-Performing Loans)	-	(1,531,111)
Loans write offs (Reversal from Loan A/C)	-	(104,000)
Less accumulated credit losses	(1,371,114)	(926,122)
	20,388,274	**15,905,256**

(d) Movement in the Provision for Credit Losses	2020 (GH¢)	2019 (GH¢)
Balance on the provision at 1st January	926,122	2,257,398
Loan write offs	-	(1,531,111)
Provision for the year	444,992	199,834
	1,371,114	**926,122**

(e) Credit Loss Expenses to Profit and Loss	2020 (GH¢)	2019 (GH¢)
Provision for the year	264,992	199,834
Additional provision	180,000	
	444,992	**199,834**

The Expected Credit Loss, (ECL) is measured on either a 12 month or lifetime basis depending on whether a significant credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. ECL are the discounted product of the probability of default (PD), exposure at default (EAD), and the loss given default (LGD). At 31 December, the Banks credit exposures were categorized under IFRS 9 as follows: Stage 1 - Performing/Current; Stage 2 - Underperforming/Substandard/Doubtful; Stage 3 - Credit impaired/Loss

Year 2020

Loan Category	Stage	EAD	LGD (%)	PD (%)	ECL
Personal	1	13,740,308	14.50%	1.50%	**29,885**
	2	276,394	14.50%	38.00%	**15,229**
	3	198,529	14.50%	100.00%	**28,787**
Commercial	1	1,796,852	14.50%	1.50%	**3,908**
	2	138,643	14.50%	38.00%	**7,639**
	3	558,366	14.50%	100.00%	**80,963**
Microfinance	1	458,269	14.50%	1.50%	**997**
	2	7,777	14.50%	38.00%	**429**
	3	356,300	14.50%	100.00%	**51,663**
Directors	1	19,049	14.50%	1.50%	**41**
Staff	1	1,955,250	14.50%	1.50%	**4,253**
Overdraft	1	1,868,325	14.50%	1.50%	**4,064**
	2	208,431	14.50%	38.00%	**11,485**
	3	176,895	14.50%	100.00%	**25,650**
Total		**21,759,389**			**264,992**

13. Other assets	2020 (GH¢)	2019 (GH¢)
Unassigned Lines	-	9,321
Ezwich operations	34,010	4,842
Interest receivable	-	891,626
Sundry interests	119,413	-
Receivable funds	132,537	133,650
Stationery Stock	120,364	97,151
Insurance Prepaid	56,470	57,957
Uncleared Effects	238,107	1,389,110
Inter-Agency Account	262,995	218,445
Rent Prepaid	262,954	226,541
Migration suspense	-	30,121
Office Account	162,957	433,440
Others	-	106,955
	1,389,807	**3,599,158**

14. Equity Investments

(ARB Apex Bank Limited)

	Shares	Cost/Value		
Ordinary Shares Held at ARB Apex Bank at Rev.	44,590	GHC 1.00	44,590	44,590
Additional Shares Purchased - Renounceable Issue	20,000	GHC 1.23	24,600	24,600
Bonus Shares Given	12,044	GHC 1.23	14,814	14,814
	76,634	**GHC 1.10**	**84,004**	**84,004**

15. Property & Equipment

Cost	Land & Building	Work In Progress-Buildings	Building Renovation	Office Equipment	Furniture & Fittings	Motor Vehicle	Total
	(GH¢)	(GH¢)	(GH¢)	(GH¢)	(GH¢)	(GH¢)	(GH¢)
1/1/2020	**2,389,625**	**93,229**	**331,536**	**1,045,490**	**175,579**	**313,164**	**4,348,624**
Reclass.	-	-	-	-	-	-	-
Balance Restated	**2,389,625**	**93,229**	**331,536**	**1,045,490**	**175,579**	**313,164**	**4,348,624**
Additions	-	39,955	44,942	215,007	81,627	258,142	639,673
Disposal	-	-	-	-	-	(71,672)	(71,672)
31/12/20	**2,389,625**	**133,184**	**376,478**	**1,260,497**	**257,206**	**499,633**	**4,916,624**

Depreciation							
1/1/2020	**226,818**	**-**	**220,272**	**855,177**	**137,858**	**283,943**	**1,724,067**
Charged	54,070	-	31,241	101,330	23,870	57,473	**267,984**
Disposal	-	-	-	-	-	(71,672)	(71,672)
31/12/20	**280,888**	**-**	**251,513**	**956,507**	**161,728**	**269,743**	**1,920,379**

Net Book Value							
31/12/20	**2,108,737**	**133,184**	**124,965**	**303,990**	**95,479**	**229,890**	**2,996,246**
31/12/19	2,162,807	93,229	111,264	190,313	37,721	29,221	2,624,556

The cost of office Equipment include the amount of GHc 274,410 representing the fair value of certain machinery and equipment received from the Millenium Development Authority (MIDA) in 2011. The first time financial disclosure of this was in 2013

15(a). Disposal Account	**2020**	**2019**
	(GH¢)	**(GH¢)**
Cost /(Revalued)	**71,672**	**294,000**
Accumulated Depreciation	(71,672)	-
Carrying Value	**-**	**294,000**
Proceeds from disposal	45,000	250,000
Profit/(Loss) on disposal	**45,000**	**(44,000)**

Notes to the Financial Statements

	2020 (GH¢)	2019 (GH¢)
16. Customer deposits		
Susu Saving Scheme	3,692,114	2,160,063
Time Deposit	6,412,632	5,170,578
Current Account	5,993,944	5,186,873
Savings Account	19,844,274	14,073,863
	35,942,963	**26,591,377**

	2020 (GH¢)	2019 (GH¢)
17. Dividend payable		
Balance at 1st January	833,866	736,504
Dividend Declared	-	293,081
Dividend Paid	(54,534)	(195,719)
	779,332	**833,866**

18. Current Tax Liability

(iii) 2019 Year of Assessment (YOA) Year	Opening balance (GH¢)	Charged (GH¢)	Tax Credit / Payments (GH¢)	Closing balance (GH¢)
2020	**(40,686)**	275,220	(294,585)	**(60,051)**
2019	**81,021**	-	(121,707)	**(40,686)**
2018	**144,195**	292,677	(355,851)	**81,021**
2017	**145,984**	240,617	(242,406)	**144,195**
2016	**(13,051)**	233,359	(74,324)	**145,984**

The tax computation is subject to verification by the Ghana Revenue Authority

(iii) 2018 Year of Assessment (YOA)	Opening bal	Charge in P&L A/c	Tax Credit/Payments	Closing bal
Corporate Tax				
2005- 2008	4,343	(4,343)	-	-
2009	(14,105)	14,105	-	-
2010	(2,657)	2,657	-	-
2011	9,289	770	(10,059)	-
2012	-	3,474	(3,474)	-
2013	46,793	(26,600)	(20,193)	-
2014	2,246	-	(40,000)	(37,754)
	45,909	(9,937)	(73,726)	(37,754)
2015	-	57,203	(32,500)	24,703
	45,909	**47,266**	**(106,226)**	**(13,051)**

19. Creditors and accruals	2020 (GH¢)	2019 (GH¢)
Accrued interest	247,458	138,350
Staff bonus	47,041	-
Accrued Audit Fees	30,240	8,740
Retirement Benefits	82,553	86,318
Staff long service	-	13,418
Payment Order	660,163	199,229
Deferred income	598,513	349,440
Premium Payable/Credit Insurance Scheme **(19a)**	126,850	232,097
Bills Payable	17,500	17,500
Office Account	252,765	956,540
Stabilization reserve	523	2,659
	2,063,606	**2,004,291**

19a. Credit Insurance Scheme

Total insurance premium	526,850	432,097
Transfer to other income	(400,000)	(200,000)
	126,850	**232,097**

20. Managed Funds

Community based dev prj	28,158	-
MOWAC Trading Fund	4,449	4,449
ADACF	61,999	61,999
Agro Processing Project Fund	7,500	7,500
Emergency Social Relief Fund	17,614	5,098
Food & Agriculture Budgetary Support Fund	-	13,629
Special Farmers' Loan Fund	26,885	26,885
MASLOC - MOWAC & MOF Fund	30,900	30,900
CAP loan & disbursement	114,877	-
Fishmongers Association Fund	2,423	2,423
	294,804	**152,883**

The bank has entered into various management agreements with Governmental and other stakeholders for the management of the above funds.

21. Borrowings

Short term and other borrowings	2020 (GH¢)	2019 (GH¢)
Borrowings - Atimpoku building	87,492	161,108
Borrowings - Van	204,181	-
	291,673	**161,108**

22. Stated Capital

	2020 No. of Shares 000'	2020 Amount	2019 No. of Shares 000'	2019 Amount
Authorised:				
Ordinary Shares @ 31st December	1,000,000	-	1,000,000	-
Issued for cash consideration				
At January 1	65,148	992,520	61,630	953,729
Additions	3,518	3,034	3,518	38,791
	68,665	**995,554**	**65,148**	**992,520**
Other than Cash				
Capitalization Issue	5,247	23,386	5,247	23,386
Transfer from Capital Surplus	-	106,416	-	106,416
Transfer from Income Surplus	-	683,722	-	683,722
Transfer from Stabilization Fund	-	150,000	-	150,000
At December 31st	**73,912**	**1,959,078**	**70,395**	**1,956,044**

There is no unpaid liability on any shares. There are no calls or installments unpaid, and there are no treasury shares held.

Capital Adequacy	2020 Required By BOG	2020 Actually Achieved	2019 Required By BOG	2019 Actually Achieved
Adequacy Ratio	10%	24.62%	10%	20.76%

26. Income surplus account	**2020 (GH¢)**	**2019 (GH¢)**
At 1st January	1,412,728	1,528,147
Deferred Tax from Prior years	-	-
	1,412,728	**1,528,147**
Profit/(Loss) for the year	384,452	317,329
Balance before Statutory and other Transfers	**1,797,181**	**1,845,475**
Transfer to Statutory Reserve	(96,113)	(39,666)
Dividend Payable	-	(293,081)
Transfers to building fund	(100,000)	(100,000)
At 31st December	**1,601,068**	**1,412,728**

27. Earnings per share

Basic earnings per share (EPS) is calculated by dividing the profit after tax for the year attributable to equity holders of the Bank by the weighted average number or ordinary shares outstanding during the year

	2020	**2019**
Profit attributable to ordinary shareholders	384,452	317,329
Weighted Average number of ordinary shares	68,369,635	66,948,484
Basic Earnings per share (in Ghana Pesewa)	*0.56*	*0.47*

(Note: The bank had no category of dilutive potential ordinary shares at both reporting dates. The diluted earnings per share is therefore the same as the basic earnings per share.

28. Analysis of Financial Assets and Financial Liabilities

Financial Assets	Financial assets at fair value	Fair value measured at amortized cost	Fair value measured through P&L	Loans and Receivables	Total Amount
Loan and Advances	-	-	-	20,388,274	20,388,274
Short Term Investment	-	14,592,350	-	-	14,592,350
Account Receivable	-	-	-	238,107	238,107
Equity Investment	-	-	84,004	-	84,004
Cash and Bank Balances	6,693,084	-	-	-	6,693,084
Total Financial Assets	**6,693,084**	**14,592,350**	**84,004**	**20,626,381**	**41,995,819**
Total Non Financial Assets					4,207,997
					46,203,816
Total Assets					

Financial Liabilities	
Customer Deposit on Demand	35,942,963
Managed Funds & Borrowing	586,477
Accruals and Bills Payables	2,063,606
Total Financial Liabilities	**38,593,046**
Total Non-Financial Liabilities	779,332
	39,372,378
Total Shareholders Fund	6,831,438
Total Liabilities and Shareholder's Fund	**46,203,816**

29. Capital commitments

There were no capital commitments not provided for in the financial statement at the reporting dates

30. Related party transactions

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

(a) Loans to Directors	**Year 2020**
At 01/01	58,812
Additions	8,120
Repayment	(47,883)
At 31/12	**19,049**

(b) Loans to Key Management Staff	**Year 2020**
At 01/01	284,009
Additions	257,371
Repayment	(264,460)
At 31/12	**276,920**

31. Exchange control

All remittances from Ghana are subject to the agreement of the Exchange Control Authorities

32. Shareholding Structure

(i) Directors' Shareholding

The directors named below held the following number of ordinary shares in the Bank as at 31st December 2020

Directors	No. of Shares	Percentage
Kwabena Adjei	689,891	1.01%
Eric Baadu Agyemang	560,968	0.82%
Daniel Adu Appea	180,634	0.26%
Nathaniel Kingsley Afunyah	164,893	0.24%
Samuel Yao Katsekpor	161,392	0.24%
Christian Ani-Frimpong	129,962	0.19%
Martin Adu-Owusu	100,000	0.15%

(ii) Number of Shares Outstanding

Earnings and dividend per share are based on 68,261,044 (2019: 68,364,718) ordinary share outstanding

(iii) Number of Shareholders

The Bank had a total of 7,123 ordinary shareholders at the reporting date and were categorized by the number of shares held as follows:

Holdings	No. of Members	Total holdings	% Holdings
1-1000	1,386	996,598	1.46
1,001-5,000	4,049	11,320,826	16.58
5,001-10,000	950	6,427,930	9.42
Exceeding 10,000	738	49,515,690	72.54
	7,123	**68,261,044**	**100**

(iv) List of Twenty (20) largest shareholders at 31st December 2020	**No. of Shares**	**% Holdings**
1. Gyau Bismark Anyane	7,073,947	10.36
2. Osafo Adamu Jonas	2,506,243	3.67
3. Nartey Desmond Afutu	2,399,974	3.52
4. Sage Bancshares	2,048,323	3.00
5. Dadzie Samuel	1,886,147	2.76
6. Paarock Van Percy	1,266,571	1.86
7. Namusa Trust	1,247,889	1.83
8. James Allotey	1,140,669	1.67
9. Nartey Desiri Nartekie	1,024,974	1.50
10. Eshun Richard Sarbah	1,000,000	1.46
11. Kwabena Adjei	689,891	1.01
12. Samuel Bada	614,984	0.90
13. Eric Baadu Agyemang	560,968	0.82
14. Salome Appiah/Asante Emmanuel Ofori	534,055	0.78
15. Yaokumah Paul Kwasi	511,958	0.75
16. Nartey Sophie	500,000	0.73
17. Odame Irene Mary	430,823	0.63
18. Akyea-Obeng Timothy Kwaku	423,229	0.62
19. Ntim Benjamin Obuobi	375,786	0.55
20. Bredu Daniel Tetteh	346,094	0.51
Total	**26,582,525**	**38.94**
Others	41,678,519	61.06
	68,261,044	**100.00**

33. Gen. & Admn Expenses	2020 (GH¢)	2019 (GH¢)
Buillion van expenses	8,970	-
Directors' Training Expenses	2,838	2,713
Board Meeting & Committee Expenses	133,245	150,441
Police Guard & Security	149,272	158,357
Recruitment Expenses	1,360	50
Travelling & Transport	91,381	85,846
Audit expenses	600	353
Legal & Professional Fees	2,075	1,934
Office Expenses	278,177	196,028
Printing & Stationery	70,813	65,710
Repairs & Maintenance	85,584	58,941
Rent & Rates	107,662	105,707
Communication (Postage & Telephone)	21,124	24,124
Insurance	93,890	83,432
Utilities (Electricity & Water)	124,957	185,514
Community development	-	1,932
Subscription & Periodicals	29,421	14,949
Motor Vehicle Running	150,692	161,002
Specie Expenses	40,629	35,198
Shortage in Till and round off	793	631
Loans Recovery	2,343	9,491
Penalties	12,000	-
Scholarship Scheme	-	600
Generator Running	46,091	72,488
Agency expenses	900	1,690
Business promotion	44,370	58,104
Susu expenses	434,806	305,304
Write offs	131,004	-
Accountancy charges	10,000	7,000
Computerization	306,510	206,047
Cheque clearing expenses	24,276	24,156
	2,405,781	**2,017,741**

33. Tax Computation

Year of assessment - 2020

Basis Year (01/01/20 - 31//12/20)

	2020	2019
	(GH¢)	(GH¢)
Profit before Tax	**659,672**	**317,329**
Add/(Less)		
Depreciation	267,984	167,730
Credit Losses	444,992	199,834
Donations	20,288	27,230
Penalties	12,000	-
Bad Debt Written Off	-	(1,531,111)
Assessable Income	**1,404,936**	**(818,988)**
Less: Capital Allowances Utilised	(304,057)	(195,163)
Chargeable Income	**1,100,879**	**(1,014,151)**
Tax Thereon @ 25%	**275,220**	**-**

The tax computation is subject to the review of the Ghana Revenue Authority

Capital Allowance Computation

Year of assessment - 2020

Basis Year (01/01/20 - 31//12/20)

Pool of Asset	Deprn. Allow. Rate	WDV 01/01/20	Additions	Total	Depreciation Allowance	WDV 31/12/20
Pool 1 Computers	40%	2,171	-	2,171	(868)	1,302
Pool 2 Motor Vehicles	30%	36,308	258,142	294,450	(88,335)	206,115
Pool 3 Fixture/Equi't	20%	372,265	296,634	668,899	(133,780)	535,119
Pool 4 Building	10%	2,357	-	2,357	(236)	2,122
Pool 4 Building	10%	1,840	-	1,840	(184)	1,656
Pool 4 Building	10%	4,898	-	4,898	(490)	4,408
Pool 4 Building	10%	27,989	-	27,989	(2,799)	25,190
Pool 4 Building	10%	5,424	-	5,424	(542)	4,882
Pool 4 Building	10%	48,669	-	48,669	(4,867)	43,803
Pool 4 Building	10%	38,192	-	38,192	(3,819)	34,372
Pool 4 Building	10%	2,618	-	2,618	(262)	2,357
Pool 4 Building	10%	7,703	-	7,703	(770)	6,933
Pool 4 Building	10%	-	-	-	-	-
Pool 4 Building	10%	101,579	-	101,579	(10,158)	91,421
Pool 4 Building	10%	19,510	-	19,510	(1,951)	17,559
Pool 4 Building	10%	342,956	-	342,956	(34,296)	308,661
Pool 4 Building	10%	162,062	44,942	207,004	(20,700)	186,303
Total		**1,176,543**	**599,717**	**1,776,260**	**(304,057)**	**1,472,203**

	2020 (GH¢)	2019 (GH¢)
Capital Allowance Unutilised at January 1st	-	-
Depreciation Allowance for the year	304,057	195,163
	304,057	**195,163**
Less: Utilised	(304,057)	(195,163)
Capital Allowance Unutilised at December 31st	**-**	**-**