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BETA & ASSOCIATES
CHARTERED ACCOUNTANTS

ASSINMAN RURAL BANK LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2025

AUDIT ASSURANCE, TAXATION, ACCOUNTANCY, ICT AND MANAGEMENT CONSULTANCY SERVICES



Agbogba Akatsi-abor Adjacent Elegance Guest House / GPS: GE-141-0011



+233 (0) 20 824 0016 / (0) 24 471 4481 / (0) 54 347 6192 / (0) 20 259 0878



P. O. BOX MD 396, Madina, Accra.



info@beta-associates.com



www.beta-associates.com



ASSINMAN RURAL BANK LIMITED

Financial statements for the year ended 31 December 2025

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ASSINMAN RURAL BANK LIMITED

Corporate information for the year ended 31 December 2025

Board of Director

Eric Ekow Tawiah Ghansah (PhD)	Member
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Newly appointed Directors-

Mr. Joseph William Howard	Member
Mr. Emmanuel Tweneboah Andam	Member
Mr. Frank Kojo Kuranchie	Member

Solicitor

Mr. Isaac Aggrey-Fynn
Adastra Chambers
P.O. BOX 289
Cape Coast

Registered and principal place of business

Assin-Manso
Post Office Box FO 150
Assin Fosu

Company registration number

C-18036

Taxpayer identification number

C0007516347

Branches:

Ajumako, Assin Fosu, Assin Manso, Assin Praso,
Bremam Asikuma, Pedu, Twifo Praso

Banker:

ARB Apex Bank PLC
GCB Bank PLC
Zenith Bank Ghana PLC

Independent auditor

BETA and Associates
Madina, Agbogba Akatsi-Abor
Adjacent Elegance Guest House
P.O Box MD 396, Madina, Accra
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ASSINMAN RURAL BANK LIMITED

Five-year financial summary	2025	2024	2023	2022	2021
Interest income	15,908,219	12,799,870	9,584,063	6,290,008	4,990,861
Interest expense	(2,851,850)	(2,183,156)	(1,825,719)	(1,125,446)	(901,826)
Commission and fees	2,462,153	1,666,596	1,492,053	1,261,739	1,069,332
Profit before tax	5,277,100	3,716,264	2,301,786	1,267,219	952,182
Tax expenses	(1,500,105)	(1,248,093)	(771,132)	(338,390)	(275,473)
Profit after tax	3,513,140	2,468,171	1,530,654	928,829	676,709
Total assets	96,355,957	72,260,961	44,321,664	39,076,934	32,252,817
Equity	12,331,327	8,730,817	6,089,452	4,437,360	3,772,658
Total liabilities and equity	96,355,957	72,067,239	44,321,664	39,076,934	32,252,817

Financial highlights	2025	2024	Percentage (%)
Interest income	15,908,219	12,799,870	24.28
Interest expense	(2,851,850)	(2,183,156)	30.63
Commission and fees	2,462,153	1,666,596	47.74
Profit before tax	5,277,100	3,716,264	42.00
Tax expenses	(1,500,105)	(1,248,093)	20.19
Profit after tax	3,513,140	2,468,171	42.34
Total assets	96,355,957	72,260,961	33.34
Equity	12,331,327	8,730,817	41.24
Total equity and liabilities	96,355,957	72,067,239	33.70



ASSINMAN RURAL BANK LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Directors' responsibilities in respect of the financial statements

The Directors are required to ensure that adequate accounting records are maintained so as to disclose at reasonable adequacy, the financial position of the Bank. They are also responsible for steps to safeguard the assets of the Bank and to prevent and detect fraud and other irregularities. They must present financial statements for each financial year, which give a true and fair view of the affairs of the Bank and the results for that year. In preparing these financial statements, they are required to:

- select suitable accounting policies and apply them consistently using reasonable and prudent judgment.
- state whether or not the Companies Act, 2019 (Act 992), the Bank and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), and in accordance with International Financial Reporting Standards ("IFRS"), have been adhered to and explain material departures thereto.
- Use the going concern basis unless it is inappropriate.

The Board acknowledges its responsibility for ensuring the preparation of the annual financial statements in accordance with IFRS and the responsibility of the independent auditor to report on these financial statements. The Board is responsible for ensuring the maintenance of adequate accounting records and an effective system of internal controls and risk management.

Nothing has come to the Board's attention to indicate any material breakdown in the functioning of the internal controls and systems during the year under review, which could have a material impact on the business.

The financial statements are prepared from the accounting records based on the consistent use of appropriate records supported by reasonable and prudent judgments and estimates that fairly present the state of affairs of the Bank. The financial statements have been prepared on a going concern basis and there is no reason to believe that the Bank will not continue as a going concern in the next financial year. The Directors confirm that in preparing the financial statements, they have:

- selected suitable accounting policies and applied them consistently.
- made judgments and estimates that are reasonable and prudent
- followed the International Financial Reporting Standards
- prepared the financial statements on the going concern basis



ASSINMAN RURAL BANK LIMITED

Statement of Directors' responsibilities (continued)

Directors' responsibilities in respect of the financial statements (continued)

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Bank and to enable them ensure that the financial statements comply with the Companies Act, 2019 (Act 992), the Bank and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) and in accordance with International Financial Reporting Standards ("IFRS"). They are also responsible for safe guarding the assets of the Bank and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By the order of the Board:

Name of Director

Dr. Sie Elaw T. Ahemsa

Name of Director

ANDAM EMMANUEL -T.

Signature

[Signature]

Signature

[Signature]

Date

24-04-2026

Date

24-04-2026



**REPORT OF THE DIRECTORS'
TO THE MEMBERS OF
ASSINMAN RURAL BANK LIMITED**

By the requirement of section 136 of the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), we present our report together with the audited financial statements for the year ended 31 December 2025, which disclose the statement of the affairs of Assinman Rural Bank Limited (the "Bank").

Financial results

Detailed financial results for the year are set out in the attached audited financial statements with an extract as below.

	2025	2024
Total income	18,805,084	14,826,073
Profit before tax for the year	5,277,100	3,716,264
from which is deducted the growth and sustainability levy of	(263,855)	(185,813)
and the income tax expense of	(1,500,105)	(1,062,280)
giving profit after tax of	3,513,140	2,468,171
To which is added balance on retained earnings account brought forward balance of	4,796,040	2,986,596
leaving a balance before statutory and other transfers of	8,309,180	5,454,767
From which the following transfers were made:		
Transfer to statutory reserve	(439,142)	(617,043)
Transfer to credit risk reserve	(297,596)	(41,684)
Retained earnings at year-end	7,572,442	4,796,040

The Directors considered the state of affairs of the Bank to be satisfactory.

Stated capital and capital adequacy ratio

The Bank has complied with the minimum capital requirement and the 10% minimum capital adequacy ratio.

Dividends

The Directors proposed a bonus issue of ordinary shares to existing shareholders in the proportion of 1 bonus share for every 13 shares held. The bonus issue will be effected through the capitalisation of retained earnings amounting to GH¢ 3,500,000.



**REPORT OF THE DIRECTORS'
TO THE MEMBERS OF
ASSINMAN RURAL BANK LIMITED (CONTINUED)**

Directors interest register

During the year, no director expressed interest with the Bank.

Corporate social responsibilities

The Bank supported several community and national events during the year, including the Enyan Ankokrom Akwanbo Festival, the Assin Manso SHS 60th Anniversary, Farmers' Day celebrations and the Assin Praso Police Command. No donations were made to any political organisation.

Principal activities

The principal business of the Bank is to provide banking and related services including taking deposits and lending money. This has not changed during the year.

Body corporate

The Bank holds an investment in ARB Apex Bank PLC that falls below 25% of the equity shares (ordinary shares).

Appointment, retirement and re-election of Board members

Per the Companies Act, 2019 (Act 992) and the regulations of the Bank of Ghana, the following directors retired during the year: Mr. Eric Ankomahene, Mr. Gilbert Gyan-Afful and Dr. Andrews Kwablah.

During the year under review, Mr. Joseph William Howard, Mr. Emmanuel Tweneboah Andam and Mr. Frank Kojo Kuranchie were elected to the Board of Directors and their appointments were approved by the Bank of Ghana on 2nd January, 2026. The appointments of Madam Ophelia Nkrumah and Mr. Isaac Takyi Amoquanor were still pending approval by the Bank of Ghana as at the reporting date

Directorate

The Director in office at the date of this report are as follows:

Director	Qualification/ Profession	Designation
Eric Ekow Tawiah Ghansah (PhD)	Doctor of Philosophy in Procurement and contract management	Member

Directors' capacity building

Training for the Board of Director is essential as this will enable them to continually update their skills, knowledge and familiarity with the company's businesses and awareness of sector, risk, regulatory, legal, financial and other developments to enable them to fulfil their role effectively on the Board.



**REPORT OF THE DIRECTORS'
TO THE MEMBERS OF
ASSINMAN RURAL BANK LIMITED (CONTINUED)**

Directors' capacity building (con't)

In the year under review, the sessions below were organised towards the capacity building of the Director.

Area of training	Participant
Risk management framework for the Board of Directors of RCBs	Eric Ekow Tawiah Ghansah (PhD)
Sustainable financing for Rural and Community Banks	Eric Ekow Tawiah Ghansah (PhD)

Management Professional development and training

The following training was undertaken for management during the reporting year.

- Annual risk compliance and audit conference
- Financial statement analysis
- Quarterly Session Risk and Compliance
- Roles of the frontline staff in fraud identification and prevention
- Psychological safety in the workplace
- Data protection awareness training
- Refresher course on eCampus learning
- Effective Office management and Admin Course
- Training on KYC/CDD/EDD for frontline staff and teller
- Refresher training for users of Fem
- AML/CFT /CPF workshop with selected RCBs
- Sensitization on Data cleaning for PO/LGD computation
- STL systems administrators of RCB training
- Management of Unclaimed funds for RCBs
- Client registration on the new CSD system
- T24 Auditor training for RCBs external auditors
- Refresher training on updated Acho card verification
- Management of Unclaimed funds for I.T managers and systems Admins
- T24 teller's operations trainings
- Implementation guidelines, SME Banking Services
- Navigating the Fem Portal for efficient transaction monitoring
- Aligning HR practices with laws relative to HR management
- The role of risk registers in risk data management
- Implementation of eCampus learning platform
- Credit ratios and IFRS 9 classification on loan impairment
- Corporate employee income tax admin
- Mop Up training-Sustainable financing for Rural and Community Banks
- Financial Inclusions for Persons with Disability

Conflict of interest and compliance

The Bank has established appropriate conflicts and authorization procedures, whereby actual or potential conflicts or complaints are regularly reviewed and authorization sought as appropriate. During the year, no such conflicts arose. Necessary actions were also taken to resolve customers' complaint.



**REPORT OF THE DIRECTORS'
TO THE MEMBERS OF
ASSINMAN RURAL BANK LIMITED(CONTINUED)**

Independent auditor

The independent auditor is responsible for independently reviewing and reporting on the Bank's financial statements for the year. The financial statements have been reviewed by the Bank's independent auditor and her report is presented on pages 17 to 22.

Messrs BETA & Associates Chartered Accountants have been appointed to replace UHY Voscon Chartered Accountants in accordance with the Companies Act, 2019 (Act 99). BETA & Associates expressed their willingness to continue as the independent auditor of the Bank in accordance with the provisions of the Companies Act, 2019 (Act 992).

Remuneration of the independent auditor

The amount payable for the 2025 statutory audit is GH¢ 47,600

Events after the reporting year

The Bank of Ghana has directed all existing Rural Banks to change their names to Community Banks and also directed that their minimum capital should be GH¢5,000,000 by 31 December 2026. The Bank has less than the minimum but is making plans towards meeting the minimum capital requirement.

Related party transactions

Related party transactions and balances are disclosed in *note 36* to the financial statements. The Director and key management personnel have an interest in shares but not loan stock of the Bank. Other than service contracts and those reported under directors' interest, no Director has a material interest in any contract to which the Bank was a party during the year



**REPORT OF THE DIRECTORS'
TO THE MEMBERS OF
ASSINMAN RURAL BANK LIMITED(CONTINUED)**

Code of ethics

a. Employee

Assinman Rural Bank Limited has a Code of ethics for the staff and has been made available to all employees of the Bank through Union of Industry, Commerce and Finance (UNICOF) of the Ghana Trade Union Congress (GTUC).

The number and percentage of males and females in employment contracts with the Bank during the financial year vis-à-vis the total workforce is presented below.

Gender analysis for employees and the Board of Directors

31-Dec-2025	Male	Female	Total	Male	Female
	Number	Number	Number	%	%
Employees	46	43	89	52	48
Gender analysis of the Board and top management is below:					
Board	1	-	1	100	-
Top management	4	2	6	67	33
Detailed analysis of the Board and top management is below:					
Executive Directors					
Non-executive Directors	1	-	1	100	-
Chief executive officer	1	-	-	100	-
Head of departments	2	2	4	50	50
Total					
Gender analysis of the branch managers and employees are below:					
Branch managers	3	4	7	43	57
Head Office	14	4	18	78	22
Branches:					
Ajumako	5	6	11	45	55
Assin Fosu	5	5	10	50	50
Assin Manso	4	10	14	29	71
Assin Praso	3	3	6	50	50
Breman Asikuma	4	4	8	50	50
Pedu	7	5	12	58	42
Twifo Praso	4	6	10	40	60



**ASSINMAN
RURAL BANK**

**REPORT OF THE DIRECTORS'
TO THE MEMBERS OF
ASSINMAN RURAL BANK LIMITED**

Approval of financial information

The financial information for the year set out on pages 23 to 68 which have been prepared on a going concern basis, were approved by the Board of Directors and are signed

on their behalf by:

Name of Director

Dr. Ewe Elias T. Ghansah

Name of Director

ANDAM Emmanuel T.

Signature.....

[Signature]

Signature.....

[Signature]

Date.....

24-04-2026

Date.....

24-04-2026



ASSINMAN RURAL BANK LIMITED

Corporate Governance (CG) report

Assinman Rural Bank Limited is committed to strong corporate governance practices that allocate rights and responsibilities among the Bank's shareholders, the Board and Executive Management to provide effective oversight and management of the Bank in a manner that enhances shareholders' value and promotes investors' confidence. The Bank's corporate governance principles are contained in several corporate documents. The Board oversees the conduct of the Bank's business and is primarily responsible for providing effective governance over the Bank's key affairs, including the appointment of Executive Management, approval of business strategies, evaluation of performance and assessment of major risks facing the Bank. In discharging its obligations, the Board exercises judgment in the best interest of the Bank and relies on the Bank's Executive Management to implement approved business strategies, resolve day-to-day operational issues, keep the Board informed, and maintain and promote high ethical standards. The Board delegates authority in management matters to the Bank's Executive Management subject to clear instructions about such delegation of authority and the circumstances in which Executive Management shall be required to obtain Board approval before deciding on behalf of the Bank. The Board is made up of Non-Executive Directors.

Assinman Rural Bank Limited's commitment to ensuring international best practices in terms of Corporate Governance remains strong and unwavering.

1. Board composition

Membership of the Board is now made up of one (1) person. The Board at all times shall be regulated by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit Taking Institutions Act, 2016 (Act 930), notices of the Bank of Ghana and ARB Apex Bank PLC. The Director has varied experience and backgrounds and is well-equipped to handle the responsibilities of the Board. At the moment, there are only one (1) director in place.

The Board's oversight of the operations and activities of the Bank continues to be carried out transparently. The Board shall concentrate on the policy direction of the Bank whilst the day-to-day administration of the Bank is vested in the Chief Executive Officer and his team.

Approval and acceptance of high-risk Loans and Overdraft and Investment portfolios are done by the whole Board at their meetings. The Board acts as the general policy maker of the Bank. Below is some other mandates of the Board:

- Formulation of policies and overseeing of the management and conduct of the business
- Succession planning and the appointment, training, remuneration, performance appraisal and replacement of Board members and Senior Management
- Overseeing the effectiveness and adequacy of internal control systems
- Overseeing the implementation of the Banks communication and information dissemination policy
- Ensuring effective communication with shareholders
- Ensuring maintenance of ethical standards
- Ensuring compliance with the applicable laws and regulations
- Reviewing and approving Annual Calendar of Board activities on the recommendation of the Chairman and Chief Executive Officer
- Reviewing and determining the philosophy underlining Directors remuneration
- Establishing such special committees as may be necessary to properly govern the Bank
- Setting limits of authority, specifying the threshold for large transactions requiring the Boards prior approval
- Ensuring that management systems are implemented to identify and manage environmental and social risks as well as their impacts



ASSINMAN RURAL BANK LIMITED

Corporate Governance (CG) report (continued)

- Overseeing the internal Audit function and approval of the Internal Audit plan on the recommendation of the Board Audit Committee
- Providing oversight over information technology governance
- Ensuring that the Internal Audit function is sufficiently skilled and resourced to address the complexity and volume of risk faced by the Bank
- Appointing, re-appointing or removal of the Bank's external auditors on the recommendation of the Board Audit Committee

Board Sub-Committees

By resolution, the Board has established Committees in the performance of its mandate.

These Committees are:

- Sub-Audit/Compliance/Risk Committee
- Board Credit and Finance Committee
- Human Resource/Information Technology steering Committee

Sub-Audit/Compliance/Risk Committee

The Audit Sub Committee shall have additional responsibilities of overseeing the Risk and Compliance functions. The functions of the Board Audit Committee shall include the following:

- a. Monitor the Internal Audit function of the Bank including its independence;
- b. Oversee the development of a procedure for the receipt, retention and treatment of complaints received by the Bank, regarding risk management, accounting, internal accounting controls, unethical activity/breach of the Code of Corporate Governance or audit matters, including a means for the Bank's stakeholders (employees, customers, suppliers, applicants, etc.) to submit such complaints in a confidential manner;
- c. Investigate any matter brought to its attention within the scope of its duties with the authority to retain counsel or other advisors, if in its judgment it is appropriate, at the expense of the Bank; and
- d. Review the proposed Audit Plan(s) and the results of Internal Audits completed since the previous Committee meeting as well as the focus of upcoming Internal Audit projects.
- e. Review the results of the annual audit and discuss the annual Financial Statements with Management
- f. Review the Statutory Auditors' Management Letter when presented and ensure adequacy of management's response;
- g. Review with the Head of Operations and Finance & Administration annually the significant financial reporting issues and practices of the Bank, and ensure that appropriate accounting principles are applied including financial controls relating to the "closing of the books" process;
- h. Meet separately, and at least quarterly, with the Heads of Operations/Finance & Administration and the Head of Internal Audit to discuss the adequacy and effectiveness of accounting and financial controls of the Bank;
- i. Discuss the Bank's policy regarding press releases as well as financial information provided to the stakeholders of the Bank.
- j. Receive the decisions of the Shareholders on the Statutory Audit Report and ensure its full implementation;



ASSINMAN RURAL BANK LIMITED

Corporate Governance (CG) Report (Continued)

- k. Require Management to present and discuss, as soon as practicable, all reports received from regulators which may have a material effect on the financial statements or related Bank compliance policies;
- l. Annually assess and confirm the independence and competence of the Statutory Auditor, in line with the Bank's Statutory Audit Independence Policy. The report of this assessment should be submitted to the Board;
- m. Annually review and ensure compliance with the list of non-audit services that may be provided by the Statutory Auditors

Board Risk Management Committee

The Board shall establish a Risk Management Committee to assist in its oversight of the risk profile, risk management framework and the risk reward strategy determined by the Board. The functions of the Committee shall include the following:

- a. Oversee the establishment of a formal written policy on the overall risk management system. The policy should define risks and risk limits that are acceptable and unacceptable to the Bank. It should provide guidelines and standards to administer the acceptance and ongoing management of all risks;
- b. Ensure that adequate policies are in place to manage and mitigate the adverse effects of both business and control risks in its operations;
- c. Ensure compliance with established policy through periodic review of reports provided by Management, Internal and External Auditors and the supervisory authorities;
- d. Ensure the appointment of qualified officers to manage the risk function;
- e. Oversee the effectiveness of the Risk Management functions in the Bank;
- f. Re-evaluate the Risk Management Policy of the Bank on a periodic basis to accommodate major changes in internal or external environment.
- g. Review existing risk policies and recommend amended or new risk policies to the Board for approval.
- h. Review the Bank's activities related to the Code of Conduct and Ethics;
- i. Review the adequacy and effectiveness of the programme of compliance established within the Bank;
- j. Review the process in place and ensure that new and changed legal and regulatory requirement are identified and reflected in the Bank's processes
- k. Review the scope and depth of Compliance Unit's activities, and the resulting impact that audit findings have on the risk profile of the Bank; and
- l. Evaluate the nature and effectiveness of action plans implemented to address identified compliance weaknesses.
- m. Review annually the risk management framework, policies, procedure and processes to ensure their effectiveness.
- n. Review with the Head of Finance & Administration legal matters, contingent liabilities or other sensitive information that may have a material effect on the Bank's financial statements, systems of internal control or regulatory compliance



ASSINMAN RURAL BANK LIMITED

CORPORATE GOVERNANCE (CG) REPORT (CONTINUED)

Board Credit and Finance Committee

The Board shall establish a Credit and Finance Committee to assist it in its oversight functions with relations to the Bank's credit exposure and management, lending practices and the Bank's credit and lending strategy. The functions of the Committee shall include the following:

- a. Review the quality of the Bank's credit portfolio and the trends affecting the portfolio;
- b. Oversee the effectiveness and administration of credit related policies including compliance with legal lending limits and the Bank's in-house lending restrictions;
- c. Review the process for determining provision for credit losses and the adequacy of the provision made;
- d. Provide oversight and guidance to the Bank regarding credit related aspects of implementing the BASLE II Capital Accord and compliance with Assinman Rural Bank Limited Risk based supervision framework.
- e. Approve credit risk appetite and credit portfolio strategy and ensure it is in line with the corporate strategy of the Bank; and
- f. Approve credit facility requests and proposals within limits defined by the Bank's Credit Policy and within the statutory requirements set by the regulatory/supervisory authorities.

Board Human Resources

- a. Oversee and administer the Bank's human resources policies, plans and procedures;
- b. Implement strategies to attract and retain the most suitable employees to achieve the Bank's corporate goals
- c. Ensure compliance with the Bank's culture and corporate philosophy across the Bank
- d. Ensure compliance with regulatory provisions on all staff and human resources issues.
- e. Review and make recommendation to the Board for approval of the Bank's organisational structure and any other proposed amendment.
- f. Receive and consider quarterly report from the Head of Finance & Administration on human resources issues other than remuneration and make appropriate recommendations thereon to the Board.
- g. Exercise all other rights and powers as may be lawfully delegated to the Committee by the Board.
- h. Consider and recommend to the Board all Senior Management promotions and appointment excluding appointment to the Board.

Frequency of meetings

Meetings of the Board are usually held at least once every quarter, but may be convened at any time the need arises.



ASSINMAN RURAL BANK LIMITED

Corporate Governance (CG) Report (Continued)

The Directive was issued under the powers conferred on the Bank of Ghana by sections 56 and 92 of the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930)

Corporate governance is important to the Assinman Rural Bank Limited as it seeks to implement the ideals of fairness, transparency, accountability, and responsibility in its dealing with all stakeholders. The Bank also recognizes the critical nature of its relationship with its Regulators in executing its vision and safeguarding the deposits of the general public and other lenders. To this end, the Bank ensures that the interest of stakeholders are taken into account in a balanced and transparent manner. The Bank believes that only good corporate governance can deliver sustainable good business performance. The Bank of Ghana Corporate Governance Directives, 2021, for Rural Community Banks sets out the structures and process that are to be followed by the Bank to build credibility, ensure transparency and accountability.

Assinman Rural Bank Limited is to operate in accordance with the Corporate Governance Directives issued by the Bank of Ghana.

The Board of Directors

The Board of Directors are responsible for setting the Bank's strategic direction, leading, controlling and monitoring activities of management so as to protect and enhance shareholders' value.

As at 31st December, 2025, the Board of directors of the Bank consisted one (1) member.

Term Limit

A Non-Executive Director shall be elected for a period of three (3) years at a time and shall be eligible for re-election.

Board meeting

No board meetings were held during the year ended 31 December 2025. This was due to the Bank having only one director in office during the year.

Independent auditor

The independent auditor shall hold office for a term of not more than 6 years and is eligible for reappointment after a cooling period of not less than 5 years as outlined by the Banks and specialized Deposit-Taking Institutions Act 2016. The independent auditor presents and discusses their audit findings with the Board.

Internal auditors

Internal audit provides independent, objectives audit assurance designed to add value and improve the Bank's operation while ensuring the effectiveness of risk management, control and governance processes.

Board evaluation

The Board has standard evaluation tools that helps assess the performance of the board, its committees and individual members on an annual basis.

Business Continuity Plan

The Bank has business continuity plan and disaster recovery plan that will enable it respond to unplanned significant interruptions in essential business functions that can lead to the temporary suspension of operations. It provides guidelines to fully recover operations and ensure co-ordinated process of restoring systems, data and infrastructure to enable essential client needs to be met until normal operations are resumed.



ASSINMAN RURAL BANK LIMITED
Corporate Governance (CG) Report (Continued)

System of internal control

The Bank has a well-established internal control system for identifying, managing and monitoring risks. These are designed to provide reasonable assurance that risks faced by the Bank are reasonably controlled. The internal audit and compliance function of the Bank plays a key role in providing an objectives view and continuing assessment of the effectiveness of the internal control system in the business. The system of internal controls are implemented and monitored by appropriate trained personnel with clearly defined duties and reporting lines.

Anti-money laundering

The Bank has an established anti-money laundering system in place which is in line with the requirement of Ghana's Anti-Money Laundering Act 2020, (Act 1044)

Annual Certificate on Corporate Governance

The Board of Director did not undertake any Corporate Governance seminars and programs during the year ended 31 December 2025. Consequently, no certificates were issued for the year.

By order of the Board

Name of Director

Dr. Eric Ekow T. Ghensel

Name of Director

ANDAM EMMANUEL T.

Signature.....

Signature.....

Date.....

24-04-2026

Date.....

24-04-2026



BETA & ASSOCIATES

(CHARTERED ACCOUNTANTS & MANAGEMENT CONSULTANTS)
Audit & Assurance, Taxation, Accountancy, ICT And Management Consultancy Services

Our Ref:
Your Ref:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASSINMAN RURAL BANK LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Bank as at 31 December 2025, and (of) its financial performance, statement of changes in equity and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), in the manner required by the Companies Act, 2019 (Act 992), the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) and any other relevant local legislation.

What we have audited

We have audited the accompanying financial statements of the Assinman Rural Bank Limited for the year ended 31 December 2025.

The financial statements comprise:

- statement of comprehensive income for the year then ended;
- statement of financial position as at 31 December 2025;
- statement of changes in equity for the year then ended;
- statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the independent auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Bank within the meaning of the International Ethics Standards Board for Accountants' (IESBA) Code of Ethics for Professional Accountants. We have fulfilled our other ethical responsibilities with the IESBA Code.

Going concern

The financial statements of the Bank have been prepared using the going concern basis of accounting. The use of this basis of accounting is appropriate unless management either intends to liquidate the Bank or to cease operations or has no realistic alternative but to do so. As part of our audit of the financial statements, we have concluded that management's use of the going concern basis of accounting in the preparation of the Bank's financial statements is appropriate.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ASSINMAN RURAL BANK LIMITED**

Report on the audit of the financial statements (continued)

Management has not identified a material uncertainty that may cast significant doubt on the Bank's ability to continue as a going concern, and accordingly, none is disclosed in the financial statements of the Bank. Based on our audit of the financial statements of the Bank, we also have not identified such a material uncertainty. However, neither management nor the auditor can guarantee the Bank's ability to continue as a going concern.

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. These matters are selected from the matters communicated with management and the board but are not intended to represent all matters that were discussed with them. Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole. Our opinion on the financial statements is not modified concerning any of the key audit matters described below, and we do not express an opinion on these individual matters

Key audit matters

Key audit matter

Impairment of loans and advances

Impairment of loans and advances to customers is a key audit matter due to the complexity and subjectivity of estimating the amount of impairment.

Loans for which there is objective evidence that an impairment event has occurred are assessed individually for impairment. If there is deemed to be no evidence that impairment exists on an individual basis, loans are assessed collectively for impairment.

The estimation of the impairment loss allowance on an individual basis also requires management to make assumptions about the financial conditions of the borrower, expected future cash flows of the borrower and the amount recoverable from any collateral pledged.

How our audit addressed the key audit matter

We focused our attention on an accurate computation of the non-performing loans ratio. Our audit procedures included:

We assessed and tested the design, implementation and operating effectiveness of key controls over the capture, monitoring and reporting of loans and advances to customers. We also look at the staging of all loans to customers.

We also assessed and tested the design and operating effectiveness of controls over the bank's loan impairment process regarding management's review process over impairment calculations. We also went through the computation and recomputed to confirm the reasonableness of the ECL

We further examined a sample of performing loans to evaluate if any indicators of impairment existed to test the completeness of individual impairment provisions.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ASSINMAN RURAL BANK LIMITED**

Report on the audit of the financial statements (continued)

Key audit matters (continued)

The collective impairment loss allowance relates to losses incurred but not yet identified on other loans and advances. The two key judgments in the collective impairment assessments are the likelihood of default and the emergence year; and it is the latter which is the single most critical judgment, as there is limited historic data on which to accurately assess it and therefore, the most sensitive to adjustment.

Accordingly, impairment of the Bank's loan and advances portfolio is considered to be a key audit matter.

Impairment about changes in estimates occurring during the year and its sensitivity to key assumptions.

From our substantive procedures, we validated the year end impairment figures by re-performing calculations and agreeing our figures with what was done by the Bank, for the sample we took. We also question whether they have conducted an assessment of their parameters to see if it is getting expected results.

Other information

The Directors are responsible for the other information. The other information comprises the Report of the Directors, which we obtained prior to the date of this auditor's report. The other information 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. Based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, if 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ASSINMAN RURAL BANK LIMITED**

Report on the audit of the financial statements (continued)

Responsibilities of Directors for the financial statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs), Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit Taking Institutions Act, 2016 (Act 930). These responsibilities include designing, implementing and maintaining internal control relevant to the preparation and fair presentation of 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. The Directors are responsible for overseeing the Bank's financial reporting process.

Independent auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatements 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 the 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 and business activities within the Company 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ASSINMAN RURAL BANK LIMITED**

Report on the audit of the financial statements (continued)

Independent auditor's responsibilities for the audit of the financial statements (Continued)

We are required to communicate with those charged with governance 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 are also required to 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

Compliance with the requirements of Section 137 of the Companies Act, 2019 (Act 992)

The Companies Act, 2019 (Act 992) requires that in carrying out our audit work we consider and report on the following matters. We confirm that:

1. we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
2. in our opinion, proper books of account have been kept by the Bank, so far as appears from our examination of those books;
3. The information and explanation given us were in the manner required by the Companies Act, 2019 (Act 992) and give a true and fair view of the:
 - Statement of financial position of the Bank at the end of the financial year
 - Statement of comprehensive income for the year
4. the statement of financial position and the statement of comprehensive income of the Bank are in agreement with the books of account.
5. We are independent of the Bank pursuant to section 143 of the Act.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ASSINMAN RURAL BANK LIMITED**

Report on the audit of the financial statements (continued)

Banking Act

In accordance with Section 85 (2) of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), we hereby confirm that:

1. The accounts give a true and fair view of the state of affairs of the Bank and its results of operations for the year under review;
2. We were able to obtain all the information and explanation required for the efficient performance of our duties as auditors;
3. The Bank's transactions were within its powers;
4. In our opinion, the Bank has complied with the provisions of the Anti-Money Laundering Act, 2020 (Act 1044), the Anti-Terrorism Act, 2008 (Act 762) and the regulations enactments; and
5. 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 *Emmanuel Banu* (ICAG/P/1355).



For and on behalf of:

BETA and Associates (ICAG/F/2026/210)

Chartered Accountants

P.O. Box MD 396, Madina, Accra

Madina, Agbogba Akatsi-Abor

Adjacent Elegance Guest House

Accra – Ghana.

E: info@beta-associates.com

W: www.beta-associates.com

Date: 24-04-2026



ASSINMAN RURAL BANK LIMITED

Statement of comprehensive income for the year ended 31 December 2025

(All amounts are stated in Ghana cedi unless otherwise stated)

Statement of comprehensive income	Notes	2025	2024
Interest income	7	15,908,219	12,799,870
Interest expense	8	(2,851,850)	(2,183,156)
Net interest income		13,056,369	10,616,714
Commissions and fees	9	2,462,153	1,666,596
Other operating income	10	434,712	359,607
Total operating income		15,953,234	12,642,917
Impairment of loan	10.1	(422,404)	(246,316)
Impairment of investment		(130,922)	(189,683)
Other operating costs	11	(10,122,808)	(8,490,654)
Profit before taxation		5,277,100	3,716,264
Growth and sustainability levy		(263,855)	(185,813)
Taxation	12c	(1,500,105)	(1,062,280)
Profit after taxation		3,513,140	2,468,171
Other comprehensive income:		-	-
Total comprehensive income attributable to the shareholders		3,513,140	2,468,171

The notes on pages 27 to 68 are integral parts of these financial statements.

ASSINMAN RURAL BANK LIMITED

Statement of financial position as at 31 December 2025

(All amounts are stated in Ghana cedi unless otherwise stated)

Statement of financial position	Notes	2025	2024
Cash and bank balance t	13	7,513,231	5,539,862
Short-term investment	14	45,567,071	48,724,428
Trading investments	15	13,577,349	1,934,733
Loans and advances to customers	17	26,515,560	13,895,251
Equity investments	18	230,165	192,665
Other assets	19	1,104,886	436,379
Prepayments	20	42,220	34,881
Property, plant and equipment	21	1,557,904	1,274,389
Deferred tax assets	12a	-	23,039
Growth and sustainability levy	12c	3,606	17,461
Intangible assets	22	113,824	141,664
Right of use of asset	23	130,141	46,209
Total asset		96,355,957	72,260,961
Liabilities and equity			
Liabilities			
Customer deposits	24	80,887,260	61,201,490
Long term liabilities	25	42,832	57,088
Payables and accruals	26	2,849,687	2,107,201
Dividend payable	27	323	28,097
Taxation	12a	216,945	136,268
Deferred tax liability	12d	27,583	-
Total liability		84,024,630	63,530,144
Equity			
Stated capital	28	1,568,689	1,568,689
Retained earnings		7,572,442	4,796,040
Statutory reserve fund	29	2,573,538	2,134,396
Equity reserve		16,814	16,814
Credit risk reserve	30	339,280	41,684
Deposit for shares		260,564	173,194
Total equity		12,331,327	8,730,817
Total liabilities and equity		96,355,957	72,260,961

The notes on pages 27 to 68 are integral part of these financial statements. These financial statements were approved by the Board and signed on their behalf by:

Name of Director

Dr. Eric Ekow T. Agyem

Name of Director

Arbom Emmanuel T.

Signature.....

[Signature]

Signature.....

[Signature]

Date.....

24-04-2026

Date.....

24-04-2026

ASSINMAN RURAL BANK LIMITED

Statement of changes in equity for the year 31 December 2025
(All amounts are stated in Ghana cedi unless otherwise stated)

	Stated Capital	Retained earnings	Statutory reserve fund	Credit risk	D'sit for shares	Equity reserve	Total
At year start	1,568,689	4,796,040	2,134,396	41,684	173,194	16,814	8,730,817
Deposit for shares	-	-	-	-	87,370	-	87,370
Profit for the year	-	3,513,140	-	-	-	-	3,513,140
Transfer to statutory reserve	-	(439,142)	439,142	-	-	-	-
Transfer to credit risk reserve	-	(297,596)	-	297,596	-	-	-
At year end	1,568,689	7,572,442	2,573,538	339,280	260,564	16,814	12,331,327

The notes on pages 27 to 68 are integral part of these financial statement

ASSINMAN RURAL BANK LIMITED

Statement of changes in equity for the year 31 December 2024
(All amounts are stated in Ghana cedi unless otherwise stated)

	Stated Capital	Retained earnings	Statutory reserve fund	Credit risk	D'sit for shares	Equity reserve	Total
At year start	1,568,689	2,986,596	1,517,353	-	-	16,814	6,089,452
Deposit for shares	-	-	-	-	173,194	-	173,194
Profit for the year	-	2,468,171	-	-	-	-	2,468,171
Transfer to statutory reserve	-	(617,043)	617,043	-	-	-	-
Transfer to credit risk reserve	-	(41,684)	-	41,684	-	-	-
At year end	1,568,689	4,796,040	2,134,396	41,684	173,194	16,814	8,730,817

The notes on pages 27 to 68 are integral part of these financial statement

ASSINMAN RURAL BANK LIMITED

Statement of cash flows for the ended 31 December 2025 (All amounts are stated in Ghana cedi unless otherwise stated)

	Notes	2025	2024
Cash generated from operations before taxation	38	12,942,560	29,907,768
Growth and sustainability levy paid		(250,000)	(190,000)
Tax paid		(1,368,807)	(968,457)
Net cash generated from operating activities		11,323,753	28,749,311
Cash flows from investing activities:			
Purchase of property, property and equipment		(579,863)	(359,691)
Acquisition of right to use asset		(162,180)	-
(Decrease)/Increase in Investment		(11,811,036)	6,091,167
Net cash used in investing activities		(12,553,079)	5,731,476
Cash flows from financing activities:			
Loan paid		(14,257)	(21,441)
Deposit for shares		87,370	173,194
Dividend paid		(27,774)	(335,338)
Net Cash paid for Financing activities		45,339	(183,585)
Increase in cash and cash equivalent		(1,183,987)	34,297,202
Cash and cash equivalents at the beginning of the year		54,264,289	19,967,087
Cash and cash equivalents at the end of the year		53,080,302	54,264,289
Analysis of cash and cash equivalents:			
Cash and bank balances		7,513,231	5,539,862
Short term investment		45,567,071	48,724,428
At year end		53,080,302	54,264,290

The notes on pages 27 to 68 are integral part of these financial statements.

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies

(All amounts are stated in Ghana cedi unless otherwise stated)

1. Reporting entity

The Assinman Rural Bank Limited is a Limited Liability Bank registered in Ghana and authorised 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 in Assin Manso and branches located in the Central region

2. Summary of significant accounting policy

2.1 Basis of preparation

a. Statement of compliance

The financial statements of Assinman Rural Bank Limited have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Financial Reporting Standard Board (IFRSB) and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit Taking Institutions Act, 2016 (Act 930).

The financial statements were approved by the Board of Director on the date signed under the financial position.

b) Basis of measurement

The financial statements have been prepared under the historical cost convention as modified to include the fair valuation of certain financial instruments to the extent required or permitted under the Bank's accounting policies and set out below.

- Assets and liabilities held for trading are measured at fair value
- Financial instruments designated at fair value through profit or loss are measured at fair value
- Investments in equity are measured at fair value
- Other financial assets not held in a business model whose objective is to hold assets to collect contractual terms do not give rise solely to payments of principal and interest are measured at fair value; and
- Available-for-sale financial assets are measured at fair value

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued) *(All amounts are stated in Ghana cedi unless otherwise stated)*

c) Functional and presentation currency

These financial statements are presented in Ghana cedi (GH¢), which is the Bank's functional currency. Financial information in Ghana cedi have been rounded to the nearest one Ghana Cedi (GH¢ 1)

d) Use of estimates and judgements

The preparation of financial statements requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future years affected.

2.2 Significant accounting policies

The accounting policies set out below have been applied consistently to all years presented in these financial statements, and have been applied consistently by the Bank.

2.2.1 Revenue recognition

The Bank recognises revenue in the financial statements on the accrual basis when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Bank's activities. The Bank bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(a) Interest income

Interest income, including income arising from loans and advances and other financial instruments are recognised in the statement of comprehensive income using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter year to the net carrying amount of the financial asset. When calculating the effective interest rate, the Bank estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

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-evaluated on the accrual basis only when doubts about their collectability are removed and when the outstanding arrears of interest and principal are received.

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

2.2.1 Revenue recognition (continued)

(b) Fee and commission income

Fees and commissions are generally recognised on an accrual basis when the service is provided. Commission and fees arising from negotiation or participation in the negotiation of a transaction such as the arrangement for a loan are recognised upon completion of the underlying transaction.

Commissions and facility fees are credited to income when earned with reasonable certainty and in the case of facility fees, in the year in which the related loan is granted.

(c) Other income

These are incomes from other activities of the Bank other than the core business like profit on disposal, SMS alert charges, etc and these are recognized in the statement of comprehensive income.

2.2.2 Interest expense

Interest expense is recognised in the profit or loss for all interest-bearing financial instruments measured at amortised cost, these include savings, fixed deposits, current accounts and loans from ARB Apex Bank PLC 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 where appropriate, a shorter year to the net 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.

2.2.3 Income tax expense

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. Deferred tax is provided using temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

2.2.3 Income tax expense (continued)

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

2.2.4 Financial assets and liabilities

a) Recognition

The Bank initially recognises loans and advances, deposits and debt securities issued on the date that they are originated. All other financial assets and liabilities (including assets and liabilities designated at fair value through profit or loss) are initially recognised on the trade date at which the Bank becomes a party to the contractual provisions of the instrument.

b) De-recognition

The Bank derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Bank is recognised as a separate asset or liability.

The Bank derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

The Bank enters into transactions whereby it transfers assets recognised on its balance sheet, but retains all risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised from the balance sheet. Transfers of assets with retention of all or substantially all risks and rewards include, for example, securities lending and repurchase transactions.

c) Offsetting

Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, and only when, the Bank currently has a legally enforceable right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions such as in the Bank's trading activity.

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

d) Amortised cost measurement

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

e) Fair value measurement

The determination of fair values of financial assets and financial liabilities is based on quoted market prices or dealer price quotations for financial instruments traded in active markets. For all other financial instruments fair value is determined by using valuation techniques. Valuation techniques include net present value techniques, the discounted cash flow method, comparison to similar instruments for which market observable prices exist, and valuation models. The Bank uses widely recognised valuation models for determining the fair value of common and simpler financial instruments like options and interest rate and currency swaps. For these financial instruments, inputs into models are market observable.

f) Identification and measurement of impairment

At each reporting date, the Bank assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. Financial assets are impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset, and that the loss event has an impact on the future cash flows on the asset that can be estimated reliably.

The Bank considers evidence of impairment at both an individual and collective level. All individually significant financial assets are assessed for specific impairment. All significant assets found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are then collectively assessed for impairment by grouping together financial assets (carried at amortised cost) with similar risk characteristics.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a borrower, restructuring of a loan or advance by the Bank on terms that the Bank would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, the disappearance of an active market for a security, or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group.

In assessing collective impairment, the Bank uses statistical modelling of historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for Management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical modelling. Default rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure that they remain appropriate.

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

Identification and measurement of impairment (continued)

Impairment losses on assets carried at amortised cost are measured as the difference between the carrying amount of the financial assets and the present value of estimated cash flows discounted at the assets' original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and advances. Interest on the impaired asset continues to be recognised on the unimpaired portion through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the impairment loss is reversed through profit or loss.

Impairment losses on available-for-sale investment securities are recognised by transferring the difference between the amortised acquisition cost net of any principal repayment and amortisation and current fair value, less any impairment loss previously recognised in profit or loss out of equity to profit or loss. When a subsequent event that can be related to the event causes the amount of impairment loss on an available-for-sale debt security to decrease, the impairment loss is reversed through profit or loss, otherwise, the decrease is recognised through other comprehensive income.

However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised directly in equity. Changes in impairment provisions attributable to time value are reflected as a component of interest income.

h) Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with ARB Apex Bank PLC and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value, and are used by the Bank in the management of its short-term commitments.

Cash and cash equivalents are carried at amortised cost or fair values in the statement of financial position depending on the business model for managing the asset or the cash flow characteristics of the asset.

i) Loans and advances

Loans and advances are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Bank does not intend to sell immediately or in the near term.

When the Bank purchases a financial asset under a commitment to sell the asset (or a substantially similar asset) at a fixed price on a future date, the financial asset is accounted for as a loan, and the underlying asset is not recognised in the Bank financial statements.

Loans and advances are initially measured at fair value plus incremental direct transaction costs, and subsequently measured at their amortised cost using the effective interest method, except when the Bank chooses to carry the loans and advances at fair value through profit or loss.

j) Investment securities

Investment securities are initially measured at fair value plus incremental direct transaction costs and subsequently accounted for depending on their classification as either held-to-maturity, fair value through profit or loss, or available for sale.

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

2.2.5 Provisions

Provisions are recognised when the Bank has:

- a present obligation (legal or constructive) as a result of a past event,
- and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation,
- and a reliable estimate can be made of the amount of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that the reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision. Provisions are not recognised for future operating losses. If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

Contingent assets and contingents' liabilities are not recognised. Contingencies are disclosed in the notes to the financial statements.

(a) Provision for restructuring/reorganization

A restructuring or reorganization is a programme that is planned and controlled by management which will materially change the scope and manner in which the business is conducted e.g. the termination or sale of business. A provision for restructuring can only be recognized if there is a constructive obligation which is established if the following conditions are met:

- There is a detailed formal plan that identifies the part of the business, location and employees who will be affected by the restructuring
- A valid expectation has been created to those who will be affected by the restructuring.
Provision for restructuring is made if a constructive obligation exists before the end of the financial year. However, if the constructive obligation arises after year end, and the provision is material, the material effect is disclosed in the financial statements in accordance with IAS 10.

Restructuring provision cost include direct expenditures that will be incurred because of the restructuring and excludes any cost associated with ongoing activity of the entity. E.g. training of staff, relocation of staff, marketing and investment in new machinery.

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

2.2.6 Employee benefits

Short term employment benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the year in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as result of past performance.

A defined contribution plan is a pension plan under which the Bank pays fixed contributions into a separate entity.

The Bank has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior years.

Payments to defined contribution retirement benefits plans are charged as an expense as they fall due.

A defined benefit plan is a pension plan that is not a defined contribution plan.

Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting year less the fair value of plan assets, together with adjustments for unrecognised past-service costs.

(a) National pension scheme

The Bank contributes 13.0% of qualifying employee costs to a National Pensions Scheme and the contribution is charged to the profit or 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. The fund is managed by SSNIT (Tier 1) and Enterprise Trustee (Tier 2)

(b) Provident fund

The Bank has a provident fund scheme for all employees who have completed their probation with the Bank. Employees of the Bank contribute 5.5% of their basic salary to the fund while the Bank contributes 7.5%. Obligations under the scheme are limited to the relevant contributions made and any related investment income generated. The fund is managed by Assinman Rural Bank Limited.

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

Termination benefits

Termination benefits are recognized as an expense when the Bank is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date. Termination benefits for voluntary redundancies are recognized if Bank has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Loan concessionary rate

The Bank gives a lower rate to her staff lower than the commercial customers and this is in line with the Banks policies.

2.2.7 Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventories are measured using the weighted average method.

Net realisable value is the estimated selling price in the ordinary course of business less the estimate costs of completion and the estimated costs necessary to make the sale.

Cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The inventories are stationeries of the Bank. Some of the inventory item which by way of changings in the Bank's operation are rendered obsolete are yet to be taken out of the inventory list and values.

2.2.8 Impairments of assets and other financial assets

The Bank assesses at each end of the reporting year whether there is any indication that an asset may be impaired. If any such indication exists, that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is possible to estimate the recoverable amount of the individual asset, the recoverable amount of the Cash-Generating Unit (CGU) to which the asset belongs is determined. The recoverable amount of a cash generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss of assets carried at cost less than any accumulated depreciation or amortization is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a downward revaluation.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortization other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as an upward revaluation.

2.2.9 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Ordinary shares are classified as part of equity.

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

2.2.10 Related parties

Related parties are individuals and companies, where the individual and the Bank have the ability directly or indirectly, to control the other party or exercise significant influence on the other party in making financial and operating decisions. Related party transactions and balances are disclosed in the notes to the financial statements.

2.2.11 Property, plant and equipment

All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent expenditures are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Bank and the cost of the item can be measured reliably.

The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are charged to profit or loss during the financial year in which they are incurred.

Land is not depreciated. Depreciation of other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

- Land and Buildings	3% per annum
- Plant and Machinery	25% per annum
- Office Equipment	25% per annum
- Motor Vehicles	20% per annum
- Computers and Accessories	25% per annum
- Furniture, Fittings and Structures	20% per annum

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. No property and equipment were impaired as at 31 December 2025 (2024 December: nil).

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the income statement.

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

2.2.12 Intangible assets

Intangible assets are initially recognized at cost. Where an intangible asset arises through an internal project, the cost of that intangible asset is the total expenditure incurred from the development phase of the project when the Company can demonstrate all of the following:

- the technical feasibility to completing the intangible asset so that it will be available for use or sale
- its intention to complete and its ability to use or sell the asset
- how the asset will generate future economic benefits
- the availability of resources to complete and the ability to measure reliably the expenditure during the development.

Expenditures incurred during the research phase of an internal project and all other expenditures incurred on internally generated intangible assets is recognised as an expenses in the income statement when it is incurred.

Intangible assets are subsequently carried at cost less any accumulated amortisation and any impairment losses. For purposes of determining the amortisation of intangible assets, the useful lives of these assets are assessed as being either indefinite or finite.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the year over which the asset is expected to generate net cash inflows for the Company. Amortisation is not provided for these intangible assets but impairment test.

For all other intangible assets, amortisation is provided on a straight-line basis to write down the cost of the intangible assets, less their residual values, on a straight-line basis over their useful lives

The amortisation charge is recognised as an expense in the income statement. The amortisation year and amortisation method applied to an intangible asset with a finite useful life is reviewed and adjusted, if necessary, on an annual basis. These changes are accounted for as a change in estimate.

Intangible assets with indefinite useful lives are tested for impairment annually by determining the recoverable amount of the assets either individually or at the cash-generating unit level.

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

Intangible assets (continued)

The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment is made prospectively.

Intangible assets are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an intangible asset is included in the income statement and is calculated as the difference between the net disposal proceeds, if any, and the carrying amount of the asset at the date of de-recognition.

Software

Software acquired by the Company is stated at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Amortisation is recognised in the income statement on a straight-line basis over the estimated useful life of the software, from the date that it is available for use. The estimated useful life of software is ten (10) years. The only software acquired during the year was Temenos 24 (T24) which the software used by the Bank for their operations.

2.2.13 Right of use of asset

Under IFRS 16, lessees are required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. The Bank recognize payment made in advance to landlords which give them the right to use the asset during that year.

The Bank couldn't foresee renegotiation of the right to use the asset. Right-of-use of assets are depreciated over the leased terms and this is recognized in the statement of comprehensive income.

2.2.14 Impairment of non-financial assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). The impairment test also can be performed on a single asset when the fair value less cost to sell or the value in use can be determined reliably. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

2.2.15 New standards and amendments effective but not yet adopted by the Bank during the year

i. IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information

IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

Applicable to annual reporting years beginning on or after 1 January 2024

ii. IFRS S2 Climate-related Disclosures

IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

Applicable to annual reporting years beginning on or after 1 January 2024

2.2.16 New standards and amendments not yet effective

For the 2025 reporting year, certain International Financial Reporting Standards (IFRS) have been issued but are not yet effective. These standards will become applicable in future years but will not impact financial statements for 2025 unless specifically early adopted by a Bank.

i. IFRS 18 Presentation and Disclosures in Financial Statements

Effective date: January 1, 2027

Applicability: IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements.

ii. Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments

The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 *Financial Instruments*.

IFRS 9 and IFRS 7 is effective for annual reporting years beginning on or after 1 January 2026.

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

3. Critical accounting estimates and judgments

The Bank makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical judgments and assumptions made in applying the bank's accounting policy

The Bank makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. The estimates and assumptions that have a risk of causing adjustments to the carrying amounts are:

(i) Fair value of financial instruments

The fair values of financial instruments where no actual markets exist or where quoted prices are not otherwise available are determined by using valuation techniques. In these cases, the fair values are estimated from observable data in respect of similar financial instruments or using models. Where market observable inputs are not available, they are estimated based on appropriate assumptions.

(ii) Investment measured at amortised cost

The Bank follows guidance on classifying non-derivative financial assets with fixed or determinable payments and fixed maturity as investment measured at amortised cost. This classification requires significant judgment. In making this judgment, the Bank evaluates its intention and ability to hold such investments to collect investment income. If the Bank fails to keep these investments to maturity other than for the specific circumstances – for example, selling an insignificant amount close to maturity – it will be required to reclassify the entire category as investment measured at fair value through other comprehensive income. These investments would therefore be measured at fair value and not amortised cost.

(iii) Property, plant and equipment

Critical estimates are made by Directors in determining depreciation rates for property, plant and equipment. The rates used are set out in Note 2.2.11

(iv) Income taxes

Significant estimates are required in determining the provision for income taxes. The deferred income tax has been based on future profitability assumptions.

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

3.2 Stated capital and reserves

(a) Statutory reserves

This represents the cumulative amounts set aside as non-distributable reserve from annual profit after tax in accordance with Section 34 (1) of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). The amount transferred ranges from 12.5% to 50% of the net profit after tax, depending on the ratio of the current statutory reserve fund to stated capital. The Bank transfer 25% of her profit after tax to statutory reserve.

(b) Capital surplus/reserves

The capital reserve account is a creation of law under Sections 70 and 71 of the Companies Act, 2019 (Act 992) and records gains or losses arising from the revaluation of assets of the Bank including its property, plant and equipment and quoted equity investment. 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.

(c) Retained earnings

The retained earnings record the cumulative annual profits (after appropriations) available to shareholders which is not distributed as dividend as at the reporting date.

3.3 Events after reporting date

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

3.4 Comparatives

Except when a standard or an interpretation permits or requires otherwise, all amounts are reported or disclosed with comparative information.

Where IAS 8 applies, comparative figures have been adjusted to conform to changes in presentation in the current year.

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

4.0. Financial risk management

Introduction and overview

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

- | | |
|------------------------------------|-----------------------------|
| (a) Credit risk | (f) Legal risk |
| (b) Liquidity risk | (g) Reputational risk |
| (c) Market risk | (h) Capital risk management |
| (d) Operational risk | (i) Capital management |
| (e) Compliance and regulatory risk | |

The identifying, measuring, monitoring and controlling these risks, and regulatory capital management is presented below:

Risk management framework, objectives, policies, procedures and processes

Risk management framework

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

The Board of Directors has the overall responsibility for the establishment and oversight of the risk management framework. The responsibilities of the Board of Directors include; setting out the overall risk appetite/tolerance limit, ensuring that the overall risk exposure is maintained at prudent levels and consistent with available capital.

They also include ensuring that Management as well as individuals responsible for Risk Management possess sound expertise and knowledge to accomplish the risk management function and that appropriate policies and procedures for risk management are in place.

The board Sub-Committees on Audit Assurance, Finance and Administration and Credit and the Management Committee as a whole oversee the implementation of the broad risk management policies and objectives of the Bank.

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

(a) Credit risk

Credit risk management

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

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

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

The Management Technical Committee is responsible for implementing the credit risk policy/strategy, monitoring credit risk on a Bank-wide basis and ensuring compliance with credit limits to be approved by the Board. Business strategies, policies and procedures for managing credit are determined bank-wide with specific policies and procedures being adopted for commercial loans, small and medium enterprises and salary loans.

Managing problem loans

The Recoveries Unit within the Credit Department manages delinquent facilities including outright recoveries or nursing of such problem loans back to health. At delinquent and past due stages, where recovery efforts are unsuccessful, the Credit Department refers the client to the Bank's contractual external collectors-Lawyers and sometimes uses task force. In some cases, the Bank gets authority to dispose of security assets to defray the loan balance.

Provisioning for loans and advances

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

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

Provisioning for loans and advances (continued)

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

Credit risk rating (%)	Days past	Minimum Provision	
		2025	2024
Current	Less than 30	1	1
OLEM	31-90	10	10
Sub-standard	91-180	25	25
Doubtful	181-360	50	50
Loss	Over 360	100	100

The general outcome of the assessment and review processes leading to the impairment provision at the reporting date is as follows:

Category	Percentage Provision	2025	2024
Current	1%	258,211	133,085
Other loans especially mentioned (OLEM)	10%	31,000	20,638
Sub-standard	25%	79,425	10,821
Doubtful	50%	92,877	96,442
Loss	100%	985,153	507,366
		1,446,666	768,352

Exposure to credit risk

In conformity with the Bank's policy on IFRS 9, financial Instrument measurement and impairment, the minimum provision that are held are as follow;

Product	Stage 1		Stage 2		Stage 3		Total	
	Exposure	ECL	Exposure	ECL	Exposure	ECL	Exposure	ECL
Agric	479,170	9,664	-	-	86,176	86,176	565,346	95,840
Trading	4,409,516	24,589	15,214	43	110,132	110,132	4,534,862	134,764
Transport	4,784,127	9,114	-	-	-	-	4,784,127	9,114
Others	15,528,792	168,974	34,299	317	688,443	688,443	16,251,534	857,734
Cottage industries	1,464,917	12,529	24,755	-	39,089	39,089	1,528,762	51,618
Total	26,666,522	224,870	74,268	360	923,840	923,840	27,664,631	1,149,070

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

Exposure to credit risk

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

	2025	2024
Financial assets held to maturity	66,657,651	56,199,023
Loans and advances	26,515,560	13,895,251
Other assets	1,104,886	436,379
Equity investment	230,165	192,665

All receivables that are neither past due nor impaired are within their approved credit limits, and no receivables have had their terms renegotiated.

The provision for credit losses is done using Bank of Ghana guidelines, within the context of the principles of IFRS. Where possible, this involves the individual assessment of loans and advances outstanding having regard to factors that may impair or impede the ability of loan holders to retire the loans on time.

The outcome of the assessment and review processes leading to the impairment provision at the reporting date based on IFRS 9 is as follows:

Provision	Exposure	ECL
Stage 1 exposure	26,666,522	224,870
Stage 2 exposure	74,268	360
Stage 3 exposure	923,841	923,841
Total	27,664,631	1,149,071

As the IFRS 9 impairment is lower than the BOG impairment, the total difference is transferred from retained earnings to credit risk reserve accounts.

(b) Liquidity Risk

Liquidity risk is the risk that the Bank will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management includes maintaining sufficient cash balances, and the availability of funding from an adequate amount of committed credit facilities.

The Bank's liquidity risk management systems comprise two main processes;

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

Liquidity Risk (continued)

- Assessment of the Bank's financing requirements on the basis of budgets in order to plan appropriate funding sources and;

Analysis of daily cash report to monitor daily cash flow position

The table below analyses the Bank's financial assets and financial liabilities that will be used to settle excluding the impact of netting agreements, into relevant maturity groupings based on the remaining year between the reporting dates to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows based on the earliest date on which the Bank may be required to pay using it liquid assets.

Maturities of financial assets and liabilities

At 31 December 2025	Up to 1 month	1-12 month	1-5 year	Non-interest-bearing	Total
Financial assets					
Cash and bank balances	7,459,984	-	-	-	7,459,984
Short-term and trading investments	61,962,367	-	-	-	61,962,367
Loans and advances	3,331,590	6,106,031	18,227,009	-	27,664,630
Equity investments	230,165	-	-	-	230,165
Other assets	285,364	311,395	314,308	-	911,067
Total financial assets (Gross)	73,269,470	6,417,426	18,541,317	-	98,228,213

At 31 December 2025	Up to 1 month	1-12 month	1-5 year	Non-interest-bearing	Total
Financial liabilities					
Customer deposits	73,413,669	7,468,591	5,000	-	80,887,260
Long-term borrowing	42,832	-	-	-	42,832
Dividends payable	323	-	-	-	323
Accounts payable	2,849,687	-	-	-	2,849,687
Total financial liabilities	76,306,511	7,468,591	5,000	-	83,780,102
Total finance gap	(3,037,041)	(1,051,165)	18,536,317		14,448,111

At 31 December 2024					
Total financial assets	20,121,915	41,486,639	11,125,995	-	72,734,549
Total financial liabilities	56,599,286	4,630,301	-	-	61,229,587
Total finance gap	(36,477,371)	36,856,338	11,125,995		11,504,962

The gap shows that the Bank is building on its liquidity from year to year.

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

(c) Market risk

Interest rate risk

Interest rate risk represents the risk exposures the Bank has in relation to instruments whose value vary with the level of interest rates. These include investments, debt securities, and borrowings.

The borrowings with floating interest rates. All of its borrowings are at floating interest rates.

Exposure to the risk of changes in market interest rates relates primarily to its long-term Interest rate exposure is managed primarily through negotiating new borrowing agreements that carry lower and more stable interest rates.

Interest rate risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. It is the risk of loss arising from the potential that inadequate information systems, breaches of internal controls, fraud, technological failure and unforeseen catastrophes may result in unexpected loss or reputational problems.

Over the years the bank has developed a thorough and consistent framework of policies, procedures and tools to identify, measure, monitor, control and actively manage its operational risks in a timely and effective manner.

(e) Compliance and regulatory risk

In order to strengthen the 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.

(f) Legal risk

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

(g) Reputational risk

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

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

(h) Capital risk management

The primary objectives of the Banks externally imposed capital requirement by the Bank of Ghana and that the Bank maintains strong credit ratings and healthy capital ratios in order to support its business and maximize shareholders value. In order to maintain the desired level of capital, the Bank may vary its dividend policy or issue new shares. The Bank complied with all externally imposed capital requirement throughout the year.

(i) Capital management

The Bank of Ghana sets and monitors capital requirements for the bank. The banking operations are directly supervised by their local regulators. In implementing current capital requirements, Bank of Ghana requires the bank to maintain a prescribed ratio of total capital to total risk-weighted assets. The bank calculates requirements for market risk in its trading portfolios based upon the CAR models and uses its internal gradings as the basis for risk weightings for credit risk. The bank is also required to maintain a credible capital plan to ensure that capital level of the bank is maintained in consonance with the bank risk appetite.

The Banks regulatory capital is analysed into two tiers:

1. Tier 1 capital, which includes ordinary share capital, perpetual bonds (which are classified as innovative Tier 1 securities), retained earnings, translation reserve, development funds and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purposes.
2. Tier 2 capital, which includes qualifying subordinated liabilities, and the element of the fair value reserve relating to unrealised gains on equity instruments classified as available-for-sale. Various limits are applied to elements of the capital base. Qualifying tier 2 capital cannot exceed tier 1 capital; and qualifying term subordinated loan capital exceed 50 percent of tier 1 capital. Other deductions from capital include the carrying amounts of investments in subsidiaries that are not included in the regulatory consolidation, investments in the capital of banks and certain other regulatory items.

Banking operations are categorised as either trading book or banking book, and risk weighted assets are determined according to specified requirements that seek to reflect the varying levels of risk attached to assets and off-statement of financial position exposures. The bank's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The impact of the level of capital on shareholders' return is also recognised and the bank recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position. The bank operations have complied with all externally imposed capital requirements throughout the year. There have been no material changes in the bank's management of capital during the year. The bank's regulatory capital position at 31 December was as follows:

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

	2025	2024
	Amount in	Amount in
	GH¢	GH¢
Tier 1 capital		
Ordinary share capital (stated capital)	1,568,689	1,568,689
Disclosed reserves:		
Retained earnings	7,572,442	4,796,040
Statutory reserve fund	2,573,538	2,134,396
Credit risk reserve	339,280	41,684
Deposit for shares	260,564	173,194
Investments in the capital of other banks and financial institutions	(230,165)	(192,665)
Total	12,084,348	8,521,338
Tier 2 capital		
Revaluation reserves	8,407	8,407
Total	8,407	8,407
Total regulated capital	12,092,755	8,529,745
Total assets	96,355,957	72,260,961
Less		
Cash on hand	2,349,367	5,539,862
I. 5% deposit	3,499,549	2,645,399
Ii. Clearing account balance at apex	1,340,701	530,093
Iii. Acod	14,549,589	3,500,000
Claims on government		
I. Treasury securities (bills and bonds) investment	31,017,482	45,224,428
Ii. Stock	11,727,036	-
Investments in the capital of other banks and financial institutions	230,165	192,665
80% claims on discount houses	258,891	153,690
Adjusted total assets	31,383,177	14,474,824
Add:		
100% of 3 years average annual gross income	14,989,216	11,238,104
Adjusted assets base	46,372,392	25,712,927
Adjusted capital base as percentage of adjusted asset base	26.08%	33.17%
Capital surplus / deficit	7,472,330	5,975,266
Capital adequacy	26.08%	33.17%

The Bank has met the minimum 10% capital adequacy ratio

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

5.1 Financial assets and financial liabilities

Fair values

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

	Carrying amount		Fair Value	
Financial Assets	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Cash and cash equivalents	7,513,231	5,539,862	7,513,231	5,539,862
Short term investment	45,567,071	48,724,428	45,567,071	48,724,428
Loans and advances	26,515,560	13,895,251	26,515,560	13,895,251
Other assets	1,104,886	436,379	1,104,886	436,379
Trading investments	13,577,349	1,934,733	13,577,349	1,934,733
Taxation	-	23,039	-	23,039
Total	94,278,097	70,553,692	94,278,097	70,553,692

Financial liabilities

	Carrying Amount		Fair Value	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Customer deposits	80,887,260	61,201,490	80,887,260	61,201,490
Term borrowing	42,832	57,088	42,832	57,088
Payables and accruals	2,849,687	2,107,201	2,849,687	2,107,201
Dividend payable	323	28,097	323	28,097
Taxation	244,527	136,268	244,527	136,268
Total	84,024,629	63,530,144	84,024,629	63,530,144

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

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

5.1 Financial assets and financial liabilities

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

Cash and short-term deposits, loans and advances, deposits and current accounts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

-Long-term, fixed-rate and variable-rate receivables/borrowings are evaluated by the Bank based on parameters such as interest rates. Based on this evaluation, allowances are taken to account for the expected losses of these receivables. As at December 31, 2025, the carrying amounts of such receivables, net of allowances, are not materially different from their calculated fair values.

Also, staff loans which are given at an interest rate lower than the effective interest rate are assumed to have a fair value as the carrying amount as tools for managing the fluctuations are not in place when management decided to measure them at fair value by creating staff cost and deferred interest to be amortised over the staff loan life span.

Fair value hierarchy

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Bank's market assumptions. These two types of inputs have created the following fair value hierarchy:

- **Level 1** – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges (for example, the Ghana Stock Exchange).
- **Level 2** – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- **Level 3** – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observation market data when available. The Bank considers relevant and observable market prices in its valuation when possible.
The fair value of the Bank's financial assets and liabilities approximate the respective carrying amounts, due to the generally short years to maturity dates.

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

As at 31 December 2025, the Bank held the following financial instruments measured at fair value:

2025	Note	Total	Level 1	Level 2	Level 3
Equity investment	18	230,165	100	-	230,065
Trading investment	15	13,577,349	-	13,577,349	-
Loans and advances	17	26,515,560	-	-	26,515,560

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

2024	Note	Total	Level 1	Level 2	Level 3
Equity investment	18	192,665	100	-	192,565
Trading investment	15	1,934,733	-	1,934,733	-
Loans and advances	17	13,895,251	-	-	13,895,251

The Bank carries quoted and unquoted equity shares as equity investment financial instruments classified as Level 1 and level 3 within the fair value hierarchy.

6.1 Regulatory Disclosure

	2025	2024
Gross Loans (GH¢)	27,664,630	14,621,918
Performing loans (GH¢)	25,689,929	14,264,302
Non-performing loans (GH¢)	1,974,701	357,616
Non-performing loan ratio (NPL %)	7.13	4.71%
Loan loss provision ratio	5.23%	5.25%
Ratio of 20 largest exposures to total credit (%)	22.89%	9.02%
Capital Adequacy Ratio (CAR %)	26.08	33.17
Primary Reserve - No. of defaults	Nil	Nil

7. Interest income	2025	2024
Interest on loans and advances	8,231,435	6,644,899
Interest on government securities and other investments	7,676,784	6,154,971
	15,908,219	12,799,870

8. Interest expense	2025	2024
Interest on savings	838,474	615,494
Interest on fixed deposit	1,997,941	1,543,155
Interest borrowing	15,360	24,494
Ghana pay interest	75	13
	2,851,850	2,183,156

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

9. Commission and fees	2025	2024
Commitment fees	1,522,697	764,954
Commission	880,217	833,060
Cheque clearing fees	59,239	68,582
	2,462,153	1,666,596
10. Other operating income	2025	2024
SMS charges	5,106	5,446
Interest clearing on clearing account	8,993	8,044
ATM fees	5,545	2,489
Interest on ACOD	268,782	233,209
Income from Remittances	59,620	47,000
Sundry income	86,666	63,419
	434,712	359,607
10.1 Impairment loss	2025	2024
At start of year	726,667	480,351
Bad debt written off/recovery	-	-
impairment after write off	726,667	480,351
Charged to profit or loss	422,403	246,316
Impairment at year end based on Bank of Ghana guidelines	1,149,070	726,667
11. Other operating costs	2025	2024
Staff related costs - note (11a)	6,292,944	5,244,103
Depreciation of property, plant and equipment and right of use of asset and amortisation of intangible asset	402,437	276,784
Audit fees	47,600	64,363
General and administrative expenses-note (11b)	3,379,827	2,905,404
	10,122,808	8,490,654

ASSINMAN RURAL BANK LIMITED**Notes and significant accounting policies (continued)***(All amounts are expressed in Ghana Cedi unless otherwise stated)*

11(a). Staff-related cost	2025	2024
Salaries, wages and Allowances	3,317,663	2,774,640
Staff allowance	91,179	57,571
Other staff cost	39,130	31,201
Allowance to attachments staff	21,700	14,005
Canteen subsidy	49,695	48,560
Responsibility allowance	45,950	40,620
Out of station	5,510	7,770
Cashiers efficiency	13,600	12,600
Staff vehicle maintenance	23,250	43,920
Staff transportation	45,820	47,440
Staff vehicle fuel	333,803	322,145
Long service award	516,000	274,200
Clothing allowance	288,677	258,493
Staff social security	435,600	361,734
Staff provident fund	327,782	292,365
Transfer grant	34,309	9,970
Training and development	141,023	210,044
Staff medical and welfare	48,043	22,461
Casual Labour	1,250	7,169
Staff bonus	512,960	407,195
	6,292,944	5,244,103

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

11(b) General and administrative expenses	2025	2024
Electricity and water	288,638	276,802
Staff meeting expenses	12,090	8,600
Board meeting expenses (11 c)	36,766	220,192
Advertising and publicity	60,013	22,951
Cleaning and Sanitation	53,033	53,004
Police guard	69,210	62,390
Travelling expenses	75,876	59,162
Office expenses	166,649	108,644
Printing and stationery	66,579	35,368
Research and development	-	2,000
Repairs and maintenance	225,189	220,166
Rent and rates	178,073	151,430
Telephone postage	39,549	28,905
Insurance expenses	265,027	184,682
Vehicle running expenses	103,191	102,667
Bank charges	1,545	454
Entertainment/protocol expenses	148,290	48,410
Specie expenses	47,372	46,933
Mobilisation expenses	114,000	77,510
Annual subscription	84,177	96,587
Computerization	940,000	670,465
Loan recovery expenses	7,203	10,353
Generator running costs	54,843.00	67,544
Donations	82,951	62,449
Legal fees	40,000	30,000
Legal expense	3,000	32,600
Motor vehicle repairs and maintenance	49,343	56,742
Hotel and accommodation	4,880	7,940
Registration, renewals and permits	19,899	19,096
Annual general meeting expenses	96,000	103,518
Audit expenses	-	10,972
Contingency	1,516	8,836
Cheque clearing expenses	13,833	17,032
License and support fees	1,000	1,000
Other expense	30,092	-
	3,379,827	2,905,404
11(c) Director's cost	2025	2024
Directors travelling and transport	16,751	63,687
Meeting expenses	11,440	34,705
Board secretarial expenses	-	9,225
Director remuneration	8,575	112,575
	36,766	220,192

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

12(f) Reconciliation of effective tax rate	2025	2024
Profit before tax	5,277,100	3,716,264
Income tax using domestic tax rate (25%)	1,319,275	929,066
Tax effect of non-deductible expense	308,916	252,677
Effect of deferred tax	50,621	(23,988)
Tax effect of capital allowance and other allowable	(167,024)	(95,476)
Tax expense charge to profit or loss	1,511,788	1,062,279
Effective rate of tax	28.65%	29.82%
13. Cash and bank balances	2025	2024
Cash holdings	2,349,367	2,172,257
Bank (Note 32b)	1,664,315	722,206
ARB Apex Bank Limited- 5% Deposit (Note 16)	3,499,549	2,645,399
	7,513,231	5,539,862
14. Short-term investments-maturity within 91days	2025	2024
ARB Apex Bank PLC ACOD and REPO	14,549,589	3,500,000
91 days Treasury bills note	31,751,265	47,253,152
	46,300,854	50,753,152
Unearned interest	(733,783)	(2,028,724)
	45,567,071	48,724,428
15. Trading investment	2025	2024
Above 91days Government stock	11,727,036	-
Amalgamated Mutual Fund	3,357,545	3,614,645
SIC life Savings and Loans	392,764	570,687
	15,477,345	4,185,332
Unearned interest	(1,899,996)	(2,250,599)
	13,577,349	1,934,733
16. ARB Apex Bank Limited- 5% Deposit	2025	2024
At start of year	2,645,399	1,762,849
Net Investments during the year	854,150	882,550
At year end	3,499,549	2,645,399

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

17 (a) Loans and advances		
Analysed by type of facility	2025	2024
Loans	25,758,933	14,036,905
Advances	1,905,697	585,013
	27,664,630	14,621,918
Less: provision for credit losses	(1,149,070)	(726,667)
	26,515,560	13,895,251
b) Analysed by type of customer		
	2025	2024
Individuals	22,578,740	12,771,225
Private institutions	726,720	146,148
Public	183,874	209,706
Others	4,175,296	1,494,839
	27,664,630	14,621,918
Less: provision for credit losses	(1,149,070)	(726,667)
	26,515,560	13,895,251
(c) Sectorial report		
	2025	2024
Loans		
Agriculture	565,346	442,538
Cottage industry	1,528,762	-
Transport	4,784,127	595,014
Trading	3,659,862	136,656
Others	15,220,835	13,447,710
	25,758,932	14,621,918
Advances		
Trading	875,000	-
Others	1,030,698	-
	1,905,698	-
Total loans and advances	27,664,630	14,621,918
Less provision for credit losses	(1,149,070)	(726,667)
	26,515,560	13,895,251

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

18. Equity Investments	2025	2024
Quoted shares		
Cocoa Processing Company Limited	100	100
Total quoted shares	100	100
Unquoted shares		
ARB Apex Bank Limited	230,065	192,565
Total	230,165	192,665
19. Other Assets	2025	2024
Office accounts	26,500	7,105
Stationery stock	100,773	119,543
Interest in arrears	-	51,356
Suspense	-	11,670
E-Zwich/ATM stock	108,766	34,295
Interest and commission accrued	868,847	212,410
	1,104,886	436,379
20. Prepayments	2025	2024
Insurance	42,220	34,881
	42,220	34,881

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

21a. Property, plant and equipment- 2025	01-01-25 Cost/valuation	Additions	31-Dec
Capital work in progress	46,774	-	46,774
Land and Building	932,418	-	932,418
Office Equipment	778,931	307,638	1,086,569
Plant and Machinery	339,051	52,950	392,001
Motor Vehicle	420,330	-	420,330
Computer and Accessories	321,988	105,139	427,127
Furniture and Fittings	308,944	114,136	423,080
	3,148,436	579,863	3,728,299

Accumulated Depreciation	01-01-25	Charge for the year	31-Dec
Capital work in progress	-	-	-
Land and Building	235,389	22,087	257,476
Office Equipment	531,788	144,343	676,131
Plant and Machinery	339,051	1,323	340,374
Motor Vehicle	311,592	54,369	365,961
Computer and Accessories	223,494	48,270	271,764
Furniture and Fittings	232,733	25,956	258,689
	1,874,047	296,348	2,170,395

Carrying values:

Capital work in progress	46,774
Land and Building	674,941
Office Equipment	410,438
Plant and Machinery	51,627
Motor Vehicle	54,369
Computer and Accessories	155,363
Furniture and Fittings	164,392
	1,557,904

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

21b. Property, plant and equipment- 2024	01-01-24	Additions	31-Dec
Cost/valuation			
Capital work in progress	18,574	28,200	46,774
Land and Building	874,467	57,951	932,418
Office Equipment	660,199	118,732	778,931
Plant and Machinery	339,051	-	339,051
Motor Vehicle	420,330	-	420,330
Computer and Accessories	249,325	72,663	321,988
Furniture and Fittings	273,008	35,936	308,944
	2,834,954	313,482	3,148,436

Accumulated depreciation	01-01-24	Charge for the year	31-Dec
Capital work in progress	-	-	-
Land and Building	211,788	23,601	235,389
Office Equipment	431,379	100,409	531,788
Plant and Machinery	339,051	-	339,051
Motor Vehicle	256,023	55,569	311,592
Computer and Accessories	170,935	52,559	223,494
Furniture and Fittings	215,925	16,808	232,733
	1,625,101	248,946	1,874,047

Carrying values:

Capital work in progress	46,774
Land and Building	697,029
Office Equipment	247,143
Plant and Machinery	-
Motor Vehicle	108,738
Computer and Accessories	98,494
Furniture and Fittings	76,211
	1,274,389

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

22. Intangible assets	2025	2024
Cost at start of year	281,855	281,855
Additions	-	-
Cost at year end	281,855	281,855
Accumulated amortisation		
Balance at start of year	140,191	112,351
Charge for the year	27,840	27,840
Balance at year end	168,031	140,191
Carrying amount	113,824	141,664
23. Right of use of assets	2025	2024
Cost at start of year	82,799	-
Additions	162,180	82,799
Cost at year end	244,979	82,799
Accumulated depreciation		
Balance at start of year	36,590	-
Charge for the year	78,248	36,590
Balance at year end	114,838	36,590
Carrying amount	130,141	46,209
24. Customer Deposits	2025	2024
(a) Analysed by type of accounts		
Time deposits	14,942,360	10,944,955
Demand deposits	13,480,492	10,008,806
Other deposits (Ezich and E-connect)	6,235,035	4,816,817
Savings accounts	46,229,373	35,430,912
	80,887,260	61,201,490
(b) Analysed by Type of Customers		
Susu	23,956,641	4,816,816
Government agencies and department	1,679,796	1,057,127
Private Enterprise	3,162,532	1,627,744
Individual	52,088,291	53,699,803
	80,887,260	61,201,490

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

25. Long term liabilities	2025	2024
Other sources CAP (Covid-19 loan)	57,088	57,088
Loan repayment	(14,256)	-
	42,832	57,088
26. Payables and accruals	2025	2024
Provident fund	87,107	118,991
Accrued interest and interest in suspense	884,691	362,485
Interest suspense	260,457	176,261
Ghana pay operations	11,936	676
Audit fees	47,600	79,066
U-connect operations	13	13
Office accounts	1,397,434	1,123,661
Loan insurance	-	131,850
GDPC insurance	45,420	26,957
Ghana pay operations	18,860	-
AGM	93,979	-
NIA device	-	83,654
Ezwich	2,190	3,587
	2,849,687	2,107,201
27. Dividend payable	2025	2024
At start of year	28,097	363,435
Payments	(27,774)	(335,338)
At close of year	323	28,097

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

28. Stated Capital	2025		2024	
	Number	Proceeds	Number	Proceeds
Authorised				
Authorised ordinary shares	1,000,000,000	-	1,000,000,000	-
Issued Ordinary Shares for:				
Cash and other than cash	39,216,905	1,568,676	39,216,905	1,568,676
Preference shares	125,000	13	125,000	13
At year end	39,216,905	1,568,689	39,216,905	1,568,689

29. Statutory Reserve Fund	2025	2024
At start of year	2,134,396	1,517,353
Transferred from Retained earnings	439,142	617,043
At year end	2,573,538	2,134,396

The statutory reserve fund is required under section 34 of the Bank and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). Based on the parameters, 12.5% of profit after tax was transferred to the statutory reserve.

30. Credit risk reserve	2025	2024
Balance at start of year	41,684	-
Bank of Ghana position after IFRS impairment	1,446,666	768,350
IFRS Impairment provision	(1,149,070)	(726,666)
At year end	339,280	41,684

31. Earnings per Shares

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 of ordinary shares outstanding during the year.

	2025	2024
Profit attributable to ordinary shareholders	3,513,140	2,468,171
Weighted average shares	39,216,905	39,216,906
EPS	0.09	0.063

32. Cash and Cash Equivalents	2025	2024
Cash holdings (Note 13)	2,349,367	5,539,862
Bank (Note 32b)	1,664,315	722,206
ARB Apex Bank Limited-5% Deposit (Note 16)	3,499,549	2,645,399
Short term investment (Note 14)	45,567,071	48,724,428
	53,080,302	57,631,895

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

32(b). Bank Balance	2025	2024
ARB Apex Bank Limited	1,340,701	530,093
Other banks balance (GCB Bank PLC and Zenith Bank (Ghana) PLC)	270,367	65,596
Other banks (Mobile money and money at call)	53,247	126,517
	1,664,315	722,206

33. Capital commitments

There were no outstanding capital commitments at the reporting date (2024: Nil).

34. Contingencies

There were no contingent assets or liabilities not provided at the reporting date (2024: Nil).

35. Legal proceedings

There were no legal proceedings that the Bank took against her customers who failed to pay back their loans at the reporting date. (2024: Nil).

36. Related party

a) Key management personnel and directors

Key Management personnel are defined as those persons having authority and responsibility for planning: directing and controlling the activities of Assinman Rural Bank Limited (directly or indirectly) and comprise the Directors and senior management.

For the year under review, key management personnel include:

- i. Board of Directors -refer to the list on page 1
- ii. Key management persons

These are the departmental heads of the Bank and the list is below:

Name	Position
Mr. Augustine Delove Kuutera Jirapa	Chief Executive Officer
Mr. Richard Baidoo	Head of Operation
Mr. Gilbert Effum Baidoo	Head of Finance and Administration
Ms. Jane Asaam	Head of Credit
Ms. Evelyn Donkor	Head of Internal Audit
Mr. Wilfred Asiedu Bentil	Head of Compliance and Anti-money laundering reporting Officer
Mr. Samuel Lartey	Head of Information Technology

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

b. Transactions with Directors and Key Management Personnel

The details of transactions between the company and its key management personnel are as follows:

Key Management and Staff Compensation	2025	2024
Directors' emolument	8,575	112,575
Salaries and other benefits to key management personnel	898,569	765,304
	907,144	877,879

c. Loan transactions with Directors and Key Management Personnel

Loans to Board members and management staff are provided in accordance with the Bank's policies.

Details	At start of year	Addition	Payments	At year end
Directors	-	-	-	-
Firms in which Directors have an interest	-	-	-	-
Senior management staff	452,388	1,032,000	(777,105)	707,283

d. All Directors and key management staff have an interest in shares at year-end

(i) Directors' Shareholding:

The total number of shares held by the Directors of the Bank at the reporting date represented 1.629% of the total number of shares outstanding then. Below are the details of the Director shareholding as at 31 December 2025

Name of director	Number of shares	Percentage of shares in issue (39,216,905)
Eric Ekow Tawiah Ghansah (PhD)	639,113	1.629

(ii) Key Management staff other than the Board of Directors shareholding as at 31 December 2025

Key management staff also invested in the shares of the Bank. The details are

Names	Number of share	Percentage (39,216,905)
Mr. Augustine Delove Kuutera Jirapa	524,401	1.337
Mr. Richard Baidoo	391,188	0.997
Mr. Gilbert Effum Baidoo	304,380	0.776
Ms. Jane Asaam	304,788	0.777
Ms. Evelyn Donkor	217,834	0.555
Mr. Wilfred Asiedu Bentil	198,584	0.506

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

37. Number of Shareholders

Shareholding Structure

(i) Number of Shares Outstanding

Earnings and dividend per share are based on 3,513,140 (2024: 2,468,171) and ordinary shares outstanding of 39,216,905 (2024: 39,216,905)

The Bank Ordinary Shareholders as at 31 December 2025 distributed as follows: -

Range	Total shares
1-1000	1,204,501
1001-5000	14,953,140
5001-10000	1,472,991
> 10000	21,586,273
	39,216,905

20 Largest Shareholding

Names	Number of share
Samuel Dadzie	1,987,694
Eric Ekow Tawiah Ghansah	639,113
Augustine Delove Kuutera Jirapa	524,401
Emmanuel Bismark Quartey	503,999
Andrews Kwablah	501,519
Emmanuel Tweneboah Andam	456,750
Baidoo Richard	391,188
Jane Asaam	304,788
Gilbert Effum Baidoo	304,380
Adu Larbi Emmanuel	301,908
Gilbert Gyan Afful	298,837
Samuel Nii Ayi Lartey	278,966
Eric Ankomahene	269,070
Cynthia Buabeng	262,432
Kenneth Ampong	260,406
Ayogmah Akurigo George	246,385
Evelyn Nyarko	244,621
Rita Benson	225,187
Evelyn Donkor	217,834
Kwaku Nimfa Essuman	211,784
Total	8,431,262

ASSINMAN RURAL BANK LIMITED

Notes and significant accounting policies (continued)

(All amounts are expressed in Ghana Cedi unless otherwise stated)

38. Cash flows from operating activities:	2025	2024
Profit before tax	5,277,100	3,716,264
Add: depreciation of property, plant and equipment and right-of-use-of-asset and amortisation of intangible asset	402,436.94	276,784
Increase in doubtful debt	422,404	246,316
Impairment of investment	130,921	189,682
Cash Inflow before changes in working capital	6,232,862	4,429,046
(Increase)/decrease in loans and advances	(13,042,713)	133,403
Increase in other assets	(668,507)	(87,779)
(Increase)/decrease in prepayments	(7,339)	84,783
Increase in customer deposit	19,685,770	24,743,142
Increase in accounts payable	742,487	605,173
	12,942,560	29,907,768
39. Value added statement	2025	2024
Interest income and other operation income	18,736,471	14,466,466
Direct operational expenses	(6,279,277)	(2,183,156)
Value added by banking services	12,457,194	12,283,310
Non-banking Income	68,613	359,606
Impairments	(553,325)	(435,998)
Value Added	11,972,482	12,206,918
Distributed as follows:		
To Employees:-		
Non-executive directors	-	(112,575)
other employees	6,292,944	(5,244,103)
	6,292,944	(5,356,678)
To Government and Statutory:		
Taxation	1,763,960	(1,248,093)
	1,763,960	(1,248,093)
To expansion and growth:		
Depreciation and amortisation	402,437	(276,784)
	402,437	(3,133,976)
Transferred to retained earnings	3,513,140	2,468,171