OMNIBSIC BANK GHANA LTD

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

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CORPORATE INFORMATION

BOARD OF DIRECTORS	Teresa Effie Cooke (Chairperson) Afua Adubea Koranteng Miguel Fiifi R. Brandful Mohamed Khaled Shalbek Daniel Asiedu Philip Oti-Mensah
SECRETARY	Akyaa Afreh Arhin Addo-Kufuor (Esq) 12 Angelica Street, Diamond Hill Gate 1 Regimanuel Estate East Airport Accra, Ghana
INDEPENDENT AUDITOR	PricewaterhouseCoopers PwC Tower A4 Rangoon Lane Cantonments City PMB CT 42, Cantonments Accra, Ghana
REGISTERED OFFICE	Atlantic Towers Airport City Accra, Ghana GPS Address: GL-126-3809

REPORT OF THE DIRECTORS

The directors submit their report together with the audited financial statements of OmniBSIC Bank Ghana LTD (“the Bank”) for the year ended 31 December 2024.

Statement of directors’ responsibilities

The Bank’s directors are responsible for the preparation of the financial statements that give a true and fair view of OmniBSIC Bank Ghana LTD’s financial position at 31 December 2024, and of the profit or loss and cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) with the IAS 29 directive issued by the Institute of Chartered Accountants, Ghana (ICAG) 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 directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

Going concern

The Directors have assessed the ability of the Bank to continue as a going concern and have no reason to believe that the business will not be a going concern.

Principal activities

The Bank’s principal activities comprise corporate, investment and retail banking under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). There was no change in the nature of the Bank’s business during the year.

Financial results

The financial results of the Bank for the year ended 31 December 2024 are summarised below.

	GH¢’000
Profit after tax (attributable to equity holders)	**199,255**
to which is added the retained earnings deficit brought forward of	**(624,575)**
of which is transferred to:	
- the credit risk reserve	**(14,711)**
- the statutory reserve	**(99,628)**
- the stated capital	**(6,000)**
leaving a deficit to be carried forward on the retained earnings of	**(545,659)**

REPORT OF THE DIRECTORS (continued)

Dividend

The directors do not recommend dividend for the year ended 31 December 2024 (2023: Nil).

Directorship

The details of the Bank's directors are shown on page 1. There was a change in directorship during the year following the demise of the board chair (Mr. Simeon Patrick Kyei).

No director had any interests in the contracts or proposed contracts with the Bank during the year ended 31 December 2024, hence there were no entries recorded in the Interests Register as required by sections 194(6), 195(1)(a) and 196 of the Companies Act, 2019 (Act 992).

Capacity of directors

The Bank ensures that only fit and proper persons are appointed to the Board after obtaining consent from the Bank of Ghana.

Directors' training

On appointment, directors are provided a formal and tailored programme of induction to familiarise them with the Bank's businesses, the risks and strategic challenges the Bank faces, as well as the economic, competitive, legal and regulatory environment in which the Bank operates.

The Bank implements its policy on training to ensure that all Directors are trained and certified on regulatory policies and directives to ensure that all decisions made by board members are sound and backed by relevant and up-to-date knowledge of regulatory and governance frameworks.

Directors' trainings are facilitated by the National Banking College and the Bank of Ghana in line with the Corporate Governance Directive, 2018.

Interest in other body corporates

The Bank had no subsidiaries or associate entities during the year or as at year-end.

Corporate social responsibilities
Corporate social responsibility activities can be found at note 33.

Audit fee payable

Professional fees agreed in respect of the audit of the financial statements of the Bank for the year ended 31 December 2024 has been disclosed in note 13 to the financial statements.

Auditor

The auditor, PricewaterhouseCoopers, will not continue in office in accordance with Section 139 (5) of the Companies Act, 2019 (Act 992) and Section 81 of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

Teresa Effie Cooke	**Daniel Asiedu**
Chairperson	Managing Director

CORPORATE GOVERNANCE REPORT

Corporate governance relates to the systems, rules, processes and laws by which businesses are operated, regulated, directed and controlled with the view of achieving the long-term goals of the organisation while maintaining the right balance with stakeholders' interests. The stakeholders comprise both internal and external parties.

Corporate Governance practice

The Bank is guided in its Corporate Governance practices mainly by the Bank of Ghana, through the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) and Corporate Governance Directive 2018.

The Bank's Corporate Governance philosophy encompasses not only regulatory and legal requirements, but also various internal rules, policies, procedures and practices established by the Board and anchored on the best practices of both local and international banks.

Key principles the Bank's Corporate Governance considers critical for the achievement of long-term objectives are transparency and accountability, backed by a strong system of internal controls, compliance, and risk management and information system capabilities.

Shareholding Structures

The shareholding structure indicating voting rights and details of shares held by directors is as follows:

No	Name of Shareholder	Type of Shares	% Shareholding	voting rights
1	Joseph Siaw Adjepong	Ordinary Share	67.26	3
2	Ghana Amalgamated Trust	Ordinary Share	24.75	3
3	BSIC	Ordinary Share	5.21	1
4	Adelaide Adjepong	Ordinary Share	2.78	0

As at the reporting period, no Director, Key Management Personnel or Related Party owned shares in the Bank.

Board of Directors

The Bank's Board of Directors constitutes one independent Director who is the Chairperson, three non-executive Directors, and two executive directors namely the Managing Director and Chief Operating Officer as outlined below;

Composition	Number of Directors	% of Composition
Independent Directors	1	17
Non- Executive Directors	3	50
Executive Directors	2	33

The constitution of the Board ensures a balanced distribution of power and authority between executive and non-executive directors, safeguarding against any individual or group dominating the decision-making process.

Consistent with the Corporate Governance Directive, majority (83%) of the Directors are Ghanaian and 17% are foreigners as shown below;

Composition	Number of Directors	% of Composition
Ghanaian	5	83.33
Foreigners	1	16.67
Total	**6**	**100**

CORPORATE GOVERNANCE REPORT (continued)

The Board approves the strategic plan and annual budget of the Bank through a rigorous review process to ensure that the corporate, functional, and business level strategies are cogent, clear and feasible.

In addition, the Board regularly monitors and evaluates the Bank's performance at a Sub-Committee level and at the main Board to ensure that the strategic goals and objectives of the Bank are achieved. The Board performs these functions in line with its clearly defined responsibilities of governance, accountability, and business performance.

As at the reporting period, there were no related parties serving on the Board of the Bank.

Directors Qualification and Experience

- **Teresa Effie Cooke**

Teresa Effie Cooke, the Board Chairperson of OmniBSIC is an HR Practitioner with over 25 years of invaluable experience in leading HR teams and supporting senior executives in people, culture and organizational development. Effie's background includes senior leadership roles in HR Consulting, Banking and Retail. She currently serve on the Board of REFUSHE, an NGO devoted to the short and long-term support refugee girls need to become emotionally resilient and economically independent.

Effie is also Founder and Non-Executive Director of Capability Trust, a full-service HR Consulting firm in Ghana and served on the Board of Golden Beach Hotels and D.light Designs in Ghana. Prior to Founding Capability Trust, Effie was Africa Regional HR Director for Opportunity International.

Effie is a Senior Certified Professional (SHRM-SCP) and holds an undergraduate Degree in Law from Middlesex University and Post Graduate Certificates in Human Resources from Middlesex University and Cranfield University UK.

- **Miguel Ribeiro Fiifi Brandful**

Miguel Ribeiro Fiifi Brandful was born on September 27th, 1957, in Cape Coast to Rev. and Mrs William Brandful. He was the son of the former Headmaster of Mfantsipim School where he had his secondary education. He sat for his Ordinary Level Examination in 1974 after which he studied in the United States for one year as an exchange student. He returned in 1975 and went back to Mfantsipim School when he had his sixth form education from 1975 to 1977. He was the School Prefect from 1976 .to 1977.

His first degree was at the University of Ghana and University of Reading, England for a Masters' program. Fiifi started his professional career with Agricultural Development Bank for 7 years before joining Ecobank as a Branch Manager. At Ecobank, he embarked on extensive assignments in Sierra Leone and Uganda and finally returned to Ghana to serve as the Executive Head of Operations and Technology for the West Africa Region. He retired from that position in 2017.He is currently a Fellow of the Chartered Institute of Bankers. He is happily married with three daughters.

- **Afua Adubea Koranteng**

Afua Koranteng is a corporate lawyer with over 20 years' experience, with expertise in corporate law, capital markets, energy-power, infrastructure projects, mergers and acquisitions, telecom infrastructure, corporate governance and company secretarial services.

She is a Co-founder and Managing Partner of Koranteng & Koranteng Legal Advisors a corporate/commercial law firm in Ghana. Since its inception, Koranteng & Koranteng Legal Advisors has been recognised by IFLR1000 and the Legal 500, both international guides to the world's leading law firms, for Infrastructure Development (Power), Capital Markets (Debt), Project Development (Power), Banking and Project Finance and Energy. She has led the firm in advising the Ministry of Finance of the Republic of Ghana on several of its sovereign bond issuances including the zero-rated $3 billion in 2021. She has led the firm's provision of advice to the Government of Ghana on its energy sector recovery programme.

CORPORATE GOVERNANCE REPORT (continued)

- **Afua Adubea Koranteng (continued)**

She has been an expert contributor to the World Bank's Business Ready 2024 Report and its 2023 Women, Business and the Law Report. Prior to co-founding Koranteng & Koranteng, worked with leading law firms in Ghana; JLD & MB, CQ Legal & Consulting and Sey & Co where she advised on major international commercial transactions. She was also Head of Legal and Company Secretary at ATC Tower (Ghana) Ltd. She was called to the Bar of England and Wales at the Honourable Society of Lincoln's Inn and subsequently to the Ghana Bar as a Barrister and Solicitor. She holds an LLB degree from the University of Kent at Canterbury in the United Kingdom, a Master of Laws LLM in International Economic Law from the University of Warwick in England and a Post Graduate Diploma in International Trade Law and Corporate Law from the BPP Law School in London.

She is a member of the Ghana Bar Association, the International Bar Association, the Honourable Society of Lincoln's Inn. She is also a member of the institute of Directors, Ghana and a Notary Public.

- **Mohamed K.S. Shalbek**

Mohamed K.S. Shalbek has an accomplished professional career in the banking sector with over 38 years of banking experience with National and Regional Banks.

He worked as the LC of the foreign operations department at the head office of the Jomhoriya Bank (formally Umma Bank) from 1976 to 1984. He then became the head of LC of foreign operations department from 1984 to 1989 He served as the Deputy Manager for Credit administration from 1992 to 1996 and was appointed Manager for the International Foreign Operations Division in the Head Office of the Jomhoriya Bank in 2000. He was appointed the Deputy Manager for the International Financing Division, BSIC Head Office in Tripoli, Libya in 2001 and the Deputy Manager for Affiliated branches in 2002. Mohamed Shalbek was the Managing Director of BISC-Nigeria from July 2003 to March 2006. He was the Head of credit division from April 2006 to July 2006 for BSIC Head office-Alwaha Bank and became the General Manager for BSIC Gambia from April 2006 to April 2009.

He was the Deputy General Manager for BSIC Head Office-Alwaha Bank from 2009-2010. He was also the Manager in charge of the Credit Division at the Head Office in 2011. He served as the Deputy Managing Director for BSIC Senegal from January 2012 to June 2013. He was Managing Director, BSIC-Gambia from September 2013 to September 2019. From October 2019 to October 2020, he was Head of the Angloarab Department of the BSIC Group and moved to head the Foreign Relations Department from October 2020 to June 2022. He was appointed Deputy General Manager of BSIC-CAPITAL, Abidjan from July 2022 to June 2024.

Mohamed K.S.Shalbek worked with the committee to set up a migration from the manual system of the record keeping to the present computerised system in Umma Bank. He was also responsible for the review of the operating and procedural manuals of all the departments having an input into the trial balance of the Bank.
He holds a Diploma in Finance and Banking Science from Arabic Academy for Finance and Banking Science, Aman Jordan from 1990-1991. He also obtained a diploma in Credit administration in the same Institution and same year.

He has served on several boards including BSIC Central Afrique from March 2010 to December 2011, BSIC Benin from 2011 to 2013, BSIC-Ghana as Chairman in 2015 and then as member in 2016. He has been a board member of OmniBSIC Bank Ghana LTD. from June 2020.

CORPORATE GOVERNANCE REPORT (continued)

Role of the Board of Directors

The Board of Directors have oversight responsibility for the long-term success of the Bank. They determine the strategic direction and appropriate culture and values of the Bank and ensure that strategies are cascaded through Executive Management to all departments and strategic business units of the Bank for optimal performance.

The Board ensures that the Bank's operations fairly combine commercial, risk management and control objectives to ensure that the risk-adjusted return on investment meets regulatory and shareholders' expectations.

Additionally, the board has a responsibility to ensure that the Bank maintains and reviews periodically the effectiveness of risk management systems, determining the aggregate level and types of risks necessary for achieving the strategic objectives.

The Board exercises its agenda by delegating strategy execution to the Managing Director who works with the Executive Committee (EXCO) to achieve the Bank's objectives.

Appointment of Directors

The members of the Board are appointed in accordance with the provisions of the Companies Act, 2019 (Act 992), the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), the Corporate Governance Directive, 2018 and other applicable directives.

In compliance with the fit and proper directive, every director has been dully approved by the Bank of Ghana and remain fit and proper as a Board Member.

Directors' Other Engagements

To ensure that Directors give greater time commitment to their oversight function of the Bank, the Board ensures that members' other directorship roles in other companies are few and limited in line with the Corporate Governance Directive issued by the Bank of Ghana.

Profile of Directors

Non-Executive	Position	Effective date of Appointment	Outside Board and Management Affiliation
Teresa Effie Cooke	Independent Director / Chairperson	5th May, 2020	REFUSHE(Kenya) Top Planners Construction Capability Trust
Afua Adubea Koranteng	Non - Executive Director	5th May, 2021	Koranteng & Koranteng Legal Advisors Cedon Farms Limited Summit Industries Limited Okuapeman Senior High School
Mohammed Khaled Shalbek	Non - Executive Director	29th May, 2020	La Banque Sahélo-saharienne pour l'Investissement et le Commerce (BSIC)
Miguel Ribeiro Fiifi Brandful	Non – Executive Director	8th April, 2020	Feranaef Limited

CORPORATE GOVERNANCE REPORT (continued)

Executive	Position		Outside Board and Management Affiliation
Daniel Asiedu	Executive Director/ Managing Director	18th June,2021	AI Energy Petroleum Limited CTT Consult Limited G4S (Ghana) Limited Jospong Group Limited
Philip Oti-Mensah	Executive Director / Chief Operating Officer	7th October 2022	Aqua Safari Resort Limited Chamber of Small and Medium Enterprises Ghana Ekofin Consult Limited Icon Hostels Company Limited

Separation of Chairman and Managing Director roles

In accordance with the Corporate Governance Directive, 2018, the Bank maintains a clear separation between the Board Chairperson and the Managing Director roles. There are clear and defined roles and responsibilities of the Chairman and the Managing Director.

Management Reporting Structures
The Board of Directors has put in place systems and procedures that enable all directors to be abreast with the performance of the Bank against plans and budget. This include the various reports that are deliberated at committee and board levels during meetings.

Meetings of the Board of Directors

The Board meets quarterly in line with the calendar of meeting below. However, it may hold extraordinary sessions as the business of the Bank demands.

HR, ETHICS & COMPLIANCE COMMITTEE	RISK COMMITTEE	CREDIT COMMITTEE	AUDIT COMMITTEE	FINANCE, OPERATIONS AND IT COMMITTEE	BOARD
15TH MEETING	15TH MEETING	15TH MEETING	14TH MEETING	13TH MEETING	20TH BOARD MEETING
(Thursday, 1st February ,2024)	(Tuesday 6th February, 2024)	(Thursday, 8th February, 2024)	(Tuesday 13th February, 2024)	(Thursday 15th February, 2024)	(Thursday, 22nd February, 2024
16TH MEETING	16TH MEETING	16TH MEETING	15TH MEETING	14TH MEETING	21ST MEETING
(Thursday, 4th April, 2024)	(Tuesday,9th April, 2024)	(Friday, 12th April, 2024)	(Tuesday	(Wednesday 17th April, 2024)	(Tuesday 30th April 2024)

HR, ETHICS & COMPLIANCE COMMITTEE	RISK COMMITTEE	CREDIT COMMITTEE	AUDIT COMMITTEE	FINANCE, OPERATIONS AND IT COMMITTEE	BOARD
			16th April, 2024)		
17TH MEETING	17TH MEETING	17TH MEETING	16TH MEETING	15TH MEETING	22ND MEETING
(Tuesday 2nd, July,2024)	(Thursday 4th July ,2024)	(Tuesday 9th July , 2024)	(Thursday , 11th July, 2024)	(Tuesday, 16th July , 2024)	(Thursday, 1st August 2024)
18TH MEETING	18TH MEETING	18TH MEETING	17TH MEETING	16TH MEETING	23RD MEETING
(Thursday 3rd October, 2024)	(Tuesday 8th October, 2024)	(Thursday, 10th October, 2024)	(Tuesday 15th October 2024)	(Thursday	(Tuesday 29th October,2024)
				17th October,2024)	
19TH MEETING	19TH MEETING	19TH MEETING	18TH MEETING	17TH MEETING	24TH MEETING
(Tuesday 2nd December, 2024)	(Thursday 5thDecember, 2024)	(Thursday 5th, December, 2024)	(Tuesday, 10 December, 2024)	(Monday 9th December, 2024)	(Monday, 23rd December , 2024)

During 2024 nine (9) board meetings were held and the meeting attendance register is as follows:

Director	Status	Meetings held	Meetings attended
Teresa Effie Cooke	Chairperson	9	9
Daniel Asiedu	Managing Director	9	9
Philip Oti-Mensah	Executive Director	9	9
Afua Adubea Koranteng	Member	9	9
Mohammed Khaled Shalbek	Member	9	9
Miguel Ribeiro Fiifi Brandful	Member	9	9

CORPORATE GOVERNANCE REPORT (continued)

Related Party Transactions

Consistent with regulation, all related party transactions were reviewed by the Board of Directors and are subject to appropriate restrictions. They were conducted on non-preferential basis and comply with all applicable legislation as seen in notes 34 to the financial statement.

Appointment of Directors

The Board and Executive Management are taking steps to appoint new Directors.

Succession Planning

The Board maintains a succession plan that focuses on selecting, developing and retaining the best-qualified personnel ready to take up key positions in the Bank when they become vacant to ensure compliance and business continuity. The plan shows two [2] successors in a consecutive manner for each director, executive management and other key management personnel.

Conflicts of interest

The Bank maintains a Conflict-of-Interest Policy, which seeks to protect the interest of the Bank, promote honest and ethical conduct, as well as provide the guidelines and procedures for handling conflict of interest situations. The Board maintains an up-to-date register for documenting and managing conflict of interest situations wherein directors, key management members and the general employees who manage operations that may be susceptible to conflict of interest are required to declare matters that are potential sources of conflict of interest.

In addition to voluntary declaration, the policy requires a mandatory annual disclosure of conflict of interest by Directors and key management personnel. During the year, the mandatory and voluntary disclosures did not reveal any conflict-of-interest situation.

Evaluation of the Board Effectiveness

The Board's effectiveness is evaluated by the quality of its annual plan, meetings, information design, policy direction, performance monitoring, risk and compliance management and controls, as well as governance structures. These criteria are reviewed during in-house and external evaluation of effectiveness of the board as a whole, its committees and individual directors.

Board Committees

The Board of Directors executes its functions through various committees, which have been set up in accordance with statutory requirements. Each committee has well defined Terms of Reference to guide their functions. The committees consider only matters that fall within their purview to avoid decision overlaps. The committees of the Board meet each quarter but may hold extraordinary meetings to address urgent issues that may arise.

The Board has the following five (5) committees:
Audit Committee
Risk Committee
HR, Ethics & Compliance Committee
Credit Committee
Finance, Operations and ICT Committee

CORPORATE GOVERNANCE REPORT (continued)

Audit Committee

In accordance with Section 56 of the Bank's and Specialised Deposit-Taking Institution Act 2016(Act 930) and Section 54 of the Corporate Governance Directive 2018, an audit committee comprising members of the Board and Chaired by an Independent Director, has been established. The Audit Committee assists the Board in fulfilling its oversight responsibility of assurance that policies, processes, systems and structures are in place in line with best practice and are working well at all levels of the Bank

The purpose of the Audit Committee is to:

- Assist the Board in its oversight of the Bank's internal and external audit functions.
- Advise the Board on the integrity of the Bank's financial reporting, including supporting the Board in meeting its responsibilities regarding financial statements.
- Monitor, on behalf of the Board, the effectiveness and objectivity of internal and external auditors;
- Provide input to the Board in its assessment of enterprise risk and determination of risk appetite as part of the overall Risk Management Strategy;
- Assist the Board in its oversight of the risk management framework and governance.

The Committee meets quarterly and provides a formal report to the Board at each quarterly meeting of the Board.

The Audit committee receives reports covering the following for its consideration from the Internal Auditor;

- Effectiveness of Internal Control
- Fraud and Defalcation

Because of the removal of the Independent Director during the year, the board temporarily appointed a non-independent Director to act pending re-appointment of additional directors to fill the vacant position.

It is expected that by the end of 2024, the replacement processes will be completed to ensure compliance with the corporate governance directive.

The composition and meeting attendance of the Audit Committee during the year is outlined below.

Director	Role	Year appointed	Meetings held	Meetings attended
Miguel Fiifi Ribeiro Brandful	Chairman	2020	5	5
Mohamed Khaled Shalbek	Member	2020	5	5
Afua Adubea Koranteng	Member	2020	5	5

Internal Audit

The Bank maintains an effective and independent Internal Audit function that operates with clear roles, responsibilities, and reporting lines. The Internal Auditor, who is independent key management person, reports directly to the Audit Committee and indirectly to the managing Director in line with the Corporate Governance Directive.

CORPORATE GOVERNANCE REPORT (continued)

During the review period, the Audit Committee considered and discussed reports from the auditor on Internal control Exceptions, their root causes, management responses and remediation actions.

Other reports discussed during the year included fraud incidents and follow up action regarding resolution of internal control exceptions and recoveries from fraud and defalcation.

The Board of Directors has approved the 2025 Internal Audit Programme that will adequately address the discovery of risk from business activities and internal control failures resulting from emerging risk across the Bank.

Roles and responsibilities

The Internal Audit Department has responsibility to evaluate and report on the effectiveness and adequacy of governance processes, compliance, risk management and internal controls.

Scope

The scope of Internal Audit encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the organization’s governance, compliance and anti-money laundering programme, risk management, and internal controls. Internal Audit also has unrestricted access to information.

Risk Committee

In accordance with Section 56 of the Bank’s and Specialised Deposit-Taking Institution Act 2016(Act 930) and Section 55 of the Corporate Governance Directive 2018, a risk committee comprising members of the Board and Chaired by an Independent Director, has been established.

The purpose of the Risk Committee is to assist the Board of Directors to define the Bank’s risk appetite and overall Risk Management Strategy. The committee ensures that senior management and all departments of the Bank are answerable to the Board for risk exposures across the Bank.

The role of the Committee includes:

- Oversight of the Bank’s risk management framework, including the policies and procedures used in managing credit, market, operational and other risks
- Oversight of the Bank’s policies and procedures relating to risk management.
- Oversight of the performance of the credit review function of the Bank.
- Oversight of the operational risk function of the Bank

The Risk Committee receives reports covering the following for its consideration from the Chief Risk Officer;

- Largest Exposures
- Risk Appetite Dashboard
- Credit, Market and Operational Risk
- Regulatory Capital
- Environmental and Social Risk

The composition and meeting attendance of the Risk Committee during the year is outlined below.

CORPORATE GOVERNANCE REPORT (continued)

Director	Role	Year appointed	Meetings held	Meetings attended
Teresa Effie Cooke	Chairperson	2020	5	5
Afua Adubea Koranteng	Member	2020	5	5
Mahamed Khaleb Shalbek	Member	2020	5	5
Daniel Asiedu	Member	2021	5	5

Chief Risk Officer [CRO]

The CRO who is independent key management personnel reports directly to the Managing Director with unfettered access to the Board in line with the Corporate Governance Directive.

During the review period, the Risk Committee considered and discussed reports from the CRO on Credit, Market and Operational risk exposures across the Bank. The report addressed key risk as follows;

- Large Credit exposures and Asset Quality concerns
- Market risk exposures and their remedial actions
- Technology and Business Continuity Management
- Risk appetite and Capital related risk
- Other operational risk matters that require the board attention

The Board of Directors has approved the 2025 risk management strategy across the business segments base on the business strategy. This appetite and framework set the tolerable limit for business activities for which the CRO among other things will ensure that business operation remain within these limits.

Roles and Responsibilities

The Risk Management Department of the bank oversees credit, operational, and market risks. This entails implementing measures to minimize credit risks, operational disruptions, and monitoring of market fluctuations. By managing risks effectively, the department safeguards the bank's financial stability and reputation.

Scope

The scope of the risk management function encompasses, but is not limited to, designing and approving the risk management framework, appetite and strategy using appropriately resourced staff who have clearly defined roles and responsibilities and who possess appropriate experience and qualifications to exercise those responsibilities as set out in the Risk Management Directives.

Human Resource (HR), Ethics & Compliance Committee

In accordance with Section 56 of the Bank’s and Specialised Deposit-Taking Institution Act 2016(Act 930) and Section 58 of the Corporate Governance Directive 2018, an HR, Ethics & Compliance committee comprising members of the Board and Chaired by a Non- Executive Director, has been established.

The purpose of the Human Resource (HR), Ethics & Compliance Committee is to assist the Board to fulfil its oversight responsibility over Human Resource, Ethics and Compliance of the Bank. The Committee is expected to work on specific tasks assigned by the Board as well as other relevant tasks and projects to ensure that the strategic objectives of the Bank in relation to Human Resources, Ethics and Compliance are met.

CORPORATE GOVERNANCE REPORT (continued)

The Committee's responsibilities are as follows:
- Nominate a committee responsible for recommending to the board individuals who are qualified for election or re-election as directors.
- Advise the board on matters relating to governance principles, monitoring developments in corporate governance, and adapting best practices to the needs and circumstances of OmniBSIC.
- Oversees and coordinate environmental, social, and governance (ESG) matters at the board and its committees, including ESG reporting and the Bank's approach to corporate citizenship.
- Ensure that management has established practices and procedures relating to self-dealing, insider trading and personal loans, as required by law and approves the code of conduct and professional practices policy.
- Act as the compensation committee of the board with responsibility to advise the board on compensation risk management.
- Provide recommendations to the board regarding the compensation of the Managing Director and the Chief Operating Officer, in light of the evaluation of their performance against approved performance indicators relevant to their compensation.
- Advise the board on matters relating to Compliance risk management, which includes AML/CFT & P risk management on a periodic basis.

The Committee receives reports covering the following for its consideration from the Head, Human Capital and Head, Compliance & Anti-Money Laundering Reporting Officer;
- Personnel Cost and its Break Down
- Male to Female ratio
- Occupational Health and Safety
- Compliance Risk
- Environmental, Social Principles
- Data Protection, Privacy and Management
- Anti-money Laundering

The composition and meeting attendance of the Human Resource (HR), Ethics & Compliance Committee during the year is outlined below.

Director	Role	Year Appointed	Meetings held	Meetings attended
Afua Adubea Koranteng	Chairperson	2020	5	5
Teresa Effie Cooke	Member	2020	5	5
Philip Oti-Mensah	Member	2022	5	5

Compliance Function

The Head of Compliance who doubles as the anti-money laundering officer and the data protection supervisor of the Bank is an independent key management person reporting directly to the HR, Ethics and Compliance Committee and indirectly to the managing Director in line with the Act 1044 and the Corporate Governance Directive.

During the review period, the Committee considered and discussed reports on existing and emerging compliance risk, anti-money laundering control effectiveness, compliance and AML breaches, their root causes, and remediation actions. Other reports discussed during the year included conduct risk incidents and follow up action regarding resolution of exceptions.

CORPORATE GOVERNANCE REPORT (continued)

The committee also discussed matters such as Privacy and data governance and management as part of periodic reports.

The Board of Directors has approved the 2025 compliance Programme that will adequately address the discovery of risk from business activities and compliance failures resulting from emerging risk across the Bank.

Roles and responsibilities

The Compliance Function has responsibility to implement a programme that ensures that activities of the organisation meet all regulatory requirements and mitigate compliance and anti-money laundering risk.

Scope

The scope encompasses, but is not limited to the following;

- Regulatory and operational compliance
- Financial Crime mitigation
- Conduct Risk mitigation

Human Capital Department

The head of the human capital department presents reports relating to compensation, staffing and other resources initiatives to the HR, Ethics and Compliance Committee for discussions.

Credit Committee

In accordance with Section 56 of the Bank's and Specialised Deposit-Taking Institution Act 2016(Act 930) and Section 58 of the Corporate Governance Directive 2018, a Credit committee comprising members of the Board and Chaired by a Non-Executive Director, has been established.

The Credit Committee is responsible for oversight of the credit risk. The primary responsibilities of the Committee are to:

- Review and approve the Credit Policy and Procedure manual.
- Review and discuss any significant internal audit findings related to the Credit function.
- Review and evaluate the adequacy of the work performed by the Heads of Credit and ensure that they are independent and have adequDDEPate resources to perform their duties.
- The Credit Committee is responsible for approving credit facilities of the Bank.
- Review the provisioning methodology for credit losses and adequacy of the Bank's provisions for credit losses.
- Approve credit exposures in line with the credit approval limits approved by the Board
- Review and recommend write off for Board and Regulatory approval.

The Committee receives reports covering the following for its consideration from the Head, Credit;

- Asset Quality
- Disbursement
- Potential Problem Asset

CORPORATE GOVERNANCE REPORT (continued)

The composition and meeting attendance of the Credit Committee during the year is outlined below.

Director	Role	Year appointed	Meetings held	Meetings attended
Miguel Fiifi R. Brandful	Chairperson	2020	5	5
Mohamed Khaleb Shalbek	Member	2020	5	5
Philip Oti-Mensah	Member	2022	5	5

Finance, Operations and ICT Committee

In accordance with Section 56 of the Bank's and Specialised Deposit-Taking Institution Act 2016(Act 930) and Section 58 of the Corporate Governance Directive 2018, a committee comprising members of the Board and Chaired by a Non- Executive Director, has been established for the purposes of monitoring the strategic performance of the board, Cyber and Information security and information Technology.

The purpose of the Committee is to assist the board to discharge its obligations in connection with issues relating to the Bank's Domestic and Foreign Operations, Information and Communication Technology, Cyber and Information Security, Financial Performance, Service Quality and E-Banking.

The role of the Committee is to:
- Review the annual budget and recommend same for the Board's approval.
- Assess and review the financial performance of the Bank.
- Assess and review the business and operational performance of the Bank.
- Assess and review other factors that may affect the performance of the Bank.
- Provide overview and scrutiny in other areas of financial and operational performance referred to the committee by the Board.
- Assess and review Information and Technology (IT) matters and their impact on the Bank.
- Assess and review Payment System technologies and their performance.
- Assess and review Cyber Security matters and its impact on the Bank.
- Annual review of the medium to long-term strategies of the Bank, their implementation and outcome.
- Consider and refer any issues of concern to the Board.
- Undertake any other responsibilities delegated by the Board.

The Committee receives reports covering the following for its consideration from the Chief Operating Officer;
- Financial Performance
- Budget Performance
- Information Technology Systems performance and projects
- Payment Systems Performance and Project
- Cyber and Information Security performance

CORPORATE GOVERNANCE REPORT (continued)

The composition and meeting attendance of the Finance, Operations and ICT Committee during the year is outlined below;

Director	Role	Year appointed	Meetings Held	Meetings attended
Mohamed Khaleb Shalbek	Chairperson	2020	6	6
Miguel Fiifi R. Brandful	Member	2020	6	6
Daniel Asiedu	Member	2021	6	6
Philip Oti-Mensah	Member	2022	6	6

Summary of Board Activities

Committee	2024 Activity Summary		2025 Activity Summary
Board	The Board met nine [9] times in 2024 to approve the operational budget, ratify the decisions of the sub-committees and review operational performance and risk management activities. Additionally, attended capacity-building programs on emerging AML/CFT & P risk and Privacy and Data Protection. Also, the Board attended Corporate Governance Certification trainings during the year in fulfilment of the requirement of the Corporate Governance Directive. Finally, the board participated in the in-house evaluation exercise.		It is the plan of the Board to meet ordinarily about four (4) times in 2025 to approve the operational budget, ratify the decisions of the sub-committees and review operational performance and risk management activities. Additionally, the board intends to develop capacity on emerging AML/CFT & P risk, Privacy and Data Protection, ESG and Deposit Protection. Finally, the external evaluation of the Board, its Sub -Committees and the individual Directors is a major priority for the year.
Audit	Audit Committee met five (5) times in 2024 to approve the Program and budget, deliberate and take decisions on the matters identified in the internal auditors report Additionally, the Committee assessed the performance of the internal auditor for the purposes of evaluating his effectiveness.		Audit Committee plan to meet ordinarily about four [4] times in 2025 to approve the Program and budget, deliberate and take decisions on the matters identified in the internal auditors report Additionally, the Committee will assess the performance of the internal auditor for the purposes of evaluating his effectiveness.
Risk	The Committee met five [5] times in 2024 to approve the risk appetite and frameworks, deliberate and take decisions on the matters identified in the Chief Risk Officer's report Additionally, the Committee assessed the performance of the Chief Risk Officer for the purposes of evaluating his effectiveness.		The Committee plans to meet ordinarily about four [4] times in 2025 to approve the risk appetite and frameworks, deliberate and take decisions on the matters identified in the Chief Risk Officer's report Additionally, the Committee will assess the performance of the Chief Risk Officer for the purposes of evaluating his effectiveness.

CORPORATE GOVERNANCE REPORT (continued)

Committee	2024 Activity Summary		2025 Activity Summary
HR, Ethics & Compliance	The Committee met five [5] times in 2024 to approve the Program and budget, deliberate and take decisions on the matters identified in the Head of Compliance/ MLRO's report. Additionally, the Committee assessed the performance of the Head of Compliance/AMLRO for the purposes of evaluating his effectiveness.		The Committee plans to meet ordinarily about four [4] times in 2025 to approve the Program and budget, deliberate and take decisions on the matters identified in the Head of Compliance/ MLRO's report. Additionally, the Committee will assess the performance of the Head of Compliance/AMLRO for the purposes of evaluating his effectiveness.
Credit	Credit Committee met five [5] times in 2024 to deliberate and take decisions on the matters identified in the Head of Credit report. Additionally, the Committee assessed the performance of the credit portfolio and recommended appropriate action to management.		Credit Committee plan to meet ordinarily about four [4] times in 2025 to deliberate and take decisions on the matters identified in the Head of Credit report. Additionally, the Committee will assess the performance of the credit portfolio and recommend appropriate action to management.
Finance, Operations and IT	The Committee met five[5] times in 2024 to deliberate and take decisions on the matters identified in the Heads of Finance, Operations, IT and Cyber & Information Security reports.		The Committee plan to meet ordinarily about four[4] times in 2025 to deliberate and take decisions on the matters identified in the Heads of Finance, Operations, IT and Cyber & Information Security reports.

Benefits provided to directors

The benefits provided to directors are outlined in note 35.

Annual certification

The Bank has completed the 2024 Annual Governance Certification required by the Bank of Ghana’s Corporate Governance Directive. The Board has independently assessed the corporate governance process of the Bank and certify that, it is effective, and has largely achieved its objectives. The purpose of the certification is to ensure that, directors understand the requirements of the corporate governance directive and are aware of their responsibilities for the overall governance of the Bank. Where a director is unable to complete a module, remedial sessions are held in March to enable such directors complete outstanding modules.

Board Members attended five training programs in the year. The programs were Corporate Governance Training (Model I), Corporate Governance Training (Model II), Corporate Governance Training (Model III), and enhancing leadership & governance, training as part of the annual capacity building programs provided to the Board by the National Banking College, Ghana and Maddison Pine London, United Kingdom.

CORPORATE GOVERNANCE REPORT (continued)

Remuneration Policies

The Board through the HR, ethics and compliance committee oversees the design and implementation of compensation policy for the bank.

The Board of Directors' remuneration is determined by a committee of independent directors and approved by shareholders.

Using the services of consultants and market scanning the board is able to direct and approve an appropriate remunerations for Executive Management, Key Management Personnel and the general employees in order to attract, retain, and motivate human resources. They also ensure that remuneration policies are designed to reward performance whilst curtailing excessive risk taking.

To ensure that remuneration is performance centred, the board approved the implementation of the balance scorecard system with clear KPIs for both market facing and other support personnel to ensure equity and accountability regarding remuneration.

The board monitors the performance of the remunerations through the quarterly reports it receives from the Head of Human Capital.

The Bank currently has a comprehensive remuneration policy that applies to all employees, including executives and key management personnel. In the future, the board plans to implement a remuneration policy that includes long-term incentives, such as share options for Executive Management, to complement the existing short-term and medium-term incentives and ensure sustainable long-term performance.

The objective is to ensure remuneration aligns with the Bank's business strategy and changes in the markets in which the Bank operates, ensuring that the Bank's remuneration is consistent with best practice, promotes sound and effective risk management and is compliant with labour laws.

In addition, the board ensures that executive management remunerations align with the long-term sustainability of the Bank.

Role of the Managing Director

The Managing Director, being the Head of the Management team, is accountable to the Board and its Committees. He manages the bank in accordance with the prescribed policies, principles and strategic direction established by the Board, as well as rules, regulations, and guidelines from the Bank of Ghana and other regulatory authorities.

Responsibilities of the Managing Director

The main responsibilities and authorities of the MD are outlined below:

- Business development, operational efficiency, risk management and for institutionalising the right control systems, to achieve sustainable profitability in line with the Bank's short-, medium- and long-term goals and objectives.
- Ensuring that the Bank's brand and reputation are positive at all times and maintaining maximum compliance with all Board directives, policies and regulatory requirements.
- Ensuring that employees of the Bank are capable and committed to deliver value for the Bank and also creating an environment of continuous learning and capacity building to meet current and future requirements of best practice in banking.

CORPORATE GOVERNANCE REPORT (continued)

Annual evaluation of the Managing Director by the Board

The Board of Directors define the roles and responsibilities of the Managing Director. The Managing Director is evaluated by the Board on the basis of goals set for the Bank at the beginning of each year. The annual financial budget and other job objectives are discussed, reviewed and finalised by the Board at the start of the financial year. The Board considers both financial and non-financial goals during the appraisal.

Evaluation based on financial performance

Financial performance evaluation focuses on balance sheet growth and profitability of the Bank. In addition to growth and profitability objectives, the Board sets portfolio quality (NPL) as well as efficiency targets in line with regulatory prudential ratios and internal policies.

Evaluation based on non-financial goals

The Managing Director is also evaluated on an ongoing basis based on non-financial goals, which include but not limited to customer confidence (as reflected through continuous business growth), employee engagements, relationship of the Bank with regulators and the general stakeholder confidence.

Report on Board Evaluation

- **Introduction**

In line with the Corporate Governance Directive, the Board, Board Committees and individual members were evaluated by Institute of Directors (IoD) in 2023. A detail report from (IoD) including the status of each finding as at July 2024 was submitted to Bank of Ghana in fulfilment of the requirement under the Corporate Governance Directive.

- **Scope of the report**

The report provides a detailed and objective assessment of the performance of the Board and relevant Committees.

Approach to the evaluation

The evaluation was conducted using the below methodology;

- Conducted desk reviews in order to gain more insight into the operations of the Board and its committees and validated the representations made by Directors.
- Designed and administered questionnaires to the Directors to obtain their views on the performance of the Board as a whole and of its committees.
- Conducted interviews with the Chairman of the Board, Chief Executive Officer (CEO)/Managing Director (MD) and the Deputy Managing Director to gain a better understanding of the Board’s operations.
- Analysed the findings from the desk reviews, questionnaires, and interviews to reach our conclusions and recommendations.

CORPORATE GOVERNANCE REPORT (continued)

Key Finding and status

The table below provides a summary of key issues identified during the review and their status as at the December 2024;

No.	Key Finding	Recommendation	Timeline for implementation	Status
1.	There was no evidence of a documented policy on Information Security that covers outsourcing, survivability, backup and recovery from cyber incidents and disaster events. There was also no evidence of a draft policy on outsourcing.	Management should develop and have board approval of an Information Security policy that covers outsourcing, survivability, backup and recovery from cyber incidents and disaster events in adherence to the Cyber & Information Security Directive, 2018 – Appendix Section 5. Management should also ensure board approval of the policy on outsourcing.	immediately	Resolved
2.	The bank has not performed any reviews of the stresses applied at the business levels as well as reverse stress- testings to examine the impact of selected scenarios from a 'bottom up' Perspective as required by Appendix Section 37 of the BoG Corporate Governance Directive	Management should perform quarterly reviews of the stresses applied at the business levels as well as perform semi-annual reverse stress-testing to examine the impact of selected scenarios from a 'bottom up' perspective as required by Appendix Section 37 of the BoG Corporate Governance Directive.	immediately	Resolved
3.	There was no evidence of the board's self-assessment of its performance as a whole, including its sub-committees, and of individual board members in order to review the effectiveness of its own governance practices and procedures as required by Section 46 of the BoG Corporate Governance Directive.	The company secretariat should facilitate self-assessment reviews for the board. The results of these assessments should be formally documented and filed.	immediately	Resolved
4.	The Bank has no succession plan for key management positions as required in section 17 of the BoG Corporate Governance Directive.	Management of the bank should develop a succession plan to cover all the critical roles in the bank. The document should be submitted at the next board meeting for review and approval as required by Section 17 of the BoG Corporate Governance Directive.	immediately	Resolved

CORPORATE GOVERNANCE REPORT (continued)

Report on Internal Evaluation
In line with the Corporate Governance Directive requirement, the Bank conducted an in-house evaluation of the performance of the board as a whole, its sub –committees and individual board members and submitted the report on 28th February, 2025 to the Bank of Ghana.

Key Findings and status of resolution

The major finding was in regards to the absence of an independent director to chair the audit committee. The shareholders and existing directors are working to resolve this deficiency. It will be resolved in 2025 financial year.

Management Committees

The Bank has in place, other Management Committees to assist the Managing Director in the day to day running of the bank.

Executive Committee (EXCO)

Executive Management	Role	Position	Profile
Daniel Asiedu	Managing Director	Chairman	Daniel Asiedu is a seasoned Banker, Financial Specialist, Motivational Speaker, Business Coach and renowned Reverend Minister of the Gospel of Christ. A Chartered Accountant by profession with over twenty-five (25) years working experience, he has extensive expertise in auditing, business consulting, general banking, financial management and investment. His working experience ranges from Pricewaterhouse, Pricewaterhouse Coopers, Zenith Bank Plc, Volta River Authority (VRA), Standard Trust Bank Ghana Ltd (now UBA Gh. Ltd), Zenith Bank (Ghana) Limited and the Agricultural Development Bank. Daniel holds an Executive Masters Degree in Business Administration, EMBA (Finance Option) as well as a Master of Arts (MA) Degree in Economic Policy Management from the University of Ghana and a Master of Science (M.Sc) Degree in Development Finance also from the University of Ghana. Furthermore he has a Bachelors Degree (B.Sc) in Mechanical Engineering from the University of Ibadan, Nigeria. Daniel has attended many courses both locally and internationally including Executive Management courses at Harvard Business School, Columbia University, The Wharton Business School (University of Pennsylvania), Stanford Graduate Business School, Kellogg School of Management, INSEAD, London Business School and Euromoney Training.

Executive Management	Role	Position	Profile
Philip Oti Mensah	Chief Operating Officer	Member	Philip, currently the Executive Director and Chief Operating Officer of OmniBSIC Bank, is a passionate and result-oriented business leader with over 19 years of experience in Banking and Development Finance. Before his current position, he led and consulted for Banks and financial institutions in Ghana and across Africa including Management Consultant - FINCA Bank Tanzania, Non-Executive Director - ProCredit Bank Congo, Deputy CEO - ProCredit Ghana, CEO - Union Savings and Loans, and CEO - OmniBank. He holds a B.Sc - Banking/Finance & MBA - Project Management from the University of Ghana Business School, and a Master of Applied Business Research & Doctor of Business Administration from the Swiss Business School. He is a Chartered Global Management Accountant (CGMA, CIMA), Certified International Change Manager (CICM), and also holds a ProCredit Banker post-graduate Diploma in International Bank Management from ProCredit Academy (Germany). Also, Dr. Oti-Mensah is an international speaker and guest lecturer in Leadership, Risk Management, Financial Inclusion, MSME Banking, and Strategy.
Anne Marie Appiah	Group Head, Corporate Banking	Member	Anne Marie is the Head of Corporate Banking and comes to OmniBSIC with over 10 years' experience in Corporate Banking from institutions such as FBN Ghana, Universal Merchant Bank and Zenith Bank. She has a good understanding and knowledge of the Ghanaian market, and demonstrates high standards of excellence, has a good track record of customer relationship management and extensive experience in portfolio management. Anne Marie is highly innovative and result-oriented, with superior business management and leadership skills. She has led several departments to success and risen through the ranks over the years. She has a Bachelor of Arts Degree in Political Science from the University of Ghana and a Master of Business Administration Degree in General Management (Delta International University of New Orleans) with extensive training in Relationship Management, Credit Risk Analysis, Enterprise Risks, Accounting and Finance, International Trade Finance and Operations.

Executive Management	Role	Position	Profile
Akyaa Afreh Arhin Addo-Kufuor	Group Head, Legal & Recovery Department/ Company Secretary	Member	Akyaa Afreh Arhin Addo-Kufuor serves as the secretary to the Board and Head of the Legal and Recovery Department of OmniBSIC Bank. Prior to joining OmniBSIC Bank, Akyaa was Head of the Legal Department of Intercontinental Bank Ghana Limited (now Access Bank) and responsible for all legal matters involving the bank. Akyaa worked at Dehands Services Limited, a subsidiary of Deloitte Ghana, which provides legal secretarial services to companies. Furthermore, as a senior legal consultant at a leading law firm in Ghana, she was a member of the team of legal consultants that advised the Millennium Development Authority, Ghana (MiDA) on the Compact signed between the Government of Ghana and the Millennium Challenge Corporation of the United States of America for the provision of five hundred and forty-seven million dollars' facility. She is a member of the Ghana Bar Association and also holds a Master's Degree in Law (LLM) from Temple University, USA in May 2000. Yet again, she is currently a member of the Council of the University of Professional Studies, Accra (UPSA) and Secretary to the Presidential Committee on Emoluments of Article 71 Office Holders.
Eric Abban	Divisional Head	Member	Eric Abban, is a Divisional Head – Marketing in charge of three (3) Zones comprising of thirteen (13) branches within the Bank. He is a seasoned banker with over twenty-three (23) years of extensive experience and expertise in banking, spanning across Internal Control and Audit, Compliance, Operations and Marketing. Prior to joining OmniBSIC Bank, he worked with United Bank of Africa, where he was a Branch Manager, Head of FMCG and later the Regional Head, in charge of Accra West. He also worked with Nyakrom Rural bank. Eric holds an MBA in banking and Finance from University of Applied Science (Germany), and a Bachelor of Commerce Degree from University of Cape Coast. He is also an Associate member of the Chartered Institute of Bankers, Ghana.
George Tetteh Ocansey	Divisional Head	Member	George is a Divisional Head – Marketing, responsible for three (3) Zones comprising of thirteen (13) branches within the Bank. He is an astute banker and an erudite marketer with over seventeen (17) years' experience in

Executive Management	Role	Position	Profile
			the banking industry, which spans across Retail and Corporate Banking (Telecoms, Aviation, Hospitality and Fintechs) as well as Business Development. Prior to joining OmniBSIC Bank, he was the Head of Telecoms & Aviation in Zenith Bank (Ghana) Limited. Also in Zenith Bank, he was a Relationship Manager within the Retail Banking Group. Furthermore, he worked in a marketing and sales capacity with Donewell Insurance as well as Rakes Company Limited, where he was seconded to Barclays Bank Ghana. George holds a Bachelor's Degree in Sociology/Linguistics from the University of Ghana and currently pursuing an Executive Master of Business Administration Degree (EMBA), Marketing Option from the University of Ghana Business School.
Sylvester Yaovi Apedoe Jnr	Head, Information Technology	Member	Sylvester Yaovi Apedoe serves as the Head of Information Technology. Before joining OmniBSIC Bank, He worked with Universal Merchant Bank – UMB for 24 years and Epsilon Systems & Services for 4 years where he developed Payroll and Reconciliation systems for commercial banks and some government institutions. As a seasoned Information Technology Professional, with strength in System development, Networks and Infrastructure, IT Security and IT Systems integration, Sylvester holds a BSC in Computer Science degree holder from University of Science and Technology (UST), now Kwame Nkrumah Science & Technology (KNUST) and an International Executive Masters of Business Administration in Strategy and Project Management from the Paris Graduate School of Management, France. He has various certifications in Cisco, CCNA & CCNP, ITIL v3 and Microsoft, MCP, MCSE. He is also a certified Project Management Professional (PMP) from Project Management Institute, USA. Sylvester, worked in various capacities with Merchant Bank/UMB including, leading the Information Technology Team, Systems & Infrastructure Team and the IT Special Project Team. He was instrumental and the technical lead for UMB becoming ISO 27001 certified and PCIDSS compliant. Sylvester was adjudged the Best CIO for the year 2019 and 2020 respectively by Ghana Information Technology & Telecoms Awards, GITTA. He

Executive Management	Role	Position	Profile
			again led UMB to win awards as the Best Bank in Cybersecurity Risk Management, by GITTA. Sylvester is a member of the Information Systems Audit and Control Association, ISACA chapter of Ghana. lead for UMB becoming ISO 27001 certified and PCIDSS compliant. Sylvester was adjudged the Best CIO for the year 2019 and 2020 respectively by Ghana Information Technology & Telecoms Awards, GITTA. He again led UMB to win awards as the Best Bank in Cybersecurity Risk Management, by GITTA. Sylvester is a member of the Information Systems Audit and Control Association, ISACA chapter of Ghana.
Dominic Godloves Donkoh	Chief Risk Officer	Member	Dominic has over 18 years of experience in Business Development and Risk Management in the banking and non-bank financial sector. His specific areas of expertise are corporate governance, enterprise risk management and institutional building. Dominic worked at ProCredit as Head of Credit and later as Head of the Risk Management Division. He also worked at UniBank in various positions including Head of Monitoring and Recoveries, Corporate Relationship Manager and Head of Small Business Unit. He holds a BSc Degree in Accounting from the University of Ghana Business School and a ProCredit Banker Certificate (MBA equivalent) in Management from ProCredit Academy (Germany).

The Committee meets weekly.

The role of the Committee includes:
- Develop and implement the strategies and policies of the Bank.
- Manage the day-to-day business affairs of the Bank.
- Prioritise and allocate the Bank’s capital, technical and human resources.
- Establish best management practices and functional standards.
- Maintain a Bank-wide system of internal control to manage all Enterprise risks.
- Maintain a Bank-wide legal compliance structure.

CORPORATE GOVERNANCE REPORT (continued)

Assets and Liability Committee (ALCO)

The Managing Director chairs the Assets and Liability Committee. Other members include the Chief Operating Officer, Head of Treasury, Head of Finance and Strategic Planning, Chief Risk Officer, Head of Compliance/AMLRO, Head of Operations, Head of Credit and Heads of the Strategic Business Units (SBU's). The Committee meets weekly.

The role of the Committee includes:
- Review of the Bank's Assets and Liabilities to ensure proper matching of duration and margins.
- Liquidity Management.
- Review of key economic indicators and the impact on the Bank's Balance Sheet and profitability.
- Review cost of funds and other key ratios in relation to market developments and internal targets.

Management Committee

The Management Committee is chaired by the Managing Director. Other members include the Chief Operating Officer, Head of Treasury, Head of Finance & Strategic Planning, Chief Risk Officer, Head of Operations, Head of Credit, Head of Human Management Capital, Head of Compliance & AMLRO/CFT, Head of Legal and Recoveries, Head of Information Technology, Head information and Cyber Security, Head of Service Quality,

Heads of the Strategic Business Units, Head of Internal Control and Due Diligence, Head Corporate Communications, Head of Facility, and Head of Administration.

The Committee meets weekly.

The responsibilities of the Committee are to:

- Ensure information flows and cohesion among executive committee members and other heads of department /SBU's.
- Share information, educate and keep departments and unit heads fully informed about developments within the Bank.
- Follow up on projects and business performance of departments and unit heads.
- Provide support to managers and engender interdepartmental cooperation.

Systems of Internal Control

The Bank has well-established internal control systems for identifying, managing and monitoring risks. These are designed to provide reasonable assurance of effectiveness of operations, reliability of financial reporting and compliance with applicable laws and regulations.

The independent reports from the control functions such as Internal Control and Audit and Compliance functions of the Bank play key roles in providing objective view and continuing assessment of the effectiveness and efficiency of the internal control systems. These reports provide information on breaches or deficiencies in internal controls and recommend their preventive actions.

To enable efficient assessment of controls, the board approves policies that guide specific risk and ensures that these approved policies are kept up to date by all functions in the organisation. The systems of internal controls are implemented and monitored by appropriately trained personnel whose duties and reporting lines are clearly defined in line with applicable legislation.

CORPORATE GOVERNANCE REPORT (continued)

Key internal control policies necessary for the institution are below;

No	Key Policy	Brief Description	Year of Last Review	Summary of Key Changes
1	Credit Management Manual	The credit policy sets out the fundamental principles, policies and standards by which credit risk must be managed within the Bank. It also sets out the basic credit philosophy and standards by which credit underwriting will occur.	2023	Policy was updated to capture the maximum tenure for each Credit programme.
2	Compliance Risk Management Manual	The Policy states the essential principles, roles and responsibilities of the Compliance Department within the Bank, its relationship with the Board of Directors, the Executive Management Team, the Risk Management Committee, and other key parties.	2023	The policy was updated with the responsibility for data governance and privacy and data protection
3	Anti- money Laundering Policy	This Policy articulates the governing principles and standards approved by the Board of Directors to ensure compliance with the money laundering laws and Regulations and to protect OmniBSIC from being used for Money Laundering and Terrorist Financing as well as the financing of Proliferation of Weapons of Mass Destruction.	2023	The policy was updated to reflect the requirement of the Act 1044 and the AML/CFT & P guidelines 2022
4	Expense Policy Manual	The expense management policy guides the Bank towards operational efficiency. It seeks to ensure that there is value for money in the expense management process and due process is followed in the expense management of the Bank.	2022	NA
5	Data Protection and Privacy Policy	This Data Protection Policy is the reference document that sets out how we handle and manage data in Bank. The policies contained in this document are broad and high-level.	2023	The policy was updated to reflect the requirement of the Act 843 and the GDPR
6	Cyber Security Manual	Defines how Information Security will be set up, managed, measured, reported on, and developed.	2023	NA
7	Treasury Policy	The policy sets out the guidelines and practices that underpins the Treasury activities of the bank.	2023	The policy was updated to reflect changes to the list of acceptable instruments the bank
8	Code of Conduct and Professional Practice	This Code of Professional Conduct and Professional Ethics serves as a guideline to the standards that should govern all Directors and employee dealings with customers, vendors, colleagues and the general public.	2023	NA

CORPORATE GOVERNANCE REPORT (continued)

The systems of internal controls are implemented and monitored by appropriately trained personnel whose duties and reporting lines are clearly defined in line with applicable legislation.

Ethics and Professionalism

The board approved a code of conduct and professional practice policy during the year 2023 to guide directors and employees in their day-to-day activities. The principles of the Code of Conduct and Professional Practice have been communicated and made accessible to all Directors, Key Management Staff and Employees to guide their activities.

The Code defines the professionalism and integrity required of Directors, Key Management Personnel and the general employees and covers compliance with the law, conflict of interest, environmental issues, reliability of financial reporting, and strict adherence to the principles so as to eliminate the possibility for illegal and unethical practices.

Additionally, the Board and Management has ensured that awareness programmes are organised periodically on the principles of ethical behaviour and sustainable practices, risk awareness to promote and reinforce the norms and culture of the organisation.

In compliance with the requirement of the policy, the board of directors, management and all other employees have signed off as having read and understood the Code of Conduct and Professional Practice Policy and sanctions for non-compliance.

Statement of Non-Compliance

We affirm that the Bank largely complied with all laws, regulation and corporate governance standards necessary for the business of banking during the period. However, the below outlines exceptions with their resolution timeline;

- Breach

1. Section 7(4) of the Corporate Governance Disclosure Directive, 2022 requires thirty per cent (30%) independent directorship in the Board. The composition of the directorship of the bank fell short of the 30% in 2024 financial year as indicated in "Board of Directors "section above.

2. Section 54 of the Corporate Governance Directive requires the Audit Committee to be chaired by an Independent Director. A non – executive Director currently chairs the Committee in an acting capacity pending the re-appointment of the independent directors in breach of the requirement.

- Explanation

The shortfall resulted from the passing away of the chair of the Board during the year and the removal of the independent Director who was also the chair of the audit committee.

- Resolution and Timeline

Directors and shareholders are working to appoint independent Directors to improve the composition of the board of directors and nominate an Independent Director to chair the Audit Committee in 2025.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF OMNIBSIC BANK GHANA LTD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of OmniBSIC Bank Ghana Ltd (the "Bank") as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") with the IAS 29 directive issued by the Institute of Chartered Accountants, Ghana (ICAG) and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

What we have audited

We have audited the financial statements of OmniBSIC Bank Ghana Ltd for the year ended 31 December 2024.

The financial statements comprise:

- the statement of financial position as at 31 December 2024;
- the statement of profit and loss and other comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising a summary of material accounting policy information and other explanatory information.

Basis for opinion

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

We 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 in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (the Code) issued by the International Ethics Standards Board for Accountants and the independence requirements of section 143 of the Companies Act, 2019 (Act 992) that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities in accordance with the Code.

Key audit matters

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

Key audit matters (continued)

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>

Impairment allowance on loans and advances to customers

At 31 December 2024, the Bank's impairment allowance on loans and advances to customers was as follows:

<table>
<tr><td>Financial Statement Line Item</td><td>Gross Amount GHS'000</td><td>Impairment Allowance GHS'000</td></tr>
<tr><td>Loan and advances to customers</td><td>1,067,401</td><td>40,698</td></tr>
</table>

The impairment of loans and advances to customers was determined on an expected credit loss (ECL) basis under IFRS 9 - Financial Instruments. IFRS 9 is a complex accounting standard which requires considerable judgement and interpretation in its implementation.

These judgements and estimates were used in designing models which have been built and implemented to measure expected credit losses. The key areas of judgement were as follows:

- The definition of default and the determination of qualitative and quantitative criteria for determining significant increase in credit risk (SICR);
- The selection and determination of forward-looking economic scenarios and the probability weightings applied to each scenario;
- The completeness, accuracy and integrity of data used in the ECL calculations; and
- The determination of Probability of default (PD), Loss Given Default (LGD) and Exposure at default (EAD).

Given the subjectivity and reliance on estimates and judgements inherent in the determination of the impairment of financial assets, we determined that this was a matter of most significance in our audit.

The accounting policies, critical estimates and judgements and impairment charge are set out in notes 2.9, 3.2, 5(a), and 16 to the financial statements.

</td><td>

We obtained an understanding of controls over loans and advances to customers.

We evaluated and tested the controls over loan origination, monitoring and provisioning processes and assessed their operating effectiveness.

We assessed the definition of default and the criteria applied by management in determining SICR.
We applied a risk based targeted testing approach on samples of credit facilities for detailed review.

We assessed the reasonableness of forward-looking information used in the impairment calculations by challenging the multiple economic scenarios used and the weighting applied.

We assessed the completeness, accuracy and integrity of data used in the ECL model and reperformed selected model calculations to check that the inputs used were consistent with the requirements of IFRS 9.

We assessed the reasonableness of PD assumptions applied and tested the reasonableness of the LGD by reviewing on a sample basis the valuation of the collateral held and expected future recoveries.

We checked that the projected EAD over the remaining lifetime of financial assets were in compliance with the requirements of IFRS 9.

We checked the appropriateness of IFRS 9 ECL disclosures.

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Other information

The directors are responsible for the other information. The other information comprises General information, Report of the directors, Corporate governance framework, Shareholders' information, Value Added Statement and Annual Declaration on Risk Management but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards with the IAS 29 directive issued by the Institute of Chartered Accountants, Ghana (ICAG) and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The directors are responsible for overseeing the Bank's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 judgement and maintain professional scepticism throughout the audit. We also:

Auditor's responsibilities for the audit of the financial statements (continued)

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;

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

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

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and have communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

i) 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;

ii) in our opinion proper books of account have been kept by the Bank, so far as appears from our examination of those books; and

iii) the Bank's statement of financial position and Bank's statement of comprehensive income are in agreement with the books of account.

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

i) the accounts give a true and fair view of the state of affairs of the Bank and the results of operations for the period under review;

ii) we were able to obtain all the information and explanations required for the efficient performance of our duties as auditor;

iii) the Bank's transactions were within its powers; and

iv) except as disclosed in note 36, the Bank has, in all material respects, complied with the provisions of this Act.

With respect to the provisions of the Anti-Money Laundering Act, 2020 (Act 1044), the Anti-Terrorism Act, 2008, (Act 762) and the Regulations made under these enactments, we did not identify any instances of non-compliance based on procedures we performed.

With respect to the provisions of section 21 of the corporate governance disclosure directive (2022) issued by Bank of Ghana, except as disclosed in the Corporate Governance Report, we did not identify any instances of non-compliance regarding the Bank's corporate governance practices and report, based on procedures we performed.

The engagement partner on the audit resulting in this independent auditor's report is Michael Asiedu-Antwi (ICAG/P/1138).

PricewaterhouseCoopers

PricewaterhouseCoopers (ICAG/F/2025/028)
Chartered Accountants
Accra, Ghana

STATEMENT OF COMPREHENSIVE INCOME
(All amounts are in thousands of Ghana cedis)

	Notes	Year ended 31 December 2024	2023
Interest income	6	**1,244,276**	834,820
Interest expense	6	**(698,497)**	(410,207)
Net interest income		**545,779**	424,613
Fee and commission income	7	**91,425**	59,220
Fee and commission expense	7	**(7,977)**	(2,993)
Net fee and commission income		**83,448**	56,227
Net trading income	8	**111,026**	46,883
Other income	9	**5,840**	6,375
Operating income		**746,093**	534,098
Net impairment charge	10	**(5,907)**	(50,763)
Modification loss		**-**	(10,538)
Finance cost	20	**(17,461)**	(14,259)
Personnel expenses	11	**(176,327)**	(105,203)
Depreciation and amortisation expense	12	**(64,098)**	(44,259)
Other operating expenses	13	**(168,345)**	(158,475)
Profit before tax		**313,955**	150,601
Income tax expense	14	**(114,700)**	(29,408)
Profit after tax		**199,255**	121,193
Other comprehensive income		**-**	-
Total comprehensive income		**199,255**	121,193
Earnings per share (pesewas) – basic	30	**2.60**	1.60
Earnings per share (pesewas) – diluted	30	**2.60**	1.60

The notes on pages 40 to 101 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024
(All amounts are in thousands of Ghana cedis)

		At 31 December	
Assets	Notes	**2024**	2023
Cash and balances with banks	15	**2,692,248**	1,505,522
Loans and advances to customers	16	**1,026,703**	579,945
Investments	17	**4,968,133**	3,260,026
Other assets	18	**358,765**	65,914
Current tax assets	14	**-**	3,564
Non-current assets held for sale	19	**-**	6,009
Right-of-use assets	20	**91,927**	71,364
Intangible assets	21	**49,680**	50,429
Property and equipment	22	**186,052**	139,048
Total assets		**9,373,508**	5,681,821
Liabilities			
Deposits from banks and other financial institutions	23	**143,919**	157,302
Deposits from customers	24	**8,253,999**	4,877,699
Other liabilities	25	**184,081**	85,420
Current tax liability	14	**16,474**	-
Lease liabilities	20	**84,172**	69,792
Total liabilities		**8,682,645**	5,190,213
Shareholders' funds			
Stated capital	26	**921,948**	915,948
Statutory reserve	27	**164,118**	64,490
Credit risk reserve	28	**150,456**	135,745
Retained earnings – (deficit)	29	**(545,659)**	(624,575)
Total shareholders' funds		**690,863**	491,608
Total liabilities and shareholders' funds		**9,373,508**	5,681,821

The notes on pages 40 to 101 are an integral part of these financial statements.

The financial statements on pages 35 to 101 were approved by the Board of Directors on ……………………… and signed on its behalf by:

Teresa Effie Cooke
Chairperson

Daniel Asiedu
Managing Director

STATEMENT OF CHANGES IN EQUITY
(All amounts are in thousands of Ghana cedis)

Year ended 31 December 2024	**Stated capital**	**Statutory reserve**	**Credit risk reserve**	**Retained earnings(deficit)**	**Total**
At 1 January 2024	**915,948**	**64,490**	**135,745**	**(624,575)**	**491,608**
Profit for the year	-	-	-	199,255	**199,255**
Other comprehensive income	-	-	-	-	**-**
Total comprehensive income	**-**	**-**	**-**	**199,255**	**199,255**
Transactions with shareholders					
Issue of shares	6,060	-	-	(6,000)	**60**
Transaction cost	(60)	-	-	-	**(60)**
	6,000	**-**	**-**	**(6,000)**	**-**
Regulatory transfers					
Transfer to statutory reserve	-	99,628	-	(99,628)	**-**
Transfer to credit risk reserve	-	-	14,711	(14,711)	**-**
	-	**99,628**	**14,711**	**(114,339)**	**-**
At 31 December 2024	**921,948**	**164,118**	**150,456**	**(545,659)**	**690,863**

The notes on page 40 to 101 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY (continued)
(All amounts are in thousands of Ghana cedis)

Year ended 31 December 2023	Stated capital	Contribution towards capital	Statutory reserve	Credit risk reserve	Accumulated Loss	Total
At 1 January 2023	915,948	6,000	3,893	99,002	(654,428)	370,415
Profit for the year	-	-	-	-	121,193	121,193
Other comprehensive income, net of tax	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	121,193	121,193
Transactions with shareholders						
Contributions towards capital	-	-	-	-	-	-
Issue of shares	-	(6,000)	-	-	6,000	-
Transaction cost	-	-	-	-	-	-
	-	(6,000)	-	-	6,000	-
Regulatory transfers						
Transfer to statutory reserve	-	-	60,597	-	(60,597)	-
Transfer to credit risk reserve	-	-	-	36,743	(36,743)	-
	-	-	60,597	36,743	(97,340)	-
At 31 December 2023	915,948	-	64,490	135,745	(624,575)	491,608

The notes on page 40 to 101 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS
(All amounts are in thousands of Ghana cedis)

		Year ended 31 December	
	Notes	**2024**	2023
Cash flows from operating activities			
Cash generated from operations	31	**1,924,828**	1,893,989
Tax paid	14	**(94,662)**	(23,076)
Net cash from operating activities		**1,830,166**	1,870,913
Cash flows from investing activities			
Purchase of intangible assets	21	**(16,922)**	(18,740)
Purchase of property and equipment	22	**(78,314)**	(82,246)
Right of use payments		**(11,126)**	-
Proceeds from disposal of property and equipment	22	**106**	1,273
Net cash used in investing activities		**(106,256)**	(99,713)
Cash flows from financing activities			
Finance lease payments	20	**(22,908)**	(11,526)
Transaction costs on issue of shares	27	**-**	-
Contribution towards capital	27	**-**	-
Net cash from financing activities		**(22,908)**	(11,526)
Increase in cash and cash equivalent		**(1,701,002)**	1,759,674
Analysis of changes in cash and cash equivalents			
Cash and cash equivalents at 1 January	15	**2,726,117**	966,443
Increase in cash and cash equivalents		**1,701,002**	1,759,674
Cash and cash equivalents at 31 December	15	**4,427,119**	2,726,117

The accompanying notes on pages 40 to 101 are an integral part of these financial statements.

NOTES

1. Reporting entity

OmniBSIC Bank Ghana LTD is a limited liability company incorporated and domiciled in Ghana. The registered office is Atlantic Towers, Airport City, Accra. The Bank operates under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

2. Summary of significant accounting policies

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

2.1 Basis of preparation

The financial statements have been prepared in accordance with IFRS Accounting Standards with the IAS 29 Directive issued by the Institute of Chartered Accountants Ghana (ICAG) and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit Taking Institutions Act, 2016 (Act 930).

These financial statements have been prepared under the historical cost convention, except for pledged and non-pledged trading assets and derivative financial instruments which are measured at fair value.

The disclosures on risks from financial instruments are presented in the financial risk management section in note 3.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise judgement in the process of applying the Bank's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 5.

2.2 Changes in accounting policies and disclosures

(a) New standards, amendments and interpretations adopted by the Bank

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January.

(i) Classification of Liabilities as Current or Non-current — Amendments to IAS 1

Amendments made to IAS 1, Presentation of Financial Statements', in 2020 and 2022 clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (for example, the receipt of a waiver or a breach of covenant).

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date.

NOTES (continued)

2.2 Changes in accounting policies and disclosures (continued)

(a) New standards, amendments and interpretations adopted by the Bank (continued)

(i) Classification of Liabilities as Current or Non-current — Amendments to IAS 1 (continued)

However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date.

The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date.

The disclosures include:

- the carrying amount of the liability.
- information about the covenants; and
- facts and circumstances, that indicate that the entity might have difficulty complying with the covenants.

The amendments also clarify what IAS 1 means when it refers to the 'settlement' of liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible liability.

The amendments must be applied retrospectively in accordance with the normal requirements in IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors'. Special transitional rules apply if an entity had early adopted the 2020 amendments regarding the classification of liabilities as current or non-current. This amendment was adopted in preparation for the 2024 financial statements. The adoption, however, did not have any impact on the bank's financials.

(ii) Lease Liability in a Sale and/ Leaseback — Amendments to IFRS 16

In September 2022, the IASB finalized narrow-scope amendments to the requirements for sale and leaseback transactions in IFRS 16, Leases, which explain how an entity accounts for a sale and leaseback after the date of the transaction.

The amendments specify that, in measuring the lease liability after the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognizing any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact on sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate. The amendment was applied in the preparation of the 2024 financial statements. This, however, did not impart the numbers.

(iii) Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

On 25 May 2023, the IASB issued amendments to IAS 7 and IFRS 7 to require specific disclosures about supplier finance arrangements (SFAs). The amendments respond to the investors' need for more information about SFAs to be able to assess how these arrangements affect an entity's liabilities, cashflows and liquidity risk.

The new disclosures will provide information about:

(1) The terms and conditions of SFAs.

NOTES (continued)

2.2 Changes in accounting policies and disclosures (continued)

(b) New standards, amendments and interpretations adopted by the Bank (continued)

(iii) Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

(2) The carrying amount of financial liabilities that are part of SFAs, and the line items in which those liabilities are presented.

(3) The carrying amount of the financial liabilities in (2), for which the suppliers have already received payment from the finance providers.

(4) The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements

(5) Non-cash changes in the carrying amounts of financial liabilities in (2)

(6) Access to SFA facilities and concentration of liquidity risk with the finance providers.

Entities will be required to aggregate the information that they provide about SFAs. However, entities should disaggregate information about terms and conditions that are dissimilar, disclose explanatory information where the range of payment due dates is wide, and disclose the type and effect of non-cash changes that are needed for comparability between periods.

The IASB has provided transitional relief by not requiring comparative information in the first year and not requiring disclosure of specified opening balances. Further, the required disclosures are only applicable for annual periods during the first year of application. Therefore, the earliest that the new disclosures will have to be provided is in annual financial reports for December 2024 year-ends, unless an entity has a financial year of less than 12 months.

(c) New standards, amendments and interpretations issued/amended but not effective

The following standards and interpretations had been issued but were not mandatory for annual reporting periods ending on 31 December 2024.

(i) Lack of Exchangeability — Amendments of IAS 21

The IASB has amended IAS 21, 'The Effects of Changes in Foreign Exchange Rates’, by adding requirements which will help entities to:

- assess whether a currency is exchangeable into another currency, and
- determine the spot exchange rate to use, when exchangeability is lacking.

If an entity has estimated a spot exchange rate because a currency is not exchangeable into another currency, it will have to provide additional information to help users to understand the effects and associated risks, the estimated rates and estimation process used. These changes will be effective for financial statements starting on or after January 1, 2025.

NOTES (continued)

2.2 Changes in accounting policies and disclosures (continued)

(c) New standards, amendments and interpretations issued/amended but not effective (continued)

(ii) Classification and Measurement of Financial Instruments — Amendments to IFRS 9 and IFRS 7

The IASB issued targeted amendments to IFRS 9, 'Financial Instruments', and IFRS 7, 'Financial Instruments: Disclosures', to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

(a) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system.

(b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion.

(c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and

(d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The amendments in (b) are most relevant to financial institutions, but the amendments in (a), (c) and (d) are relevant to all entities. These changes will be effective for financial statements starting on or after January 1, 2026.

(iii) IFRS 18, 'Presentation and Disclosure in Financial Statements'

The IASB issued a new standard on presentation and disclosure in financial statements, which replaces IAS 1, with a focus on updates to the statement of profit or loss.

The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss with defined subtotals.
- a requirement to determine the most useful structured summary for presenting expenses in the statement of profit or loss.
- required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. This standard will be effective for financial statements starting on or after January 1, 2027.

NOTES (continued)

2.2 Changes in accounting policies and disclosures (continued)

(d) New standards, amendments and interpretations issued/amended but not effective (continued)

(iv) IFRS 19, 'Subsidiaries without Public Accountability: Disclosures'

The IASB issued a new standard that works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements, and it applies instead the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries.

A subsidiary is eligible if:

- It does not have public accountability; and
- It has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards. This standard will be effective for financial statements starting on or after January 1, 2027.

2.3 Foreign currency translation

Functional and presentation currency

Items included in the Bank's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Ghana Cedi (GH¢), which is the Bank's functional currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. The Bank of Ghana interbank exchange rates are used to translate foreign currency items into the functional currency.

Monetary items denominated in foreign currency are translated using the closing rate as at the reporting date. Non-monetary items measured at historical cost denominated in a foreign currency are translated with the exchange rate as at the date of initial recognition; non-monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

The rates for end of year were- USD/GHS 14.70, GBP/GHS 18.4008, EURO/GHS 15.2141.

NOTES (continued)

2.4 Interest income and expense

Interest income and expense for all interest-bearing financial instruments are recognised within 'interest income' and 'interest expense' in profit or loss using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and allocating interest income or interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Bank estimates cash flows considering all contractual terms of the financial instrument, including 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.

2.5 Fee and commission income

Fee and commission income, including transactional fees, account servicing fee, and placement fees are recognised as the related services are performed.

Loan commitment fees for loans that are not likely to be drawn down are deferred, together with related direct costs and recognised on a straight-line basis over the commitment period.

2.6 Fee and commission expense

Fees and commission expenses, which relate mainly to transaction and service fees, are expensed as the related services are received.

2.7 Net trading income

Net trading income comprises gains less losses relating to trading assets and liabilities, including realised and unrealised fair value changes and foreign exchange differences, and fair value gains and losses on financial assets measured fair value through profit and loss.

2.8 Dividend income

Dividend income is recognised when the Bank's right to receive payment is established.

2.9 Financial assets and liabilities

2.9.1 Measurement methods

Amortised cost and effective interest rate

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

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability.

NOTES (continued)

2.9 Financial assets and liabilities (continued)

2.9.1 Measurement methods (continued)

Amortised cost and effective interest rate (continued)

The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees. For purchased or originated credit-impaired ('POCI') financial assets – assets that are credit-impaired at initial recognition – the Bank calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows.

When the Bank revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Bank becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Bank commits to purchase or sell the asset.

At initial recognition, the Bank measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions.

Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost and investments in debt instruments measured at FVOCI, which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognises the difference as follows:

(a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.

(b) In all other cases, the differences are deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

(i) Financial assets

The Bank applies IFRS 9 and classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

The classification requirements for debt and equity instruments are described below.

NOTES (continued)

2.9 Financial assets and liabilities (continued)

2.9.1 Measurement methods (continued)

(i) Financial assets (continued)

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans and investment securities.

Classification and subsequent measurement of debt instruments depend on:

- the Bank’s business model for managing the asset; and
- the cash flow characteristics of the asset.

Based on these factors, the Bank classifies its debt instruments into one of the following three measurement categories:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured. Interest income from these financial assets is *included in 'Interest income' using the effective interest rate method.*

Fair value through other comprehensive income (FVOCI): Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortised cost which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in ‘other operating income'. interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented in the profit or loss statement within ‘net trading income' in the period in which it arises. Interest income from these financial assets is included in 'interest income' using the effective interest rate method.

Business model assessment: Business model reflects how the Bank manages the assets in order to generate cash flows. That is, whether the Bank's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g.: financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVPL. Factors considered by the Bank in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated. Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at FVPL.

NOTES (continued)

2.9 Financial assets and liabilities (continued)

2.9.1 Measurement methods (continued)

(i) Financial assets (continued)

Debt instruments (continued)

Bank makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Other factors considered in the determination of the business model include:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

The Bank may decide to sell financial instruments held under the hold to collect category with the objective to collect contractual cash flows without necessarily changing its business model.

SPPI assessment: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Bank assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the `SPPI test'). In making this assessment, the Bank considers whether the contractual cash flows are consistent with a basic lending arrangement; i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Bank reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent, and none occurred during the period.

NOTES (continued)

2.9 Financial assets and liabilities (continued)

2.9.1 Measurement methods (continued)

(i) Financial assets (continued)

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Examples of equity instruments include basic ordinary shares.

The Bank subsequently measures all equity investments at fair value through profit or loss, except where the Bank's management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through other comprehensive income. The Bank's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in profit or loss as other income when the Bank's right to receive payments is established.

Impairment of financial assets

The Bank assesses on a forward-looking basis the expected credit loss ('ECL') associated with its debt instrument assets carried at amortised cost and FVOCI and with its exposures arising from loan commitments and financial guarantee contracts. The Bank recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Modification of loans

The Bank sometimes renegotiates or otherwise modifies the contractual cash flows of loans to customers. When this happens, the Bank assesses whether or not the new terms are substantially different to the original terms. The Bank does this by considering, among others, the following factors:

- If the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay;
- Significant extension of the loan term when the borrower is not in financial difficulty;
- Significant change in the interest rate.

NOTES (continued)

2.9 Financial assets and liabilities (continued)

2.9.1 Measurement methods (continued)

(i) Financial assets (continued)

Modification of loans (continued)

If the terms are substantially different, the Bank derecognises the original financial asset and recognises a 'new' asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the Bank also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on de-recognition.

If the terms are not substantially different, the renegotiation or modification does not result in de-recognition, and the Bank recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

Derecognition other than on a modification

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

- the rights to receive cash flows from the asset have expired; or

- the Bank has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and

- either (a) the Bank has transferred substantially all the risks and rewards of the asset, or (b) the Bank has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Bank is recognised as a separate asset or liability.

NOTES (continued)

2.9 Financial assets and liabilities (continued)

2.9.1 Measurement methods (continued)

(i) Financial assets (continued)

Financial guarantees contracts and loan commitments

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and others on behalf of customers to secure loans, overdrafts and other banking facilities.

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

- The amount of the loss allowance; and
- The premium received on initial recognition less income recognised in accordance with the principles of IFRS 15.

For loan commitments and financial guarantee contracts, the loss allowance is recognised as a provision. However, for contracts that include both a loan and an undrawn commitment and the Bank cannot separately identify the expected credit losses on the undrawn commitment component from those on the loan component, the expected credit losses on the undrawn commitment are recognised together with the loss allowance for the loan. To the extent that the combined expected credit losses exceed the gross carrying amount of the loan, the expected credit losses are recognised as a provision.

(ii) Financial liabilities

Classification

The Bank classifies its financial liabilities, other than financial guarantees and loan commitments, as measured at amortised cost.

Measurement

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

Derecognition

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

NOTES (continued)

2.9 Financial assets and liabilities (continued)

2.9.2 Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Bank has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Bank measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Bank uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price – i.e., the fair value of the consideration given or received. If the Bank determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price.

Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Bank measures assets and long positions at a bid price and liabilities and short positions at an ask price.

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk that are managed by the Bank on the basis of the net exposure to either market or credit risk are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for a particular risk exposure. Those portfolio-level adjustments are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

The Bank recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

2.9.3 Reclassification of financial assets

The Bank may choose to reclassify a non-derivative financial asset held for trading out of the fair value through profit or loss category if the financial asset is no longer held for the purpose of selling it in the near-term. Financial assets are permitted to be reclassified out of the fair value through profit or loss category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near-term.

In addition, the Bank may choose to reclassify financial out of the fair value through profit or loss (FVPL) or fair value through other comprehensive income (FVOCI) categories if the Bank has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

NOTES (continued)

2.9 Financial assets and liabilities (continued)

2.9.3 Reclassification of financial assets (continued

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to hold to collect categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

On reclassification of a financial asset out of the 'at fair value through profit or loss' category, all embedded derivatives are re-assessed, and if necessary, separately accounted for.

2.9.4 Impairment of financial assets

The Bank records an allowance for ECLs for all loans and other debt financial assets not held at FVPL, together with lease receivables loan commitments and financial guarantee contracts. No impairment loss is recognised on equity investments.

The allowance is based on the ECLs associated with the probability of default in the next twelve months unless there has been a significant increase in credit risk since origination. If the financial asset meets the definition of purchased or originated credit impaired (POCI), the allowance is based on the change in the ECLs over the life of the asset.

The Bank measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

Loss allowances for lease receivables are always measured at an amount equal to lifetime ECL. The Bank generally considers a debt security to have low credit risk when their credit risk rating is equivalent to the globally understood definition of 'investment grade'. 12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

NOTES (continued)

2.9 Financial assets and liabilities (continued)

2.9.5 Offsetting financial instruments

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

2.10 Collaterals

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

2.11 Leases

The Bank leases several properties. Rental contracts are typically made for fixed periods of up to five years but may have extension options as described below.

Lease terms are negotiated on an individual basis and contain a range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Bank.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on a rate, initially measured as at the commencement date;
- amounts expected to be payable by the Bank under residual value guarantees;
- the exercise price of a purchase option if the Bank is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

NOTES (continued)

2.11 Leases (continued)

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Bank, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Bank:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Bank is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. Right-of-use buildings held by the Bank under IFRS 16 are not revalued.

Payments associated with short-term leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value leases comprise residential premises for management.

Extension and termination options are included in a number of property leases across the Bank. These are used to maximise operational flexibility in terms of managing the assets used in the Bank's operations. The majority of extension and termination options held are exercisable only by the Bank and not by the respective lessor.

NOTES (continued)

2.12 Income tax

Current income tax

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

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

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised except;

- where deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

NOTES (continued)

2.12 Income tax (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current tax and deferred tax relating to items recognised directly in equity are also recognised in the statement of changes in equity and not in the statement of comprehensive income.

Deferred and current tax assets and liabilities are only offset when they arise in the same tax reporting entity and the same taxation authority, and where there is both the legal right to set off current tax assets against current tax liabilities and the intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.13 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, balances held with central banks and highly liquid financial assets with original maturities of three months or less from the acquisition date that are subject to an 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 in the statement of financial position.

2.14 Property and equipment

Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs.

When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Subsequent costs

Subsequent expenditures are included in the asset’s carrying amount or are recognised as a separate asset 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 a replaced part is derecognised. All other repair and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

NOTES (continued)

2.14 Property and equipment (continued)

Depreciation

Land is not depreciated. Depreciation is recognised in profit or loss on a straight-line basis to write off the gross value less residual amounts over their estimated useful lives. The estimated useful lives for the current and comparative periods are:

Leasehold land and buildings	30 - 50 years
Furniture, fittings and equipment	5 years
Computers and accessories	4 years
Motor vehicles	4 - 5 years

Capital work in progress

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

Derecognition

Property and equipment are derecognised upon disposal or when no future economic benefits are expected to flow to the Bank from either their use or disposal. The gain or loss on disposal of an item of property and equipment is determined by comparing the proceeds from disposal with the carrying amount of the item of property and equipment and is recognised directly in profit or loss.

2.15 Intangible assets

Computer software

Intangible assets comprise computer software licences. Intangible assets are recognised at cost. Intangible assets with a definite useful life are amortised using the straight-line method over their estimated useful life. At the end of each reporting period, intangible assets are reviewed for indications of impairment or changes in estimated future economic benefits. If such indications exist, the intangible assets are analysed to assess whether their carrying amount is fully recoverable. An impairment loss is recognised if the carrying amount exceeds the recoverable amount.

2.16 Non-current assets held for sale

Non-current assets are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets are generally measured at lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognised in profit or loss. Once classified as held-for-sale, property and equipment are no longer amortised or depreciated.

NOTES (continued)

2.17 Impairment of non-financial assets

The carrying amounts of the Bank's non-financial assets other than deferred income tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount, and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.18 Deposits and borrowings

Deposits from customers and borrowings from other banks are the Bank's sources of debt funding. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.19 Employee benefits

Defined contribution plans

The Bank operates a defined contribution plan. The Bank and its employees contribute to a defined contribution pension scheme. The Bank pays contributions on a mandatory basis and has no further payment obligations on the contributions to be made. Obligations for contributions to defined contribution plans are recognised as an expense in profit or loss when they are due.

Short-term benefits

Short-term employee benefits, such as salaries and other benefits, are accounted for on an accruals basis over the period which employees have provided services in the year. Bonuses are recognised to the extent that the Bank has a present obligation to its employees that can be measured reliably.

NOTES (continued)

2.19 Employee benefits (continued)

Short-term benefits (continued)

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

Termination benefits

Termination benefits are recognised 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 recognised if the 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.

2.20 Provisions and contingent liabilities

Provisions

Provisions are recognised when the Bank has a present legal or constructive obligation as a result of past events that can be reliably estimated, and it is probable that an outflow of resources will be required to settle the obligation. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations which are likely to result in an outflow to settle related classes of obligations as a whole, a provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of expenditures expected to be required to settle obligations using pre-tax rates that reflect current market assessments of the time value of money and risks specific to the obligation. The unwinding of the discount due to the passage of time should be included as part of interest expense in profit or loss.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

NOTES (continued)

2.21 Stated capital

Ordinary shares

Ordinary shares are classified as equity and presented as stated capital. All shares are issued at no par value. Incremental costs that are directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

Dividend on ordinary shares

Dividends on the Bank's ordinary shares are recognised in equity in the period in which they are paid or, appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period.

2.22 Earnings per share

The Bank presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders by the number of ordinary shares outstanding during the period. The Bank has no convertible notes and share options, which could potentially dilute its EPS and therefore the Bank's Basic and diluted EPS are essentially the same.

2.23 Post balance sheet events

Events subsequent to the reporting 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. Financial risk management

The Bank's business involves taking on risks in a targeted manner and managing them professionally. The core functions of the Bank's risk management are to identify all key risks for the Bank, measure these risks, manage the risk positions and determine capital allocations. The Bank regularly reviews its risk management policies and systems to reflect changes in markets, products and best market practice. The Bank's aim is to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Bank's financial performance. The Bank defines risk as the possibility of losses or profits foregone, which may be caused by internal or external factors.

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. Under this framework, the Board has established separate independent bodies responsible for managing and monitoring risks. These include, Board sub-committees, Management Credit Committee (MCC), Risk Management Department, and the Asset and Liability Management Committee (ALCO) which are responsible for developing and monitoring the Bank's risk management policies in their specified areas. All committees report regularly to the Board of Directors on their activities.

The Bank's risk management policies are established to analyse the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Bank, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The risks arising from financial instruments to which the Bank is exposed are financial risks, which includes credit risk, liquidity risk and market risk.

NOTES (continued)

3 Financial risk management (continued)

3.1 Credit risk management

Credit risk is the risk of suffering financial loss, should any of the Bank's customers, clients or market counterparties fail to fulfil their contractual obligations to the Bank. Credit risk arises mainly from commercial and consumer loans and advances and loan commitments arising from such lending activities, but can also arise from debt securities credit enhancements, financial guarantees, letters of credit, endorsements and acceptances.

Credit risk is the single largest risk for the Bank's business; the directors therefore carefully manage the exposure to credit risk. The credit risk management and control are centralised in a credit risk management team headed by the Chief Risk Officer, who reports to the Board of Directors.

3.1.1 Risk limit control and mitigation policies

The Bank structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and to industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review, when considered necessary. Limits on the level of credit risk by product, industry sector and country are approved annually by the Board of Directors.

The exposure to any one borrower including banks and brokers is further restricted by sub-limits covering on- and off-balance sheet exposures, and daily delivery risk limits in relation to trading items such as forward foreign exchange contracts. Actual exposures against limits are monitored daily. Lending limits are reviewed in response to changing market and economic conditions and assessments of probability of default.

The Bank also employs a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security for funds advanced, which is common practice. The Bank implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation.

Collaterals

The principal collateral types for loans and advances are:

- Mortgages over residential properties.
- Charges over business assets such as premises, inventory and accounts receivable.
- Charges over financial instruments such as debt securities and equities.

Collateral held as security for financial assets other than loans and advances depends on the nature of the instrument.

The Bank closely monitors collateral held for financial assets considered to be credit impaired, as it becomes more likely that the Bank will take possession of collateral to mitigate potential credit losses.

NOTES (continued)

3 Financial risk management (continued)

3.1 Credit risk management (continued)

Impairment and provisioning policies

A provision for expected credit losses is established for all financial assets, except for financial assets classified or designated as FVPL and equity securities designated as FVOCI, which are not subject to impairment assessment. Assets subject to impairment assessment include loans and advances to customers, non-trading debt securities and other financial assets. These are carried at amortised cost and presented net of the provision for expected credit losses on the consolidated and separate statements of financial position.

Off-balance sheet items subject to impairment assessment include financial guarantees, letters of credit and undrawn loan commitments. The provision for expected credit losses for off-balance sheet products subject to impairment assessment is separately calculated and recognised as provisions in other liabilities.

The Bank measures the provision for expected credit losses at each reporting date according to a three-stage expected credit loss impairment model which is based on changes in credit risk of financial assets since initial recognition.

Write-off policy

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

3.2 Expected credit loss measurement

Expected credit loss impairment model

The Bank's allowance for credit losses calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The expected credit loss impairment model reflects the present value of all cash shortfalls related to default events either over the following twelve months or over the expected life of a financial instrument depending on credit deterioration from inception.

The allowance for credit losses reflects an unbiased, probability-weighted outcome which considers multiple scenarios based on reasonable and supportable forecasts.

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NOTES (continued)

3 Financial risk management (continued)

3.2 Expected credit loss measurement

Expected credit loss impairment model (continued)

The Bank adopts a three-stage approach for impairment assessment based on changes in credit quality since initial recognition:

(i) Stage 1 – Where there has not been a significant increase in credit risk (SICR) since initial recognition of a financial instrument, an amount equal to 12 months expected credit loss is recorded. The expected credit loss is computed using a probability of default occurring over the next 12 months. For those instruments with a remaining maturity of less than 12 months, a probability of default corresponding to remaining term to maturity is used.

(ii) Stage 2 – When a financial instrument experiences a SICR subsequent to origination but is not considered to be in default, it is included in Stage 2. This requires the computation of expected credit loss based on the probability of default over the remaining estimated life of the financial instrument.

(iii) Stage 3 – Financial instruments that are considered to be in default are included in this stage. Similar to Stage 2, the allowance for credit losses captures the lifetime expected credit losses.

The guiding principle for ECL model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments since initial recognition. The ECL allowance is based on credit losses expected to arise over the life of the asset (lifetime expected credit loss), unless there has been no significant increase in credit risk since origination.

Measuring ECL – Explanation of inputs, assumptions and estimation techniques

(i) Measurement

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Bank in accordance with the contract and the cash flows that the Bank expects to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Bank if the commitment is drawn down and the cash flows that the Bank expects to receive; and
- financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Bank expects to recover.

NOTES (continued)

3. Financial risk management (continued)

3.2 Expected credit loss measurement (continued)

Measuring ECL – Explanation of inputs, assumptions and estimation techniques

(ii) Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised and ECL are measured as follows:

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

(iii) Credit-impaired financial assets

At each reporting date, the Bank assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. The Bank defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one of more of the following criteria:

Quantitative criteria

The borrower is more than 90 days past due on its contractual payments.

Qualitative criteria

The borrower meets unlikeliness to pay criteria, which indicates that the borrower is in significant financial difficulty. These are instances where:

- The borrower is in long-term forbearance, insolvent or deceased;
- The borrower is in breach of financial covenant(s);
- An active market for that financial asset has disappeared because of financial difficulties;
- Concessions have been made by the Bank relating to the borrower’s financial difficulty;
- It is becoming probable that the borrower will enter financial difficulty;
- It is becoming probable that the borrower will enter bankruptcy;
- Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

NOTES (continued)

3. Financial risk management (continued)

3.2 Expected credit loss measurement (continued)

Measuring ECL – Explanation of inputs, assumptions and estimation techniques (continued)

(iii) Credit-impaired financial assets (continued)

A loan that has been renegotiated due to a deterioration in the borrower’s condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

The criteria above have been applied to all financial instruments held by the Bank and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss given Default (LGD) throughout the Bank's expected loss calculations.

An instrument is considered to no longer be in default (i.e. to have cured) when it no longer meets any of the default criteria for a consecutive period of six months.

(iv) Presentation of allowance for ECL in the statement of financial position

Loan allowances for ECL are presented in the statement of financial position as follows:

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- Loan commitments and financial guarantee contracts: generally, as a provision;
- Where a financial instrument includes both a drawn and an undrawn component, and the Bank cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Bank presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and
- Debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

(v) Write-offs

Loans and debt securities are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Bank determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Bank’s procedures for recovery of amounts due.

NOTES (continued)

3. Financial risk management (continued)

3.2 Expected credit loss measurement (continued)

Measuring ECL – Explanation of inputs, assumptions and estimation techniques (continued)

(vi) Explanation of inputs, assumptions and estimation techniques: Exposure at Default (EAD), Probability of Default (PD) and Loss Given Default (LGD)

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

- The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation. This 12M PD is used to calculate 12-month ECLs. The Lifetime PD is used to calculate lifetime ECLs for stage 2 and 3 exposures.
- EAD is based on the amounts the Bank expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). For example, for a revolving commitment, the Bank includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.
- Loss Given Default (LGD) represents the Bank's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e.: the exposure has not prepaid or defaulted in an earlier month). The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

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

NOTES (continued)

3 Financial risk management (continued)

3.2 Expected credit loss measurement (continued)

(vi) Explanation of inputs, assumptions and estimation techniques: Exposure at Default (EAD), Probability of Default (PD) and Loss Given Default (LGD) (continued)

The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type:

- For amortising products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over a 12month or lifetime basis. This will also be adjusted for any expected overpayments made by a borrower. Early repayment/refinance assumptions are also incorporated into the calculation.
- For revolving products, the exposure at default is predicted by taking current drawn balance and adding a "credit conversion factor" which allows for the expected drawdown of the remaining limit by the time of default. These assumptions vary by product type and current limit utilisation band, based on analysis of the Bank's recent default data. The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by product type.

Forward-looking economic information is also included in determining the 12-month and lifetime PD, EAD and LGD. These assumptions vary by product type. The assumptions underlying the ECL calculation – such as how the maturity profile of the PDs and how collateral values change etc. – are monitored and reviewed on a semi-annual basis. There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

(vii) Significant Increase in Credit Risk (SICR)

At each reporting date, the Bank assesses whether there has been a significant increase in credit risk (SICR) for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The assessment considers borrower-specific quantitative and qualitative information without consideration of collateral, and the impact of forward-looking macroeconomic factors. The common assessments for SICR on retail and non-retail portfolios include macroeconomic outlook, management judgement, and delinquency and monitoring. Forward looking macroeconomic factors are a key component of the macroeconomic outlook. The importance and relevance of each specific macroeconomic factor depends on factors such as the type of product, industry, borrower, geographical region etc.

(viii) Forward-looking information incorporated in the ECL models

The assessment of significant increase in credit risk (SICR) and the calculation of ECL both incorporate forward-looking information. The Bank has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio. These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument.

The forward-looking economic information affecting the ECL model are as follows:

- GDP Growth – GDP growth is used to assess the relative health of the economy. Forward looking information is incorporated by using the projected GDP growth rate for the current year as a base.
- Consumer price index (CPI) – CPI is used due to its influence on monetary policy and on interest rates. Interest rate has an impact on borrowers' likelihood of default. Forward looking information is incorporated by using the expected change in inflation rates for the next three quarters.

NOTES (continued)

3.2 Expected credit loss measurement (continued)

(ix) Economic Variable Assumptions

The most significant period end assumptions used for the ECL estimate as at 31 December 2024 are set out below.

Scenario	**Weight**	**GDP growth**	**Consumer Price Index**
	%	**%**	**%**
Base case	40	1.6	40.28
GDP up; CPI up	10	2.69	23.16
GDP down; CPI down	10	4.59	11.5
GDP up; CPI down	8	4.59	8
GDP down; CPI up	32	5.00	8

(x) Investment securities

The Bank's investments comprise investments in government securities and other unlisted equity investments.

Impact of Ghana's Domestic Debt Exchange Programme (DDEP) on investment securities

On 5 December 2022, the Government of Ghana announced Ghana's Domestic Debt Exchange Programme (DDEP). The Programme invited eligible bondholders to voluntarily exchange eligible local currency bonds issued by the Government of Ghana, ESLA and Daakye bonds for a new series of bonds to be issued by the Government. Subsequently on 4 September 2023, the Government further invited eligible holders of Cocoa Bills and local dollar bonds to exchange them for new bonds to be issued to them.

In 2023 the Bank successfully exchanged GHS 432.1 million Government of Ghana Cedi bonds, GHS GHS413.4 million COCOBOD bonds and GHS22.9 million Government of Ghana USD bonds for a series of new bonds with maturity dates commencing from 2027-2038, 2024-2028 and 2027-2028 respectively, through the Ghana Domestic Debt Exchange Programme. A write-back of GHS 10.5M was also recognized on the new bonds in 2024. A discount rate of 15.67% was used for the assessment of impairment.

In 2024, the Government of Ghana invited eligible Eurobond holders to exchange them for new bonds. However, the bank was not eligible, as it did not hold any Euro Bonds.

Despite the impact of the DDEP, there is no reason to suggest that the Bank will not continue as a going concern. The Bank does not intend to pay dividends and the earnings for 2024 will be sufficient to meet the minimum capital requirements of the Bank of Ghana.

NOTES (continued)

3. Financial risk management (continued)

3.2 Expected credit loss measurement (continued)

3.2.1 Maximum exposure to credit risk before collateral held

The following tables show the analyses of the credit risk exposure of financial instruments. The Bank's maximum exposure to credit risk is represented by the net carrying amounts of the financial assets with the exception of financial and other guarantees issued by the Bank for which the maximum exposure to credit risk is represented by the maximum amount the Bank would have to pay if the guarantees are called on.

	2024	2023
	GH¢'000	GH¢'000
On-balance sheet financial assets subject to impairment		
Balances with banks	**2,456,203**	1,413,923
Loans and advances to customers	**1,026,703**	579,945
Non-trading assets	**4,968,133**	3,260,026
Other financial assets	**325,038**	46,797
	8,776,077	5,300,691
Off-balance sheet financial assets subject to impairment		
Letters of credit	**11,980**	-
Guarantees	**1,177,427**	1,230,860
	1,189,407	1,230,860

NOTES (continued)

3. Financial risk management (continued)

3.2 Expected credit loss measurement (continued)

3.2.2 Credit quality analysed by class of financial instrument

The Bank's credit exposures were categorised under IFRS 9 as follows:

- Stage 1 – At initial recognition and no significant increase in credit risk after initial recognition
- Stage 2 – Significant increase in credit risk since initial recognition
- Stage 3 – Credit impaired

The tables below show the credit quality by class of financial assets subject to impairment and the allowance for impairment losses held by the Bank against those assets.

	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
At 31 December 2024				
Balances with banks	2,456,203	-	-	**2,456,203**
Loans and advances to customers	795,610	5,064	266,727	**1,067,401**
Non-trading assets	4,163,887	-	813,419	**4,977,306**
Other financial assets	325,038	-	-	**325,038**
Gross carrying amount	**7,740,738**	**5,064**	**1,080,146**	**8,825,948**
Expected credit loss	(132)	(36)	(49,703)	**(49,871)**
Carrying amount	**7,740,606**	**5,028**	**1,030,443**	**8,776,077**
Off-balance sheet exposures				
Guarantees and letter of credit	1,189,407	-	-	1,189,407
Gross carrying amount	**1,189,407**	**-**	**-**	**1,189,407**
Expected credit loss on off-balance sheet exposures	**(61,813)**	**-**	**-**	**(61,813)**

NOTES (continued)

3. Financial risk management (continued)

3.2 Expected credit loss measurement (continued)

3.2.2 Credit quality analysed by class of financial instrument (continued)

	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
At 31 December 2023				
Balances with banks	1,413,923	-	-	**1,413,923**
Loans and advances to customers	352,249	51,459	283,510	**687,218**
Non-trading assets	2,429,294		835,544	**3,264,838**
Other financial assets	46,797	-	-	**46,797**
Gross carrying amount	**4,242,263**	**51,459**	**1,119,054**	**5,412,776**
Expected credit loss	(21,334)	(55)	(90,696)	**(112,085)**
Carrying amount	**4,220,929**	**51,404**	**1,028,358**	**5,300,691**
Off-balance sheet exposures				
Guarantees	1,230,860	-	-	**1,230,860**
Gross carrying amount	**1,230,860**	**-**	**-**	**1,230,860**
Expected credit loss on off-balance sheet exposures	**(29,123)**	**-**	**-**	**(29,123)**

The table below shows the analysis of the credit quality of loans and advances and allowance for impairment losses held by the Bank.

	Stage 1	**Stage 2**	**Stage 3**	**Total**
	12-month ECL	**Lifetime ECL**	**Lifetime ECL**	
	GH¢'000	**GH¢'000**	**GH¢'000**	**GH¢'000**
At 31 December 2024				
Overdrafts	293,934	-	49,913	**346,803**
Term loans	503,654	5,064	214,836	**723,554**
Gross carrying amount	**797,588**	**5,064**	**264,749**	**1,067,401**
Expected credit loss	(10,927)	(6)	(29,765)	**(40,698)**
Carrying amount	**786,661**	**5,058**	**234,984**	**1,026,703**

NOTES (continued)

3. Financial risk management (continued)

3.2 Expected credit loss measurement (continued)

3.2.2 Credit quality analysed by class of financial instrument (continued)

	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
At 31 December 2023				
Overdrafts	76,235	-	42,971	**119,206**
Term loans	276,014	51,459	240,539	**568,012**
Gross carrying amount	**352,249**	**51,459**	**283,510**	**687,218**
Expected credit loss	(21,334)	(55)	(85,884)	**(107,273)**
	330,915	**51,404**	**197,626**	**579,945**

3.2.3 Collaterals and other credit enhancements

Collateral held as security for financial assets other than loans and advances depends on the nature of the instrument. Longer-term finance and lending to corporate entities are generally secured; revolving individual credit facilities are generally unsecured.

In addition, in order to minimise the credit loss, the Bank will seek additional collateral from the counterparty as soon as impairment indicators are identified for the relevant individual loans and advances.

The Bank's policies regarding obtaining collateral have not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the Bank since the prior year. This policy applies to the Government of Ghana Domestic Debt Exchange securities.

The Bank closely monitors collateral held for financial assets considered to be credit-impaired, as it becomes more likely that the Bank will take possession of collateral to mitigate potential credit losses.

3.2.4 Repossessed collateral

The type and carrying amount of collateral that the Bank has taken possession of in the period are measured at the lower of its' carrying amount and fair value less costs to sell. The details of repossessed collateral held by the Bank as at the reporting date was as follows:

	2024	2023
	GH¢'000	GH¢'000
Commercial properties	**-**	6,009

NOTES (continued)

3. Financial risk management (continued)

3.3 Liquidity risk

Liquidity risk is the risk that the Bank will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset when they fall due.

3.3.1 Management of liquidity risk

The Bank maintains a portfolio of liquid assets, largely made up of short-term liquid investment securities, loans and advances to banks and other inter-bank facilities, to ensure that sufficient liquidity is maintained within the Bank in order to meet all obligations, repay depositors, fulfil commitments to lend and meet any other commitments when they fall due.

The Bank's treasury also monitors unmatched medium-term assets, the level and type of undrawn lending commitments, the usage of overdraft facilities and the impact of contingent liabilities such as standby letters of credit and guarantees.

Sources of liquidity are regularly reviewed by the Treasury Department to maintain a wide diversification by currency, provider, product and term.

Liquidity policies and procedures are subject to review and approval by ALCO.

3.3.2 Exposure to liquidity risk

The table below presents the cash flows payable under non-derivative financial liabilities and assets held for managing liquidity risk by remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Up to 3 months	3 to 12 months	Over 1 year	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
At 31 December 2024				
Deposits from banks and other financial institutions	151,115	-	-	**151,115**
Customer deposits	7,423,229	904,492	539,987	**8,867,708**
Other liabilities	69,631	-	-	**69,631**
Lease liabilities	5,875	18,673	60,763	**85,311**
	7,649,850	**923,165**	**600,750**	**9,173,765**
Cash and balances with banks	2,692,248	-	-	**2,692,248**
Loans and advances to customers	797,588	5,064	264,749	**1,067,401**
Non-trading assets	4,116,203	-	851,930	**4,968,133**
Other financial assets	325,038	-	-	**325,038**
	7,931,077	**5,064**	**1,116,679**	**9,052,820**
Liquidity gap	**(281,227)**	**918,101**	**(515,929)**	**120,945**

NOTES (continued)

3 Financial risk management (continued)

3.3 Liquidity risk (continued)

3.3.2 Exposure to liquidity risk (continued)

	Up to 3 months	3 to 12 months	Over 1 year	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
At 31 December 2023				
Deposits from banks and other financial institutions	160,933	-	-	160,933
Customer deposits	3,250,806	1,385,284	619,218	5,255,308
Other liabilities	56,297	-	-	56,297
Lease liabilities	685	18,307	60,161	79,153
	3,468,721	1,403,591	679,379	5,551,691
Cash and balances with banks	1,505,522	-	-	1,505,522
Loans and advances to customers	330,915	51,404	197,626	579,945
Non-trading assets	2,161,453	289,388	809,185	3,260,026
Other financial assets	46,797	-	-	46,797
	4,044,687	340,792	1,006,811	5,392,290
Liquidity gap	575,966	(1,062,799)	327,432	(159,401)

3.4 Market risk

Market risk is the risk of loss arising from adverse changes in market conditions (interest rates, exchange rates and equity prices) during the year. Positions that expose the Bank to market risk can be trading or non-trading related. Trading risk comprises positions that the Bank holds as part of its trading or market-making activities, whereas non-trading risk includes discretionary positions that the Bank undertake for liquidity.

3.4.1 Risk identification

Overall responsibility for management of market risk rests with Assets and Liability Committee (ALCO). The Risk Department is responsible for the development of detailed market risk management policies (subject to review and approval by ALCO) and for the day-to-day implementation of those policies. The Board Sub-Committee on Risk Management has oversight responsibility for market risk management.

3.4.2 Interest rate risk

Interest rate risk is the exposure of current and future earnings and capital to adverse changes in the level of interest rates. Exposure to interest rate risk can result from a variety of factors, including:

(i) Differences between the timing of market interest rate changes and the timing of cash flows (repricing risk);

(ii) Changes in the market interest rates producing different effects on yields on similar instruments with different maturities (yield curve risk); and

(iii) Changes in the level of market interest rates producing different effects on rates received or paid on instruments with similar repricing characteristics (basis risk).

NOTES (continued)

3. Financial risk management (continued)

3.4.2 Interest rate risk (continued)

The table below summarises the Bank's exposure to interest rate risks.

	Up to 3 months GH¢'000	3 to 12 months GH¢'000	Over 1 year GH¢'000	Non-interest bearing GH¢'000	Total GH¢'000
At 31 December 2024					
Balances with banks	2,456,203	-	-	236,045	**2,692,248**
Loans and advances	797,588	5,064	264,749	-	**1,067,401**
Non-trading assets	4,116,203	-	851,930	-	**4,968,133**
Other financial assets	325,038	-	-	-	**325,038**
	7,695,032	**5,064**	**1,116,679**	**236,045**	**9,052,820**
Deposits from banks and other financial institutions	143,919	-	-	-	**143,919**
Customer deposits	6,873,360	861,421	519,218	-	**8,253,999**
Other liabilities	69,631	-	-	-	**69,631**
Lease liabilities	5,704	18,307	60,161	-	**84,172**
	7,092,614	**879,308**	**579,379**	**-**	**8,551,721**
Interest re-pricing gap	**602,418**	**(874,664)**	**537,300**	**236,045**	**501,099**
At 31 December 2023					
Balances with banks	565,977	-	-	847,946	1,413,923
Loans and advances	330,915	51,404	197,626	-	579,945
Non-trading assets	2,161,453	289,388	809,185	-	3,260,026
Other financial assets	46,797		-	-	46,797
	3,105,142	340,792	1,006,811	847,946	5,300,691
Deposits from banks and other financial institutions	157,302	-	-	-	157,302
Customer deposits	3,003,554	1,311,220	562,925	-	4,877,699
Other liabilities	-	-	-	56,297	56,297
Lease liabilities	678	12,883	56,231	-	69,792
	3,161,534	1,324,103	619,156	56,297	5,161,090
Interest re-pricing gap	(56,392)	(983,311)	387,655	791,649	139,601

NOTES (continued)

3. Financial risk management (continued)

3.4.3 Foreign exchange risk

Foreign exchange risk is measured through the statement of comprehensive income. The Bank takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The table below summarises the Bank's exposure by currency exchange rates on its financial position and cash flows.

	USD	EUR	GBP	Others	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
At 31 December 2024					
Cash and balances with banks	10,895	107,187	4,824	2,569,343	**2,692,248**
Loans and advances	172,302	35	525	853,841	**1,026,703**
Non-trading assets	30,878	-	-	4,937,255	**4,968,133**
Other financial assets	1,044	-	-	685,380	**686,424**
	215,119	**107,221**	**5,349**	**9,045,819**	**9,373,508**
Deposits from banks and other financial institutions	-	3,296	496	140,127	**143,919**
Current tax liability	-	-	-	16,474	**16,474**
Customer deposits	939,673	103,890	6,245	7,204,190	**8,253,998**
Other liabilities	1,000	-	9	183,072	**184,081**
Lease liabilities	-	-	-	84,172	**84,172**
	940,673	**107,186**	**6,750**	**7,628,035**	**8,682,644**
Net on-balance sheet exposure	(725,554)	35	(1,401)	1,417,784	690,863
Increase in currency rate (cedi depreciation 3%)	(747,321)	36	(1,443)	1,460,317	711,589
Effect on profit before tax	(21,767)	1	(42)	42,534	20,726

NOTES (continued)

3. Financial risk management (continued)

3.4.3 Foreign exchange risk (continued)

	USD	EUR	GBP	Others	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
At 31 December 2023					
Cash and balances with banks	13,9912	69,939	4,573	29,487	243,911
Loans and advances	48,969	-	-	-	48,969
Non-trading assets	24,910	-	-	-	24,910
Other financial assets	9	7	-	-	16
	213,800	69,946	4,573	29,487	317,806
Customer deposits	507,197	67,445	3,900	5,645	584,187
Net on-balance sheet exposure	(293,397)	2,501	673	23,842	(266,381)
Increase in currency rate (cedi depreciation 3%)	(284,595)	2,426	653	23,127	(258,389)
Effect on profit before tax	(8,802)	75	20	715	(7,992)

3.4.4 Market Risk Assumptions

I. Interest rate bearing assets (Treasury Bill, Bond, Loans and Advances, Interbank Placement) that the Bank earns interest excluding the DDEP bonds and these are classified in time buckets.
II. Then interest bearing Liabilities that are classified in time buckets including interbank borrowing
III. The sensitivity assumptions are based on the movements of interest rates factored as follows:
   a. Positive movements;
   b. Negative movements;
   c. No movement;

NOTES (continued)

3. Financial risk management (continued)

3.4.5 Market Risk Methodology

The process for computing risk is as follows;

- The rate sensitive assets are arranged in standard time bucket in terms of the number of days to maturity
- The rate sensitive liabilities are also grouped in time buckets based on the deposit contract agreement for all deposit maturities.
- The asset portfolio of the bank is then categorised into interest rate sensitive and non-interest rate sensitive. A weight of 100% is attributed to all interest rate sensitive asset and a weight of 0% is attributed to the noninterest rate sensitive asset.
- The next is to match the value of the interest rate sensitive asset to the interest rate sensitive liabilities in the respective common bucket to initiate stress of the interest rate in that bucket.
  Market

3.5 Fair value of financial instruments

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Bank determines fair values using other valuation techniques.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

Valuation models

The Bank measures fair values using the following fair value hierarchy, which reflects the significance of inputs used in making the measurements.

- Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active, or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which market observable prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premiums used in estimating discount rates and foreign currency exchange rates and expected price volatilities and correlations.

NOTES (continued)

3. Financial risk management (continued)

3.5 Fair value of financial instruments (continued)

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date. Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

The Bank did not have any financial instruments measured at fair value as at 31 December 2024 (2023: Nil).

4. Capital management

The Bank's objectives when managing capital include:

- Complying with capital requirements set by the Bank of Ghana;
- Safeguarding the Bank's ability to continue as a going concern to enable it to continue providing returns for shareholders and benefits for other stakeholders; and
- Maintaining a strong capital base to support the development of its business.

The Capital Requirements Directive (CRD) requires banks to implement Pillar 1 principles of Basel II. The Capital Requirement Directive (CRD) has four main parts. The first part provides principles for capital management and the constituents of eligible regulatory capital. The second, third and fourth parts provide guidance on the role of the board in the management of credit, operational and market risk respectively. Guidelines for the computation of credit risk weighted asset, operational and market risk capital charges are also detailed in the CRD document.

Capital adequacy and the use of regulatory capital are monitored daily by management, employing techniques based on guidelines developed by the Basel Committee as implemented by Bank of Ghana for supervisory purposes. The required information is filed with Bank of Ghana on a monthly basis. Bank of Ghana requires each bank to:

(a) hold a minimum capital of GH¢400 million; and

(b) maintain a ratio of total regulatory capital to risk-weighted assets above a required minimum as advised by the Bank of Ghana.

The Bank's regulatory capital is divided into two tiers:

- **Common Equity Tier 1 capital:** includes ordinary (common) shares issued by the bank that meet the criteria for classification as ordinary shares for regulatory purposes, retained earnings, statutory reserves and disclosed reserves after deducting specified assets such as intangibles and certain classes of investments.
- **Common Equity Tier 2 capital:** includes qualifying subordinated loan capital, property revaluation reserves and unrealised gains arising on the fair valuation of instruments held as hold to collect and sell.

The risk-weighted assets are measured using the standardised approach to reflect an estimate of credit, market and operational risks associated with each counterparty for on and off-balance sheet exposures.

The Bank of Ghana revised the required ratio of total regulatory capital to risk-weighted assets to 10% as part of regulatory reliefs for Banks to address the potential impact from participation in the Government Domestic Debt Exchange Programme.

NOTES (continued)

4. Capital management (continued)

The Bank of Ghana Capital Requirements Directive (CRD or 'the Directive') issued under Section 92(1) of the Banks and Specialised Deposit-taking Institutions Act, 2016 (Act 930) ('the BSDI Act') and Section 4(d) of the Bank of Ghana Act, 2002 (Act 612) prescribes a risk-based capital adequacy requirement.

The table below summarise the composition of regulatory capital adequacy ratio of the Bank.

	2024	2023
	GH¢'000	GH¢'000
Tier 1 Capital		
Paid up capital (ordinary shares)	**921,948**	915,948
Statutory reserves	**164,117**	67,487
Retained earnings	**(744,911)**	(627,571)
Common Equity Tier 1 capital before adjustments	**341,154**	361,863
Regulatory adjustments to Tier 1 capital	**145,813**	7,687
Additional Tier 1 capital	**-**	-
Total qualifying Tier 1 capital	**486,967**	369,550
Tier 2 Capital		
Property revaluation reserves	**-**	-
Other reserves	**-**	-
Total qualifying tier 2 capital	**-**	-
Total regulatory capital	**486,967**	369,550
Risk profile		
Total credit risk-weighted asset	**2,564,602**	1,065,508
Total operational risk-weighted asset	**975,263**	545,453
Total market risk-weighted asset	**24,402**	28,010
Total risk-weighted assets	**3,564,267**	1,638,971
Capital adequacy ratio	**13.66%**	22.55%

NOTES (continued)

5. Critical accounting estimates and judgements

The Bank's financial statements and financial results are influenced by accounting policies, assumptions, estimates and management judgement, which necessarily have to be made in the course of preparing the financial statements.

The Bank makes estimates and assumptions that affect reported amounts of assets and liabilities. All estimates and assumptions required in conformity with IFRS are based on best estimates undertaken in accordance with applicable standards. Estimates and judgements are evaluated on a continuous basis, based on experience and other factors, including expectations regarding future events.

a) Impairment losses on loans and advances

The Bank reviews its loan portfolio to assess impairment at least on a quarterly basis. In determining whether an impairment loss should be recorded in profit or loss, the Bank considers observable data that may indicate measurable decreases in estimated future cash flows from a portfolio of loans before decreases can be identified with individual loans in that portfolio. This evidence may include observable data indicating adverse changes in the payment status of borrowers in a group, or economic conditions that correlate with defaults on assets in a group. Management uses estimates based on historical loss experience for assets with similar credit risk characteristics and objective evidence.

b) Income taxes

Significant estimates are required in determining provisions for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Bank recognises liabilities for anticipated tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences are adjusted in the period in which such determination is made.

c) Leases

In determining the lease term, the Bank considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

d) Impairment of investment securities

The Bank considers evidence of impairment for investment securities(DDEP) at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Investment securities that are not individually significant are collectively assessed for impairment.

In assessing impairment for investment securities that are within the scope of the Government of Ghana's Domestic Debt Exchange Programme(DDEP), impairment is calculated as the difference between carrying value of the old investments and the fair value of new investments calculated as the present value of future cash flows using an appropriate discount rate of 15.67%. Management has applied a range of valuation assumptions to arrive at a proxy for an appropriate discount rate due to the current complexities in Ghana's bond market.

NOTES (continued)
(All amounts are in thousands of Ghana Cedis unless otherwise stated)

6. Net interest income

	2024	2023
Interest income		
Loans and advances to customers	**195,548**	143,477
Placement with other banks	**69,573**	31,448
Investment securities	**979,155**	659,895
	1,244,276	834,820
Interest expense		
Savings and call accounts	**4,613**	101,760
Time and other deposits	**516,060**	261,443
Deposits from banks and other financial institutions	**177,824**	47,004
	698,497	410,207
Net interest income	**545,779**	424,613

7. Net fee and commission income

	2024	2023
Fee and commission income		
Service fees	**50,147**	25,969
Processing and facility fees	**26,641**	18,474
Other fees and commissions	**14,637**	14,777
	91,425	59,220
Fee and commission expense		
Visa charges	**4,987**	2,084
Other fees and commissions	**2,990**	909
	7,977	2,993
Net fee and commission income	**83,448**	56,227

NOTES (continued)
(All amounts are in thousands of Ghana Cedis unless otherwise stated)

8. Net trading income

	2024	2023
Transaction gains less losses – net	**110,050**	36,520
Translation gains less losses – net	**976**	10,363
	111,026	46,883

9. Other income/(expenses)

	2024	2023
Gain on disposal of equipment – note 22	**13**	1,273
Recoveries on loans and investments written-off	**1,408**	4,994
Lease remeasurements and cancellations	**-**	108
Sundry income	**4,419**	-
	5,840	6,375

10. Net impairment charge/(release)

	2024	2023
Loans and advances to customers – note 16	**(31,144)**	31,032
Non-trading assets – note 17	**4,361**	(3,602)
Contingent liabilities – note 25	**32,690**	15,389
Intangible assets – note 21	**-**	7,944
	5,907	50,763

11. Personnel expenses

	2024	2023
Wages and salaries	**57,296**	39,030
Contribution to defined benefit plans	**11,585**	7,238
Other staff costs	**107,446**	58,935
	176,327	105,203

The number of persons employed by the Bank at the end of the year was 783 (2023: 762).

12. Depreciation and amortisation expense

	2024	2023
Right-of-use assets – note 20	**15,210**	14,248
Intangible assets – note 21	**17,671**	14,265
Property and equipment – note 22	**31,217**	15,746
	64,098	44,259

NOTES (continued)
(All amounts are in thousands of Ghana Cedis unless otherwise stated)

13. Other operating expenses

Other operating expenses include:

	2024	2023
Advertising and business promotion	**1,784**	15,254
Repairs and maintenance	**10,286**	15,729
Security expenses	**3,383**	2,930
Utilities	**4,000**	3,516
Professional fees	**5,350**	2,975
Directors’ emoluments	**1,431**	776
Insurance	**13,200**	8,182
Travel and transport	**14,860**	8,944
Auditor’s remuneration	**2,178**	1,535
Donations	**2,378**	702
Training	**8,650**	3,763
Communication	**1,656**	8,234
Motor vehicle expense	**12,402**	5,591
IT services and software	**24,638**	10,889
Printing and publication expenses	**10,847**	2,407
Other expenses	**51,302**	67,048
	168,345	158,475

14. Income tax

Income tax credit

	2024	2023
Current income tax expense	**114,700**	29,408

The tax on the Bank’s profit before tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	2024	2023
Profit before tax	**313,955**	150,601
Corporate tax rate at 25% (2024: 25%)	**78,489**	37,650
Non-deductible expenses	**35,872**	33,419
Other timing differences	**(31,057)**	(56,721)
National Fiscal Stabilisation Levy	**15,698**	7,530
Financial Sector Recovery Levy	**15,698**	7,530
	114,700	29,408

NOTES (continued)
(All amounts are in thousands of Ghana Cedis unless otherwise stated)

14. Income tax (continued)

Current income tax

The movement in current income tax is as follows:

	At 1 January	Charge for the year	Payments	At 31 December
Current tax				
Year ended 31 December 2024				
Up to 2023	**(7,698)**	-	-	**(7,698)**
2024	-	**83,304**	(70,128)	**13,176**
	(7,698)	**83,304**	**(70,128)**	**5,478**
Growth and Sustainability Levy				
Up to 2023	**2,036**			
2024	**-**	**15,698**	**(12,267)**	**3,431**
	2,036	**15,698**	**(12,267)**	**5,467**
Financial Sector Recovery Levy				
Up to 2023	2,098			**2,098**
2024		**15,698**	**(12,267)**	**3,431**
	2,098	**15,698**	**(12,267)**	**5,529**
Total current income tax	**(3,564)**	**114,700**	**(94,662)**	**16,474**
Year ended 31 December 2023				
Up to 2022	(9,896)	-	-	(9,896)
2023	-	29,408	(23,076)	6,332
	(9,896)	29,408	(23,076)	(3,564)

The Growth and Sustainability Levy and Financial Sector Recovery Levy are charged at 5% on profit before tax respectively. The levies are not an allowable tax deduction.

Deferred income tax

Deferred income tax is calculated using the enacted income tax rate of 25% (2023: 25%).

Deferred income taxes are calculated on temporary differences using the liability method and using a principal tax rate of 25%. The Bank's deferred income tax assets of GH¢53 million (2023: GH¢45 million) have not been recognised because taxable profits are not available against which they can be utilised.

NOTES (continued)
(All amounts are in thousands of Ghana Cedis unless otherwise stated)

15. Cash and balances with banks

	2024	2023
Cash on hand	**236,045**	91,599
Unrestricted balances with banks	**169,438**	360,176
Restricted balances with Bank of Ghana	**1,100,938**	487,770
Money market placements	**1,185,827**	565,977
	2,692,248	1,505,522

Restricted balances are mandatory deposits held with the central bank in accordance with the Bank of Ghana guidelines and are not available for use in the Bank's day-to-day operations.

For the purposes of the statement of cash flow, cash and cash equivalents comprise the following:

	2024	2023
Cash on hand	**236,045**	91,599
Unrestricted balances with banks	**169,438**	360,176
Money market placements	**1,185,827**	565,977
Investment securities maturing within 90 days of acquisition	**2,835,809**	1,708,365
	4,427,119	2,726,117

16. Loans and advances to customers

Overdrafts	**351,779**	131,376
Term loans	**701,937**	546,901
Staff loans	**13,685**	11,906
Gross loans and advances	**1,067,401**	687,218
Expected credit loss allowance	**(40,698)**	(107,273)
Net loans and advances	**1,026,703**	579,945

The movement on impairment allowance on loans and advances is as follows:

At 1 January	**107,273**	101,553
Amounts written-off as uncollectible	**(35,431)**	(25,312)
Impairment (release)/charge	**(31,144)**	31,032
	40,698	107,273

NOTES (continued)
(All amounts are in thousands of Ghana Cedis unless otherwise stated)

16. Loans and advances to customers (continued)

Analysis of loans and advances by industry	**2024**	2023
Agriculture	**671**	33,685
Manufacturing	**189,571**	847
Commerce and finance	**417,907**	101,141
Transport and communications	**11,541**	3,033
Mining and quarrying	**15,249**	52,884
Building and construction	**133,768**	169,274
Services	**272,664**	312,194
Electricity, oil, gas, energy and water	**26,030**	14,160
	1,067,401	687,218

The fifty largest exposures constitute 85% (2023: 87%) of the total loans and advances. The credit- impaired loans constitute 26.9% (2023: 32%) of the total loans and advances.

17. Investments

Non-trading assets

Government securities	**4,931,804**	3,209,971
Mutual funds	**21,002**	23,383
Fixed deposits	**24,500**	31,484
	4,977,306	3,264,838
Expected credit loss allowance	**(9,173)**	(4,812)
	4,968,133	3,260,026

The movement on impairment allowance on investments is as follows:

At 1 January	**4,812**	144,985
Derecognised on exchange of investments	**-**	(136,571)
Impairment (release)/charge	**4,361**	(3,602)
At 31 December	**9,173**	4,812

The impairment allowance is allocated as follows:

Government securities	**-**	-
Fixed deposits	**9,173**	4,812
	9,173	4,812

NOTES (continued)
(All amounts are in thousands of Ghana Cedis unless otherwise stated)

17. Investments (continued)

During the year, the Bank successfully received coupons for the restructured GHS 432.1 million Government of Ghana Cedi bonds, GHS GHS413.4 million COCOBOD bonds and GHS 22.9 million Government of Ghana USD bonds with maturity dates commencing from 2027-2038, 2024-2028 and 2027-2028 respectively, through the Ghana Domestic Debt Exchange Programme.

18. Other assets

	2024	2023
Financial assets	**325,038**	46,797
Non-financial assets	**33,727**	19,117
	358,765	65,914
Financial assets		
E-money	**321,427**	21,669
Sundry receivables	**3,611**	25,128
	325,038	46,797
Expected credit loss allowance	**-**	-
	325,038	46,797

The movement on impairment allowance on financial assets is as follows;

At 1 January		
Write off		6,727
At 31 December		(6,727)

Non-financial assets		
Prepayments	**31,482**	15,035
Stationaries	**2,245**	4,082
	33,727	19,117

19. Non-current assets held for sale

Commercial properties	**-**	6,009

Assets repossessed due to loan default are classified as non-current assets held for sale and are presented separately in the statement of financial position.

NOTES (continued)
(All amounts are in thousands of Ghana Cedis unless otherwise stated)

20. Leases

The statement of financial position shows the following amounts in relation to leases:

	2024	2023
Right-of-use assets		
Buildings	**91,927**	71,364

The movement in right-of-use assets is as follows:

	2024	2023
Cost		
At 1 January	**103,479**	92,557
Additions	**39,528**	12,844
Lease remeasurement	**-**	(789)
Lease terminations	**(11,077)**	(1,133)
At 31 December	**131,930**	103,479
Accumulated depreciation		
At 1 January	**32,115**	18,030
Depreciation charge	**15,210**	14,248
Lease terminations	**(7,322)**	(163)
At 31 December	**40,003**	32,115
	91,927	71,364

The movement in lease liabilities is as follows:

	2024	2023
Lease liabilities		
Current	**11,553**	13,561
Non-current	**72,619**	56,231
	84,172	69,792
At 1 January	**69,792**	56,082
Additions	**28,402**	12,844
Lease remeasurements	**-**	(789)
Finance cost	**17,461**	14,259
Payments	**(22,908)**	(11,526)
Lease terminations	**(8,575)**	(1,078)
Foreign exchange loss on lease liabilities	**-**	-
	84,172	69,792

NOTES (continued)
(All amounts are in thousands of Ghana Cedis unless otherwise stated)

21. Intangible assets

	Software	Work in progress	Total
Year ended 31 December 2024			
At 1 January	72,041	-	**72,041**
Additions	15,453	1,469	**16,922**
At 31 December	**87,494**	**1,469**	**88,963**
Amortisation			
At 1 January	21,612	-	**21,612**
Amortisation for the year	17,671	-	**17,671**
At 31 December	**39,283**	**-**	**39,283**
Net carrying amount	**48,211**	**1,469**	**49,680**
Year ended 31 December 2023			
At 1 January	39,303	21,943	61,246
Additions	18,739	-	18,739
Transfers	21,943	(21,943)	-
Impairment	(7,944)		(7,944)
At 31 December	72,041	-	72,041
Amortisation			
At 1 January	7,347	-	7,347
Amortisation for the year	14,265	-	14,265
At 31 December	21,612	-	21,612
Net carrying amount	50,429	-	50,429

NOTES (continued)
(All amounts are in thousands of Ghana Cedis unless otherwise stated)

22. Property and equipment

	Leasehold land & buildings	Furniture, fittings & equipment	Computer & accessories	Motor vehicles	Capital work in progress	Total
Year ended 31 December 2024						
Cost						
At 1 January 2024	88,894	57,564	27,888	33,736	8,169	**216,251**
Additions	20,108	14,765	10,205	21,447	11,789	**78,314**
Transfers	14,845	2,328	82	-	(17,255)	**-**
Reversal	-	-		-	-	**-**
Disposals	-	(302)	(392)	(103)	-	**(797)**
At 31 December 2024	**123,847**	**74,355**	**37,783**	**55,080**	**2,703**	**293,768**
Accumulated depreciation						
At 1 January 2024	17,884	36,079	12,469	10,771	-	**77,203**
Depreciation for the year	6,015	6,849	8,673	9,680	-	**31,217**
Reversal	-	-	-	-	-	**-**
Disposals	-	(302)	(298)	(104)	-	**(704)**
At 31 December 2024	**23,899**	**42,626**	**20,844**	**20,347**	**-**	**107,716**
Net carrying amount	**99,948**	**31,729**	**16,939**	**34,733**	**2,703**	**186,052**
Year ended 31 December 2023						
Cost						
At 1 January 2023	62,493	40,710	12,634	17,127	5,596	138,560
Additions	26,401	17,187	15,918	20,032	2,708	82,246
Transfers	-	35	(29)	129	(135)	**-**
Disposals	-	(368)	(635)	(3,552)	-	(4,555)
At 31 December 2023	88,894	57,564	27,888	33,736	8,169	216,251
Accumulated depreciation						
At 1 January 2023	15,169	32,627	8,539	9,677	-	66,012
Depreciation for the year	2,715	3,820	4,565	4,646	-	15,746
Disposals	-	(368)	(635)	(3,552)	-	(4,555)
At 31 December 2023	17,884	36,079	12,469	10,771	-	77,203
Net carrying amount	71,010	21,485	15,419	22,965	8,169	139,048

NOTES (continued)
(All amounts are in thousands of Ghana Cedis unless otherwise stated)

22. Property and equipment (continued)

	2024	2023
Cost	**797**	4,555
Accumulated depreciation	**(704)**	(4,555)
Carrying amount	**93**	-
Proceeds from disposal	**(106)**	(1,273)
Gain on disposal	**(13)**	(1,273)

23. Deposits from banks and other financial institutions

Deposits from local banks	**139,001**	98,358
Deposits from foreign banks	**4,918**	58,944
	143,919	157,302

24. Deposits from customers

Current accounts	**5,782,645**	2,693,494
Savings accounts	**290,157**	134,653
Term deposits	**2,181,197**	2,049,552
	8,253,999	4,877,699

The 20 largest depositors constitute 38% (2023: 33%%) of total deposits.

25. Other liabilities

Accruals	**48,667**	43,097
Sundry creditors	**25,956**	790
Deferred income	**3,970**	1,985
Provision for off-balance sheet exposures	**61,813**	29,123
Others	**43,675**	10,425
	184,081	85,420

The movement on impairment allowance on off-balance sheet items are as follows:

At 1 January	**29,123**	**13,734**
Impairment charge	**32,690**	**15,389**
At 31 December	**61,813**	**29,123**

NOTES (continued)
(All amounts are in thousands of Ghana Cedis unless otherwise stated)

26. Stated capital

		2024		2023
	No. of shares (‘000)	**Proceeds**	No. of shares (‘000)	Proceeds
Ordinary shares				
Issued for cash consideration	**5,893,652**	**705,752**	5,825,081	699,752
Issued for consideration other than cash	1,732,625	**216,196**	1,732,625	216,196
	7,626,277	**921,948**	7,557,706	915,948

The movement in ordinary shares is as follows:

		2024		2023
	No. of shares (‘000)	**Proceeds**	No. of shares (‘000)	Proceeds
At 1 January	**7,557,706**	**915,948**	5,031,992	694,948
Issued for cash consideration	**68,571**	**6,000**	2,525,714	221,000
	7,626,277	**921,948**	7,557,706	915,948

The Bank’s authorised ordinary shares as at 31 December 2024 is 30 billion shares of no-par value (2023: 30 billion ordinary shares of no par value).

The Bank’s authorised preference shares as at 31 December 2024 is 5 billion shares of no-par value (2023: 5 billion preference shares of no par value).

There is no liability and no call or instalment unpaid on any share. There is no share in treasury.

NOTES (continued)
(All amounts are in thousands of Ghana Cedis unless otherwise stated)

27. Statutory reserve

Statutory reserve represents cumulative amounts set aside from annual profits after tax in accordance with the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). The movements are included in the statements of changes in equity.

28. Credit risk reserve

Credit risk reserve is the amount set aside from retained earnings to meet the minimum regulatory requirements in respect of allowance for credit losses for loans and advances to customers in accordance with the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). The movement in credit risk reserve is included in the statement of changes in equity.

	2024	2023
Impairment provision per Bank of Ghana prudential guidelines	**252,966**	243,018
ECL provision per IFRS	**(102,510)**	(107,273)
At 31 December	**150,456**	135,745

29. Retained earnings

The amount in retained earnings represents profits retained after appropriations which is attributable to shareholders. The below shows the movement in retained earnings;

	2024	2023
	GHS'000	GHS'000
Bal b/f	**(624,575)**	(654,427)
Profit for the year	**199,255**	121,193
Additional Capital	**(6,000)**	6,000
Transfer to Statutory Reserve	**(99,628)**	(60,597)
Transfer to Credit Risk Reserve	**(14,711)**	(36,743)
	(545,659)	(624,574)

NOTES (continued)
(All amounts are in thousands of Ghana Cedis unless otherwise stated)

30. Earnings per share

Basic and diluted earnings per share is calculated by dividing the net profit attributable to equity holders of the Bank by the weighted average number of ordinary shares in issue during the year.

	2024	2023
Profit attributable to equity holders	**199,255**	121,193
Number of ordinary shares ('000)	**7,626,277**	7,557,706
Weighted average number of ordinary shares ('000)	**7,626,277**	7,557,706
Basic earnings per share (expressed in Ghana pesewas)	**2.60**	1.60
Diluted earnings per share (expressed in Ghana pesewas)	**2.60**	1.60

NOTES (continued)
(All amounts are in thousands of Ghana Cedis unless otherwise stated)

31. Cash used in operations

	2024	2023
Profit before tax	**313,955**	150,601
Adjustments for:		
Depreciation and amortisation expense	**64,098**	44,259
Net impairment charge/(release)	**5,907**	50,763
Modification loss	**-**	10,538
Gain on disposal of property and equipment	**(13)**	(1,273)
Interest charged on finance lease	**17,461**	14,259
Unrealised exchange loss on lease liability	**-**	-
Lease remeasurements and terminations	**(4,820)**	(108)
Changes in operating assets and liabilities		
Restricted funds	**(613,168)**	(235,295)
Loans and advances to customers	**(415,614)**	65,296
Non-trading assets (maturing over 91 days)	**(585,023)**	(618,037)
Other assets	**(292,851)**	(19,976)
Non-current assets held-for-sale	**6,009**	9,978
Deposits from customers	**3,376,299**	2,352,947
Deposits from banks and other financial institutions	**(13,383)**	35,594
Other liabilities	**65,971**	34,443
Cash used in operations	**1,924,828**	1,893,989

32. Contingent liabilities

Legal proceedings

There are legal proceedings against the Bank. There are no contingent liabilities as at 31 December 2024 associated with legal actions as professional advice indicates that it is unlikely that any significant loss will arise (2023: Nil).

Capital commitments

At the reporting date, the Bank had no significant capital commitments in respect of authorised and contracted projects.

Off-balance sheet items

The contractual amounts of the Bank's off-balance sheet financial instruments that commit it to extend credit to customers, guarantees and other facilities are as follows:

NOTES (continued)
(All amounts are in thousands of Ghana Cedis unless otherwise stated)

32. Contingent liabilities (continued)

	2024	2023
Financial guarantees	**1,177,427**	1,230,860
Letters of credit	**11,980**	-
	1,189,407	1,230,860

There are no contingent liabilities that are likely to crystallize as outflows for the period

33. Corporate social responsibility

During the year, the Bank committed a total of GH¢ 2,377,595 (2023: GH¢702,357) to CSR activities.

34. Related parties

Parties are considered to be related if one party has control or significant influence over the other party or is a member of its key management personnel. The key management personnel included directors (executive and non-executive), and other members of the Executive Committee.

	2024	2023
Transactions carried out with related		
Loans and Advance		
Appointed Time Printing Limited	**17,314**	
Accra Compost and Recycling Plant	**5,199**	
Zoomlion Ghana Limited	**6,089**	
Sewerage Systems Ghana Limited	**2,073**	
Ghana Libyan-Arab Holdings Co. Ltd	**947**	2,841
Dredge Masters Limited	**4,534**	
Docupro	**4,450**	
Biometric Travel Solutions	**3,145**	
Amaris Terminal Limited	**8,488**	13,751
Metropolitan Entertainment TV	**454**	454
	52,693	17,046

Interest Income on loans	**2024**	2023
Cosmopolitan Health Insurance Limited	**-**	11
Ghana Libyan-Arab Holdings Ltd	**404**	404
Waste Landfills Company Limited	**-**	9,903
Amaris Terminal	**22**	5,857
Zoomlion Ghana Limited	**6,352**	17,292
Dredge Masters Limited	**-**	-
J.A. Plant Pool (Ghana) Limited.	**-**	-
	6,778	33,467

NOTES (continued)
(All amounts are in thousands of Ghana Cedis unless otherwise stated)

34. Related parties (continued)

Due from related parties

Nostro balances	**2024**	2023
Alwaha Bank	**6**	4,359
BSIC Togo	**4,459**	28,174
Banco De Sabadell-Eur	**0**	36,318
Bank Of Beirut-Usd	**1,058**	26
BSIC Cote D'Ivoire	**152**	131
BSIC Libya (Head Office)	**1**	51
BSIC Sudan	**10,189**	8,235
African Export-Import Bank	**4,771**	10,359
AKTIF Bank	**3,753**	10,144
ARAB TURKISH BANK	**2,840**	-
UBA New York	**52,416**	2,731
	79,645	100,528

Due to related parties	**2024**	2023
Customer deposits		
Able Consult International Limited	**28**	29
Able Environmental Cleanliness Technology Limited		9
Accra Compost and Recycling Plant	**136**	27,018
Adehyeman Waste and Allied Services Limited	**7**	11
Adroit Pro Ghana Limited	**234**	231
Africa Institute of Sanitation and Waste Management	**1,259**	238
Agyepong Joseph Siaw	**14**	14
Advocate Publishing Limited	**961**	652
Africa Environmental Sanitation Consult Limited	**646**	738
AH Hotel and Conferences Limited	**8**	110
Amaris Terminal	**3**	453
Appointed Time Screen Printing	**3,839**	25,44
Appointed Time Welfare	**135**	132
Ashanti Waste & Environmental Services Ltd	**2**	3
Better Ghana Management Service Ltd	**-**	1
Budox Construction Company Limited	**233**	11,429
CA Logistics Limited	**118**	137
Cosmopolitan Health Insurance Limited	**12**	1848
Docupro Limited	**8,113**	31,646
Dredge Masters Limited	**10,759**	20,247
Ecozoil Ltd	**603**	689

NOTES (continued)
(All amounts are in thousands of Ghana Cedis unless otherwise stated)

34. Related parties (continued)
Customer Deposits

Excellent Builders Construction Co.Ltd	**1**	2
Haven Crystals	**85**	86
Haven Crystals Travel & Tour Limited	**1,077**	975
Integrated Recycling and Compost Plant Limited	**22,938**	74
J. A. Plant Pool (Ghana) Limited	**2,382**	70
J. A. Plantpool-Weichai	**9**	10
J.S.A Farms Limited	**7,630**	3
Jospong Group of Companies	**913**	5,133
JSA Logistics Limited	**4,620**	5,153
Kimpton Trust Limited	**55**	25
Kumasi Compost and recycling plant limited	**13**	13
Kingdom Business Link Venture Capital Limited	**3**	4
Landfill Technologies Limited	**3**	3
Media T.V. Limited	**388**	171
Meridian Waste Management Limited	**839**	835
Millenium Insurance Co. Ltd	**-**	22,157
Nerasol Ghana Limited	**962**	304
S. A. Automobile Ltd	**-**	18
Sino Africa Development Company Ltd	**10**	54
Street Naming Ghana Admin Account	**4**	5
Subah Holding Company Limited	**274**	332
Subah Infosolutions Ghana Limited	**51**	10
Tiberias Ghana Limited	**73**	61
Tropical Waste Management Limited	**1**	2
UCS Ghana Limited	**-**	64
Universal Plastic Products & Recycling Ltd	**19**	109
Vectorpes Company Limited	**0**	33
Vehicle Assembling Plant Ghana Limited	**19**	19
BSIC Libya (Head Office)	**-**	0
Waste Landfills Company Limited	**5,518**	40,931
Zoil Services Limited	**34,475**	237,834
Zoomlion - RI & D	**3**	4
Zoomlion Domestic Services	**23**	24
Zoomlion Ghana Limited	**14,836**	161,273
Zoompak Ghana Limited	**96**	61
	124,430	571,487

NOTES (continued)
(All amounts are in thousands of Ghana Cedis unless otherwise stated)

34. Related parties (continued)

Transactions with directors

Emoluments, pensions and other compensation of directors amount to GH¢3.34 million (2023: GH¢3.05 million). Remuneration paid to non-executive directors in the forms of fees, allowances and other related expenses are disclosed in note 13.

35. Non-Compliance

During the year, the Bank was sanctioned GHS 3.72 million in respect of penalties resulting from breaches with some sections of the Anti-Money Laundering Act, (Act 1044), Anti-Money Laundering Regulations, 2011 (L.I 1987) and the Anti-Money Laundering, Combating the Financing of Terrorism and Proliferation of Weapons of Mass Destruction Guideline, 2022.

36. Events occurring after the reporting period

Events subsequent to the reporting date are reflected in the financial statements only to the extent that they relate to the year under consideration and the effect is material. There were no subsequent events after the reporting date of 31 December 2024.

Appendix I
Shareholders' information

	2024			2023
	No. of shares	**% of shares**	No. of shares	% of shares
BanqueSahelo-Saharienne Pour L'Investment et Le Commerce (BSIC)	**393,636,043**	**5.16%**	393,636,043	5.21%
Joseph Siaw Agyepong	**5,151,894,057**	**67.55%**	1,083,322,629	6 7.26%
Adelaide Araba Siaw Agyepong	**210,376,114**	**2.76%**	210,376,114	2.78%
Ghana Amalgamated Trust Plc	**1,870,371,080**	**24.53%**	1,870,371,080	2 4.75%
	7,626,277,294	**100.00%**	7,557,705,866	1100.00%

Appendix II

VALUE ADDED STATEMENT
(All amounts are in thousand Ghana cedis)

	2024	2023
Interest earned and other operating income	**1,446,727**	940,923
Direct cost of services and other costs	**(892,280)**	(585,158)
Value added by banking services	**554,447**	355,765
Non-banking income	**5,840**	6,375
Impairments	**(5,907)**	(61,301)
Value added	**554,379**	300,839
Distributed as follows:		
To employees		
Directors (without executives)	**(1,431)**	(776)
Executive directors	**(3,340)**	(3,340)
Other employees	**(171,556)**	(101,863)
	(176,327)	(105,979)
To Government		
Income tax	**(114,700)**	(29,408)
To providers of capital		
Dividends to shareholders	**-**	-
To expansion and growth		
Depreciation and amortisation	**(64,098)**	(44,259)
Retained earnings	**199,255**	121,193

Appendix III

ANNUAL DECLARATION ON RISK MANAGEMENT

In compliance with sections 39 and 40 of the Risk Management Directive, issued by the Bank of Ghana in November 2022, the Board of Directors declare to the best of their knowledge and having made appropriate enquiries in all material respects that:

a. OmniBSIC Bank Ghana Limited has put in place systems for ensuring compliance with all prudential requirements applicable for the 2023 financial year;

b. The systems and resources that are in place for identifying, measuring, evaluating, controlling, mitigating and reporting material risks, and the Risk Management Framework itself are appropriate to OmniBSIC Bank Ghana Limited and commensurate with the size, business mix and complexity of the Bank;

c. The risk management and internal control systems in place are operating effectively and are adequate;

d. OmniBSIC Bank Ghana Limited has a Risk Management Strategy that complies with this Directive, and has also complied with the requirements described in its Risk Management Strategy; and

e. OmniBSIC Bank Ghana Limited is satisfied with the effectiveness of its processes and management information systems.