

**GOMOA COMMUNITY BANK LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
DECEMBER 31, 2025**

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DIRECTORS AND CORPORATE INFORMATION

Directors: Benjamin Amoah (Chairperson)
Laud Allan Ghansah (Vice Chairperson)
Kobina Nyamekye Eshun
John Kingsford Arthur
Albert Ameyya
Perpetual Praise Annan
Bernard Abeka Baiden

Secretary Theophilus Quainoo Jnr
P. O. Box 24
Apam.

Registered office: 56 Kow Richardson Road
V135 Apam-Ankuma St.
CI – 0005 - 2084

Bankers: ARB Apex Bank Plc
GCB Bank Plc

Auditors: IAKO Consult
P. O. Box 617
Teshie - Nungua Estates
Accra

REPORT OF THE DIRECTORS

The Directors are pleased to submit their report on the financial statements of Gomoa Community Bank Limited for the year ended 31 December 2025.

Directors' Responsibility Statement

The Directors are responsible for the preparation of the financial statements that give a true and fair view of Gomoa Community Bank Limited Company, comprising the statements of financial position at 31 December 2025 and the statements of comprehensive income, changes in equity and cash flows for the year ended and notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards, the Companies Act, 2019 (Act 992) and Banks and Specialised Deposit taking Institutions Act, Act 2016 (Act 930). In addition, the Directors are responsible for the preparation of the Report of the Directors.

The Directors are also responsible for such internal controls as the Directors determine are 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.

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

The Auditor is responsible for reporting on whether the financial statements give a true and fair view in accordance with the applicable financial reporting framework.

Nature Of Business

The Company is registered to provide banking and related services including taking deposits and lending money.

Financial Results

The financial results of the Company for the year ended are set out in the financial statements, highlights of which are as follows:

	2025	2024
Figures in Ghana Cedis	GH¢	GH¢
Profit for the year (attributable to equity holders)	2,832,451	3,114,086
to which is added the balance brought forward on retained earnings of	(503,747)	(3,890,319)
	2,328,704	(776,233)
Out of which is transferred		
Statutory Reserve	(354,056)	(778,521)
Credit Risk Reserve	91,467	282,707
and dividend declared and paid of	-	-
Adjustment:		
Prior year adjustments	-	768,301
Leaving a balance to be carried forward on retained earnings of	2,066,115	(503,746)

Dividend

During the year, the Company did not pay any dividend per share in respect of year ended 31 December 2025.

Related Party Transactions

The Board ensures that transactions with related parties are reviewed to assess their risk and are subject to appropriate restrictions by requiring that such transactions be conducted on non-preferential terms.

Particulars of entries in the Interests Register during the financial year

No Director had any interest in contracts and proposed contracts with the Company during the year under review, hence there were no entries recorded in the Interests Register as required by 194(6), 195(1)(a) and 196 of the Companies Act, 2019 (Act 992).

Internal Control System

The Directors have overall responsibility for the Company's internal control systems and annually review their effectiveness, including a review of financial, operational, compliance, and risk management controls. The implementation and maintenance of the risk management and internal control systems are the responsibility of the Directors and other senior management.

The systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and to provide reasonable, but not absolute, assurance against material misstatement or loss. The Directors have reviewed the effectiveness of the internal control systems, including controls related to financial, operational, and reputational risks as of the reporting date, and found no significant failings or weaknesses during this review.

Auditor

The Auditor, Iako Consult, has expressed willingness to continue in office in accordance with Section 139(5) of the Companies Act, 2019 (Act 992).

Auditor's fees

Included in the profit for the year is the agreed auditor's remuneration of GH¢50,000 (2024: GH¢40,000).

Going Concern

The directors believe that the Company has adequate financial resources to continue in operation for the foreseeable future and accordingly, the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the Company is in a sound financial position. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation that may affect the Company.

The Directors confirm that to the best of their knowledge:

- the financial statements, prepared in accordance with applicable laws, give a true and fair view of the Company's financial position, performance and cash flows; and
- the state of the Company's affairs is satisfactory.

Approval of the financial statements

The financial statements set out on pages 16 to 66 which have been prepared on the going concern basis, were approved by the board of directors on, 2026 and were signed on its behalf by:

By Order of the Board

Name:

Name:

Signed:

Signed:

CORPORATE GOVERNANCE REPORT- 2025

1) Introduction

This Corporate Governance Report outlines Gomoa Community Bank's (GoCB) approach to corporate governance, including the practices and responsibilities of the Board of Directors and its committees. The Board remains committed to upholding the highest standards of corporate governance, accountability, and transparency, in compliance with the requirements of the Bank of Ghana, other regulatory bodies, and best practices.

2) Governance Structure

GoCB's governance structure comprises the Board of Directors, Board Sub-committees, and Key Management Personnel. Management has three (3) committees, namely Management, Risk and Credit Committees. These structures work collaboratively to ensure effective oversight and strategic management of the bank.

2.1 Board of Directors

The Board consists of seven (7) independent Non-Executive Directors. The Board is responsible for setting the bank's strategic direction, ensuring regulatory compliance, overseeing risk management, and safeguarding shareholders' interests.

2.2 Board Sub-Committees

- (i) **Audit, Risk and Compliance Committee:** Oversees the bank's financial reporting process, internal and external audit functions, and compliance with legal and regulatory requirements. It is also responsible for reviewing the adequacy and effectiveness of the bank's internal control systems. The Committee assists in integrating risk management into strategic planning and decision-making processes while evaluating and recommending updates to risk management policies to address evolving risk environments.
- (ii) **Credit and Finance Committee:** Responsible for identifying, assessing, and managing risks associated with the bank's operations, including credit, market, operational, and liquidity risks. It formulates and periodically reviews the bank's credit policies to ensure compliance with legal and regulatory requirements while aligning them with the bank's overall risk appetite. Furthermore, the committee evaluates the credit risk associated with various lending activities, including assessing borrower creditworthiness, loan structures, and risk mitigation strategies.
- (iii) **Nominating Committee:** An ad-hoc committee that reviews the Board's composition and identifies potential new directors and key management personnel.

Each Board Committee has membership of three (3) Non-Executive Directors. However, a Board Committee may invite an employee of interest to its meetings.

3) Corporate Governance Practices

GoCB adheres to the following corporate governance practices:

- a) **Board Meetings:** The Board meets quarterly, with additional meetings scheduled as necessary. Directors are expected to attend all meetings and actively participate in discussions.
- b) **Code of Conduct:** GoCB has established a comprehensive Code of Conduct that outlines the ethical standards and expected behavior for all employees and directors. Compliance is regularly monitored.
- c) **Whistleblower Policy:** A whistleblower policy is in place to encourage reporting of unethical or illegal activities without fear of retaliation.
- d) **Stakeholder Engagement:** The bank maintains open channels of communication with regulators, shareholders, employees, and other stakeholders to ensure transparency and responsiveness to their concerns.

e) Risk Management Framework: GoCB has implemented a robust risk management framework to identify, assess, and mitigate risks effectively.

4) Objectives of Governance Disclosures are to:

- Enhance transparency and market discipline;
- Strengthen the accountability of Gomoa Community Bank Ltd to its stakeholders.
- Assess the effectiveness of Gomoa Community Bank's (GoCB) Corporate Governance practices and their risk profiles.
- Promote public confidence and trust in the bank; and
- Align all required disclosures in the Bank's Annual Report, as stated in the Bank of Ghana Corporate Governance Directive, 2018, with those in the bank's "Audited Financial Statements".

5) Relevant Disclosure Provisions under Bank of Ghana Corporate Governance Directives, 2018 (CGD)

- (a) The Board certifies that within 2025 financial year:
- GoCB complied with Bank of Ghana (BOG) Corporate Governance Directives, 2018 (CGD) and that Directors are aware of their responsibilities to the Bank as persons charged with governance.
 - The Board reported all material deficiencies and weaknesses that were identified in the course of the year, along with action plans and timetables for corrective action to the BOG.
 - Non-Executive Directors of the Bank have obtained certification in Corporate Governance and Responsibilities of Directors from the National Banking College.

(b) Directors' shareholding as at 31st December 2025 is as follows:

Name of Directors	No. of Ordinary Shares	Percentage of Stated Capital
Benjamin Amoah	73,760	0.073
Laud Allen Ghansah	16,760	0.017
Kobina Nyamekye Eshun	34,000	0.034
John Kingsford Arthur	23,000	0.023
Albert Kwame Ameyia	32,960	0.033
Perpetual Praise Annan (Mrs)	19,800	0.020
Bernard Abeka Baiden	10,000	0.010

(c) Executive shareholdings as at 31st December 2025 are:

Name of Manager	No. of Ordinary Shares	Percentage of Stated Capital
Daniel Amoah Gyampoh	96,837	0.096
Obed Ananse Egyin	85,372	0.084
Eric Marcus Crentsil	10,000	0.010
Elizabeth Arthur	4,000	0.004
Isaac Amoquandoh Mensah	4,000	0.004
Michael Annan	1,000	0.001
Francis Mensah	1,000	0.001
Grace Awuku	1,000	0.001

- (d) During the year, 317,760 ordinary shares (GH¢158,880) were sold to existing and new members with authority from shareholders special resolution passed at the 5th Annual General Meeting.
- (e) The terms of office of Messrs. Benjamin Amoah and Kobina Nyamekye were renewed by Shareholders for a second term of three (3) years.
- (f) The size and composition of the Board is as follows:

Name of Director	Designation	Date of 1 st Appointment	Approved by BOG?
Benjamin Amoah	Non-Executive Director	9 th Apr 2021	Yes
Laud Allen Ghansah	Non-Executive Director	9 th Apr 2021	Yes
Kobina N. Eshun	Non-Executive Director	9 th Apr 2021	Yes
John Kingsford Arthur	Non-Executive Director	9 th Apr 2021	Yes
Albert Kwame Amenyah	Non-Executive Director	9 th Apr 2021	Yes
Perpetual Praise Annan	Non-Executive Director	9 th Apr 2021	Yes
Bernard Abeka Baiden	Non-Executive Director	Mar 2026	Yes

- (g) All Members of the Board of Directors and its sub-committees are Ghanaians.
- (h) The Board is composed entirely (100%) of Non-Executive Directors;
- (i) There is no Related Persons serving on the Board of the Bank.
- (j) There is an appropriate balance of power and authority between Management and the Board, ensuring that no individual or group dominates the decision-making process. The roles of Board Chairman and Chief Executive Officer are separate, with each position held by a different individual.

6). Profile of Board of Directors:

Benjamin Amoah (Chairman)

Benjamin is a Chartered Accountant with over 20 years of experience in Corporate Finance, Public Financial Management, Advisory Services, Accountancy Operations, and Education. He is a graduate of the University of Ghana, Legon, a member of the Institute of Chartered Accountants, Ghana (ICAG), member of Institute of Directors, Ghana and a Fellow of the Telecommunications Executive Management Institute of Canada (TEMIC). He also holds a BSc in Administration and an MBA in Accounting. His leadership interests and research focus on Corporate Governance and Strategy.

Laud Allan Ghansah (Vice Chairman)

He holds Bachelor of Business Administration (HONS) in Banking and Finance from Methodist University College Ghana. He is a Chartered Institute of Bankers stage 1 with over four (4) decades of experience in Banking Operations and regulation.

Kobina Nyamekye Eshun (Chairman of Credit Committee)

He is a member of the Institute of Chartered Accountants, Ghana and the Chartered Institute of Taxation, Ghana. He holds BSc. Accounting from the University of Ghana and has over 20 years of experience in budgeting, taxation, accounting operations and Corporate Finance.

John Kingsford Arthur (Chairman of Audit, Risk & Compliance Committee)

He holds an MBA in Accounting and Finance and a BSc in Accounting from the University of Professional Studies, Accra (UPSA). He has over a decade of experience in the field of finance and accounting.

Albert Amenyah (Board Member)

Albert holds a Bachelor of Education (B.Ed) in Basic Education and Diploma in Basic Education from the University of Education, Winneba (UEW). A retired educationist with over 3 decades of experience in the education service.

Ms. Perpetual Praise Annan (Board Member)

She holds M.A in Environmental Management and Policy from University of Cape Coast, as well as a Bachelor of Education in English Education and a Diploma in English Education from University of Education, Winneba (UEW). She is an experienced Educationist and administrator.

7) Report on Independent Board Evaluation

The effectiveness of the Board as a whole, the Chairman, Individual Directors, and the Board sub-Committees were independently assessed comprehensively by an external consultant in 2023. Consequently, there was no independent evaluation for the year 2025 in accordance with the Board Charter, which mandates independent evaluations to be conducted biennially. However, the Board undertook a peer review of its board sub-committees.

There is ongoing review process by the Institute of Directors, Ghana.

8) Profile of Key Management Personnel

Daniel Amoah Gyampoh (CEO)

He is a Fellow of Chartered Institute of Credit Management (CICM) and holds MBA in Accounting and Bachelor of Commerce from University of Cape Coast. He also holds Leadership Essentials for CEOs of Rural and Community Banks, Advance Level by Chartered Institute of Bankers. He has 29+ years' experience in Rural Banking with diverse experience in Operations, Finance etc. Daniel started his banking career with the erstwhile Gomoa Rural Bank Limited in the year 1996 as a clerk and has risen through the ranks and is currently the Chief Executive Officer. He received an award from CICM as the Financial Inclusion Personality for 2025.

Eric Marcus Crentsil (Head of Internal Auditor)

He has Msc. Finance and Investment from KNUST. PGD. Entrepreneurship and Finance from University College of Entrepreneurship. BA. Management studies – UCC; Diploma in Accounting from Takoradi Polytechnic; Global Institution of Internal Auditors (IIA Ghana Full Member). He has over 18 years' experience in Banking.

Elizabeth Arthur (Head of Credit)

She holds a Master of Business Administration in Accounting and a Bachelor of Business Administration in Accounting from the University of Education, Winneba, and a Higher National Diploma in Accountancy from Cape Coast Polytechnic. She has over 10 years in Banking.

Obed Ananse Egyin (Head of MIS).

MBA (Generic) – KNUST; Premium Member of Institute of ICT Professionals Ghana Bachelor of Commerce - UCC Ghana; Association of Cybersecurity and Digital Forensic Examiners; Certified Digital Forensics Examiner (CDFE); Certified Professional Ethical Hacker (CPEH) ; Microsoft Certified Solutions Expert (MCSE); Certified Network Security Specialist; Information Systems Auditing, Controls and Assurance. He has 13+ years' experience in Banking

Grace Asuku (Head of HR)

Associate member of Chartered Human Resource Practitioner (CIHRM, Ghana); Hold MBA in HRM – UCC; Bachelor of Management Studies – UCC; HND Secretaryship and Management Studies from Cape Coast Technical Univ. She has 14+ years' experience in Human Resource Management and Administration.

Isaac Amoquandoh Mensah (Head of Operations and Service Delivery)

He holds a bachelor's degree in Commerce-Accounting option with University of Cape Coast; and High National Diploma in Accounting with Accra Technical University. He has 14 years' experience in rural banking.

Michael Annan (Head, Finance)

Michael Annan serves as Head of Finance, bringing extensive expertise in banking and financial management. He holds an MBA in Banking and Finance as well as a BSc in Accounting from Kings University College, Accra. With over 19 years of experience in rural banking, he has developed strong proficiency in financial strategy, regulatory compliance, and operational efficiency within the sector.

9) Remuneration Policies

- i. The Board oversees the design and operation of the compensation system and monitors its review to ensure it is effectively aligned with prudent risk taking.
- ii. The Board ensured that remuneration levels are sufficient to attract, retain, and motivate executive officers of Gomoa Community Bank and while maintaining a balanced approach to prevent excessive risk-taking or potential risks to the bank's capital base.
- iii. The Board ensured that the commission payable to Susu Sales Executives, which is tied to performance, is designed in such a way as to prevent excessive risk taking.
- iv. The Board determined the remuneration of employees after extensive negotiations with Commercial Workers Union of TUC. That of Key Management Personnel was determined by the Board.
- v. Board Fees and the reimbursable of transport expenses of Non-Executive Directors were determined by shareholders at Annual General Meeting.
- vi. The executive remuneration policies are aligned with the long-term sustainability of Gomoa Community Bank by providing a mix of short-term and long-term remuneration to incentivize sustainable long-term performance.

10). Board Meetings

The Board convened six (6) meetings over the year, demonstrating its commitment to effective governance and strategic oversight. The attendance record of Directors for these meetings is detailed below:

Name of Directors	No. of Meeting Attendance
Benjamin Amoah	6
Laud Allen Ghansah	5
Kobina Nyamekye Eshun	6
John Kingsford Arthur	5
Albert Kwame Amenya	6
Perpetual Praise Annan (Mrs)	6

11) Directors' other external and professional engagements in the year include:

Name of Directors	Occupation	Director position in other Company
Benjamin Amoah	Manager with ECG	No
Laud Allen Ghansah	Pensioner	No
Kobina Nyamekye Eshun	Provides Finance and Tax Advisory Services	Director of DH-KEN Consult
John Kingsford Arthur	Employee of SSNIT	No
Albert Kwame Amenya	Retired Educationist with GES	No

Perpetual Praise Annan (Ms)	An Educationist with GES	Founder and Director of Moonlite Stopover Co. Ltd
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12) Internal Control Framework

- (1) The Board has developed and implemented an effective system of internal control framework, which is constantly assessed and reviewed.
- (2) The Board has the responsibility for maintaining and reviewing the effectiveness of risk management systems, and for determining the aggregate level and types of risks the bank is willing to take in achieving its strategic objectives.

13) Internal Audit

The bank has an effective internal audit function that provides an independent assessment of the adequacy of and compliance with established policies and procedures. Internal Audit Department reports to the board. Its roles and responsibilities include the appraisal of the internal controls and the accounting system and prevention and detection of misstatements.

14) Conflicts of Interest

The Board has a well-defined conflict of interest policy and an objective compliance process and the Board detected no conflict-of-interest case during the year.

15) Ethics and Professionalism

- The Bank, its employees, Management, and the Board commit to the highest standards of professional behaviour, business conduct, and sustainable business practices;
- No policy is yet established to govern trading in the shares of GoCB by directors, Key Management Personnel, and employees; and
- The board is in the process of establishing corporate culture and values that promote and reinforce norms for responsible behavior in terms of bank's risk awareness, risk-taking and risk management.

16) Related Party Transactions

- i. The Board has disclosed in the Audited Financial Statement, the nature and extent of transactions with Related Parties;
- ii. Transactions have been reviewed by the Board to assess risk and are subject to appropriate restrictions;
- iii. Transactions are conducted on non-preferential terms/basis; except where otherwise indicated in the financial statements.
- iv. Transactions comply with applicable legislation and other requirements, regarding exposure limits for loans to Related Parties and staff.

17) Management Reporting Structures

The Board receives and review monthly Management Accounts and Variance Analysis Reports from Management. Other reports include Annual Plans for implementation of Strategy from the CEO, Annual Performance Objectives/ KPIs from CEO, which is cascaded downwards and Semi-annual Review of Company Performance against Strategic Plan.

These reports enable directors to keep abreast with the performance of the bank against the strategic plan and budget.

**REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF
GOMOA COMMUNITY BANK LIMITED**

Opinion

We have audited the financial statements of Gomoa Community Bank Ltd (the Company), which comprise the statement of financial position as at December 31, 2025 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes as set out on pages 21 to 66. In our opinion, the accompanying financial statements present fairly, in all material respects, (or give a true and fair view of) the financial position of the Company as at December 31, 2025, and (of) its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by The Companies Act, 2019, (Act 992) and any other relevant local legislation.

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

Key Audit Matters

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

Other Information

The Directors are responsible for the other information. The other information comprises the Report of the Directors as required by the Companies Act, 2019 (Act 992), Corporate Information and Supplementary Information but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of The Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs *and in the manner required by The Companies Act, 2019, (Act 992) and any other relevant local legislation*, and for such internal control as The Board of 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 Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless The Board of Directors either intends to liquidate the

Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by The Board of Directors.
- Conclude on the appropriateness of The Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide The Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with The Board of 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

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

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

We confirm that:

We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.

The Company has kept proper books of account, so far as it appears from our examination of those books. The Company's financial position and its statement of profit or loss and other comprehensive income are in agreement with the books of account and returns. The Banks and Specialised Deposit-Taking Institutions Act, Act 2016 (Act 930) requires that we state certain matters in our report.

We hereby state that:

- I. the accounts give a true and fair view of the state of affairs of the Company and their results for the year under review;
- II. we were able to obtain all the information and explanations required for the efficient performance of our duties as auditors;
- III. the Company transactions were within its powers; and
- IV. the Company has generally complied with the provisions in the Banks and Specialised Deposit -Taking Institutions Act, Act 2016 (Act 930).
- V. We are independent of the Company under audit pursuant to Section 143 of the Companies Act, 2019 (Act 992).
- VI. The engagement partner on the audit resulting in this independent auditor's report is [Arnold Okai].

.....
Signed by: Arnold Tetteh Okai (ICAG/P/1077)
For and on Behalf of:
IAKO CONSULT (ICAG/F/2024/003)
CHARTERED ACCOUNTANTS
32 Samora Machel Road, Asylum Down
P. O. Box TN 617, Accra

	Notes	2025 GH¢	2024 GH¢
Interest Income	4	15,772,750	13,766,029
Interest Expense	5	(2,242,837)	(1,525,728)
Net Interest Income		13,529,913	12,240,301
Fees and Commission Income	6	1,569,213	1,249,045
Fees and Commission Expense	7	(108,556)	(225,280)
Net Fees and Commission Income		1,460,657	1,023,765
Other Operating Income	8	641,229	370,357
Total Operating Income		15,631,799	13,634,423
Impairment Loss "Loans & Advances to Customers"	9	(658,228)	(645,662)
Personnel Expenses	10	(5,857,916)	(4,254,521)
Depreciation & Amortization	13c	(515,075)	(299,922)
Other Expenses	11a	(4,554,220)	(3,913,753)
Total Operating Expenses		(11,585,439)	(9,113,858)
Profit/(Loss) Before Taxation		4,046,360	4,520,565
Tax Expenses	14a	(1,213,909)	(1,406,479)
Profit/(Loss) after Taxation		2,832,451	3,114,086

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025**

	Notes	2025 GH¢	2024 GH¢
Assets			
Current Assets			
Cash & Cash Equivalent	15a	7,496,551	5,891,117
Loans and Advance	19a	15,178,107	12,371,311
Financial Investment	16a	63,564,141	48,892,641
Equity Investment	17	259,926	222,426
Deferred Tax	14d	460,833	271,802
Other Asset	18	1,754,531	2,002,760
		88,714,089	69,652,057
Non-Current Assets			
Plant, Properties & Equipment	13a&b	1,553,423	1,487,707
Intangible Assets	12	77,010	96,263
Right of use Assets	13d	92,728	111,724
		1,723,161	1,695,694
Total Assets		90,437,250	71,347,751
Liabilities			
Customer Deposits	20	79,637,203	62,107,452
Deferred Income	21	430,189	1,722,910
Corporate Tax Liability	14b	356,311	795,988
Other Liabilities	22	2,911,423	2,610,608
Total Liabilities		83,335,126	67,236,958
Equity			
Stated Capital	23a	1,496,521	1,337,641
Retained Earnings		2,066,116	(503,746)
Statutory Reserve	23c	2,412,592	2,058,536
Credit Risk Reserve	23d	181,980	273,447
Revaluation Surplus	23e	944,915	944,915
Shareholder's Funds		7,102,124	4,110,793
Total Equity and Liabilities		90,437,250	71,347,751

The Board of Directors approved these financial statements on

.....
DIRECTOR

.....
DIRECTOR

The accompanying notes on pages 21 to 68 form part of these financial statements and should be read in conjunction therewith.

**STATEMENT OF CASHFLOW
AS AT 31 DECEMBER 2025**

	Notes	2025 GH¢	2024 GH¢
OPERATING ACTIVITIES			
Profit before tax		4,046,360	4,520,565
Prior year adjustment		-	768,301
Adjustments for:			
Depreciation & Amortization	13a&b	442,026	238,573
Amortization	12	19,253	19,253
Depreciation - Right-of-Use Asset	13d	53,796	42,096
Cash inflow before changes in operating assets and liabilities		4,561,43	5,588,788
Changes in Operating Assets			
(Increase)/Decrease in Loans & Advances	19a	(2,806,795)	(1,093,607)
(Increase)/Decrease in Deferred Tax Asset	14d	(189,031)	(81,077)
(Increase)/Decrease in Other Assets	18	248,229	647,638
Changes in Operating Liabilities			
Increase/(Decrease) in Customer Deposits	20	17,529,751	16,103,578
Increase/(Decrease) in Deferred Income	21	(1,292,721)	(655,511)
Increase/(Decrease) in Tax Liabilities	14b	(439,677)	177,048
Increase/(Decrease) in Other Liabilities	22	300,815	(425,488)
Cash generated from operating activities		17,912,006	20,258,369
Tax Expense	14a	(1,213,909)	(1,406,479)
Net cash generated from operating activities		16,698,097	18,851,890
INVESTING ACTIVITIES			
Purchase of PPE	13a&b	(507,743)	(367,072)
Addition to Right-of-Use Asset	13d	(34,800)	(36,000)
Investment in shares	17	(37,500)	(37,500)
Financial investment/Government Security (Net)	16a	(14,671,500)	(17,294,863)
Net cash from investing activities		(15,251,543)	(17,735,435)
FINANCING ACTIVITIES			
Proceeds from Issue of shares	23a	158,880	14,380
Net cash used in financing activities		158,880	14,380
Net increase (decrease) in cash and cash equivalent		1,605,434	1,133,835
Cash and cash equivalents at beginning of year		5,891,117	4,757,282
Cash and cash equivalents at end of year		7,496,551	5,891,117

**STATEMENT OF CHANGES IN EQUITY
 FOR THE PERIOD ENDED 31 DECEMBER 2025**

	Stated Capital	Retained Earnings	Statutory Reserve	Credit Risk Reserve	Revaluation Surplus	Total
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Balance as at 1 January	1,337,641	(503,746)	2,058,536	273,447	944,915	4,110,793
Profit/(Loss) for the period	-	2,832,451	-	-	-	2,832,451
Addition to Stated Capital (Equity)	158,880	-	-	-	-	158,880
Transfer to/ (from) Credit Risk Reserve	-	91,467		(91,467)	-	-
Transfer to Statutory Reserve	-	(354,056)	354,056	-	-	-
Balance as at 31 December	<u>1,496,521</u>	<u>2,066,116</u>	<u>2,412,592</u>	<u>181,980</u>	<u>944,915</u>	<u>7,102,124</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2025**

	Stated Capital	Retained Earnings	Statutory Reserve	Credit Risk Reserve	Revaluation Surplus	Total
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Balance as at 1 January	1,323,261	(3,890,319)	1,280,015	556,154	-	(730,889)
Profit/(Loss) for the period	-	3,114,086	-	-	-	3,114,086
Addition to Stated Capital (Equity)	14,380	-	-	-	-	14,380
Transfer to/ (from) Credit Risk Reserve	-	282,707	-	(282,707)	-	-
Transfer to Statutory Reserve	-	(778,521)	778,521	-	-	-
Revaluation of PPE	-	-	-	-	944,915	944,915
Prior Year Adjustment	-	768,301	-	-	-	768,301
Balance as at 31 December	1,337,641	(503,746)	2,058,536	273,447	944,915	4,110,793

NB:

Adjustment represents commitment fees of GHS984,947.87 written off and tax adjustment of GHS 216,646.64 for 2017-2022 Years of Assessment.

**NOTES FORMING PART OF THE FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2025**

1. REPORTING ENTITY

Gomoa Community bank Limited is a limited liability company incorporated in Ghana under the Companies Act, 2019 (Act 992) on 11 December 2012 to take over as a going concern the business operations including the permitted assets and liabilities of the erstwhile Gomoa Rural Bank Limited at Apam, Gomoa Ajumako Rural Bank Limited at Afransi and Eastern Assin Rural Bank Limited at Dominase.

The merger discussions were initiated and precipitated by the respective shareholders' resolution of the three (3) component Banks passed in 2012 which provided the baseline authority to the takeover.

The company is domiciled in Ghana and headquartered at Apam in the Central Region of the Republic of Ghana.

Licensing and Commencement of Operations

The company was issued with a final license by the Bank of Ghana to operate the business of Rural Banking on 18 June 2014 and the licenses of the previous banking entities withdrawn.

Authorization for Publication

The financial statements of the company for the year ended 31 December 2025 were authorized for issue in accordance with a resolution of the Directors on, 2026.

Compliance with IFRS

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB) and in a manner required by the Companies Act, 2019(Act 992) and the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930). Changes to significant accounting policies are described in Note 2.17.

Use of estimates and judgements

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

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on amounts recognised in the financial statements.

Estimates and underlying assumptions are reviewed on an on-going basis.

a. Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes;

- i) Classification of financial assets: assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are SPPI on the principal amount outstanding. See Note 2.7
- ii) Establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining methodology for incorporating forward-looking information into measurement of ECL and selection and approval of models used to measure ECL. See Note 2.8

b. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 December 2025 is included in the following notes.

- i) Impairment of financial instruments: determining inputs into the ECL measurement model, including incorporation of forward-looking information. See Note 2.8
- ii) Determination of the fair value of financial instruments with significant unobservable inputs. See Note 2.8

Fiduciary activities

The Company commonly acts as trustees and in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trustees and other institution. The assets and income arising thereon are excluded from this financial statement as they are not assets and income of the Company.

All the investments made on behalf of third parties are done within the Company's operating jurisdiction.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Except for the changes explained in Note 2.17, the Company has consistently applied the following accounting policies to all the periods presented in these financial statements.

2.1 Basis of preparation

The financial statements have been prepared on a historical cost basis, except for land and building measured at revalued amounts.

The financial statements have also been prepared on a going concern basis.

2.2 Functional and presentation currency

The financial statements are presented in Ghana Cedis [GH¢], which is the functional and presentation currency of the company.

2.3 Foreign currencies translations

Transactions denominated in foreign currencies are recorded in the functional currency using the exchange rates prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange ruling at the reporting date.

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 recognized in the income statement under the heading "Other Operating Income".

Translation differences on non-monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equities classified as fair value through other comprehensive income, are included in equity.

The effect of exchange rate changes on cash and cash equivalents held or due in a foreign currency is reported in the cash flow statement as part of the reconciliation of cash and cash equivalents at the beginning and end of the period. This amount is presented separately from cash flows from operating, investing and financing activities and includes the differences, if any, had those cash flows been reported at end of period exchange rates.

Reference rate

The transaction rates used are the average of the buying and selling of the underlying inter-Company foreign exchange rate as quoted by the Association of Bankers, Ghana.

2.4 Property and equipment

The company recognizes an item of property and equipment as an asset when it is probable that future economic benefits will flow to it and the amount meets materiality threshold set by the company.

Land and building are measured at revalued amounts less subsequent accumulated depreciation and subsequent accumulated impairment losses. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

An increase in the carrying amount of land and building as a result of a revaluation is recognized in other comprehensive income and accumulated in equity under revaluation reserve. However, the gain is recognised in profit or loss to the extent that it reverses a revaluation loss of the same asset previously recognized in profit or loss. However, the loss is recognized in other comprehensive income to the extent of any credit balance existing in the revaluation reserve in respect of that asset.

Valuations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Gomoa Community Bank Limited has a parcel of land that is yet to be revalued. Other items of Property and equipment are stated at cost less accumulated depreciation and any impairment in value. Depreciation is provided on the depreciable amount of each component on a straight-line basis over the anticipated useful life of the asset. The depreciable amount related to each asset is determined as the difference between the cost and the residual value of the asset. The residual value is the estimated amount, net

of disposal costs that the company would currently obtain from the disposal of an asset of similar age and condition as expected at the end of the useful life of the asset. No depreciation is provided on land.

The current annual depreciation rates for each class of property, plant and equipment are as follows:

Motor Vehicle	33.3%
Computers	25%
Office Equipment	25%
Furniture & Fittings	20%
Plant & Equipment	25%
Office Renovation	33.3%
Intangible Asset - T24 License	10%

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

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the item. Any gain or loss arising on derecognizing of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of comprehensive income in the year the item is derecognized.

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

2.5 Intangible assets

T24 Software

Costs incurred to acquire and bring to use specific computer software licenses are capitalized. Following initial recognition, intangible assets are carried at cost less accumulated amortization and any impairment losses. The amortization period and method for an intangible asset, in this case computer software, are reviewed at least at each financial year end. Changes in the expected useful life in the asset are accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization expense on the intangible assets is recognized in the income statement.

Amortization is calculated using the straight-line method on the basis of the expected useful lives of the assets. The useful life of the T24 software is 10 years.

2.6 Revenue Recognition

Interest income and expense on financial assets and liabilities held at amortised cost, are recognized in the statement of profit or loss using the effective interest method.

(a) Interest income and interest expense

Policy applicable from 1 January 2018

Calculation of interest income and expense

The effective interest rate of a financial asset or financial liability is calculated on initial recognition of a financial asset or a financial liability. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating rate instruments to reflect movements in market rates of interest.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

Presentation

Interest income calculated using the effective interest method presented in the statement of comprehensive income consist of interest on financial assets measured at amortized cost;

Interest expense presented in the statement of comprehensive income consists of financial liabilities measured at amortised cost.

(b) Commissions and fees

The company earns commissions and fees from a diverse range of services provided to its customers. Fee income is accounted as follows;

- Income earned on execution of discrete act (such as special clearing and fees arising from negotiating transaction with third parties) is recognized as revenue when the act is completed.
- Income earned from the provision of services (such as request for special statements, COTs and advisory services) is recognized as revenue as the services are provided.
- Income (such as commitment and processing fees on micro loans) that is integral to the effective interest rate of a financial instrument is included in the measurement of the effective interest rate.

(c) Dividends

Dividend income is recognized when the company's right to receive the dividend is established.

2.7.1 Financial Instrument–Initial recognition and subsequent measurement

(a) Date of recognition

Purchases and sale of financial instruments that require delivery of assets within the time frame generally established by regulation or convention in the marketplace are recognized on the trade date, i.e., the date the company commits to purchase or sell the asset.

(b) Initial recognition and measurement of financial instruments

The Company initially recognises loans and advances, deposits, debt securities issued on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities - Policy from 1 January 2018

Financial instruments are initially recognized at their fair value, plus in the case of financial assets or financial liabilities not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

On initial recognition, a financial asset is classified as measured at: amortised cost, Fair value through other comprehensive income (FVOCI) or Fair value through profit or loss (FVTPL).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- i) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- i) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

2.7.2 Business model assessment

The Company 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. The information considered includes:

- i) 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;
- ii) how the performance of the portfolio is evaluated and reported to the Company's management;
- iii) 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;
- iv) 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;
- v) 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 Company'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 FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest on principal.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Company considers:

- i) contingent events that would change the amount and timing of cash flows;
- ii) leverage features;
- iii) prepayment and extension terms;
- iv) terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
- v) Features that modify consideration of the time value of money – e.g. periodical reset of interest rates.

The Company holds a portfolio of loans for which the Company has the option to propose a revision of the interest rate at periodic reset dates. These reset rights are limited to the market rate at the time of revision. The right to reset the rates of the loans based on the revision in market rates is part of the contractually agreed terms on inception of the loan agreement; therefore, the borrowers are obligated to comply with the reset rates without

any option of repayment of the loans at par at any reset date. The Company has determined that the contractual cash flows of these loans are solely payments of principal and interest because the option varies with the interest rate in a way that is considered a consideration for the time value of money, credit risk, other basic lending risks and costs associated with the principal amount outstanding.

Reclassification

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets.

a. Amortised cost

Financial assets at amortised cost comprises cash and cash equivalents, loans and advances to customers, financial investments and other assets.

They are initially recognized at fair value plus incremental direct transaction costs and are subsequently measured at amortized cost using the effective interest method less any impairment losses. Interest income from these financial assets is determined using the effective interest method and reported in profit or loss as 'Interest income'.

b. Financial liabilities

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

2.7.3 Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial 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.

From 1 January 2018 any cumulative gain/loss recognised in OCI in respect of equity investment securities designated as at FVOCI is not recognised in profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Company is recognised as a separate asset or liability.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

2.7.4 Modifications of financial assets and financial liabilities

Policy applicable from 1 January 2018

Financial assets

If the terms of a financial asset are modified, then the Company evaluates whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- I. fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and
- II. other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the Company plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place (see below for write-off policy). This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortised cost or FVOCI does not result in derecognition of the financial asset, then the Company first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss. For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs or fees incurred and fees received as part of the modification adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest rate method.

Financial liabilities

The Company derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability derecognised and consideration paid is recognised in profit or loss. Consideration paid includes non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the

original effective interest rate and the resulting gain or loss is recognised in profit or loss. For floating-rate financial liabilities, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

Determination of Fair Value of Financial Instruments

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 company has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Company 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 Company 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 Company 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 Company 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 Company 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 fair value of a demand deposit is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

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

2.8 Impairment of financial assets

Policy applicable from 1 January 2018

The Company recognises loss allowances for ECL on the following financial instruments that are not measured at FVTPL:

Financial assets that are debt instruments;

- i) financial guarantee contracts issued; and
- ii) loan commitments issued.

No impairment loss is recognised on equity investments.

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

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

The Company considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Company does not apply the low credit risk exemption to any other financial instruments. 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. Financial instruments for which a 12-month ECL is recognised are referred to as 'Stage 1 financial instruments'.

Life-time ECL are the ECL that result from all possible default events over the expected life of the financial instrument. Financial instruments for which a lifetime ECL is recognised but which are not credit-impaired are referred to as 'Stage 2 financial instruments'.

Measurement of ECL

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

- a. 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 entity in accordance with the contract and the cash flows that the Company expects to receive);
- b. 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;
- c. undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Company if the commitment is drawn down and the cash flows that the Company expects to receive; and
- d. financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Company expects to recover.

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.

- a. 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.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI, and finance lease receivables are credit-impaired (referred to as 'Stage 3 financial assets'). 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.

Evidence that a financial asset is credit-impaired includes the following observable data:

- i) significant financial difficulty of the borrower or issuer;
- ii) a breach of contract such as a default or past due event;
- iii) the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- iv) it is becoming probable that the borrower will enter Bankruptcy or other financial reorganization; or
- v) the disappearance of an active market for a security because of financial difficulties.

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. In addition, a retail loan that is overdue for 90 days or more is considered credit-impaired even when the regulatory definition of default is different.

In making an assessment of whether an investment in sovereign debt is credit-impaired, the Company considers the following factors.

- a. The market's assessment of creditworthiness as reflected in the bond yields.
- b. The rating agencies' assessments of creditworthiness.
- c. The country's ability to access the capital markets for new debt issuance.
- d. The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.
- e. The international support mechanisms in place to provide the necessary support as 'lender of last resort' to that country, as well as the intention, reflected in public statements, of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of the political intent, whether there is the capacity to fulfil the required criteria.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets

Write-off

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company 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. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are included in 'impairment losses on financial instruments' in the statement of profit or loss and OCI. Financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

2.9 Provision

The company recognises provisions when it has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Contingent liabilities and contingent assets are disclosed in the notes to the financial statements.

2.10 Credit Risk Reserve Loans and advances

To cater for any shortfall between the Bank of Ghana's credit loss provision requirements and loans and advances impairments based on IFRS principles, a transfer is made from distributable to non-distributable reserves in the statement of changes in equity, being the credit loss reserve. The non-distributable credit loss reserve ensures that minimum regulatory provisioning requirements as established by the Bank of Ghana are maintained.

2.11 Employee benefits

The Company contributes to the defined contribution schemes (the Social Security Fund) on behalf of employees.

Social Security Contribution

This is a national pension scheme under which the company pays 13% of qualifying employees' basic monthly salaries to a state managed Social Security Fund for the benefit of the employees. All employer contributions are charged to the income statement as incurred and included under staff costs.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans, if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.12 Cash and cash equivalent

For the purposes of the statement of cash flow, cash and cash equivalents comprise balances with up to three months' maturity from the date of acquisition, including: cash, treasury bills and other eligible bills, amounts due from other Banks and short-term government securities.

Cash and Company balances are carried at amortised cost.

2.13 Taxation

(a) Income tax

Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in shareholders' equity, in which case it is recognised in shareholders' equity. Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Current tax assets and liabilities are offset when the company intends to settle on net basis and the legal right to set-off exists. Current income tax relating to items recognised directly in equity is recognised in equity and not in the income statement.

(b) Deferred tax

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

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

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

Deferred tax assets and liabilities are offset against each other if they relate to the same tax authority and the legal right to set-off exists.

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

(c) Value Added Tax (VAT)

Revenues, expenses and assets are recognised net of the amount of VAT except:

- where the value added tax incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the Internal revenue service is included as part of receivables or payables in the statement of financial position.

2.14 Leasing

The Company leased various offices, branches and other premises under non-cancellable operating lease arrangements. The lease typically ran for a period of up to 5 years with an option to renew the lease after that date. The lease rentals were paid in advance and amortised on a straight-line basis over the lease period. The outstanding balance was accounted for as a prepayment in other assets. Lease payments are increased every 2 to 5 years to reflect market rentals.

The Company's leasing activities and how these are accounted for under IFRS 16

The Company's leasing activities are similar to those described above. Rental contracts are typically made for fixed periods of 2 to 5 years but may have extension options as described below.

Lease terms are negotiated on an individual basis and contain a wide 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 recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

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 Company under residual value guarantees
- the exercise price of a purchase option if the Company 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

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 Company, 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 Company:

- 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 Company 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 Company under IFRS 16 are not revalued.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognized 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 assets comprise IT equipment and small items of office furniture.

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

2.15 Use of estimates and assumptions

In preparation of the financial statements, the company makes estimations and applies judgment that could affect the reported amount of assets and liabilities within the next financial year. Key areas in which judgment is applied include:

Going concern

The company's management has made an assessment of the company's ability to continue as a going concern and is satisfied that the company has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Deferred Tax

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Impairment of financial and non-financial assets

The company assesses at least at each financial year end whether there is any evidence that non-financial assets may be impaired. Where indicators of impairment exist, an

impairment test is performed. This requires an estimation of the 'value in use' of the asset or the cash-generating units to which the asset belong. Estimating the value in use amount requires management to make an estimate of the expected future cash flows from the asset or the cash generating unit and also to select a suitable discount rate in order to calculate the present value of those cash flows.

2.16 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Dividend on ordinary shares

Dividends on ordinary shares are recognized in the period in which they are approved by the shareholders. Dividend proposed which is yet to be approved by shareholders, is disclosed by way of notes.

2.17 Standards and Interpretations in issue not yet adopted.

As of April 9, 2025, the International Accounting Standards Board (IASB) has issued several new and amended International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) that are not yet effective. Entities are required to disclose these forthcoming changes in their financial statements to provide insight into potential impacts on future reporting.

Key Standards and Amendments Issued but Not Yet Effective:

1. **IFRS 18 – Presentation and Disclosure in Financial Statements**
 - **Issued:** April 2024 [IFRS](#)
 - **Effective Date:** January 1, 2027
 - **Overview:** IFRS 18 is set to replace IAS 1, introducing revised guidelines on the presentation and disclosure of financial statements to enhance clarity and comparability.
2. **IFRS 19 – Subsidiaries without Public Accountability: Disclosures**
 - **Issued:** May 2024
 - **Effective Date:** January 1, 2027
 - **Overview:** This standard permits eligible subsidiaries to apply reduced disclosure requirements, aiming to simplify financial reporting for entities without public accountability.
3. **Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments**
 - **Issued:** May 2024
 - **Effective Date:** January 1, 2026
 - **Overview:** These amendments provide clarifications on the classification and measurement of financial instruments, including guidance on assessing contractual cash flow characteristics. [IFRS](#)
4. **Annual Improvements to IFRS Standards – Volume 11**
 - **Issued:** July 2024
 - **Effective Date:** January 1, 2026

- **Overview:** This cycle of annual improvements includes minor amendments to various standards aimed at enhancing consistency and clarity in financial reporting. IFRS

Disclosure Requirements:

According to IAS 8, entities must disclose information about new IFRS standards and amendments that have been issued but are not yet effective. This includes assessing and communicating the potential impact these changes may have on the entity's financial statements upon adoption.

For a comprehensive and up-to-date list of standards and amendments issued but not yet effective, entities should refer to official publications from the IASB or consult resources like IAS Plus, which regularly updates summaries of new and revised pronouncements.

Recoverability of the carrying amount

IAS 16 Property, Plant and Equipment requires impairment testing and, if necessary, recognition for property, plant, and equipment. An item of property, plant, or equipment shall not be carried at more than recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. Any claim for compensation from third parties for impairment is included in profit or loss when the claim becomes receivable. [IAS 16.65]

Derecognition (retirements and disposals)

An asset should be removed from the statement of financial position on disposal or when it is withdrawn from use and no future economic benefits are expected from its disposal. The gain or loss on disposal is the difference between the proceeds and the carrying amount and should be recognised in profit and loss. [IAS 16.67-71]

If an entity rents some assets and then ceases to rent them, the assets should be transferred to inventories at their carrying amounts as they become held for sale in the ordinary course of business. [IAS 16.68A]

Additional Disclosures

The following disclosures are also required: [IAS 16.74] restrictions on title and items pledged as security for liabilities, expenditures to construct property, plant, and equipment during the period contractual commitments to acquire property, plant, and equipment compensation from third parties for items of property, plant, and equipment that were impaired, lost or given up that is included in profit or loss. IAS 16 also encourages but does not require a number of additional disclosures. [IAS 16.79]

Revalued Property, Plant and Equipment

If property, plant, and equipment is stated at revalued amounts, certain additional disclosures are required: [IAS 16.77] the effective date of the revaluation whether an independent valuer was involved for each revalued class of property, the carrying amount that would have been recognised had the assets been carried under the cost model the revaluation surplus, including changes during the period and any restrictions on the distribution of the balance to shareholders.

3. FINANCIAL ASSETS AND LIABILITIES
Accounting Classifications

The table below sets out the carrying amount of the Company's financial assets and liabilities.

31 DECEMBER 2025	Notes	Amortised Cost	Other Amortized Cost	Total Carrying Amount	Fair Value
Assets		GH¢	GH¢	GH¢	GH¢
Cash & Cash Equivalent	15a	7,496,552	-	7,496,552	7,496,552
Loans and Advance	19a	15,178,107	-	15,178,107	15,178,107
Financial Investment	16a	63,564,141	-	63,564,141	63,564,141
Equity Investment	17	259,926	-	259,926	259,926
Other Asset	18	1,754,531	-	1,754,531	1,754,531
		88,253,257	-	88,253,257	88,253,257
Liabilities					
Customer Deposits	20	79,637,203	-	79,637,203	79,637,203
Other Liabilities	22	2,911,423	-	2,911,423	2,911,423
		82,548,626	-	82,548,626	82,548,626

31 DECEMBER 2024	Notes	Amortised Cost	Other Amortized Cost	Total Carrying Amount	Fair value
		GH¢	GH¢	GH¢	GH¢
Assets					
Cash & Cash Equivalent	15a	5,891,117	-	5,891,117	5,891,117
Loans and Advance	19a	12,371,311	-	12,371,311	12,371,311
Financial Investment	16a	48,892,641	-	48,892,641	48,892,641
Equity Investment	17	222,426	-	222,426	222,426
Other Asset	18	2,002,760	-	2,002,760	2,002,760
		69,380,255	-	69,380,255	69,380,255
Liabilities					
Customer Deposits	20	62,107,452	-	62,107,452	62,107,452
Other Liabilities	22	2,610,608	-	2,610,608	2,610,608
		64,718,060	-	64,718,060	64,718,060

4	Interest Income	2025	2024
		GH¢	GH¢
	Interest on Loans	6,848,867	5,453,701
	Interest on Investment	8,923,883	8,312,328
		15,772,750	13,766,029
5	Interest Expense	2025	2024
		GH¢	GH¢
	Savings Account	1,293,911	909,380
	Fixed Deposit Account	948,926	616,348
		2,242,837	1,525,728
6	Fees and Commission	2025	2024
		GH¢	GH¢
	Commission on Turnover	515,902	511,084
	Commitment Fees	818,565	577,839
	Other fees and commission	234,746	160,122
		1,569,213	1,249,045
7	Fees and Commission Expense	2025	2024
		GH¢	GH¢
	Susu Agents' Commission	108,556	103,375
	CAGD Loan Commission	-	121,905
		108,556	225,280
8	Other Operating Income	2025	2024
		GH¢	GH¢
	Other income	641,229	370,357
		641,229	370,357
9	Impairment Loss on Financial Assets	2025	2024
		GH¢	GH¢
	Collective Impairment	658,228	645,662
		658,228	645,662

10	Personnel Expenses	2025	2024
		GH¢	GH¢
	Board Sitting Allowance	48,752	27,604
	Staff Salaries and Allowances	3,952,393	2,974,704
	Staff Medical Expenses	90,782	48,541
	Training & Development	275,043	226,387
	Other Staff Cost	1,490,946	977,285
		5,857,916	4,254,521
		5,857,916	4,254,521
11a	Other Expenses	2025	2024
		GH¢	GH¢
	Administrative Expenses	4,504,220	3,873,753
	Audit Fees	50,000	40,000
	Reimbursable Audit Expenses	-	-
		4,554,220	3,913,753
		4,554,220	3,913,753
11b	Administrative Expenses includes	2025	2024
		GH¢	GH¢
	Meetings, & Conferences	263,091	169,406
	Police Guard	51,078	43,840
	Travelling and Transport	414,670	344,953
	Internet and Communication Exp	822,205	805,735
	Consultancy Fees	61,450	20,900
	Repairs and Maintenance	253,678	178,651
	Postage and Telephone	57,297	28,183
	Insurance	253,332	194,670
	Cleaning and Sanitation	110,772	78,391
	Utility	244,154	262,959
	Subscription and Periodicals	120,461	59,558
	Audit Field Expenses	45,135	37,665
	Specie Expense	139,440	68,025
	Generator Expenses	160,071	234,276
	Entertainment	-	33,780
	Printing & Stationery	179,649	177,644
	Loans Recovery Expenses	40,292	40,792
	Bank Charges	18,413	24,544
	Legal Expenses	96,843	12,600
	Advert and Publicity	58,013	10,719
	Motor Vehicle Running Exp.	312,375	182,114
	Teller Efficiency	3,876	-
	Business Development	22,605	10,100
	Mobilization Expenses	89,136	78,141
	Microfinance Expense	99,577	102,865
	Permits, Rates & Levies	39,242	35,670

Corporate Social Responsibility /		
Donation	52,356	19,420
Funeral Grant	19,122	13,150
Recruitment Expense	25,609	10,631
Training, Workshop & Seminar	12,000	10,000
Write-offs (Note 18)	438,278	584,371
	<u>4,504,220</u>	<u>3,873,754</u>

12	Intangible Assets	2025	2024
		GH¢	GH¢
	Cost		
	Balance as at 1 January	192,527	192,527
	Addition	-	-
	Balance as at 31 December	<u>192,527</u>	<u>192,527</u>
	Amortization		
	Balance as at 1 January	96,264	77,011
	Charge for the year	19,253	19,253
	Balance as at 31 December	<u>115,517</u>	<u>96,264</u>
	Net Book Value at 31 December	<u>77,010</u>	<u>96,263</u>

13a Property, Plant and Equipment - 2025

Cost	Land	Office Renovation	Plant & Equipment	Motor Vehicle	Furniture & Fittings	Office Equipment	Computers	Total
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Bal at 01/01	165,000	381,160	795,514	183,240	262,261	1,154,893	144,385	3,086,453
Addition	-	354,314	-	44,510	9,332	89,116	10,470	507,742
Bal at 31/12	165,000	735,474	795,514	227,750	271,593	1,244,009	154,855	3,594,195
Depreciation								
Bal at 01/01	-	340,396	29,218	141,785	200,107	857,637	29,603	1,598,746
Charge for the year	-	28,745	195,650	22,901	28,403	138,104	28,223	442,026
Bal at 31/12	-	369,141	224,868	164,686	228,510	995,741	57,826	2,040,772
NBV at 31/12	165,000	366,333	570,646	63,064	43,083	248,268	97,029	1,553,423

13a Property, Plant and Equipment - 2024

Cost	Land	Office Renovation	Plant & Equipment	Motor Vehicle	Furniture & Fittings	Office Equipment	Computers	Total
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Bal at 01/01	2,685	345,290	12,914	141,032	229,858	1,004,067	38,620	1,774,466
Addition	-	35,870	-	42,208	32,403	150,826	105,765	367,072
Revaluation	162,315	-	782,600	-	-	-	-	944,915
Bal at 31/12	165,000	381,160	795,514	183,240	262,261	1,154,893	144,385	3,086,453
Depreciation								
Bal at 01/01	-	307,186	12,914	132,591	170,107	732,373	5,002	1,360,173
Charge for the year	-	33,210	16,304	9,194	30,000	125,264	24,601	238,573
Bal at 31/12	-	340,396	29,218	141,785	200,107	857,637	29,603	1,598,746
NBV at 31/12	165,000	40,764	766,296	41,455	62,154	297,256	114,782	1,487,707

13c	Depreciation and Amortization	2025	2024
		GH¢	GH¢
	Depreciation - PPE (Note 13)	442,026	238,573
	Amortization (Note 12)	19,253	19,253
	Depreciation-Right-of-use Assets	<u>53,796</u>	<u>42,096</u>
		<u>515,075</u>	<u>299,922</u>

13d Leases as lessee

The Company leases branches and offices. These leases typically run for a period of two to five years. Some leases have an option to renew the lease. The company currently enter into fully paid leases which have no lease liability.

Information about leases for which the Company is a lessee is presented below.

i. Right-of-use assets

Right-of-use assets related to leased branches, ATM space and offices which do not meet the definition of investment property are presented as property and equipment.

	2025	2024
	GH¢	GH¢
Balance at 1 January	111,724	117,820
Addition to right-of-use assets	34,800	36,000
Depreciation charge for the yr	<u>(53,796)</u>	<u>(42,096)</u>
Balance at 31 December	<u>92,728</u>	<u>111,724</u>

14a	Income Tax Expense	2025	2024
		GH¢	GH¢
	Current Income Tax	1,200,622	1,261,528
	Growth & Sustainability Levy	202,318	226,028
	Deferred Tax	<u>(189,031)</u>	<u>(81,077)</u>
		<u>1,213,909</u>	<u>1,406,479</u>

14b Corporate Tax

Year of Assessment	Bal b/f GH¢	Tax Charged GH¢	Adjustment GH¢	Tax Paid GH¢	Tax Outstanding GH¢
2021	(5,025)	-	-	-	(5,025)
2022	(5,025)	38,361	-	-	33,336
2023	33,336	730,708	-	(253,746)	510,298
2024	510,298	1,261,528	10,949	(1,155,316)	627,460
2025	627,460	1,200,622	-	(1,524,089)	303,993
	627,460	1,200,622	-	(1,524,089)	303,993
Growth & Sustainability Levy	168,528	202,318	-	(318,528)	52,318
	795,988	1,402,940	-	(1,842,617)	356,311

On April 3, 2023 Growth and Sustainability Levy Act, 2023 (Act 1095) was passed to repeal National Fiscal Stabilization Levy Act, 2013 (Act 862). The levy is payable in respect of profit before tax for 2023, 2024 and 2025 years of assessment per Section 4 of the Act.

Being a category 'A' company, 5% is levied on the profit before tax of the bank as specified in schedule of the Act (sections 1&10).

14c Reconciliation of income tax expenses at effective and statutory rate

	2025 GH¢	2024 GH¢
Aggregation of Corporate Profit	4,046,359	4,520,566
Tax at applicable rate 25%	1,011,590	1,130,141
Non-deductible expenses	279,877	225,872
Tax Incentive (Capital Allowances) 25%	(90,845)	(94,485)
Growth and Sustainability Levy	202,318	226,028
Deferred tax	(189,031)	(81,077)
Tax per the financial statement	1,213,909	1,406,479
Effective Tax Rate	30%	31%

The tax liabilities are subject to agreement with the Ghana Revenue Authority.

14d Deferred Tax Asset/(Liability)

	2025 GH¢	2024 GH¢
At start of year	271,802	190,725
Income statement credit/ (charge)	189,031	81,077
	460,833	271,802

14e Recognized deferred tax asset and liabilities

Deferred tax asset and liabilities are attributed to the following

	2025 GH¢	2024 GH¢
Property, Plant and Equipment	(28,885)	(53,359)
Loans and Advances	489,718	325,161
	<u>460,833</u>	<u>271,802</u>

15a Cash & Cash Equivalent

	2025 GH¢	2024 GH¢
Cash & Bank balances	3,673,589	2,930,090
Apex Bank Deposit Reserve	3,822,962	2,961,027
	<u>7,496,551</u>	<u>5,891,117</u>

15b Cash and Bank Balances

	2025 GH¢	2024 GH¢
ARB Apex Bank	508,506	764,064
GCB Bank	35	37
E-Money Float	319,693	514,749
Cash in Vault	2,845,355	1,651,240
	<u>3,673,589</u>	<u>2,930,090</u>

15c Apex Bank Deposit Reserve

	2025 GH¢	2024 GH¢
Balance as at 1 January	2,961,027	2,254,589
Addition during the year	861,935	706,438
	<u>3,822,962</u>	<u>2,961,027</u>
Balance as at 31 December		

16a Financial Investment

	2025 GH¢	2024 GH¢
Treasury Bills	26,081,500	40,010,000
Fixed Deposits	2,282,641	2,282,641
Apex Certificate of Deposits	35,200,000	6,600,000
	<u>63,564,141</u>	<u>48,892,641</u>

16b Fixed Deposits includes

	2025 GH¢	2024 GH¢
Deposit with Amalgamated Mutual Fund	1,230,879	1,230,879
Deposit with Black Shield Limited	1,051,762	1,051,762
	<u>2,282,641</u>	<u>2,282,641</u>

17	Equity Investment	2025	2024
		GH¢	GH¢
	Bal at 01/01	222,426	184,926
	Right Issue	37,500	37,500
		259,926	222,426
18	Other Asset	2025	2024
		GH¢	GH¢
	Accrued Interest on Financial Assets	645,272	611,705
	Accrued Interest and Commission	260,890	182,017
	Inter-agency account	-	421,891
	Office Account	487,558	464,709
	Stationery Stock	107,734	117,414
	Others	253,077	205,024
		1,754,531	2,002,760
<p><i>Per directive from BOG, the board resolved to write-off the inter-agency difference that arose in the merger over three years starting 2023. GH¢438,278 was written off in 2025. (See note 11b).</i></p>			
19a	Loans and Advances	2025	2024
		GH¢	GH¢
	Loans to customers	15,689,488	12,571,952
	Overdraft to customers	1,447,490	1,100,001
	Gross Loans and advances	17,136,978	13,671,953
	Impairment Allowance (ECL)	(1,958,871)	(1,300,643)
	Net Loans and Advances	15,178,107	12,371,311
19b	Movement in Impairment Loss	2025	2024
		GH¢	GH¢
	Opening Balance	1,300,643	654,981
	Charge for the year	658,228	645,662
	Balance as at 31 December	1,958,871	1,300,643
19c	Key ratios on loans and advances	2025	2024
	a) Impairment loss ratio	11.43%	9.51%
	b) Gross Non-Performing Loan ratio	15.10%	12.40%
	c) Ratio of fifty (50) largest exposure	35.22%	27.87%

20	Customer Deposits		2025	2024
			GH¢	GH¢
	Current Account		12,442,513	9,112,886
	Savings Accounts		48,297,000	37,494,282
	Time Deposits		10,639,177	8,075,692
	Susu Deposit Account		8,258,513	7,424,592
			79,637,203	62,107,452
21	Deferred Income		2025	2024
			GH¢	GH¢
	Unearned discount & interest		430,189	1,722,910
			430,189	1,722,910
22	Other Liabilities		2025	2024
			GH¢	GH¢
	Audit Fees		50,000	40,000
	Consultancy Fees Accrued		25,000	-
	Accrued Expense		97,383	104,637
	Others (Creditors & accruals)		2,739,040	2,465,971
			2,911,423	2,610,608
23(a)	Stated Capital		2025	2024
			GH¢	GH¢
	Authorized Shares	No of shares		No of shares
	Ordinary Shares	1,000,000,000		1,000,000,000
	Issued Shares for Cash Consideration			
	At 1 January	100,757,749	1,337,641	100,728,989
	Addition	317,760	158,880	28,760
	At 31 December	101,075,509	1,496,521	100,757,749

There were no shares in treasury, unpaid liability on any share and no calls or instalments unpaid.

(b) Retained Earnings/Income Surplus

This represents the residual of cumulative annual profits that are available for distribution to shareholders.

(c) Statutory Reserve Fund

Statutory reserve represents the cumulative amount set aside from annual net profit after tax as required by Section 34 of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). The proportion of net profits transferred to this reserve ranges from 12.5% to 50% of net profit after tax, depending on the ratio of existing statutory reserve fund to paid-up capital.

In accordance with Section 34 of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), a cumulative amount of **GH¢2,412,593** (2024: **GH¢2,058,536**) has been set aside in a Statutory Reserve Fund from the Retained Earnings (Income Surplus Account). The cumulative balance includes an amount set aside from the net profit for the year.

(d) Credit Risk Reserve

This represents the excess of total provision per Bank of Ghana's regulations over impairment loss on loans and advances recognized in the statement of comprehensive income.

	2025	2024
	GH¢	GH¢
BoG Impairment Allowance	2,140,852	1,574,090
IFRS 9 Impairment Allowance	<u>(1,958,872)</u>	<u>(1,300,643)</u>
Transfer to Credit Risk Reserve	<u>181,980</u>	<u>273,447</u>

Movements in Credit Risk Reserve

	2025	2024
	GH¢	GH¢
Bal at 01/01	273,447	556,154
Transfer from/ (to) retained earnings	<u>(91,467)</u>	<u>(282,707)</u>
Bal at 31/12	<u>181,980</u>	<u>273,447</u>

(e) Revaluation Surplus

This comprises of surplus arising from the revaluation of Land and Plants in December 2025.

24. EMPLOYEE BENEFITS

Social Security Contributions

Under a national pension scheme, the Company contributes 13% of employee's basic salary to the Social Security and National Insurance Trust (SSNIT) for employee pensions. The Company's obligation is limited to the relevant contributions, which are settled on due dates. The pension liabilities and obligations, however, rest with SSNIT.

25. RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or one other party controls both.

The Company's key management personnel, and persons connected with them, are also considered to be related parties for disclosure purposes. The definition of key management includes the close members of family of key personnel and any entity over which key management exercise control. The key management personnel have been identified as the executive of the Company. Close members of family are those family members who may be expected to influence or be influenced by that individual in their dealings with the Company.

a) **Transactions with key management personnel of the Company**

i	Allowances to Board Members	2025	2024
		GH¢	GH¢
	Board Sitting Allowance	48,752	27,604
		48,752	27,604
ii	Remuneration of Key Management Personnel	2025	2024
		GH¢	GH¢
	Salaries & other benefits	848,790	523,145
	Employers SSF Contribution	76,987	48,003
	Employers Provident Fund Contribution	444,416	23,555
		1,370,193	594,703
iii	Loans to Key Staff	2025	2024
		GH¢	GH¢
	Balance at 1 January	268,933	169,876
	Net Movement	60,673	99,057
	Balance at 31 December	329,606	268,933

The loans were granted to the key management staff at a concessionary rate of 6% per annum.

26. CONTINGENCIES

a. Contingent liabilities

There were no contingent liabilities or assets at the reporting date and at 31 December 2025.

b. Litigations and claims

There were no litigations and claims involving the Company as at 31 December 2025 that could have a material effect on the financial statements.

27. EVENTS AFTER THE REPORTING PERIOD

There were no adjusting or non-adjusting events after the reporting period.

28. CAPITAL COMMITMENTS

The company had no commitment for capital expenditure as at 31 December 2025 and 2024.

29. RISK MANAGEMENT ACTIVITIES

(a) Introduction and overview

The Company has exposure to the following risks arising from its use of financial instruments:

- credit risk
- liquidity risk
- market risks
- operational risks.

This note presents the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, as well as the Company's management of capital.

(b) Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Risk and Compliance Manager of the Bank is responsible for developing and monitoring the Company's risk management policies in their specified areas.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Company, 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.

(c) Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The Bank's exposure to credit risk continue to be high as greater part of the investment portfolios amount outstanding in receivership at the end of the reporting date has still not been paid by the Security and Exchange Commission. The Company manages its exposure to credit risk by taking various types of collaterals.

(i) Impaired loans and advances

Impaired loans and advances are loans for which the Company determines whether it is probable that it will be unable to collect all principal and interest due according to the contractual terms of the advance agreement(s).

(ii) Past due but not impaired loans

This represents loans and advances whose contractual interest or principal payments are past due but the Company believes that impairment is not appropriate on the basis of the level of security and/or the stage of collection of amounts owed to the Company.

(iii) Advances with renegotiated terms

Loans with renegotiated terms are loans that have been restructured due to deterioration in the borrower's financial position and where the Company has made concessions that it would otherwise not consider. Once the loan is restructured it remains in this category independent of satisfactory performance after restructuring.

(iv) Allowances for impairment

The Company establishes an allowance for impairment losses and it represents the estimate of incurred losses in its loan portfolio. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loan loss allowance established for companies of homogeneous assets in respect of losses that have been incurred but have not been identified on loans subject to individual assessment for impairment.

(v) Write-off policy

The Company writes off a loan (and any related allowances for impairment losses) when the Board sub-committee (credit committee) determines that the loans are uncollectible. The decision is taken 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.

30.1 Maximum exposure to credit risk before collateral held

Credit risk exposures relating to on-balance sheet assets was as follows:

	2025	2024
	GH¢	GH¢
Deposit with Amalgamated Mutual Fund	1,230,879	1,230,879
Deposit with Black Shield Limited	1,051,762	1,051,762
Apex Certificate of Deposits	35,200,000	6,600,000
Other Assets	1,754,531	2,002,760
Loans and advances to customers	15,178,106	12,371,311
Equity Investment (Shares in ARB Apex Bank)	259,926	222,426
Government Securities	26,081,500	40,010,000
	80,756,704	63,489,138
Financial guarantees at 31 December	80,756,704	63,489,138

The above represents the maximum exposure to credit risk at 31 December 2025 and 2024, without taking account of any collateral held or other credit enhancements attached. For on-balance-sheet assets, the exposures set out above are based on net carrying amounts reported in the statement of financial position.

Loans and advances

The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, associated loss ratios and of default correlations between counterparties.

The Company has developed models to support the quantification of credit risk. This model is used for all key credit portfolios and form the basis for measuring default risks. In measuring credit risk of loans and advances at a counterparty level, the Company considers three components: (i) the 'probability of default' (PD) by the client or counterparty on its contractual obligations; (ii) current exposures to the counterparty and its likely future development, from which the Company derives the 'exposure at default' (EAD); and (iii) the likely recovery ratio on

defaulted obligations (the 'loss given default') (LGD). The models are reviewed regularly to monitor their robustness relative to actual performance and amended as necessary to optimize their effectiveness.

Debt securities

For debt securities, external ratings such as Standard & Poor's rating or their equivalents are used to manage credit risk exposures, supplemented by the Company's own assessment through the use of internal rating tools.

(a) Analysis of credit quality

The following table sets out information about the credit quality of financial assets measured at amortised cost. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts. For loan commitments and financial guarantee contracts, the amounts in the table represent the amounts committed or guaranteed, respectively.

	Stage 1	Stage 2	Stage 3	Total	Total
Loans and advances to customers				2025	2024
At amortised cost				GH¢	GH¢
Current: Low risk	14,299,351	-	-	14,299,351	11,880,304
OLEM: Fair risk	-	250,331	-	250,331	52,295
Substandard: Impaired	-	-	503,079	503,079	171,579
Doubtful: Impaired	-	-	460,231	460,231	277,446
Loss: Impaired	-	-	1,623,986	1,623,986	1,290,329
Gross amount	14,299,351	250,331	2,587,296	17,136,978	13,671,953
Loss allowance	193,946	115,534	1,649,391	1,958,871	1,300,643
Carrying amount	14,105,405	134,797	937,905	15,178,107	12,371,311

Cash and cash equivalents

Included in the Company's cash and bank balances are balances held with other financial institutions. None of these balances were impaired at the year end and at 31 December 2025.

(b) Analysis of credit quality (cont'd)

The following table sets out information about the overdue status of loans and advances to customers in Stages 1, 2 and 3. These have been categorized as follows:

- Neither defaulted nor impaired (less than 90 days)
- Defaulted but not impaired (more than 90 days but adequately collateralized)
- Defaulted and impaired (more than 90 days and no adequate collateral held)

Loans and advances to customers at amortised cost- Gross carrying amount	Stage 1	Stage 2	Stage 3	Total	
				2025 GH¢	2024 GH¢
Neither defaulted nor impaired	14,299,351	-	-	14,299,351	11,880,304
Defaulted but not impaired	-	250,331	-	250,331	52,295
Defaulted and impaired	-	-	2,587,296	2,587,296	1,739,354
Total	14,299,351	250,331	2,587,296	17,136,978	13,671,953

c) Collateral held and other credit enhancements, and their financial effect

The Company holds collateral and other credit enhancements against certain types of its credit exposures. The table below sets out the principal types of collateral held against different types of

Type of exposure	Principal types of Collateral	Percentage of exposure that is of collateral	
		December 2025	December 2024
Business loans & advances	cash lien	11%	29%
Consumer loans	nil	0%	0%
Investment	nil	0%	0%

Collateral on impaired exposures

The general creditworthiness of a corporate customer tends to be the most relevant indicator of credit quality of a loan extended to it. However, collateral provides additional security and the Company generally requests that corporate borrowers provide it. The Company may take collateral in the form of a first charge over real estate, floating over all corporate assets and other liens and guarantees. Because of the Company's focus on corporate customers' creditworthiness, the Company does not routinely update the valuation of collateral held against all loans to corporate customers. Valuation of collateral is performed at the time of borrowing and generally are not updated except when a loan is individually assessed as impaired. Valuation of collaterals is updated in a three-year cycle for loans whose credit risk has deteriorated significantly and are being monitored more closely.

Collateral is not usually held against investment securities, and no such collateral was held at 31 December 2025. Collateral values of impaired loans are at cash flows of the forced sale values less estimated costs of sale as discounted to present values.

For impaired loans, the Company obtains appraisals of collaterals because the current values of the collaterals are an input to the impairment measurement. An estimate of the

fair value of collateral and other credit enhancements held against loans and advances to customers is shown below:

	2025		2024	
	Carrying amount	Collateral amount	Carrying amount	Collateral amount
	GH¢	GH¢	GH¢	GH¢
Against individually impaired				
Stage 3	2,587,297	400	1,739,354	23,500
	2,587,297	400	1,739,354	23,500
Against past due but not impaired				
Stage 1	14,299,351	1,760,690	11,880,305	3,954,278
Stage 2	250,331	62,300	52,295	28,900
	14,549,682	1,822,990	11,932,600	3,983,178
	17,136,979	1,823,390	13,671,954	4,006,678

**(d) Amounts arising from ECL
Inputs, assumptions and techniques used for estimating impairment**

Significant increase in credit risk

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and expert credit assessment and including forward-looking information. The objective of the assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing:

- the remaining lifetime probability of default (PD) as at the reporting date; with
- the remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure (adjusted where relevant for changes in prepayment expectations).

The Company uses three criteria for determining whether there has been a significant increase in credit risk:

- I. quantitative test based on movement in PD;
 - II. qualitative indicators; and
 - III. a backstop of 30 days past due.
- a. Information obtained during periodic review of customer files – e.g. audited financial statements, management accounts, budgets and projections. Examples of areas of particular focus are: gross profit margins, financial leverage ratios, debt service coverage, compliance with covenants, quality of management, senior management changes
 - b. Actual and expected significant changes in the political, regulatory and technological environment of the borrower or in its business activities
 - c. Internally collected data on customer behaviour

- d. Payment record – this includes overdue status as well as a range of variables about payment ratios
- e. Utilizations of the granted limit
- f. Requests for and granting of forbearance
- g. Existing and forecast changes in business, financial and economic conditions

Generating the term structure of PD

The Company employs statistical models to analyse the data collected and generate estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time.

Determining whether credit risk has increased significantly

The Company assesses whether credit risk has increased significantly since initial recognition at each reporting date. Determining whether an increase in credit risk is significant depends on the characteristics of the financial instrument and the borrower. What is considered significant differs for different types of lending.

As a general indicator, credit risk of a particular exposure is deemed to have increased significantly since initial recognition if, based the facility is past due by 30 days.

The credit risk may also be deemed to have increased significantly since initial recognition based on qualitative factors linked to the Company's credit risk management processes that may not otherwise be fully reflected in its quantitative analysis on a timely basis. This will be the case for exposures that meet certain heightened risk criteria, such as placement on a watch list. Such qualitative factors are based on its expert judgment and relevant historical experiences. As a backstop, the Company considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the borrower.

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument returns to being measured as 12-month ECL. Some qualitative indicators of an increase in credit risk, such as delinquency or forbearance, may be indicative of an increased risk of default that persists after the indicator itself has ceased to exist. In these cases, the Company determines a probation period during which the financial asset is required to demonstrate good behaviour to provide evidence that its credit risk has declined sufficiently. When contractual terms of a loan have been modified, evidence that the criteria for recognising lifetime ECL are no longer met includes a history of up-to-date payment performance against the modified contractual terms.

The Company monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that:

- the criteria are capable of identifying significant increases in credit risk before an exposure is in default;
- the criteria do not align with the point in time when an asset becomes 30 days past due;
- the average time between the identification of a significant increase in credit risk and default appears reasonable;
- exposures are not generally transferred directly from 12-month ECL measurement to credit- impaired; and

- there is no unwarranted volatility in loss allowance from transfers between 12-month PD (Stage 1) and lifetime PD (Stage 2)

Definition of default

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held);
- the borrower is more than 90 days past due on any material credit obligation to the Company; or
- it is becoming probable that the borrower will restructure the asset as a result of Bankruptcy due to the borrower's inability to pay its credit obligations.

In assessing whether a borrower is in default, the Company considers indicators that are:

- qualitative: e.g., breaches of covenant;
- quantitative: e.g., overdue status and non-payment on another obligation of the same issuer to the Company; and
- based on data developed internally and obtained from external sources.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances. The definition of default largely aligns with that applied by the Company for regulatory purposes.

Incorporation of forward-looking information

The Company incorporates forward-looking information into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and the measurement of ECL. The Company formulates five economic scenarios: a base case, which is the median scenario assigned a 40% probability of occurring, a 30% probability to the worst-case scenario and the rest of the three scenarios, assigned a 15%, 10% and 5% probability of occurring.

The Company has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses. The key driver for credit risk is inflation.

Modified financial assets

The contractual terms of a loan may be modified for a number of reasons, including changing market conditions, customer retention and other factors not related to a current or potential credit deterioration of the customer. An existing loan whose terms have been modified may be derecognized and the renegotiated loan recognized as a new loan at fair value in accordance with the accounting policy.

When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects comparison of:

- its remaining lifetime PD at the reporting date based on the modified terms; with
- the remaining lifetime PD estimated based on data on initial recognition and the original contractual terms.

When modification results in derecognition, a new loan is recognized and allocated to Stage 1 (assuming it is not credit-impaired at that time).

The Company renegotiates loans to customers in financial difficulties to maximize collection opportunities and minimize the risk of default.

Generally, forbearance is a qualitative indicator of a significant increase in credit risk and an expectation of forbearance may constitute evidence that an exposure is credit-impaired. A customer needs to demonstrate consistently good payment behaviour over a period of time before the exposure is no longer considered to be credit-impaired/in default or the PD is considered to have decreased such that the loss allowance reverts to being measured at an amount equal to Stage 1.

Measurement of ECL

The key inputs into the measurement of ECL are the term structure of the following variables:

- probability of default (PD);
- loss given default (LGD); and
- exposure at default (EAD).

ECL for exposures in Stage 1 is calculated by multiplying the 12-month PD by LGD and EAD. Lifetime ECL is calculated by multiplying the lifetime PD by LGD and EAD.

The methodology of estimating PDs is discussed above under the heading 'Generating the term structure of PD'.

LGD is the magnitude of the likely loss if there is a default. The Company estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties. The LGD models consider the structure, collateral, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset. They are calculated on a discounted cash flow basis using the effective interest rate as the discounting factor.

EAD represents the expected exposure in the event of a default. The Company derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract and arising from amortization. The EAD of a financial asset is its gross carrying amount at the time of default. For lending commitments, the EADs are potential future amounts that may be drawn under the contract, which are estimated based on historical observations and forward-looking forecasts. For financial guarantees, the EAD represents the amount of the guaranteed exposure when the financial guarantee becomes payable.

As described above, and subject to using a maximum of a 12-month PD for Stage 1 financial assets, the Company measures ECL considering the risk of default over the maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for credit risk management purposes, the Company considers a longer period. The maximum contractual period extends to the date at which the Company has the right to require repayment of an advance or terminate a loan commitment or guarantee.

Credit Impaired Financial Assets Reconciliation	2025 GH¢	2024 GH¢
Carrying Amount	15,178,106	12,371,311
Individually impaired Allowance for impairment	2,587,297 <u>(1,649,391)</u>	1,739,354 <u>(1,144,231)</u>
Carrying Amount	<u>937,906</u>	<u>595,123</u>
Loans past due but not impaired comprises:		
Past due up to 30 days	1,595,217	2,128,277
Past due up to 31-60 days	668,641	18,669
Past due up to 61-90 days	<u>59,092</u>	<u>33,626</u>
	2,322,949	2,180,572
Loans and Advances neither past due nor impaired	<u>12,226,732</u>	<u>9,752,029</u>
Total loans assessed for collective impairment	14,549,682	11,932,601
Less: Collective impairment loss	(309,481)	(156,413)
Carrying amount	<u>14,240,200</u>	<u>11,776,188</u>
Net loans and advances	<u>15,178,106</u>	<u>12,371,311</u>

(e) *Liquidity risk*

Liquidity risk arises from the mismatch of the timing of cash flows relating to assets and liabilities. The liquidity policy of the Company is approved by the Board and monitored daily to ensure that its funding requirements can be met at all times and that a stock of high-quality liquid assets is maintained. The sources and maturities of assets and liabilities are closely monitored to avoid any undue concentration. A substantial portion of deposits is made up of current, savings and call accounts.

The net liquidity gap resulting from liquidity analysis of assets and liabilities of the company as at 31 December 2025 was negative **GH¢5,348,320** (2024: negative **GH¢ 3,444,317**).

Residual contractual maturities of financial liabilities

31 December 2025	Carrying amount GH¢	Up to 1 month GH¢	Less than 3 months GH¢	3 to 12 months GH¢	1 to 5 years GH¢	Total GH¢
Financial Assets						
Cash & Bank Balance	7,496,552	3,673,591	-	-	3,822,961	7,496,552
Loans and Advances	15,178,107	1,517,811	2,276,716	3,794,527	7,589,053	15,178,107
Financial Investments	63,564,141	35,200,000	10,432,600	15,648,900	2,282,641	63,564,141
Equity Investment	259,926				259,926	259,926
Other Assets	1,754,531	107,733	645,272	487,558	513,968	1,754,531
	88,253,257	40,499,135	13,354,588	19,930,985	14,468,549	88,253,257
Financial Liabilities						
Customer Deposits	79,637,203	9,954,010	10,747,016	48,297,000	10,639,177	79,637,203
Other Liabilities	2,911,423	97,383	273,904	75,000	2,465,136	2,911,423
Tax liabilities	356,311			356,311		356,311
	82,904,937	10,051,393	11,020,920	48,728,311	13,104,313	82,904,937
Net Liquidity Gap	5,348,320	30,447,742	2,333,668	-28,797,326	1,364,236	5,348,320

Residual contractual maturities of financial liabilities

31 December 2024	Carrying amount GH¢	Up to 1 month GH¢	Less than 3 months GH¢	3 to 12 months GH¢	1 to 5 years GH¢	Total GH¢
Financial Assets						
Cash & Bank Balance	5,891,117	2,930,091	-	-	2,961,026	5,891,117
Loans and Advances	12,371,311	1,325,043	1,423,000	3,089,226	6,534,042	12,371,311
Financial Investments	48,892,641	6,600,000	23,765,400	16,244,600	2,282,641	48,892,641
Equity Investment	222,426	-	-	-	222,426	222,426
Other Assets	1,580,870	154,000	836,600	500,000	90,270	1,580,870
	68,958,365	11,009,134	26,025,000	19,833,826	12,090,405	68,958,365
Financial Liabilities						
Customer Deposits	62,107,452	9,856,050	41,317,638	2,823,764	8,110,000	62,107,452
Other Liabilities	2,610,608	687,608	435,000	40,000	1,448,000	2,610,608
Tax liabilities	795,988	-	-	795,988	-	795,988
	65,514,048	10,543,658	41,752,638	3,659,752	9,558,000	65,514,048
Net Liquidity Gap	3,444,317	465,476	(15,727,638)	16,174,074	2,532,405	3,444,317

(f) *Market risks*

Market risk is the risk that changes in market prices, such as interest rate, and foreign exchange rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

Foreign currency risk

Currency risk only exists on account of financial instruments being denominated in a currency that is not the functional currency and has being of a monetary nature.

In the normal course of business, all the Bank's transactions on investments and purchase of goods and services were denominated in the local currency which is the functional and reporting currency. The Bank was not exposed to any currency risk of transacting business in foreign currencies (primarily in United States Dollars) and is again not subject to transaction and translation exposure from fluctuations in foreign currency exchange rates.

Interest rate risk

Fluctuations in interest rates had effect on the value of the Bank's financial instruments as the bank's main business is to trade and invest in securities and shares which are mainly considered as interest-bearing financial instruments at variable rates

(g) *Operational Risk*

Operational risk is the exposure to financial or other damage arising through unforeseen events or failure in operational processes and systems. Examples include inadequate controls and procedures, human error, deliberate malicious acts including fraud and business interruption. These risks are controlled and monitored through system controls, segregation of duties, exception and exposure reporting, business continuity planning, reconciliations, internal audit and timely and reliable management reporting. Operational procedures are documented in an Operations Manual.

(h) *Capital Management*

(i) *Capital Definition*

The Company's capital, ordinarily referred to as shareholders' fund comprises ordinary share capital raised through direct investment, retained earnings including current year profit and various reserves the Company is statutorily required to maintain.

The primary objectives of the Company's capital management are to ensure that the Company complies with requirement by Bank of Ghana and that the Company maintains a strong credit ratings and healthy capital ratios in other to support its business and to maximise shareholders value.

The Company manages its capital structure and, makes adjustment to it in the light of changes in the economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payments to shareholders, or issue additional capital securities. No changes were made in the objectives, policies and processes from the previous years.

(ii) Regulatory Capital

Regulatory capital consists of Tier 1 capital, which comprises share capital, share deals account, retained earnings including current year profit, foreign currency translation and minority interests less accrued dividend, net long positions in own share and goodwill. Certain adjustments are made to IFRS-based result and reserves, as prescribed by the Bank of Ghana.

The other component of regulatory capital is Tier 2 capital which includes some reserves such as the element of the fair value reserve relating to unrealised gains on equity instruments classified as available-for-sale.

Capital Adequacy

The capital adequacy of the company is monitored using, among other measures, the rules and ratios established by the Basel Committee on Banking Supervision and adopted by the Bank of Ghana.

The Central Bank requires Savings and Loans Companies to:

- i) Hold a minimum paid up capital of GH¢1 million.
- ii) Maintain a minimum capital adequacy ratio of 10%

The capital adequacy ratio of **Gomoa Community Bank** as of 31 December 2025 is shown below:

	2025	2024
	GH¢	GH¢
Tier 1		
Ordinary Shares	1,496,521	1,337,641
Disclosed Reserves	4,478,707	1,554,789
Tier 1 Capital	5,975,228	2,892,430
Less		
Intangibles Assets	77,011	96,264
Adjusted Tier 1 Capital	5,898,217	2,796,166
Tier 2 Capital		
Revaluation Reserves-Property (Limited to 50%)	472,458	472,458
Total Tier 2 Capital	472,458	472,458
Adjusted Capital Base (Adjusted Tier 1 + Tier 2)	6,370,674	3,268,624
Adjusted Risk – Weighted Assets	28,101,403	21,949,972
Total Regulatory Capital express as a percentage of total risk weighted Assets is	22.67%	14.89%

(i) Fair value of financial assets and liabilities

(a) Financial instruments not measured at fair value

The table below summarizes the carrying amounts and fair values of financial assets and liabilities.

	Carrying value		Fair value	
	2025	2024	2025	2024
	GH¢	GH¢	GH¢	GH¢
Financial assets				
Loans and advances to customers	15,178,106	12,371,311	15,178,106	12,371,311
Balances with other financial institutions	4,651,197	4,239,877	4,651,197	4,239,877
Equity Investment	259,926	222,426	259,926	222,426
Financial Investment	63,564,141	48,892,641	63,564,141	48,892,641
Other Assets	1,754,529	1,580,869	1,754,529	1,580,869
	85,407,899	67,307,124	85,407,899	67,307,124
Financial liabilities				
Deposits from customers	79,637,202	62,107,452	79,637,202	62,107,452
Other Liabilities	430,189	2,610,608	430,189	2,610,608
	80,067,391	64,718,060	80,067,391	64,718,060
	5,340,508	2,589,064	5,340,508	2,589,064

(i) Balances with other financial institutions

The carrying amount of floating rate placements and overnight deposits is a reasonable approximation of the fair value. The estimated fair value of fixed interest-bearing deposits is based on discounted cash flows using prevailing money-market interest rates for debts with similar credit risk and maturity profiles.

(ii) Loans and advances to customers

Loans and advances to customers are net of charges for impairment. The estimated fair value of loans and advances represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine the fair value.

(iii) Deposits customers

The estimated fair value of deposits with no stated maturity dates, which includes non-interest-bearing deposits, is the amount repayable on demand. The estimated fair value of fixed interest-bearing deposits is based on discounted cash flows using interest rates for new debts with similar maturity profiles.

(iv) Off-balance sheet financial instruments

The estimated fair values of the off-balance sheet financial instruments are based on markets prices for similar facilities. Where this information is not available, fair value is estimated using discounted cash flow analysis.