

Governance Report



Directors' report

The Directors present their annual report, together with the financial statements and auditor's report. Directors who served on the Board throughout 2024 and up to the date of this report, except as noted below, were as follows:

Directors

Dr E. K. Y. Addison	Chairman (resigned 26 February 2025)
Mr D. Adansi	Chief Executive Officer
Mr R. J. B. Sambou	Deputy Chief Executive Officer & Chief Operating Officer
Lord P. Boateng	Acting Chairman and Senior Independent Director (subject to regulatory approval)
Dr M. Opoku-Afari	Non-Executive Director (resigned 26 February 2025)
Dr J. Ofori-Tenkorang	Non-Executive Director (resigned 2 May 2024)
Mr S. Bhandari	Independent Non-Executive Director
Mr C. M. Thomson	Independent Non-Executive Director
Mr J. K. Adomakoh	Non-Executive Director (resigned 3 February 2025)
Mr A. Y. Tali	Non-Executive Director (resigned 25 February 2025)

Following general elections in Ghana in December 2024 there are a number of changes to shareholder Non-Executive Directors.

Results and review of the business

The profit on ordinary activities before taxation in 2024 was £5,836,762 (2023: profit of £4,258,102). Further details of the Bank's financial performance can be found in the Strategic Report on pages 4-37. GHIB operates from its Head Office in London and representative office in Accra, Ghana. A review of the Bank's business, principal activities and future prospects is contained in the Acting Chairman's Report and the Strategic report, pages 12-16 and 4-37 respectively.

The Directors recommend the payment of a dividend for the year ended 31 December 2024 of £847,741 (2023: £622,459). The total proposed final dividend is 1.33p per share (2023: 0.98p per share).

Charitable and political contributions

The Bank has committed to make a donation for charitable purposes in the sum of £58,918 (2023: £50,000) in favour of Ghana International Foundation. The Bank did not make any political donations during the year (2023: nil).

Human Resources

The Bank continues to make significant investments in human capital and technology, to strengthen its systems and controls. Average staff headcount, including Executive Directors, increased 7.4% to 204 (2023: 190). Further information regarding employee and other stakeholder engagement is included in page 51.

Directors' and officers' liability insurance

The Bank maintains directors' and officers' liability insurance for its Directors and Officers. All of the Directors benefited from qualifying third party indemnity insurance in place during the financial year and at the date of this report.

Going concern

The Bank's balance sheet supports strong capital and liquidity positions, complemented by GHIB's good business franchise. Its business model remains viable. The Liquidity Coverage Ratio (LCR) as at 31 December 2024 was 256% (2023: 370%), compared to a regulatory requirement of 100%. As at 31 December 2024, GHIB recorded a CRD IV capital adequacy ratio of 22.4% (2023: 31.0%) with a core tier 1 capital ratio of 22.4% (2023: 31.0%). Regulatory capital adequacy requirements were met during the year. Details regarding GHIB's capital structure can be found in the Capital Structure section below. In assessing going concern, including future projections of profitability, capital resources and liquidity the Directors have considered a range of severe but plausible stress scenarios, including a range of available management actions that could be taken.

The Directors therefore have a reasonable expectation that the Bank has adequate resources to continue in operational existence for the foreseeable future. The Directors have considered the foreseeable future to be at least 12 months from the date of approving the accounts. Thus, they continue to adopt the going concern basis in preparing the annual report and financial statements. Further details regarding the adoption of the going concern basis can be found in Note 1 of the financial statements.

Post-Balance Sheet Events

Details of post balance sheet events are disclosed in Note 39 to the audited financial statements.

Financial Risk Management

The Bank has procedures in place to identify, monitor and evaluate the risks it faces. An overview of the Bank's objectives and policies to key risks are described in the Strategic Report.

Capital Structure

The Bank's capital structure remains unchanged since 2022. Total issued shares amount to 63,739,927, comprising 45,000,000 voting ordinary voting shares of £1.00 each and 18,739,927 non-voting ordinary shares of £1.00 each.

Further information regarding the Bank's approach to risk management and its capital adequacy are contained in the unaudited disclosures made under the current regulatory capital requirements (the Pillar 3 disclosures). These disclosures are published on GHIB's website shortly after the approval of these financial statements at <http://www.ghanabank.co.uk/>.

The Directors regard its Common Equity Tier 1 (CET1) ratio for capital management purposes. Its principal objectives in managing capital are to ensure it is sufficient to participate in lines of business and to meet capital adequacy requirements of the Prudential Regulation Authority. In accordance with the parameters set out in the PRA Rulebook, the Internal Capital Adequacy Assessment Process ("ICAAP") is embedded in the Bank's risk management framework. Common Equity Tier 1 (CET1) is measured as share capital and reserves less regulatory deductions, which resulted in £156.7m CET1 at 31 December 2024 (2023: £153.1m). As at 31 December 2024, GHIB recorded a CRD IV capital adequacy ratio of 22.4% (2023: 31.0%) with a core tier 1 capital ratio of 22.4% (2023: 31.0%). Regulatory capital adequacy requirements were met during the year. There were no significant changes in the year on how the Bank manages capital or its measurement of capital.

Auditor

Each Director at the date of approval of this Annual Report confirms that:

- As far as the Director is aware, there is no relevant audit information of which the Bank's auditor is unaware; and
- The Director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Bank's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The company has no branches outside the UK. Further to a shareholders' resolution at the Bank's Annual General Meeting in March 2025 to reappoint Deloitte LLP, Deloitte LLP have expressed their willingness to continue in office as auditor.

Approval

This report was approved by the Board of Directors on 18 March 2025 and signed on its behalf by

Signed

Janet Mbu
Company Secretary

18 March 2025





Board of Directors

Corporate governance statement

As a regulated entity, the Board of Directors of the Bank has voluntarily elected to make several disclosures regarding the Bank’s corporate governance arrangements, drawing on the principles of the UK Corporate Governance Code 2024 (“the Code”). The Code is not applicable to GHIB, and the Directors do not assert compliance with it.

GHIB’s corporate governance arrangements play a key role in supporting the Bank’s operations and are critical in achieving its objectives. These provide a clear, well-defined structure for effective decision-making at the highest levels in the Bank.

The Board of Directors (“Board”)

The Board operates by delegating certain authorities to the Executive, and by reserving certain powers to itself. It defines, oversees, and is accountable for the implementation of sound governance arrangements that ensure effective and prudent management in a manner that promotes the integrity of the market, and the interests of customers in accordance with regulatory requirements. In addition to being collectively responsible for the long-term success of the Bank, the Board provides entrepreneurial leadership within a framework of prudent and effective controls, which enables risk and customer outcomes to be assessed and responsibly managed.

The Board oversees Management to ensure that the day to day operations of the Bank are managed in a manner that is consistent with its strategy, and provides oversight of the Bank’s trading performance, legal and regulatory compliance, capital and liquidity, risk management, risk appetite, business strategy, policies, lending decisions, diversification opportunities, governance matters

and succession planning, substantive or unusual transactions including critical outsourcings, and other matters of significance. As a minimum, the Board meets on a quarterly basis in a calendar year and in 2024, the main Board met virtually and/or in-person on eleven (11) separate occasions.

The Board comprises ten (10) members: five (5) Non-Executive Directors (NEDs), three (3) Independent Non-Executive Directors, (INEDs) and two (2) Executive Directors (EDs), being the Chief Executive Officer, and Deputy Chief Executive Officer & Chief Operating Officer. The five (5) NEDs are nominated to the Board by the Bank’s largest shareholders. The NEDs include the Board Chair, who is nominated by GHIB’s majority shareholder, the Bank of Ghana.

GHIB Board Committees:

GHIB’s Board Committees are accountable to the Board and support the Board without derogation from the Board’s overall responsibilities. Each Board Committee formally reports to the Board on the discharge of its responsibilities as set out in its terms of reference. Each Committee is charged, inter alia, with responsibility for ensuring the availability of meaningful and well-targeted Management Information for its areas of oversight.

The Board Committees are responsible for reviewing, scrutinising, and challenging key Management proposals and MI reports, endorsing these for Board approval.



Board Risk Committee (BRC)

The membership of the BRC comprises six (6) Directors, three of whom are INEDs and the remaining members are NEDs. The Committee is chaired by an INED. The Board Chair and Non-Executive Directors are members of the BRC. The Committee is generally responsible for:

- Risk strategy**, including the oversight of current risk exposures of the Bank, with particular emphasis, inter alia on prudential risks.
- Overseeing risk-related matters**, comprising both financial risks (including capital and liquidity, credit risk, strategic risk, and market risk) and non-financial risks (including resilience risk (incorporating information technology, cyber security, and third-party risk), ESG risk (incorporating climate change risk) financial crime and fraud risk, regulatory compliance risk, people risk, financial reporting and tax risk and other relevant risks.
- Advising the Board on risk appetite and risk-tolerance** related matters and satisfying itself that the risk appetite informs all aspects of the Bank's strategy including the Bank's ESG strategy (and specifically, its environmental and climate change risk strategy).
- Reviewing and providing independent challenge** on risk management reports to enable the Committee to assess the risk profile of the Bank and how the risks arising from the Bank's businesses are controlled, monitored, and mitigated.
- Providing oversight and challenge** of the design and execution of stress and scenario testing.
- Providing oversight and challenge** of the risk management and oversight arrangements of Management.
- Providing oversight and challenge of due diligence** on risk issues relating to material transactions and strategic proposals that are subject to approval by the Board under the Bank's delegated authorities
- Providing advice to the Remuneration and Nominations Committee (REMCO)** on risk weightings to be applied to performance objectives incorporated in the incentive structure for Material Risk Takers and other Management staff.
- Reviewing** the asset and liability management of the Bank.
- Conducting forward looking thematic reviews and deep dives** to address key risks (including climate change risk) and areas of regulatory concerns.
- Providing advice, oversight, and challenge** necessary to embed and maintain a supportive risk culture throughout the Bank.

During the year, BRC met seven (7) times and:

- Oversaw and advised the Board on all risk-related matters;
- Reviewed updates to GHIB's overall risk appetite statement and oversaw the effectiveness of the enterprise risk management framework and internal controls systems (other than internal financial controls overseen by the Audit Committee);
- As part of its oversight of the Bank's business continuity planning and ongoing operational resilience, challenged Management's reassessment of the Bank's Important Business Services (IBSs) and scrutinised the effectiveness of its response to major incidents affecting IBSs with the aim of minimising any adverse impact on customers;
- Reviewed ongoing capital and liquidity management activities, including early warning indicators, scenario stress testing and the capital and liquidity adequacy and conducted its annual review and challenge of the ICAAP (Internal Capital Adequacy Assessment Process), the Bank's Recovery Plan and ILAAP (Internal Liquidity Adequacy Assessment Process);
- The Committee considered the risks and the management of these arising in relation to proposed new business activities and products;
- Critically reviewed GHIB's Environmental and Climate Risk Policy to ensure it remained adequate and aligned with the Bank's activities;
- Reviewed management position reports on operational risks focussing on GHIB's technology risk profile, project risks, and reports on cybersecurity and banking operational risks. Technology related third party supply chain risks featured heavily on the BRC agenda during the year;
- Reviewed updates from management on the strategy and approach to manage credit risk and credit risk capabilities, including updates on the expected credit losses and provisions, loan impairment charges and the credit risk arising from the portfolio;
- Reviewed the CRO report in relation to the oversight over the risk dimension of performance and remuneration arrangements. The Committee also received the annual CRO report on the operation and effectiveness of the Bank's systems and controls, the activities of the Risk department during the year; and the work planned for 2025; and
- Reviewed and updated its terms of reference.

Board Audit & Compliance Committee (BACC)

The membership of the BACC comprises six (6) Directors, three of whom are INEDs and the remaining members are NEDs. The Committee is chaired by an INED. The Board Chair and the Executive Directors are not members of the Committee. The purpose of the BACC is generally to:

- Monitor the integrity of the Annual Report and Financial Statements of the Bank and any formal announcements relating to the Bank's financial position or performance and to review any critical accounting judgements and key sources of estimation and or uncertainty contained in them.
- Review the Annual Report and Financial Statements and recommend their approval to the Board.
- Review the content of the Annual Report and Financial Statements and advise the Board on whether, taken as a whole, these are fair, balanced, and understandable and provides the information necessary for the Shareholders to assess the Bank's performance, business model and strategy.
- Review the Bank's internal financial controls and, unless expressly addressed by the BRC, review the Bank's internal control and risk management systems.
- Monitor and review the effectiveness of the Bank's Internal Audit function.
- Make recommendations to the Board, for it to put to the Shareholders for their approval, on the appointment, re-appointment, and removal of the External Auditor, and to approve the remuneration and terms of engagement of the External Auditor.
- Review and monitor the External Auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements.
- Monitor the effectiveness of the Bank's Compliance and Financial Crime risk and control framework whilst ensuring the independence of the Compliance function.

During the year, BACC sat on nine (9) separate occasions and:

- Oversaw and advised the Board on all audit and compliance -related matters;
- Scrutinised and challenged the Annual Report and Financial Statements;
- Challenged the effectiveness of the Bank’s internal control environment including financial controls, paying specific attention to controls and any proposed enhancements to these within key areas of strategic importance to the Bank;
- Received and challenged, as appropriate, various annual compliance-related reports including the MLRO report, and the whistleblowing report;
- Reviewed, challenged, and monitored progress by Management and assurance provided by Internal Audit in in the effectiveness of the Bank’s Consumer Duty framework and embedding of the standards in the Bank. BACC also led the joint review and approval of the Bank’s Consumer Duty Report;
- Scrutinised the Bank’s reporting on modern slavery risks within its operations and supply chain as well as its proposals to combat the incidence of these;
- Reviewed, challenged and endorsed for Board approval key compliance and financial crime risk policies;
- Oversaw the Bank’s External Audit Tender, making a recommendation to the Board to retain the Bank’s existing Auditor for the next financial year’s audit;
- Met with the Bank’s Auditors, both Internal and External Auditors in the absence of Management; and
- Reviewed and updated its terms of reference.



Remuneration and Nominations Committee (REMCO)

The membership of the REMCO comprises six (6) Directors, three of whom are INEDs, and the remaining members are NEDs. The Committee is chaired by an INED. The Board Chair and the Executive Directors are not members of the Committee. Generally, the purpose of REMCO is to:

- Establish and implement policies and procedures for the identification, nomination, screening, and appointment of Directors to Board and the termination of any such appointments in line with the Bank's Articles of Association.
- Regularly review the Board's structure, size, composition and make recommendations to the Board on adjustments that are deemed necessary, to ensure an adequate size and well-balanced composition.
- Oversee the induction of new Members to the Board and to any Board Committee.
- Regularly review and evaluate the skills and experience of Board Members and ensure the adequacy of their training and development, in addition to supporting the Board Chair with the periodic evaluation of the Board's performance as a whole, its Committees, and that of individual Directors.
- In consultation with the BRC Chair, as appropriate, review and make recommendations to the Board on the Bank's Remuneration Policy as this pertains to the regulatory Remuneration Codes.
- Review and assess changes, if any, to the Bank's approach to its corporate governance and have oversight for the maintenance of any regulatory standards and best practice.
- Oversee, monitor, review and recommend for approval, the Bank's key human resource policies.
- Review GHIB's constitutional documents from time to time and recommend modifications as necessary for approval by the Board and Shareholders.
- Keep under review the regulatory requirements of the Prudential Regulation (PRA) Authority and Financial Conduct Authority (FCA) which relate to the work of the Committee.
- Review and update its terms of reference.

During the year, REMCO met on five (5) separate occasions and:

- Oversaw and advised the Board on the steps to be taken with regards to the existing vacancy on the Board;
- Played a key oversight role in the enhancement of the process for the internal evaluation of the performance of the Directors, the Board, and its Committees and updates to individual Directors' skills matrices;
- Monitored progress against the Board's annual training programme and proposed new training for Directors to enhance Director skills and knowledge for closer alignment with the Bank's strategy;
- Reviewed, challenged and agreed updates to the Bank's Board and Management Succession plans;
- Received and challenged the Bank's Balanced Scorecard and Management proposals relating to remuneration and compensation, resourcing plans and other people-related matters;
- Reviewed and approved quarterly reports relating to the Bank's periodic assessment of Material Risk Takers and Certification staff against the requirements of the regulatory Senior Managers & Certification Regime;
- Supported the Board in driving oversight of the effective roll-out and embedding of the Bank's Culture Transformation Programme;
- Met with a broad base of staff on at least six separate occasions during the year, to listen and understand their views and ideas regarding GHIB's culture; and
- Fostered diversity, equality and inclusion in collaboration with GHIB's Culture Working Group by monitoring gender pay gap within the organisation and promoting various initiatives to celebrate events such as International Women's Day and Mental Health Awareness Week.

The Executive

The Chief Executive Officer has delegated authority from the Board, for strategy implementation, operational matters, and the running of the Bank on a day-to-day basis. This authority is managed through the Deputy Chief Executive Officer & Chief Operating Officer and the Bank's Executive Management Committee or EXCO comprising:

- Chief Executive Officer
- Deputy Chief Executive Officer & Chief Operating Officer
- Chief Commercial Officer
- Chief Financial Officer
- Chief Banking Officer
- Chief Risk Officer
- Head of Compliance and MLRO
- General Manager Operations
- General Counsel & Company Secretary
- Head of People, Culture & Communication

The Committee currently meets as a minimum of two (2) times a month or more frequently as required to consider any special business, and to ensure that the Bank's operations and activities, financial and general management are aligned with the Board approved strategy and risk appetite of the Bank.

Our Code of Conduct

Our Code of Conduct sets the standards, values, and behaviours that we strive to uphold at GHIB. The Code is reviewed annually by the Board. The Bank is committed to achieving sustainable performance and delivering value to our stakeholders and fair outcomes to our customers. We aim to do this by promoting a culture of respect, integrity, collaboration and excellence (R,I.C.E).

The Bank's Whistleblowing Policy encourages all staff to raise any concerns that they may have about the way in which GHIB's business is being conducted, or about the conduct of other employees, Directors and or other persons with whom the Bank has a relationship. The Chair of the Board Audit and Compliance Committee acts as the Board Whistleblowing Champion.

EXCO has established eight (8) Sub-Committees that cover strategy implementation, risk management, asset and liability management, credit, business development, financial crime and regulatory compliance matters, operations, and transformation. These are summarised below.

- Asset & Liability Management Committee (Chair: Chief Financial Officer)
- Revenue & Growth Committee (Chair: Chief Banking Officer & Chief Commercial Officer)
- Compliance & Financial Crime Committee (Chair: Chief Risk Officer)
- Management Credit Committee (Chair: Chief Risk Officer)
- Operations Committee (Chair: Deputy Chief Executive Officer & Chief Operating Officer)
- Project Steering Committee (Chair: Deputy Chief Executive Officer & Chief Operating Officer)
- Risk Oversight Committee (Chair: Chief Risk Officer)
- Strategy Implementation Steering Committee (Chair: Chief Commercial Officer)



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Financial Conduct Authority and Prudential Regulation Authority

Directors' responsibilities statement

The Companies Act 2006 (the "Act") requires directors to prepare financial statements for each fiscal year. Under company law, the directors are required to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Act. By law, the directors must not approve the annual report and the financial statements unless they are satisfied that these give a true and fair view of the state of affairs of the Bank, and profit or loss for the period under review. In preparing these annual report and financial statements, International Accounting Standard 1 requires that directors:

- carefully select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable, and understandable information;
- Include comparison with previous periods, and present consistently across periods;
- provide additional disclosures when compliance with the specific requirements in International Financial Reporting Standards (IFRS) is insufficient to enable users to understand the impact of transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Bank's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Bank's transactions and disclose with reasonable accuracy at any time the financial position of GHIB and enable them to ensure that the annual report and financial statements complies with the Act. The directors are also responsible for safeguarding the assets of the Bank and hence for taking reasonable steps for the prevention and detection of fraud, financial crime and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Bank's website. Legislation in the United Kingdom that governs the preparation and dissemination of annual report and financial statements may differ from legislation in other jurisdictions.

Financial Statements





Independent Auditor's Report to the members of Ghana International Bank Plc

Report on the audit of the financial statements

1. Opinion

In our opinion the financial statements of Ghana International Bank plc (the 'bank'):

- give a true and fair view of the state of the bank's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the statement of cash flow; and
- the related notes 1 to 40.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom adopted international accounting standards.

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 bank in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We confirm that we have not provided any non-audit services prohibited by the FRC's Ethical Standard to the bank.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Summary of our audit approach

Key audit matters	<p>The key audit matters that we identified in the current year were:</p> <ul style="list-style-type: none"> • Accounting and Valuation of Ghana Sovereign Eurobonds; and • Expected Credit losses. <p>Within this report, key audit matters are identified as follows:</p> <ul style="list-style-type: none"> ⓘ Newly identified ⊕ Increased level of risk ⊕ Similar level of risk ⊖ Decreased level of risk
Materiality	The materiality that we used in the current year amounted to £826,000 which has been determined based on 0.5% of net assets.
Scoping	Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.
Significant changes in our approach	We identified a new key audit matter in the current year which is the Accounting and Valuation of Ghana Sovereign Eurobonds.

4. Conclusions relating to going concern.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the bank's ability to continue to adopt the going concern basis of accounting included:

- assessing and challenging the reasonableness of the assumptions used in the forecast including those related to business performance;
- supported by regulatory specialists in reviewing the regulatory capital and liquidity headroom in the forecasts;
- assessing management's downside scenarios that they are appropriate and considering the impact on the headroom;
- testing the accuracy of those forecasts and assessing the historical accuracy of forecasts prepared by management; and
- evaluating the disclosures in relation to going concern in Note 1 to the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the bank's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

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.

5.1 Accounting and Valuation of Ghana Sovereign Eurobonds

<p>Key audit matter description</p>	<p>In October 2024, the Government of Ghana reached an agreement with private creditors to restructure existing Ghana Sovereign Eurobonds which defaulted in 2022. The bank held £5.3 million of the defaulted Ghana Sovereign Eurobonds. Following the restructuring arrangement, the old bonds were replaced with new bonds with substantial modifications to key terms. These changes are significant and resulted in the old bonds being derecognised upon the issuance of the restructured bonds (the “new bonds”).</p> <p>The accounting conclusions and determination of the fair value of the restructured Ghana Sovereign Eurobonds are judgmental due to the complex and subjective assumptions involved. Determining the discount rate, projecting future economic conditions and interest rates, and assessing the credit risk of the restructured debt all rely over management’s estimations and judgement. The level of judgment required also introduces a potential fraud risk.</p> <p>The restructuring requires evaluation under IFRS 9 to determine whether it represents a substantial modification necessitating derecognition of the original asset and recognition of a new asset and assessment of the fair value of both old and new bonds. This conclusion on classification directly impacts the timing of gain/loss recognition and financial statement presentation, increasing the risk around the complexities in the accounting treatment. Given these complexities, this area represents a key audit matter.</p> <p>The directors have disclosed information about restructured bonds in Note 13 to the financial statements.</p>
<p>How the scope of our audit responded to the key audit matter</p>	<p>The following key procedures have been performed over the key audit matter identified:</p> <ul style="list-style-type: none"> • We obtained an understanding of the relevant controls over accounting and valuation of the Ghana Sovereign Eurobonds; • We involved our accounting specialist to assess the accounting conclusions reached by management; • We engaged our valuation specialist to assess the valuation of the bonds as at the date of recognition of the new bonds as a result of the restructuring; • We assessed management’s quantitative and qualitative parameters and inputs to ensure the correct recognition of the bonds; • We evaluated and recalculated the revised cashflow projections for accuracy, considering the maturity extensions, interest rate reductions, principal haircuts and effective interest rates; • We evaluated and recalculated the discounted present value of the original bonds as at the date of modification using the original EIR of the bonds; • We performed procedures as required by IFRS 9 to determine if the modifications to the bonds were substantial enough to warrant the derecognition and subsequent recognition of new bonds by comparing the cashflows before and after modification; • We evaluated the impairment assessment as at the date of derecognition of old bonds to determine whether the calculated expected credit loss was accurate and reflected the risk profile; • We assessed management’s basis for classifying the restructured bonds in the financial statements, in accordance with the requirements of IFRS 9 and; • We reviewed the related financial statement disclosures about the Ghana Sovereign Eurobonds.
<p>Key observations</p>	<p>We concluded that the accounting and valuation of the restructured Ghana Sovereign Eurobonds was appropriate and free from material misstatement.</p>

5.2 Expected credit losses

Key audit matter description	<p>The bank is required to record forward looking expected credit losses in accordance with the requirements of IFRS 9. The bank measures provisions for expected credit losses on loans and advances to customers and banks and financial assets classified as fair value through other comprehensive income using an expected credit losses model. The assumptions used in the model, such as probabilities of default, loss given default, forward looking information and internal credit risk ratings require a high level of management judgement.</p> <p>As at 31 December 2024, the total provisions for expected credit losses were £1,871k (2023: £3,655k) as disclosed in Note 13 to the financial statements. Of this £1,185k (2023: £1,711k) was determined using the bank’s expected credit losses model while £685k (2023:£1,945k) relate to the expected credit losses on Ghana and Ethiopia Sovereign Eurobonds which was determined on the basis of individual assessment.</p> <p>Given the involvement of judgements and assumptions, expected credit losses remains a key audit matter in the current year.</p> <p>The directors have disclosed information about Credit Risk in Note 33 to the financial statements. The accounting policy and information about critical accounting judgements and key sources of estimation uncertainty can be found in Note 1 to the financial statements.</p>
How the scope of our audit responded to the key audit matter	<p>For the provisions for expected credit losses determined using the bank’s expected credit losses model:</p> <ul style="list-style-type: none"> • We obtained an understanding of the relevant controls over the expected credit loss process; • We assessed the model methodology used by management and tested the implementation of the model with the support of our credit risk specialists; • We challenged the internal credit ratings determined by management by performing independent credit review using financial and other market information and independent news searches to assess the reasonableness of the internal credit rating assigned to borrowers; • We assessed and challenged the source of key input data used in the determination of probabilities of default and loss given defaults, by considering their relevance and appropriateness in the context of the circumstances of the bank; • We tested the completeness and accuracy of the internal and external data used in the model; • We assessed the methodology used by management to incorporate forward looking macroeconomic scenarios into the estimation of forward looking probabilities of default. • We assessed the competence, capability, and objectivity of the third-party management expert providing macroeconomic data; • We assessed the appropriateness of the selected macroeconomic variables and scenarios, and the probability weightings used in the model; and • We reviewed the disclosures in the financial statements to evaluate their compliance with the requirements of IFRS 9.

	<p>For the Ghana and Ethiopia Sovereign Eurobonds, where the expected credit losses was determined on the basis of an individual assessment:</p> <ul style="list-style-type: none"> • We obtained an understanding of the relevant controls over the expected credit loss process; • We assessed the appropriateness of the staging classification of the underlying exposures; • We obtained an understanding of the approach, assessed its appropriateness and reperformed the computations. • We assessed the completeness and accuracy of the inputs to the calculation and tested them to external sources where applicable; • We assessed the impact of the current macroeconomic situation relevant to the underlying exposures and assessed how the impacts have been incorporated into the estimation of provisions for expected credit losses; and • We reviewed the disclosures in the financial statements to evaluate their compliance with the requirements of IFRS 9.
Key observations	<p>We concluded that the provisioning level was appropriate and free from material misstatement, and the disclosures in the financial statements were appropriate.</p>

6. Our application of materiality

6.1 Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Materiality	£826,000 (2023: £798,000)
Basis for determining materiality	0.5% of net assets (2023: 0.5% of net assets)
Rationale for the benchmark applied	Materiality has been based on net assets. We concluded that it was appropriate to use net assets as this is a key metric of significance to the ultimate controlling party and a key performance metric for multiple stakeholders including the regulator.

6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. Performance materiality was set at 70% of materiality for the 2024 audit (2023: 70%). In determining performance materiality, we considered the following factors:

- There have been no significant changes in the business other than the impact of continued investments in systems, technology, and personnel;
- Our past experience of the audit, which has indicated a low number of corrected and uncorrected misstatements identified in prior periods;
- The reliability of the control environment; and
- Management’s willingness to investigate and correct misstatements.

6.3 Error reporting threshold

We agreed with the Board Audit and Compliance Committee that we would report to the Committee all audit differences in excess of £41,300 (2023: £39,900), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Board Audit and Compliance Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit

7.1 Scoping

Our audit was scoped by obtaining an understanding of the bank and its environment, including internal control, and assessing risks of material misstatements. Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.

The bank has no subsidiaries or branches, and our audit scope covers the whole entity.

7.2 Our consideration of the control environment

We identified the key IT systems relevant to the audit to be those used in the financial reporting, lending, and deposits businesses. The IT system relevant to the financial reporting is the core banking platform and general ledger. In conjunction with our IT specialists, we performed testing over the general IT controls, including testing of user access and change management system.

In the current year, our adopted approach on controls have been consistent to our planned approach. We were able to place reliance on cash, loans, and deposit processes.

The directors discuss the control environment, including improvements made during the year, on page 19 of the financial statements.

7.3 Our consideration of climate-related risks

In planning our audit, we have obtained an understanding of management's process in considering the impact of climate-related risks on the bank's business and its financial statements and assessed whether the risks identified by the bank are consistent with our understanding.

The bank has recognised the importance of climate-related risks and set out its governance, risk management framework and initiatives in response to climate-related risks in Sustainability Report section of the Strategic Report (pages 38 - 52 of the Annual Report).

We performed inquiries of management and reviewed the Environment and Climate Risk policy and Board Risk Committee meeting minutes to obtain an understanding of management's process and controls in considering the impact of climate risks and assess whether the risks identified by the entity are complete and consistent with our understanding of the entity.

In addition, we read the disclosures in the Sustainability Report and considered whether they are materially consistent with the disclosure in Note 1 to the financial statements and our knowledge obtained in the audit.

8. Other information

The other information comprises the information included in the annual report (including the Acting Chairman's Report, Chief Executive Officer's report, Strategic report, Directors' report, and corporate governance statement), other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

9. Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

10. 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 (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

11. Extent to which the audit was considered capable of detecting irregularities, including fraud.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1 Identifying and assessing potential risks related to irregularities.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the bank's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management and the Board Audit and Compliance Committee about their own identification and assessment of the risks of irregularities, including those that are specific to the bank's sector;
- any matters we identified having obtained and reviewed the bank's documentation of their policies and procedures relating to:
 - o identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - o detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud; and
 - o the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- the matters discussed among the audit engagement team and relevant internal specialists, including IT, credit modelling, financial instrument valuation, complex pricing, accounting, and regulatory specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the accounting and valuation of the Ghana Sovereign Eurobonds. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the bank operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included UK Companies Act, tax legislation and the Capital Requirements (Country-by Country Reporting) Regulations 2013.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the bank's ability to operate or to avoid a material penalty. These included the rules of the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA).

11.2 Audit response to risks identified

As a result of performing the above, we identified Accounting and Valuation of Ghana Sovereign Eurobonds as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the Board Audit and Compliance Committee and the legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports, and reviewing correspondence with the FCA and PRA; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including our internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the bank and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

13. Opinion on other matter prescribed by the Capital Requirements (Country-by-Country Reporting) Regulations 2013

In our opinion the information given in Note 37 to the financial statements for the financial year ended 31 December 2024 has been properly prepared, in all material respects, in accordance with the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

14. Matters on which we are required to report by exception

14.1 Adequacy of explanations received and accounting records.

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

14.2 Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made.

We have nothing to report in respect of this matter.

15. Other matters which we are required to address

15.1 Auditor tenure

Following the recommendation of the Board Audit and Compliance Committee, we were appointed by the Ghana International Bank Plc Board on 30 September 2010 to audit the financial statements for the year ending 31 December 2010 and subsequent financial periods.

The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 15 years, covering the years ending 31 December 2010 to 31 December 2024.

15.2. Consistency of the audit report with the additional report to the Board Audit and Compliance Committee

Our audit opinion is consistent with the additional report to the Board Audit and Compliance Committee we are required to provide in accordance with ISAs (UK).

16. Use of our report

This report is made solely to the bank's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the bank's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the bank and the bank's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed

James Polson (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

18 March 2025

Statement of comprehensive income

For the year ended 31 December 2024

	Notes	2024 £	2023 £
Continuing operations			
Interest receivable and similar income	2	45,634,349	35,055,214
Other interest income arising from debt and other fixed income securities		9,820,312	9,075,263
Total interest income		55,454,661	44,130,477
Interest expense and similar charges	6	(19,083,832)	(12,823,804)
Net interest income		36,370,829	31,306,673
Fees and commission income	3	8,240,062	6,490,818
Net foreign currency income	4	1,944,169	1,989,283
Investments (losses) / gains from sale of government and other securities		(163,241)	79,998
Other income	5	1,012,475	89,352
Total non-interest income		11,033,465	8,649,451
Operating income		47,404,294	39,956,124
Staff costs	8	(26,959,541)	(23,423,228)
Other administrative expenses	9	(11,815,526)	(11,021,926)
Depreciation and amortisation	16, 17, 18	(2,383,646)	(2,277,366)
Total operating expenses		(41,158,713)	(36,722,520)
(Provisions) / reversal of provisions for credit losses	13	(408,819)	1,024,498
Profit before taxation	7	5,836,762	4,258,102
Taxation	10	(1,599,961)	(1,145,807)
Profit for the year		4,236,801	3,112,295
Other comprehensive income			
That may be reclassified to profit or loss:			
Fair value movements on fair value through other comprehensive income (FVOCI) financial instruments	26	3,365,255	1,821,050
Taxation on FVOCI financial instruments	26	(841,314)	(454,165)
Total other comprehensive income		2,523,941	1,366,885
Total comprehensive income for the year attributable to equity holders		6,760,742	4,479,180

Statement of financial position

As at 31 December 2024

	Notes	2024 £	2023 £
Assets			
Cash and balances at central banks	29	181,980,487	256,691,647
Placements with and loans and advances to banks	11	471,210,664	353,387,088
Loans and advances to customers	12	57,178,671	53,066,533
Government and other securities	14	366,183,607	119,321,238
Prepayments and other receivables	15	5,172,009	2,778,164
Property, plant and equipment	16	1,679,557	1,878,621
Right of use assets	17	2,010,863	1,605,924
Intangible assets	18	7,829,045	6,130,633
Current tax asset	10	-	945,584
Deferred tax asset	19	2,441,160	4,843,256
Total assets		1,095,686,063	800,648,688
Liabilities			
Deposits by banks	20	619,446,707	355,749,487
Amounts owed to depositors	21	255,765,401	270,972,181
Term financing	22	14,562,133	-
Other liabilities	23	30,261,027	6,287,092
Accruals and deferred income		7,184,339	5,311,755
Total liabilities		927,219,607	638,320,515
Equity			
Ordinary shares	24	63,739,927	63,739,927
Share premium	24	61,212,787	61,212,787
FVOCI revaluation reserve	26	(656,013)	(3,179,954)
Profit and loss account	25	44,169,755	40,555,413
Total Equity		168,466,456	162,328,173
Total liabilities and equity		1,095,686,063	800,648,688

The annual report and financial statements of Ghana International Bank plc, registered number 03468216 were approved and authorised for issue by the Board of Directors on 18 March 2025. The notes to the financial statements from page 84 onwards form an integral part of these financial statements. Signed on behalf of the Board of Directors.

Signed

Lord P. Boateng
Acting Chairman

Signed

Dean Adansi
Chief Executive Officer

Statement of changes in equity

For the year ended 31 December 2024

	Notes	Ordinary shares £	Share Premium £	Profit and Loss £	FVOCI Reserves £	Total £
Balance at 31 December 2022		63,739,927	61,212,787	37,443,118	(4,546,839)	157,848,993
Profit for the year	25	-	-	3,112,295	-	3,112,295
Fair value movements on FVOCI financial instruments net of tax	26	-	-	-	1,446,883	1,446,883
Gains on FVOCI financial instruments transferred to Income statement upon derecognition	26	-	-	-	(79,998)	(79,998)
Total comprehensive income for the year		-	-	3,112,295	1,366,885	4,479,180
Dividend paid	27	-	-	-	-	-
Balance at 31 December 2023		63,739,927	61,212,787	40,555,413	(3,179,954)	162,328,173
Profit for the year	25	-	-	4,236,801	-	4,236,801
Fair value movements on FVOCI financial instruments net of tax	26	-	-	-	2,360,700	2,360,700
Losses on FVOCI financial instruments transferred to Income statement upon derecognition	26	-	-	-	163,241	163,241
Total comprehensive income for the year		-	-	4,236,801	2,523,941	6,760,742
Dividend paid	27	-	-	(622,459)	-	(622,459)
Balance at 31 December 2024		63,739,927	61,212,787	44,169,755	(656,013)	168,466,456

Statement of cash flow

For the year ended 31 December 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Profit before taxation		5,836,762	4,258,102
Adjustments for:			
Foreign currency income - Translation of assets & liabilities	4	(748,521)	(525,892)
Depreciation and amortisation		2,383,646	2,277,366
Lease finance charge	6	165,240	140,727
Provisions / (reversal of provisions) for credit losses	13	408,819	(1,024,498)
Net interest income and other non cash items		6,709,610	(790,883)
Decrease / (increase) in:			
Loans and advances to banks and customers		(79,379,510)	(8,318,223)
Government and other securities		(246,603,941)	52,729,216
Prepayments and other receivables		(2,393,680)	(488,671)
Increase / (decrease) in:			
Deposits by banks and customers		247,285,853	(90,180,843)
Other liabilities		382,531	(323,153)
Accruals and deferred income		1,574,625	1,816,917
Income taxes refunded	10	945,584	-
Foreign income taxes paid	10	(38,468)	-
Net cash used in operating activities		(63,471,450)	(40,429,835)
Cash flows from investing activities:			
Purchase of property, plant and equipment	16	(478,827)	(303,289)
Purchase of intangible assets	18	(2,751,634)	(1,914,732)
Net cash used in investing activities		(3,230,461)	(2,218,021)
Cash flows from financing activities:			
Dividends paid	26	(622,459)	-
Net increase in term financing	22	14,377,227	-
Repayment of lease liabilities	23	(1,157,028)	(874,791)
Net cash generated from financing activities		12,597,740	(874,791)
Decrease in cash and cash equivalents		(54,104,171)	(43,522,647)
Effect of exchange rate changes on cash and cash equivalents		108,502	112,750
Net decrease in cash and cash equivalents		(53,995,669)	(43,409,897)
Cash and cash equivalents at the beginning of the year	29	430,365,754	473,775,651
Cash and cash equivalents at the end of the year	29	376,370,085	430,365,754

Notes to the financial statements

Year ended 31 December 2024

1. Accounting policies

General Information

Ghana International Bank plc (“GHIB” / the “Bank”) is a company incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on page 7. The nature of the Bank’s operations and its principal activities are set out in the Acting Chairman’s Report and the Strategic report.

Basis of preparation

The financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. The financial statements are prepared under the historical cost convention as modified by financial instruments recognised at fair value through other comprehensive income. At the date of authorisation of these financial statements there was one relevant standard issued but not yet effective. IFRS 18 ‘Presentation and Disclosure in Financial Statements’ is effective from 1 August 2027, although it not yet been endorsed for use in the UK and its impact is currently under assessment. The risks associated with climate change are presented in the Annual Report pages 40-43. As at 31 December 2024, there has not been any direct financial impact arising from climate-related risks recognised in the financial statements, including:

- asset impairment;
- changes in the useful life of assets;
- changes in the fair valuation of assets;
- effects on impairment calculations because of increased costs or reduced demand;
- changes in provisions for onerous contracts because of increased costs or reduced demand;
- changes in provisions and contingent liabilities arising from fines and penalties; and
- changes in expected credit losses for loans and other financial assets.

Going concern

In preparing the financial statements, the directors are responsible for assessing the company’s ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so. On an annual basis or when there is a material change, management are responsible for providing an assessment of the Bank’s going concern to the Directors for review, consideration and approval. The Bank’s business activities, together with the factors likely to affect its future development, performance and position are set out in the Acting Chairman’s Report and the Strategic Report. The Bank’s underlying business performance in 2024 has improved as set out on pages 27-28 of the Strategic Report. The Bank remains well positioned in its core market and maintains a strong capital position and sound liquidity management.

The Bank’s forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Bank should be able to operate within the level of its current capacity.

Based upon the above, the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The Directors have considered the foreseeable future to be at least 12 months from the date of approving the accounts. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements. For further information see the Directors report (page 56).

1. Accounting policies – continued

Foreign Currencies

The functional and reporting currency is sterling, which is also the presentational currency as this is the currency of the primary economic environment in which the Bank operates. The Bank performs periodic reviews of its functional and presentation currency. Judgement is applied in determining the most appropriate functional currency, taking into consideration among other factors, the contribution of each currency on the Bank's Income Statement and Statement of Financial Position, and how each currency influences product pricing.

Transactions in currencies other than sterling are recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Gains and losses on retranslation are included in the profit or loss for the year.

Property, Plant and Equipment

Fixed assets are stated at cost less accumulated depreciation and impairment, if any. Depreciation is computed using the straight-line method so as to write off the cost over the estimated useful lives at the following rates:

Computer equipment	25% per annum on cost
Office Furniture and equipment	33.33% per annum on cost
Motor vehicles	25% per annum on cost
Safes and strong room	20% per annum on cost
Leasehold improvements	10% per annum on cost (or lease period if shorter)
Right of Use (RoU)	Actual contractual term

At each balance sheet date, property and equipment are assessed for indications of impairment. If indications are present, these assets are subject to an impairment review. The impairment review comprises a comparison of the carrying amount of the asset with its recoverable amount.

Intangible Assets

Computer software (acquired and costs associated with development) is stated at cost less accumulated amortisation and provisions for impairment which are reviewed at least annually. Amortisation is calculated to write off their cost on a straight-line basis over the estimated useful lives at the following rates:

Computer software	10% to 33.33% per annum on cost
--------------------------	---------------------------------

Expenditure on internally developed software is recognised as an asset when the Bank is able to demonstrate:

1. That the product is technically and commercially feasible;
2. Its intention and ability to complete the development and use the software in a manner that will generate future economic benefits; and
3. That it can reliably measure the costs to complete the development.

1. Accounting policies – continued

The capitalised costs related to software include direct staff costs and all costs directly attributable to developing the software and are amortised over its estimated useful life (33.33% per annum on cost). All other costs associated with computer software, e.g. its maintenance, are expensed when incurred.

Income Recognition

Interest income on loans and advances and interest-bearing securities are accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the effective life of the asset to the asset's net carrying amount.

Interest income from government stock and similar investments are also recognised on the effective interest basis including any premium or discount to redemption. Loan origination fees are in all material respects recognised as an adjustment to the effective interest rate on the related loan. Income from Guarantees and Letters of Credit commitments is recognised over the period of commitment. Other fees and commissions are recognised as the performance obligation is satisfied.

Effective Interest Method

The effective interest rate is the rate that exactly discounts estimated future cash payments, or receipts, (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial Instruments

Financial Assets

All financial assets are recognised and derecognised on a settlement date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as fair value through profit or loss, which are initially measured at fair value.

On first recognition of a financial asset, it is classified based on the business model for managing the asset and the asset's contractual cash flow characteristics:

- Amortised cost - a financial asset is measured at amortised cost if both of the following conditions are met: the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- Fair value through other comprehensive income—financial assets are classified and measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Fair value through profit or loss—financial assets are classified at fair value through profit or loss where they do not meet the criteria to be measured at amortised cost or fair value through other comprehensive income or where they are designated at fair value through profit or loss to reduce an accounting mismatch.

1. Accounting policies – continued

Note 32 sets out the classification of each relevant financial statement line.

Impairment of Financial Assets

Under IFRS 9 Financial Instruments, impairment modelling for financial assets that requires the recognition of expected credit losses (ECL) has been adopted from 1 January 2018. ECLs are recognised in profit or loss. The ECL model includes a range of forward-looking macro-economic inputs, including forecasts of future events and economic conditions used when determining significant increases in credit risk (SICR) and when measuring expected losses.

Expected credit losses are determined using a three-stage impairment approach that is based on the change in the credit quality of financial assets since initial recognition. Obligors are individually graded for credit purposes on a specific basis and exposures are not grouped when measuring expected credit losses.

Stage 1: 12 months ECL

Financial assets that have experienced no significant increase in credit risk between initial recognition and the reporting date and for which 12-month expected credit losses are recorded at the reporting date are classified in *Stage 1*.

Stage 2: Lifetime ECL- not credit impaired

Financial assets that have experienced a significant increase in credit risk between initial recognition and the reporting date, but are not credit impaired and for which lifetime expected credit losses are recorded at the reporting date, are classified in *Stage 2*.

Stage 3: Lifetime ECL - credit impaired

Financial assets for which there is objective evidence of impairment, for which one or more events have had a detrimental impact on the estimated future cash flows of these financial assets at the reporting date, and for which lifetime expected credit losses are recorded, are classified in *Stage 3*.

Measurement of Expected Credit Losses

Expected credit losses are estimated using three main inputs:

- Probability of Default (PD)- the likelihood of entering default status at any future point within the expected life of the account.
- Exposure at Default (EAD)- the balance outstanding at the point of entry into default.
- Loss Given Default (LGD)- an estimate of the proportion of the exposure that we believe would be at risk if the company defaults on their obligations to repay.

1. Accounting policies – continued

Significant Increase in Credit Risk

Any of following will immediately constitute a significant increase in credit risk and will trigger a movement from stage 1 to stage 2:

- A downgrade of 2 or more credit grades (per the credit grading categories in Note 33).
- When 30 days past due.
- When an account enters 'Watchlist', 'Sub-standard' or 'Doubtful' (per the credit grading categories in Note 33).
- A concession outside of normal market conditions is granted and there is evidence of financial difficulty.

Additionally, the following factors are considered in determining a significant increase in credit risk:

- Sovereign experiencing notable financial distress - Cash flow or liquidity issues.
- Changes to contractual terms e.g. granting concessions such as interest waivers and payment holidays.
- Disappearance of active market of the financial asset.
- Existing or forecast adverse changes in regulatory or technological environment.
- Existing or forecast adverse changes in industry.

Forbearance

Defined as a concession outside of normal market conditions and financial difficulty (stage 2 or 3). If a customer is forbore, we consider days past due with the concession applied although the customer will be allocated into stage 2. If the customer deteriorates again after granting a concession then the application of default status and a transfer to stage 3 should be considered.

Default

Loans and advances are considered defaulted when the borrower is in breach of contract, is bankrupt, or experiences other significant financial difficulties which are expected to have a detrimental impact on their ability to pay interest or principal on the loan. This includes events such as administration; insolvency; repossession of assets and voluntary termination or surrender. As a backstop, all financial assets that are 90 days past due are considered as defaulted.

Write-off

Financial assets are written-off when the Bank has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

Collateral

All collateral applied against customer exposures measured at amortised cost are held as cash deposits. Whilst cash collateral is held for purposes of GHIB's trade business (off and on balance sheet) the Bank does hold a general deed of set-off for all cash collateral, enabling it to offset any amount due to GHIB by its customers with the cash collateral held.

Forward looking information

The Bank incorporates forward looking information and an allowance for changes in macro-economic conditions and forecasts through consideration of three discrete scenarios (upside, base and downside). The main driver contributing to the Bank's forward looking macro-economic considerations in the ECL calculation is the GDP of Ghana, Nigeria and the rest of the world. See page 91 for more information.

1. Accounting policies – continued

Loans and advances

Loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and advances'. Loans and advances are measured at amortised cost using the effective interest method, less any impairment. Impairment is recognised from the onset of origination of the loan where ECL is calculated.

Financial liabilities

All financial liabilities are measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities include derivatives (other than derivatives that are financial guarantee contracts or are designated and effective hedging instruments), other liabilities held for trading, and liabilities that an entity designates to be measured at fair value through profit or loss. Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Leases

Lease contracts as defined by IFRS 16 'Leases', are recorded in the balance sheet, which leads to the recognition of an asset representing a right-of-use of the asset leased during the lease term of the contract; and a liability related to the payment obligation. Financing arrangements with the following features are not eligible to an accounting treatment according to IFRS 16: The lessor has legal ownership retention as security against repayment and interest obligations. The Bank has elected to apply IFRS 16's recognition exemption for short-term and low value leases, and to recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term. However, the Bank did not have any such eligible leases in the period or prior period.

The Bank as lessee has recognised at present value assets for the right of use received and liabilities for the payment obligations entered for all leases in the balance sheet. Amounts involved in the measurement of the lease liability are:

- Fixed payments (including in-substance fixed payments; meaning that even if they are variable in form, they are in-substance unavoidable);
- Variable lease payments that depend on an index or a rate, initially measured using the index or the rate in force at the lease commencement date;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise this option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The Bank's right of use assets recognised do not relate to complex leases with the material component being lease of premises. The main area of estimate relates to the implied discount rate on the leases. Lease payments are discounted at the implicit rate underlying the lease to the extent that this can be determined. Where implied rates are not implicit in the lease agreement, the Bank has derived an approximation of the external costs of funding using its internal Funds Transfer Pricing Model. The model uses the Bank's observable costs of funding as a key input. Other variable lease payments are expensed in the period to which they relate.

Current taxation

The tax currently payable is based on taxable profit for the year. Taxable profit differs from the profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Bank's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

1. Accounting policies – continued

Deferred taxation

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow part or all of the assets to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset realised and is charged in the Income Statement. Deferred tax is based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date and are expected to apply in the period when the assets will be realised or the liabilities settled. If the Bank's future profitability is sufficiently lower than currently forecast then the asset may be reduced to the extent sufficient taxable profits are available.

Pension costs

The Bank operates an occupational money purchase pension scheme. An occupational money purchase pension scheme is one where the company pays fixed contributions into a separate entity for the benefit of its employees. These contributions are expensed in the period in which they accrue.

Cash and cash equivalents

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

- Cash - cash on hand and demand deposits
- Cash equivalents - other short-term highly liquid investments that are readily convertible to known amounts of cash and are held for the purpose of meeting short-term cash commitments.

Cash comprises all Cash and balances at banks and the Reserve account balance held at the Bank of England. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Cash equivalents comprises other Placements with and loans and advances to banks which are held for the purpose of meeting short-term cash commitments. This includes amounts receivable from upstream Banks with an original maturity of less than three months that are available to finance day-to-day operations and not encumbered.

Contingent liabilities

Contingent liabilities are possible obligations whose existence will be confirmed by uncertain future events that are not wholly within the control of the entity. Contingent liabilities comprise letters of credit (standby, irrecoverable, etc) issued for trade related transactions and guarantees issued on behalf of a customer to underpin a future performance. Income from these products is recognised in Fee and commission income from contracts in the scope of IFRS 15. A contingent liability is not recognised in the statement of financial position. However, unless the possibility of an outflow of economic resources is remote, a contingent liability is disclosed in the notes.

Contingent liabilities also include obligations that are not recognised because their amount cannot be measured reliably or because settlement is not probable. Contingent liabilities do not include provisions for which it is certain that the entity has a present obligation that is more likely than not to lead to an outflow of cash or other economic resources, even though the amount or timing is uncertain.

Critical accounting judgements and key sources of estimation uncertainty

In applying the Bank's accounting policies, which are described in note 1, the Directors are required to make judgements that have a significant impact on the amounts of recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are readily apparent from other sources. The estimates and associated

1. Accounting policies – continued

assumptions are based upon historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing 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.

Critical judgments in applying accounting policies

The following are the critical judgements that the directors have made in the process of applying the Bank's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

1) Provisions for credit losses – broader approach to ECL methodology due to lack of loss data

The Bank recognised provisions for credit losses of £1.9m (2023: £3.7m). Note 13 to the financial statements provides quantitative measurement of Provisions for credit losses.

The Bank has negligible history of crystallised loan losses and therefore does not have sufficient internal data which can be used to calculate specific components of expected credit losses, probability of default and loss given default. The Bank sources data for these components externally, and therefore there is significant judgement about the appropriateness and relevance of the data. In assessing whether the data is appropriate and relevant the Bank considers a number of qualitative and quantitative factors including; the relevance of data to GHIB's credit risk exposures; the reliability of the data; and the availability and granularity of the data.

Additionally, the Bank uses an internal credit rating system for each exposure. The credit rating system and movements therein, determine the staging classification of each exposure in the expected credit loss model. The grading system includes a wide range of financial and non-financial inputs, taking into account financial metrics, unique customer knowledge, macro-economic considerations and business outlook.

The Bank has also considered that there is no material impact of climate-related risks in respect of Provisions for credit losses. The Bank acknowledges the long-term nature of climate risk and continues to monitor and assess climate risks (see pages 41-43 for more information).

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

1) Provisions for credit losses stage 3 LGD

The Bank recognised provisions for credit losses in stage 3 of £0.7m (2023: £1.9m). Note 13 to the financial statements provides quantitative measurement of Provisions for credit losses.

The stage 3 items comprise Eurobond exposures to Ethiopia, which is considered credit impaired. The bonds are classified as FVOCI, which as at 31 December 2024 had a carrying amount of £2.8m. Management has made an estimation of LGD for these exposures, including the amount of haircut expected, the average restructure time and the length of recovery. This is identified as a key source of estimation uncertainty and has been based upon probability-weighted scenario analysis that takes into account empirical evidence of restructuring of sovereign debt in Africa and globally, as well as official news from Ethiopia. Uncertainty arises from the use of such evidence and probability weight applied to each. Changing the scenario to a downside scenario (100% probability on the most adverse yielding source of evidence) results in a £41k increase in ECL, while an upside scenario (100% probability on the most favourable yielding source of evidence) results in a £105k decrease in ECL.

1. Accounting policies – continued

2) Provisions for credit losses – macroeconomic scenario’s

The Bank incorporates forward looking information and an allowance for changes in macro-economic conditions and forecasts through consideration of three discrete scenarios (upside, base and downside). The main driver contributing to the Bank’s forward looking macro-economic considerations in the ECL calculation is the GDP of Ghana, Nigeria and the rest of the world. As at 31 December 2024, the upside, base and downside scenarios each carried a 30%:40%:30% weighting respectively. The choice of alternative scenarios and scenario weights is a combination of quantitative and judgement assessment to ensure that the full range of possible outcomes and material non-linearity of losses is captured. The redistribution of scenario weights results in changes to the ECL estimation, with 100% upside or 100% downside resulting in a £0.9m reduction and a £1.5m increase in ECL respectively.

3) Deferred tax asset

The Bank recognised a net deferred tax asset of £2.4m (2023: £4.8m), of which £4.1m (2023: £5.1m) arises from trading losses carried forwards from 2020 to 2022. Note 19 to the financial statements provides quantitative measurement of Deferred taxes.

Recognition of the asset is dependent on the assumption that the Bank’s future taxable profits will be sufficient to utilise the carried forward losses against. Whilst the Bank models its future performance regularly and performs stress testing, there is significant uncertainty in estimating the future profits of the Bank and hence the recoverability of the asset, particularly as the Bank’s future performance is also subject to a number of external factors that are outside of its control. The estimate of future profitability takes into account the Bank’s long-term financial and strategic business plans, including the Board-approved three year business plan and the expected future economic outlook as set out in the Strategic Report.

Following a period of losses between 2020 – 2022 in which the Bank was heavily investing in its headcount, systems and controls and IT transformation, the Banks performance in 2023 had significantly improved and further continued to improve in 2024, supported by higher interest rates, and the Bank has returned to profitability. The Bank’s financial outlook is optimistic for further growth in profitability driven by a focus on growth from new and existing business and stabilising costs growth. The risks associated with future regulatory, climate-related and other change are also considered in order to produce a base case forecast of future taxable profits. The Bank leverages observed prudent compound annual growth rates over appropriate historical periods to project beyond the Board-approved three-year business plan. Any recovery of deferred tax asset projected beyond a 10-year time horizon is not recognised. If forecasted profits decline by 95% then the deferred tax asset will be fully recovered within 11 years instead of the current 3 years, resulting in a £0.6m reduction in the recognised deferred tax asset. If the Bank restricts the recognition period to 5 years and expected profit decline by 95%, this will result in a £3.1m reduction in the recognised deferred tax asset.

2. Interest receivable and similar income

	2024 £	2023 £
Cash and balances at central banks	7,084,749	8,405,906
Placements with and loans and advances to banks	31,223,513	20,521,693
Loans and advances to customers	7,296,230	5,787,508
Overdrawn balances	29,857	340,107
	45,634,349	35,055,214

3. Fees and commission income

	2024 £	2023 £
Letters of credit	4,199,916	2,956,547
Bills for collection	1,452,060	831,298
Transfers, payments and account maintenance fees	2,588,086	2,702,973
	8,240,062	6,490,818

4. Net foreign currency income

	2024 £	2023 £
Commission on customer foreign exchange transactions	1,195,648	1,463,391
Translation of assets and liabilities	748,521	525,892
	1,944,169	1,989,283

5. Other Income

	2024 £	2023 £
Proceeds from insurance claims	1,000,000	-
Miscellaneous	12,475	89,352
	1,012,475	89,352

6. Interest expense and similar charges

	2024 £	2023 £
Deposits by banks:		
Call and notice deposits	1,456,524	304,721
Time deposits	13,488,638	9,446,936
Deposits by other customers:		
Call and notice deposits	111,120	75,895
Time deposits	3,672,624	2,854,854
Interest on term financing	189,686	-
Negative interest charged on assets	-	672
Lease finance charge	165,240	140,726
	19,083,832	12,823,804

7. Profit / (loss) before taxation

	2024 £	2023 £
Profit / (loss) on ordinary activities before taxation is stated after charging:		
Auditor's remuneration:		
Statutory audit of the financial statements	419,000	370,000
Increase / (decrease) in provisions for credit losses	408,819	(1,070,832)
Depreciation and amortisation	2,383,646	2,277,366

The above Auditor's remuneration for 2024 includes £49,000 in respect of overruns for 2023 (2023: £50,000 in respect of overruns for 2022). No other fees were paid to the statutory auditor.

8. Staff costs

	2024 £	2023 £
Wages and salaries	21,544,308	18,672,974
National health insurance	2,768,417	2,369,208
Other pension costs	1,852,294	1,742,161
Other Staff Costs	794,522	638,885
	26,959,541	23,423,228

The monthly average number of persons employed by the Bank during the year was:

	2024 No.	2023 No.
Non-Executive Directors	7	8
Executive Directors	2	2
Staff	202	188

Of which Directors' Remuneration:

	2024 £	2023 £
Emoluments	2,802,165	2,286,349
Contributions to money purchase pension schemes	53,060	49,367
	2,855,225	2,335,716

Other pension costs pertain to a defined contribution pension scheme offered to eligible staff, The Ghana International Bank Pension Scheme, which provides retirement and death in service benefits for members and their dependants.

The scheme, which is legally and financially separate from the employers (GHIB), is constituted by a Trust Deed and is administered in accordance with established rules set by the Trustees. The emolument of the highest paid Director, excluding pension contributions was £1,147,503 (2023: £890,577), of which £60,000 (2023: nil) is deferred for payment over the next three years. One of the Executive Directors is a beneficiary in the money purchase scheme. Changes in the membership of the Board of Directors have been set out on pages 7, 12 and 56.

9. Other administrative expenses

	2024 £	2023 £
Other Admin Expenses	6,388,427	7,016,330
Technology, Systems and Maintenance	5,427,099	4,005,596
	11,815,526	11,021,926

10. Taxation

Analysis of charge in the period	2024 £	2023 £
Current tax (credit) / charge		
Current year	-	-
Current year – Foreign	39,477	30,367
Prior year adjustment – UK	-	-
Prior year adjustment - Foreign	(298)	50,251
Total current tax charge	39,179	80,618
Deferred tax charge		
Current year	1,560,782	1,059,151
Prior year adjustment - UK	-	6,038
Total deferred tax charge (Note 19)	1,560,782	1,065,189
Overall tax charge	1,599,961	1,145,807

The standard rate of current tax for the year is 25% (2023: 23.5%). The effective tax rate for the year is 27.4% (2023: 26.9%), which is higher than the standard UK corporation tax rate, the differences are explained below. Deferred tax balances are measured at a rate of 25% reflecting the mainstream rate of corporation tax.

Factors affecting the tax charge for the period	2024 £	2023 £
Profit before tax	5,836,762	4,258,102
Tax charge at average UK Corp tax rate of 25% (2023: 23.5%)	1,459,191	1,001,529
Depreciation on non-qualifying assets	60,984	(32,436)
Non-deductible expenses	51,525	27,379
Income not taxable for tax purposes	(23,285)	-
Other permanent differences	12,500	-
Effect of change in tax rate	-	62,679
Foreign tax	39,477	30,367
Prior year adjustment – Current tax	-	-
Prior year adjustment – Current tax (foreign)	(298)	50,251
Prior year adjustment – Deferred tax	-	6,038
Movement in deferred tax not recognised	(133)	-
Total tax charge	1,599,961	1,145,807

Current tax asset	2024 £	2023 £
Current tax asset as at 1 January	945,584	945,584
UK tax - income taxes refunded	(945,584)	-
Current tax asset as at 31 December	-	945,584

A provision for corporation tax of £74,121 (2023: £80,618) arising from foreign tax liabilities is disclosed in Note 23 Other liabilities.

11. Placements with and loans and advances to banks

	2024 £	2023 £
Professional market placements	241,415,274	203,747,358
Term lending	108,746,456	128,767,554
Discounted and deferred letters of credit	121,593,886	21,437,511
Provisions for credit losses (see note 13)	(544,952)	(565,335)
	<u>471,210,664</u>	<u>353,387,088</u>

Gross lending exposure analysis by maturity:

	2024 £	2023 £
Repayable in one day or on demand	153,389,364	155,248,486
Repayable in three months or less	203,434,678	108,371,669
Between three months and one year	114,931,574	90,332,268
Between one year and five years	-	-
	<u>471,755,616</u>	<u>353,952,423</u>

Gross lending exposure analysis by geographic location:

	2024 £	2023 £
United Kingdom	129,251,089	99,139,780
Nigeria	118,787,370	97,095,303
Germany	112,130,920	91,588,103
Ghana	54,205,116	44,417,029
Egypt	20,155,496	-
Gambia	17,094,557	347,493
Kenya	13,750,484	-
Other African countries	6,380,584	21,364,715
	<u>471,755,616</u>	<u>353,952,423</u>

12. Loans and advances to customers

	2024 £	2023 £
Gross corporate advances	57,762,558	54,077,264
Provisions for credit losses (see note 13)	(583,887)	(1,010,731)
	<u>57,178,671</u>	<u>53,066,533</u>

Gross lending exposure analysis by maturity:

	2024 £	2023 £
Repayable in one day or on demand	1,027,392	6,835,539
Repayable in three months or less	17,533,390	5,946,034
Between three months and one year	23,881,923	24,129,875
Between one year and five years	15,319,853	17,165,816
	<u>57,762,558</u>	<u>54,077,264</u>

Gross lending exposure analysis by geographic location:

	2024 £	2023 £
Ghana	33,568,996	35,794,374
Singapore	9,214,460	6,546,284
United Kingdom	8,577,771	84,496
Other African countries	6,401,331	11,652,110
	<u>57,762,558</u>	<u>54,077,264</u>

12. Loans and advances to customers – continued

Gross lending exposure analysis by sector:	2024 £	2023 £
Transport, storage, communication and energy	20,595,113	15,802,479
Food and beverages	16,130,310	7,646,674
Agriculture, forestry and fishing	9,390,962	13,204,606
Commerce and finance	5,989,172	980,041
Construction	5,146,302	7,424,936
Sovereign	-	8,755,858
Miscellaneous	510,699	262,670
	57,762,558	54,077,264

13. Provisions for credit losses

Provisions for credit losses are recorded within three financial statement lines as below. Provisions for credit losses on contingent liabilities (Note 34 - Guarantees and Irrevocable letters of credit) are also recorded within these financial statements lines.

	2024 £	2023 £
Provision on Placements, loans and advances to Banks	544,952	565,335
Provision on Loans and advances to Customers	583,887	1,010,731
Provision on Government and other securities	741,672	2,079,059
Total provision for credit losses	1,870,511	3,655,125
Of which provisions for Contingent liabilities:		
Provision on Placements, loans and advances to Banks	299,402	290,409
Provision on Loans and advances to Customers	289,173	516,525
Total provision for credit losses on Contingent Liabilities	588,575	806,934

Provisions for credit losses reflects expected credit losses measured using the three-stage approach under IFRS 9, described in Note 1 Principal accounting policies. In the Statement of comprehensive income the charge for Provision of credit losses for the year ended 31 December 2024 was £408,819 (2023: £1,024,498), the Statement of comprehensive income also includes foreign exchange movements on provisions for credit losses which are included in Net foreign currency income.

Reconciliation of ECL and gross exposure movements in the year

Total provision for credit losses

	Stage 1		Stage 2		Stage 3		Total	
	12 months ECL £'000	Gross Exposure £'000	Lifetime ECL £'000	Gross Exposure £'000	Lifetime ECL £'000	Gross Exposure £'000	ECL £'000	Gross Exposure £'000
Balance as at 31 December 2023	472	467,106	1,238	191,935	1,945	4,993	3,655	664,034
New items originated or purchased	264	782,299	653	252,200	-	-	917	1,034,499
Items derecognised or fully repaid	(221)	(396,882)	(960)	(170,327)	(1,700)	(2,923)	(2,881)	(570,132)
Changes in the loss allowance:								
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Foreign exchange movements on assets held throughout the period	4	749	5	379	4	37	13	1,165
Other movements on assets held throughout the period	(103)	(3,614)	(148)	15,071	419	677	168	12,134
Balance as at 31 December 2024	416	849,658	788	289,258	668	2,784	1,872	1,141,700

13. Provisions for credit losses – continued

Total provision on placements, loans and advances to banks

	Stage 1		Stage 2		Stage 3		Total	
	12 months ECL £'000	Gross Exposure £'000	Lifetime ECL £'000	Gross Exposure £'000	Lifetime ECL £'000	Gross Exposure £'000	ECL £'000	Gross Exposure £'000
Balance as at 31 December 2023	142	309,535	133	44,417	-	-	275	353,952
New items originated or purchased	132	357,514	73	55,769	-	-	205	413,283
Items derecognised or fully repaid	(138)	(271,253)	(101)	(41,410)	-	-	(239)	(312,663)
Changes in the loss allowance:								
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Foreign exchange movements on assets held throughout the period	-	349	1	50	-	-	1	399
Other movements on assets held throughout the period	(2)	1,395	6	15,390	-	-	4	16,785
Balance as at 31 December 2024	134	397,540	112	74,216	-	-	246	471,756

Total provision on loans and advances to customers

	Stage 1		Stage 2		Stage 3		Total	
	12 months ECL £'000	Gross Exposure £'000	Lifetime ECL £'000	Gross Exposure £'000	Lifetime ECL £'000	Gross Exposure £'000	ECL £'000	Gross Exposure £'000
Balance as at 31 December 2023	127	17,465	367	36,612	-	-	494	54,077
New items originated or purchased	11	23,394	185	24,552	-	-	196	47,946
Items derecognised or fully repaid	(17)	(7,562)	(248)	(30,233)	-	-	(265)	(37,795)
Changes in the loss allowance:								
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Foreign exchange movements on assets held throughout the period	2	172	2	113	-	-	4	285
Other movements on assets held throughout the period	(67)	(5,170)	(67)	(1,581)	-	-	(134)	(6,751)
Balance as at 31 December 2024	56	28,299	239	36,612	-	-	295	57,762

Total provision on government and other securities

	Stage 1		Stage 2		Stage 3		Total	
	12 months ECL £'000	Gross Exposure £'000	Lifetime ECL £'000	Gross Exposure £'000	Lifetime ECL £'000	Gross Exposure £'000	ECL £'000	Gross Exposure £'000
Balance as at 31 December 2023	7	102,106	127	12,222	1,945	4,993	2,079	119,321
New items originated or purchased	9	339,313	22	4,880	-	-	31	344,193
Items derecognised or fully repaid	(1)	(96,694)	-	-	(1,700)	(2,923)	(1,701)	(99,617)
Changes in the loss allowance:								
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Foreign exchange movements on assets held throughout the period	-	(66)	2	216	4	37	6	187
Other movements on assets held throughout the period	(5)	161	(87)	1,262	419	677	327	2,100
Balance as at 31 December 2024	10	344,820	64	18,580	668	2,784	742	366,184

13. Provisions for credit losses – continued

Total provision on contingent liabilities

	Stage 1		Stage 2		Stage 3		Total	
	12 months ECL £'000	Gross Exposure £'000	Lifetime ECL £'000	Gross Exposure £'000	Lifetime ECL £'000	Gross Exposure £'000	ECL £'000	Gross Exposure £'000
Balance as at 31 December 2023	196	38,000	611	98,684	-	-	807	136,684
New items originated or purchased	112	62,078	373	166,999	-	-	485	229,077
Items derecognised or fully repaid	(65)	(21,373)	(611)	(98,684)	-	-	(676)	(120,057)
Changes in the loss allowance:								
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Foreign exchange movements on assets held throughout the period	2	294	-	-	-	-	2	294
Other movements on assets held throughout the period	(29)	-	-	-	-	-	(29)	-
Balance as at 31 December 2024	216	78,999	373	166,999	-	-	589	245,998

Reconciliation of ECL and gross exposure movements in prior year

Total provision for credit losses

	Stage 1		Stage 2		Stage 3		Total	
	12 months ECL £'000	Gross Exposure £'000	Lifetime ECL £'000	Gross Exposure £'000	Lifetime ECL £'000	Gross Exposure £'000	ECL £'000	Gross Exposure £'000
Balance as at 31 December 2022	856	494,742	2,259	200,525	1,773	2,451	4,888	697,718
New items originated or purchased	448	441,190	1,136	169,650	-	-	1,584	610,840
Items derecognised or fully repaid	(626)	(449,063)	(1,730)	(189,680)	-	-	(2,356)	(638,743)
Changes in the loss allowance:								
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(72)	(19,069)	72	19,069	-	-	-	-
Transfers to Stage 3	-	-	(44)	(2,055)	44	2,055	-	-
Methodology and model enhancement	(92)	-	(454)	-	-	-	(546)	-
Foreign exchange movements on assets held throughout the period	(2)	(487)	(8)	(580)	(38)	(93)	(48)	(1,160)
Other movements on assets held throughout the period	(40)	(207)	7	(4,994)	166	580	133	(4,621)
Balance as at 31 December 2023	472	467,106	1,238	191,935	1,945	4,993	3,655	664,034

Total provision on placements, loans and advances to banks

	Stage 1		Stage 2		Stage 3		Total	
	12 months ECL £'000	Gross Exposure £'000	Lifetime ECL £'000	Gross Exposure £'000	Lifetime ECL £'000	Gross Exposure £'000	ECL £'000	Gross Exposure £'000
Balance as at 31 December 2022	382	282,523	681	71,401	-	-	1,063	353,924
New items originated or purchased	197	294,009	132	43,947	-	-	329	337,956
Items derecognised or fully repaid	(362)	(267,136)	(663)	(70,617)	-	-	(1,025)	(337,753)
Changes in the loss allowance:								
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Methodology and model enhancement	(73)	-	(3)	-	-	-	(76)	-
Foreign exchange movements on assets held throughout the period	-	(317)	(1)	(16)	-	-	(1)	(333)
Other movements on assets held throughout the period	(2)	456	(13)	(298)	-	-	(15)	158
Balance as at 31 December 2023	142	309,535	133	44,417	-	-	275	353,952

13. Provisions for credit losses – continued

Total provision on loans and advances to customers

	Stage 1		Stage 2		Stage 3		Total	
	12 months ECL £'000	Gross Exposure £'000	Lifetime ECL £'000	Gross Exposure £'000	Lifetime ECL £'000	Gross Exposure £'000	ECL £'000	Gross Exposure £'000
Balance as at 31 December 2022	190	24,950	633	41,821	-	-	823	66,771
New items originated or purchased	92	16,879	175	27,019	-	-	267	43,898
Items derecognised or fully repaid	(121)	(17,037)	(335)	(33,815)	-	-	(456)	(50,852)
Changes in the loss allowance:								
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(48)	(6,796)	48	6,796	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Methodology and model enhancement	22	-	36	-	-	-	58	-
Foreign exchange movements on assets held throughout the period	-	9	(7)	(308)	-	-	(7)	(299)
Other movements on assets held throughout the period	(8)	(540)	(183)	(4,901)	-	-	(191)	(5,441)
Balance as at 31 December 2023	127	17,465	367	36,612	-	-	494	54,077

Total provision on government and other securities

	Stage 1		Stage 2		Stage 3		Total	
	12 months ECL £'000	Gross Exposure £'000	Lifetime ECL £'000	Gross Exposure £'000	Lifetime ECL £'000	Gross Exposure £'000	ECL £'000	Gross Exposure £'000
Balance as at 31 December 2022	28	165,494	44	2,055	1,773	2,451	1,845	170,000
New items originated or purchased	1	98,088	-	-	-	-	1	98,088
Items derecognised or fully repaid	(2)	(149,246)	-	-	-	-	(2)	(149,246)
Changes in the loss allowance:								
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(24)	(12,273)	24	12,273	-	-	-	-
Transfers to Stage 3	-	-	(44)	(2,055)	44	2,055	-	-
Methodology and model enhancement	5	-	(100)	-	-	-	(95)	-
Foreign exchange movements on assets held throughout the period	-	(52)	-	(256)	(38)	(93)	(38)	(401)
Other movements on assets held throughout the period	(1)	95	203	205	166	580	368	880
Balance as at 31 December 2023	7	102,106	127	12,222	1,945	4,993	2,079	119,321

Total provision on contingent liabilities

	Stage 1		Stage 2		Stage 3		Total	
	12 months ECL £'000	Gross Exposure £'000	Lifetime ECL £'000	Gross Exposure £'000	Lifetime ECL £'000	Gross Exposure £'000	ECL £'000	Gross Exposure £'000
Balance as at 31 December 2022	256	21,775	901	85,248	-	-	1,157	107,023
New items originated or purchased	158	32,214	829	98,684	-	-	987	130,898
Items derecognised or fully repaid	(141)	(15,644)	(732)	(85,248)	-	-	(873)	(100,892)
Changes in the loss allowance:								
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Methodology and model enhancement	(46)	-	(387)	-	-	-	(433)	-
Foreign exchange movements on assets held throughout the period	(2)	(127)	-	-	-	-	(2)	(127)
Other movements on assets held throughout the period	(29)	(218)	-	-	-	-	(29)	(218)
Balance as at 31 December 2023	196	38,000	611	98,684	-	-	807	136,684

13. Provisions for credit losses – continued

Overall, the total provision for credit losses decreased by £1.8m. This includes an increase of £0.9m due to £1,034.5m of exposures originated or purchased during the reporting period, a decrease of £2.9m due to provisions on £570.1m of exposures that were derecognised or fully paid, which included derecognition of stage 3 Ghana Sovereign Eurobonds.

In October 2024, Ghana Sovereign Eurobonds with a face value of £5.3m were restructured. The gross carrying amount (before provisions for credit losses) at the time of restructuring was £5.8m and the new bonds were recognised with a carrying amount of £3.5m. This resulted in a £2.3m aggregate loss. £2.2m accumulated provisions for credit losses were provided for the bonds before the restructuring date, which at the restructuring date resulted in £163k Investments losses from sale of government and other securities recognised in the Statement of comprehensive income. The restructured Ghana Sovereign Eurobonds are now classified as stage 2, where lifetime expected credit losses are recorded at the reporting date, but the bonds are not considered credit impaired.

There were no (2023: two) forms of stage movement during the period:

- No (2023: four) obligors had their credit gradings downgraded to the extent that their balances were transferred from stage 1 to stage 2 and lifetime ECL recognised.
- No (2023: one) obligor was transferred from stage 2 into stage 3 as credit impaired.

14. Government and other securities

	2024 £	2023 £
Carrying amount of Government and other securities:		
Fair Value Through Other Comprehensive Income (FVOCI)	343,564,144	118,310,211
Amortised cost	22,619,463	1,011,027

Provisions for credit losses of FVOCI assets are not deducted from the carrying amount on the Statement of Financial Position as the assets are measured at fair value. Such provisions are deducted from the FVOCI revaluation reserve.

Included in the carrying amount of Government and other securities as at 31 December 2024 are restructured Ghana Sovereign Eurobonds, see Note 13 above for more information.

	2024 £	2023 £
Treasury bills	235,718,311	91,252,276
Other corporate bonds	101,704,560	7,679,706
Sovereign bonds	28,760,736	20,389,256
	<u>366,183,607</u>	<u>119,321,238</u>
Maturity:		
In three months or less	223,989,356	91,252,276
Between three months and one year	18,586,701	7,511,596
Between one year and five years	117,421,753	13,855,886
After five years	6,185,797	6,701,480
	<u>366,183,607</u>	<u>119,321,238</u>

15. Prepayments and other receivables

	2024 £	2023 £
Prepayments	3,178,287	2,089,803
Other receivables	1,993,722	688,361
	<u>5,172,009</u>	<u>2,778,164</u>

Included within Other receivables as at 31 December 2024, is an insurance claim receivable of £1.0m (2023: nil).

16. Property, plant and equipment

Cost	Computer Equipment	Office furniture and equipment	Motor vehicles	Bank Premises	Total PPE
	£	£	£	£	£
At 1 January 2024	2,896,413	708,395	212,357	1,252,465	5,069,630
Additions	171,470	133,910	52,089	121,358	478,827
Disposals	-	-	-	-	-
At 31 December 2024	<u>3,067,883</u>	<u>842,305</u>	<u>264,446</u>	<u>1,373,823</u>	<u>5,548,457</u>
Depreciation					
At 1 January 2024	1,336,470	562,764	158,390	1,133,385	3,191,009
Current	508,226	65,392	44,819	59,454	677,891
Disposals	-	-	-	-	-
At 31 December 2024	<u>1,844,696</u>	<u>628,156</u>	<u>203,209</u>	<u>1,192,839</u>	<u>3,868,900</u>
Net book value					
At 31 December 2024	<u>1,223,187</u>	<u>214,149</u>	<u>61,237</u>	<u>180,984</u>	<u>1,679,557</u>
At 31 December 2023	<u>1,559,943</u>	<u>145,631</u>	<u>53,967</u>	<u>119,080</u>	<u>1,878,621</u>

The net book value as at 31 December 2024 includes carrying amounts of £111,765 (2023: £159,630) in respect of assets not yet ready for use and which are not yet depreciated. The below schedule sets out the prior period Property, plant and equipment.

Cost	Computer Equipment	Office furniture and equipment	Motor vehicles	Bank Premises	Total PPE
	£	£	£	£	£
At 1 January 2023	2,787,471	618,862	212,357	1,147,652	4,766,342
Additions	108,942	89,533	-	104,813	303,288
Disposals	-	-	-	-	-
At 31 December 2023	<u>2,896,413</u>	<u>708,395</u>	<u>212,357</u>	<u>1,252,465</u>	<u>5,069,630</u>
Depreciation					
At 1 January 2023	859,383	512,329	112,717	1,132,721	2,617,150
Current	477,087	50,435	45,673	664	573,859
Disposals	-	-	-	-	-
At 31 December 2023	<u>1,336,470</u>	<u>562,764</u>	<u>158,390</u>	<u>1,133,385</u>	<u>3,191,009</u>
Net book value					
At 31 December 2023	<u>1,559,943</u>	<u>145,631</u>	<u>53,967</u>	<u>119,080</u>	<u>1,878,621</u>
At 31 December 2022	<u>1,928,088</u>	<u>106,533</u>	<u>99,640</u>	<u>14,931</u>	<u>2,149,192</u>

17. Right of Use

	ROU IT Hardware £	ROU Equipment £	ROU Property £	Total ROU £
Cost				
At 1 January 2024	718,015	216,434	3,444,079	4,378,528
Additions and modifications	135,319	11,490	910,663	1,057,472
Disposals	-	-	-	-
At 31 December 2024	<u>853,334</u>	<u>227,924</u>	<u>4,354,742</u>	<u>5,436,000</u>
Depreciation				
At 1 January 2024	462,586	96,268	2,213,750	2,772,604
Current	145,634	45,365	461,534	652,533
Disposals	-	-	-	-
At 31 December 2024	<u>608,220</u>	<u>141,633</u>	<u>2,675,284</u>	<u>3,425,137</u>
Net book value				
At 31 December 2024	<u>245,114</u>	<u>86,291</u>	<u>1,679,458</u>	<u>2,010,863</u>
At 31 December 2023	<u>255,429</u>	<u>120,166</u>	<u>1,230,329</u>	<u>1,605,924</u>

	ROU IT Hardware £	ROU Equipment £	ROU Property £	Total ROU £
Cost				
At 1 January 2023	435,373	216,434	3,444,079	4,095,886
Additions and modifications	282,642	-	-	282,642
Disposals	-	-	-	-
At 31 December 2023	<u>718,015</u>	<u>216,434</u>	<u>3,444,079</u>	<u>4,378,528</u>
Depreciation				
At 1 January 2023	314,790	49,545	1,740,944	2,105,279
Current	147,796	46,723	472,806	667,325
Disposals	-	-	-	-
At 31 December 2023	<u>462,586</u>	<u>96,268</u>	<u>2,213,750</u>	<u>2,772,604</u>
Net book value				
At 31 December 2023	<u>255,429</u>	<u>120,166</u>	<u>1,230,329</u>	<u>1,605,924</u>
At 31 December 2022	<u>120,583</u>	<u>166,889</u>	<u>1,703,135</u>	<u>1,990,607</u>

In 2024 the Bank recognised £nil (2023: £204,533) of rental expenditure for leased premises in other administrative expenses (Note 9). This amount pertained to a short-term lease and is not required to be recognised on the Statement of Financial Position.

18. Intangible assets

In the 2024 financial year £1,053,222 (2023: £1,036,182) of the amortisation is included in Depreciation & amortisation shown in the income statement. The net book value as at 31 December 2024 includes carrying amounts of £1,715,922 (2023: £1,260,884) in respect of assets not yet ready for use and which are not yet amortised. There were no internally generated software assets in the period (2023: nil).

The carrying amount of £7,829,045 (2023: £6,130,633) includes software assets for GHIB's core banking system (net book value of £2,022,935 and remaining amortisation period of 6 years) and GHIB's internet banking system (net book value of £1,763,677 and remaining amortisation period of 3 years).

	Computer Software £	Total £
Cost		
At 1 January 2024	11,486,770	11,486,770
Additions	2,751,634	2,751,634
At 31 December 2024	<u>14,238,404</u>	<u>14,238,404</u>
Amortisation		
At 1 January 2024	5,356,137	5,356,137
Current	1,053,222	1,053,222
At 31 December 2024	<u>6,409,359</u>	<u>6,409,359</u>
Net book value		
At 31 December 2024	<u>7,829,045</u>	<u>7,829,045</u>
At 31 December 2023	<u>6,130,633</u>	<u>6,130,633</u>

	Computer Software £	Total £
Cost		
At 1 January 2023	9,572,038	9,572,038
Additions	1,914,732	1,914,732
At 31 December 2023	<u>11,486,770</u>	<u>11,486,770</u>
Amortisation		
At 1 January 2023	4,319,955	4,319,955
Current	1,036,182	1,036,182
At 31 December 2023	<u>5,356,137</u>	<u>5,356,137</u>
Net book value		
At 31 December 2023	<u>6,130,633</u>	<u>6,130,633</u>
At 31 December 2022	<u>5,252,083</u>	<u>5,252,083</u>

19. Deferred taxes

As at 31 December 2024 deferred tax assets arise from temporary timing differences which include losses arising in the year carried forwards, and have been recognised to the full extent in the context of the size the asset and recoverability of the asset through future profits of the business. The movement on the deferred tax account is as follows:

	2024 £	2023 £
Deferred tax asset at 1 January	4,843,256	6,362,609
Income statement charge	(1,560,782)	(1,059,151)
Adjustment in respect of prior year	-	(6,038)
Other comprehensive income charge on FVOCI reserve	(841,314)	(454,164)
Deferred tax asset at 31 December	<u>2,441,160</u>	<u>4,843,256</u>

The deferred tax asset on the balance sheet is held in respect of the following:

	2024 £	2023 £
Accelerated tax depreciation	(1,915,558)	(1,457,225)
Other short-term timing differences	84,708	107,993
Trading Losses	4,053,339	5,132,503
Timing differences on FVOCI	218,671	1,059,985
Deferred tax asset at 31 December	<u>2,441,160</u>	<u>4,843,256</u>

20. Deposits by banks

	2024 £	2023 £
Bank of Ghana (see note 35)	171,744,634	147,329,530
Other banks	447,702,073	208,419,957
	<u>619,446,707</u>	<u>355,749,487</u>
Repayable in one day or on demand	266,775,434	138,195,032
Repayable in three months or less	164,394,500	136,687,563
Between three months and one year	163,225,838	75,845,268
Between one year and five years	25,050,935	5,021,624
	<u>619,446,707</u>	<u>355,749,487</u>

21. Amounts owed to depositors

	2024 £	2023 £
Repayable in one day or on demand	142,251,807	187,905,456
Repayable in three months or less	65,375,464	51,006,032
Between three months and one year	47,647,455	15,381,051
Between one year and five years	490,675	16,679,642
	<u>255,765,401</u>	<u>270,972,181</u>

22. Term financing

In 2024, the Bank has entered into an unsecured USD term financing agreement providing a facility of up to £20.0m (2023: £nil). As at 31 December 2024, the Bank has utilised £14.6m of this facility (2023: £nil) maturing in April 2025. There were no defaults or breaches of the financing terms during the reporting period.

23. Other liabilities

	2024 £	2023 £
Deferred letters of credit	27,675,737	4,211,665
Finance lease liabilities	2,281,603	1,830,224
Trade and other payables	229,566	164,585
Corporation tax payable – foreign tax	74,121	80,618
	30,261,027	6,287,092

The movement of £451,379 (2023: £395,669) in finance lease liabilities can be attributed to £1,157,028 (2023: £874,791) of cash repayment of lease liabilities, and £1,608,407 (2023: £479,122) of non-cash movements, including finance lease charges in both years. Finance lease charges are disclosed in Interest expense (Note 6).

24. Share capital

	2024 £	2023 £
Authorised value at par		
50,000,000 ordinary shares of £1 each	50,000,000	50,000,000
37,453,183 non-voting ordinary shares of £1 each	37,453,183	37,453,183
Total Issued shares including premium		
45,000,000 ordinary shares	75,000,000	75,000,000
18,739,927 non-voting ordinary shares	49,952,714	49,952,714
Of which:		
Value at par issued and fully paid:		
63,739,927 (2023: 63,739,927) ordinary shares of £1 each	63,739,927	63,739,927
Premium issued and fully paid:		
20,000,000 ordinary shares issued at premium of £1.50	30,000,000	30,000,000
18,739,927 non-voting shares issued at premium of £1.6656	31,212,787	31,212,787

25. Profit and loss account

	2024 £	2023 £
Profit and loss account at 1 January	40,555,413	37,443,118
Dividend paid	(622,459)	-
Profit for the year after tax	4,236,801	3,112,295
Profit and loss account at 31 December	44,169,755	40,555,413

26. Fair value through other comprehensive income (FVOCI) revaluation reserve

	2024 £	2023 £
Losses on FVOCI investments - 1 January	(3,179,954)	(4,546,839)
Fair value movements on FVOCI financial instruments gross of tax	3,202,014	1,901,048
Deferred taxation on FVOCI financial instruments	(841,314)	(454,165)
Losses / (gains) on FVOCI financial instruments transferred to Income statement upon derecognition	163,241	(79,998)
Net loss on FVOCI investments as at 31 December	<u>(656,013)</u>	<u>(3,179,954)</u>

All gains and losses held in the FVOCI reserve have arisen from government and other securities.

27. Dividends

Proposed dividends are subject to approval by shareholders at the Annual General Meeting and are not included as a liability in the financial statements. The Directors recommend the payment of a dividend for the year ended 31 December 2024 of £847,741 (2023: £622,459). The total proposed final dividend is 1.33p per share (2023: 0.98p per share). No income tax is expected due to the foreign status of the shareholders.

28. Lease commitments

At the balance sheet date, the entity had outstanding commitments for future minimum lease payments under non-cancellable leases, which fall due as follows:

	2024 £	2023 £
Lease commitments:		
Up to one year	809,735	552,813
Between two and five years	2,140,260	912,127
	<u>2,949,995</u>	<u>1,464,940</u>

29. Analysis of the balance of cash and cash equivalents

	31 December 2023 £	Cash Flow £	Exchange Movement £	31 December 2024 £
Cash				
Cash and balances at central banks	256,691,647	(74,732,316)	21,156	181,980,487
Cash equivalents				
Placements with and loans and advances to banks	173,674,107	20,628,145	87,346	194,389,598
	<u>430,365,754</u>	<u>(54,104,171)</u>	<u>108,502</u>	<u>376,370,085</u>

Cash comprises all Cash and balances at central banks, including physical cash, balances at banks and £120,012,735 (2023: £172,962,072) reserve account balance held at the Bank of England. GHIB uses the Reserve account balance held at the Bank of England as one of its sources of liquidity buffer to meet its regulatory liquidity requirements. Cash equivalents comprises other Placements with and loans and advances to banks which are held for the purpose of meeting short-term cash commitments.

30. Currency analysis of assets and liabilities

	2024 £	2023 £
Assets		
Denominated in sterling	263,097,394	237,098,690
Denominated in US Dollars	766,831,346	525,678,261
Denominated in euro	65,599,692	37,385,561
Denominated in currencies other than stated above	157,631	486,176
	<u>1,095,686,063</u>	<u>800,648,688</u>
Liabilities and Equity		
Denominated in sterling	263,261,589	238,740,955
Denominated in US Dollars	766,800,542	524,227,139
Denominated in euro	65,524,878	37,159,816
Denominated in currencies other than stated above	99,054	520,778
	<u>1,095,686,063</u>	<u>800,648,688</u>
Net financial position		
Denominated in sterling	(164,195)	(1,642,265)
Denominated in US Dollars	30,804	1,451,122
Denominated in euro	74,814	225,745
Denominated in currencies other than stated above	58,577	(34,602)
	<u>-</u>	<u>-</u>

31. Geographical analysis

The geographical analysis is based on location of customer. Operating expenses have not been analysed over geographical area.

	Total £	UK £	EEA £	Africa £	Other Countries £
The year ended 31 December 2024					
Interest received	55,454,661	19,209,603	6,578,365	22,764,903	6,901,790
Interest expense	(19,083,832)	(811,338)	(66)	(18,271,758)	(670)
Net interest income	36,370,829	18,398,265	6,578,299	4,493,145	6,901,120
Fees and commissions	8,240,062	558,750	2,515	7,131,573	547,224
Net foreign currency income	1,944,169	112,751	168	1,698,130	133,120
Investments losses from sale of government and other securities	(163,241)	-	-	(163,241)	-
Other income	1,012,475	1,012,475	-	-	-
Total operating income	47,404,294	20,082,241	6,580,982	13,159,607	7,581,464
Operating expenses	(41,158,713)				
Provisions for credit losses	(408,819)				
Profit before taxation	5,836,762				

31. Geographical analysis – continued

The geographical analysis is based on location of customer. Operating expenses have not been analysed over geographical area.

	Total £	UK £	EEA £	Africa £	Other Countries £
The year ended 31 December 2023					
Interest received	44,130,477	13,664,089	4,763,787	18,576,258	7,126,343
Interest expense	(12,823,804)	(521,813)	(694)	(12,301,251)	(46)
Net interest income	31,306,673	13,142,276	4,763,093	6,275,007	7,126,297
Fees and commissions	6,490,818	585,227	1,680	5,385,941	517,970
Net foreign currency income	1,989,283	138,239	-	1,625,922	225,122
Investments losses from sale of government and other securities	79,998	-	-	-	79,998
Other income	89,352	89,352	-	-	-
Total operating income	39,956,124	13,955,094	4,764,773	13,286,870	7,949,387
Operating expenses	(36,722,520)				
Provisions for credit losses	1,024,498				
Profit before taxation	<u>4,258,102</u>				

32. Financial instruments

The categorisation of financial instruments over the categories defined in IFRS 9 is as follows:

	2024 £	2023 £
Financial Assets		
Financial assets measured at amortised cost:		
Cash and balances at central banks	181,980,487	256,691,647
Loans and receivables	528,389,335	406,453,621
Government and other securities	22,619,463	1,011,027
Other receivables	1,993,722	688,361
	<u>734,983,007</u>	<u>664,844,656</u>
Financial assets measured at fair value through other comprehensive income:		
Government and other securities	343,564,144	118,310,211
	<u>1,078,547,151</u>	<u>783,154,867</u>
Financial Liabilities		
Financial liabilities measured at amortised cost:		
Deposits by banks and amounts owed to depositors	875,212,108	626,721,668
Term financing	14,562,133	-
Other liabilities	30,261,027	6,287,092
	<u>920,035,268</u>	<u>633,008,760</u>

Interest receivable and payable is analysed in notes 2 and 6 respectively. The financial instruments used by the Bank and the risks in relation to those are described below. Management have policies and procedures to manage risk in relation to financial instruments and to produce financial information to measure such risks.

32. Financial instruments – continued

The Bank's activities can be divided into two broad categories: banking and treasury. It has no trading book activity. Within Placements with and loans and advances to banks, as at 31 December 2024 there was £35.3m (2023: £24.2m) of assets pledged as encumbered in respect of Trade Finance facilities.

The banking activity principally comprises of lending and deposit taking with the objective of securing a margin between interest paid to customers on their deposits and interest received on amounts lent. The Bank evaluates each customer's creditworthiness on a case-by-case basis. The amount of collateral obtained is based on management's credit evaluation of the counterparty. All collateral applied against customer exposures measured at amortised cost are held as cash deposits. Cash collateral held on 31 December 2024 was £103.5m (2023: £46.0m). Whilst cash collateral is held for purposes of GHIB's trade business (off and on balance sheet) the Bank does hold a general deed of set-off for all cash collateral, enabling it to offset any amount due to GHIB by its customers with the cash collateral held. There have been no significant changes in the quality of collateral held and no changes in collateral policies during the period.

Deposits are raised from personal, corporate and institutional customers in the form of current, call and fixed deposit accounts. Lending activities are confined to governments, corporations and institutions and take the form of overdrafts, loans, letters of credit discounts and fixed income securities. The treasury activity is responsible for raising fixed and call customer deposits and investing the Bank's surplus funds with highly rated financial institutions in the interbank market, certificates of deposit, treasury bills, bonds and similar funds to provide a source of liquidity. The Bank also deals in foreign exchange transactions on behalf of customers. The Bank does not use hedging or deal in derivative products.

The carrying value of financial assets and liabilities differs from fair value as stated in the following table:

	2024		2023	
	Carrying value £'000	Fair value £'000	Carrying value £'000	Fair value £'000
Financial Assets:				
Cash and balances at central banks	181,980	181,980	256,692	256,692
Loans and receivables	528,389	530,269	406,454	407,204
Government and other securities	366,184	343,564	119,321	118,310
Other receivables	1,994	1,994	688	688
Financial Liabilities:				
Financial liabilities measured at amortised cost	920,035	920,848	633,009	633,035

Fair value measurements

The information set out below provides information about how the Bank determines fair values of various financial assets and financial liabilities. Financial instruments that are measured subsequent to initial recognition at fair value are grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- **Level 1** fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- **Level 2** fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- **Level 3** fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value measurements recognised in the statement of financial position comprises of Government and other securities. The Bank classifies these assets as FVOCI. FVOCI financial instruments of the Bank encompass Treasury bills and Corporate and Sovereign bonds. As at 31 December 2024 Government and other securities were determined and classified as set out below - all level 1 and level 2 measurements were obtained from observable market prices without adjustment. Instruments classified as Level 2 predominantly comprise less liquid African Sovereign bonds.

32. Financial instruments – continued

	2024			
	Level 1 £	Level 2 £	Level 3 £	Total £
Government and other securities measured at Fair value through other comprehensive income	185,866,563	157,697,581	-	343,564,144
Total	185,866,563	157,697,581	-	343,564,144

Movements between levels during the period pertained to one corporate bond holdings bond moved from Level 1 to Level 2 based upon directly observable and executable prices as at 31 December 2024 and one sovereign bond holdings moved from Level 2 to Level 1 based upon quoted prices in active markets as at 31 December 2024. The carrying amount of these instruments was £2,397,826 from Level 1 to Level 2 and £2,783,786 from Level 2 to Level 1 (2023: £10,442,013 from Level 1 to Level 2).

	2023			
	Level 1 £	Level 2 £	Level 3 £	Total £
Government and other securities measured at Fair value through other comprehensive income	56,956,305	61,353,906	-	118,310,211
Total	56,956,305	61,353,906	-	118,310,211

Fair values are based upon market prices where there is a market or on the effects on fair values of fixed rate assets and liabilities in changes of interest rates and credit risk. Assets and liabilities not measured at fair value in the statement of financial position, but for which the fair value is disclosed are level three fair value measurements. In determining the fair value of these assets and liabilities, a discounted cashflow model is used based on contractual cashflows. This is adjusted for customer prepayment behaviour and for expected repayment dates for defaulted loans in line with modelled ECL outcomes. A discount rate of the current risk-free rate plus a suitable credit spread is then applied to calculate fair value.

The Board is responsible for determining the long-term strategy of the Bank, the markets in which it operates, and the level of risk undertaken. Responsibility for implementing the risk policy of the Bank is delegated to the Chief Executive Officer. He is responsible for ensuring that the risks within the business are identified, assessed, controlled and monitored and that controls and procedures comply with policies approved by the Board and which are documented in various manuals and handbooks.

Credit risk

Credit risk arises from extending credit in all forms in the Bank's banking and treasury activities, where there is a possibility that a counterparty may default. The credit policy and credit manual provide for the control and daily monitoring of all exposures, delegated sanctioning authorities and periodic credit appraisals.

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.

Liquidity risk

Liquidity risk arises from the mismatch of the timing of cash flows relating to assets and liabilities. The liquidity policy of the Bank is approved by the Board under guidelines issued by the PRA and monitored daily to ensure that its funding

32. Financial instruments – continued

requirements can be met at all times and that a stock of high-quality liquid assets is maintained. Management use a daily liquidity gap analysis by currency for financial assets and liabilities to monitor liquidity risk based on remaining contractual maturities and summarised information as at 31 December 2024 and 31 December 2023 is set out below. 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 table below is based on contractual maturities of financial assets and liabilities.

Summarised liquidity gap analysis – 31 December 2024

	Next day £'000	2-8 days £'000	<1 Month £'000	<3 Months £'000	<1 Year £'000	> 1 Year £'000	Undated £'000	Total £'000
Financial assets								
Cash and balances at central banks	181,980	-	-	-	-	-	-	181,980
Loans to other banks	152,844	44,651	35,887	122,897	114,932	-	-	471,211
Loans and advances to customers	444	1,035	1,184	15,314	23,882	15,320	-	57,179
Government and other securities	51,894	15,967	26,884	129,886	19,173	122,379	-	366,183
Other receivables	173	-	-	1,532	-	-	289	1,994
Financial Liabilities								
Deposits from other banks	(266,775)	(53,871)	(73,640)	(36,884)	(163,226)	(25,051)	-	(619,447)
Customer deposits	(142,252)	(2,183)	(17,148)	(46,044)	(47,647)	(491)	-	(255,765)
Term financing	-	-	-	-	(14,562)	-	-	(14,562)
Other liabilities	(2,879)	-	-	(27,308)	-	-	(74)	(30,261)
Net position	(24,571)	5,599	(26,833)	159,393	(67,448)	112,157	215	158,512
Cumulative gap	(24,571)	(18,972)	(45,805)	113,588	46,140	158,297	158,512	-

Summarised liquidity gap analysis – 31 December 2023

	Next day £'000	2-8 days £'000	<1 Month £'000	<3 Months £'000	<1 Year £'000	> 1 Year £'000	Undated £'000	Total £'000
Financial assets								
Cash and balances at central banks	256,692	-	-	-	-	-	-	256,692
Loans to other banks	154,683	24,178	15,875	68,318	90,333	-	-	353,387
Loans and advances to customers	5,825	394	3,023	2,529	24,130	17,166	-	53,067
Government and other securities	-	23,535	52,225	15,690	8,664	19,207	-	119,321
Other receivables	103	-	-	585	-	-	-	688
Financial Liabilities								
Deposits from other banks	(138,195)	(35,124)	(49,719)	(51,844)	(75,845)	(5,022)	-	(355,749)
Customer deposits	(187,905)	(1,135)	(15,135)	(34,736)	(15,381)	(16,680)	-	(270,972)
Other liabilities	(2,000)	-	-	(4,212)	-	-	(75)	(6,287)
Net position	89,203	11,848	6,269	(3,670)	31,901	14,671	(75)	150,147
Cumulative gap	89,203	101,051	107,320	103,650	135,551	150,222	150,147	-

Market risk

Market risk is the risk of losses being incurred as a result of adverse movements in market prices, interest or exchange rates and which may arise in the Bank's treasury activities. Market risk is controlled by interest mismatch and foreign currency open position limits approved by the Operational committee of the Bank and monitored daily. Management use an interest rate re-pricing gap analysis in major currencies to monitor interest rate risk and foreign currency open position limits to monitor exchange rate risks on the Bank's own foreign currency transactions. The table below is based on the earlier of the periods to the next interest rate pricing date or the contractual maturities of financial assets and liabilities.

32. Financial instruments – continued

Interest rate re-pricing gap analysis – as at 31 December 2024

	Not more than 3 months £'000	Over 3 months but not over 6 months £'000	Over 6 months but not over 1 year £'000	Over 1 year but not over 5 years £'000	Over 5 years £'000	Non-interest bearing £'000	Total £'000
Financial assets							
Cash and balances at central banks	181,811	-	-	-	-	169	181,980
Loans to other banks	356,279	86,978	27,954	-	-	30	471,211
Loans and advances to customers	17,977	8,757	15,125	15,320	-	-	57,179
Government and other securities	224,632	15,967	3,206	115,351	7,027	-	366,183
Other receivables	-	-	-	-	-	1,994	1,994
Financial Liabilities							
Deposits from other banks	(431,169)	(15,875)	(147,351)	(25,051)	-	(1)	(619,447)
Customer deposits	(115,226)	(24,429)	(23,218)	(491)	-	(92,401)	(255,765)
Term financing	-	(14,562)	-	-	-	-	(14,562)
Other liabilities	-	-	-	-	-	(30,261)	(30,261)
Net position	234,304	56,836	(124,284)	105,129	7,027	(120,500)	158,512
Cumulative gap	234,304	291,140	166,856	271,985	279,012	158,512	-

Interest rate re-pricing gap analysis – as at 31 December 2023

	Not more than 3 months £'000	Over 3 months but not over 6 months £'000	Over 6 months but not over 1 year £'000	Over 1 year but not over 5 years £'000	Over 5 years £'000	Non-interest bearing £'000	Total £'000
Financial assets							
Cash and balances at central banks	256,548	-	-	-	-	144	256,692
Loans to other banks	263,055	62,622	27,710	-	-	-	353,387
Loans and advances to customers	11,771	2,219	21,911	17,166	-	-	53,067
Government and other securities	91,450	5,514	3,150	9,399	9,808	-	119,321
Other receivables	-	-	-	-	-	688	688
Financial Liabilities							
Deposits from other banks	(274,882)	(52,451)	(23,394)	(5,022)	-	-	(355,749)
Customer deposits	(97,586)	(6,557)	(8,824)	(16,680)	-	(141,325)	(270,972)
Other liabilities	-	-	-	-	-	(6,287)	(6,287)
Net position	250,356	11,347	20,553	4,863	9,808	(146,780)	150,147
Cumulative gap	250,356	261,703	282,256	287,119	286,927	150,147	-

The Directors have concluded reasonably possible variations and sensitivity analysis showing how profit and equity would be affected by reasonably possible changes in interest rate and foreign currency risk variables as at both 31 December 2024 and 31 December 2023.

Interest rate risk – plus 2% or minus 2% in all base currencies in floating rate assets and liabilities, limiting the upside in comparison to the prior year given the interest environment and outlook (2023: plus 2% or minus 2%).

Foreign exchange risk – plus or minus 10% in US Dollar, 10% in Euro currencies, and 15% in all other currencies. A higher upside scenario on interest rates is considered on the basis of the current direction of rising interest rates and inflationary concerns.

For the purposes of this analysis the Directors have concluded the principal currencies the Bank has exposure to in its financial assets and liabilities other than its functional currency are US Dollars and Euros.

32. Financial instruments – continued

Sensitivity analysis – as at 31 December 2024

	Interest rate risk		Foreign exchange rate risk					
			US Dollar		Euro		Other currencies	
	-2% £'000	+2% £'000	-10% £'000	+10% £'000	-10% £'000	+10% £'000	-15% £'000	+15% £'000
Financial assets								
Cash and balances at central banks	(3,640)	3,640	(4,365)	4,365	(328)	328	(24)	24
Loans to other banks	(9,424)	9,424	(39,399)	39,399	(3,033)	3,033	-	-
Loans and advances to customers	(1,144)	1,144	(5,713)	5,713	14	(14)	-	-
Government and other securities	(7,324)	7,324	(27,171)	27,171	(3,214)	3,214	-	-
Other receivables	-	-	(34)	34	-	-	-	-
Financial Liabilities								
Deposits from other banks	12,389	(12,389)	50,776	(50,776)	5,298	(5,298)	15	(15)
Customer deposits	3,267	(3,267)	22,562	(22,562)	384	(384)	-	-
Term financing	291	(291)	1,456	(1,456)	-	-	-	-
Other liabilities	-	-	1,890	(1,890)	886	(886)	-	-
Net position	(5,585)	5,585	3	(3)	7	(7)	(9)	9

Sensitivity analysis – as at 31 December 2023

	Interest rate risk		Foreign exchange rate risk					
			US Dollar		Euro		Other currencies	
	-2% £'000	+2% £'000	-10% £'000	+10% £'000	-10% £'000	+10% £'000	-15% £'000	+15% £'000
Financial assets								
Cash and balances at central banks	(5,134)	5,134	(5,849)	5,849	(953)	953	(73)	73
Loans to other banks	(7,068)	7,068	(31,428)	31,428	(1,338)	1,338	-	-
Loans and advances to customers	(1,061)	1,061	(5,186)	5,186	-	-	-	-
Government and other securities	(2,386)	2,386	(10,099)	10,099	(1,448)	1,448	-	-
Other receivables	-	-	(7)	7	-	-	-	-
Financial Liabilities								
Deposits from other banks	7,115	(7,115)	28,775	(28,775)	3,136	(3,136)	66	(66)
Customer deposits	2,593	(2,593)	23,623	(23,623)	569	(569)	-	-
Other liabilities	-	-	415	(415)	41	(41)	-	-
Net position	(5,941)	5,941	244	(244)	7	(7)	(7)	7

33. Credit risk

The Bank is exposed to credit risk in relation to loans and advances to customers, loans and advances to other banks including deposits in cash (Nostro) account balances, interbank market, certificates of deposit, government stocks and bonds, investments in money market funds, letters of credit, and guarantees. The maximum exposure to credit risk at the balance sheet date is set out below:

	2024 £	2023 £
Cash and balances at central banks	181,980,487	256,691,647
Loans and advances to customers	57,178,671	53,066,533
Placements, loans and advances to other banks	471,210,664	353,387,088
Government and other securities	366,183,607	119,321,238
Guarantees and irrevocable letters of credit	205,147,406	99,112,565
Undrawn lending commitments	40,850,375	37,571,048

There was one exposure (2023: two), for which payments of interest as at 31 December 2024 were past due. All past due exposures pertain to Government and other securities, specifically the Ethiopian Sovereign Eurobonds. The exposure is classified in Stage 3 (2023: classified in Stage 3). The following table sets out the carrying amount of past due assets and associated expected credit loss provisions.

	2024		2023	
	Less than 30 days past due £	More than 30 days past due £	Less than 30 days past due £	More than 30 days past due £
Government and other securities:				
Carrying amount	-	2,783,786	2,070,348	2,922,546
Expected credit losses	-	668,272	244,861	1,700,573

The Bank categorises customer exposures by credit grade, this drives decision-making in relation to credit risk. The credit grade categories and the gross exposures at 31 December are shown in the table below, grouped by stage allocation, not including exposures with nil credit provision such as short-dated cash and high quality liquid assets held within Cash and balances at central banks. All exposures within Cash and balances at central banks in the current and prior year were graded Investment grade.

2024 Grading	Credit Risk Rating (CRR)	Stage 1 £'000	Stage 2 £'000	Stage 3 £'000	Total £'000
Investment grade	1	554,817	-	-	554,817
Prime	2	50,176	-	-	50,176
Good	3	81,418	-	-	81,418
Adequate	4	93,529	-	-	93,529
Vulnerable	5	69,718	204,892	-	274,610
Watch	6	-	53,007	-	53,007
Substandard	7	-	31,359	2,784	34,143
Doubtful	8	-	-	-	-
Loss	9	-	-	-	-
		849,658	289,258	2,784	1,141,700

33. Credit risk – continued

2023 Grading	Credit Risk Rating (CRR)	Stage 1 £'000	Stage 2 £'000	Stage 3 £'000	Total £'000
Investment grade	1	291,340	-	-	291,340
Prime	2	31,267	-	-	31,267
Good	3	72,394	-	-	72,394
Adequate	4	38,924	-	-	38,924
Vulnerable	5	33,181	111,122	-	144,303
Watch	6	-	63,565	-	63,565
Substandard	7	-	17,248	4,993	22,241
Doubtful	8	-	-	-	-
Loss	9	-	-	-	-
		467,106	191,935	4,993	664,034

The Bank leverages the above credit grading, alongside external market data, to determine probability of default within its expected credit loss model under IFRS 9 Financial Instruments. Note 1 to the financial statements discloses sources of estimation, uncertainty and judgements concerning accounting policies. Note 13 to the financial statements provides quantitative measurement of provisions for credit losses.

All collateral applied against customer exposures measured at amortised cost are held as cash deposits. Cash collateral held on 31 December 2024 was £103.5m (2023: £46.0m). Whilst cash collateral is held for purposes of GHIB's trade business (off and on balance sheet) the Bank does hold a general deed of set-off for all cash collateral, enabling it to offset any amount due to GHIB by its customers with the cash collateral held. There have been no significant changes in the quality of collateral held and no changes in collateral policies during the period.

34. Contingent liabilities and other commitments

Contingent liabilities

a) One of the key areas of business for the Bank is trade finance, where, amongst other products offered classified as on balance sheet assets and liabilities, guarantees and irrevocable letters of credit are classified as off-balance sheet contingent liabilities. They have been classified as such due to being possible obligations whose existence depends on the outcome of uncertain future events.

	2024 £	2023 £
Guarantees and Irrevocable letters of credit:		
- Bank of Ghana	26,954,519	14,502,296
- Others	178,192,887	84,610,269

Other commitments

a) Lease commitments are disclosed separately in Note 28.

b) In the normal course of its banking business, GHIB enters into lending commitments where the client has not yet drawn funds at the financial reporting date. Lending commitments made to clients but not yet drawn are disclosed below.

	2024 £	2023 £
Undrawn lending commitments	40,850,375	37,571,048

35. Related party transactions

All parties reported here as related were related by virtue of being owned or having a significant shareholding owned by the Government of Ghana who also own indirectly a significant shareholding in Ghana International Bank plc. Transactions occurring with related parties are on normal banking terms and are performed on an arm's length basis.

During the year the following transactions were performed with related parties:

	2024		2023	
	Interest paid £	Interest received £	Interest paid £	Interest received £
Bank of Ghana	7,491,267	-	6,143,898	-
Ghana government-controlled entities	5,481,242	3,001,390	2,357,964	2,889,406

As at the year end the following deposit liabilities were held by related parties:

	2024 £	2023 £
Bank of Ghana	171,744,634	147,329,530
Ghana government-controlled entities	340,100,823	277,221,691

Ghana government-controlled entities had loans and advances (including deferred letters of credit) totalling £37.9m at 31 December 2024 (2023: £21.8m). Government and other securities held in respect of where the issuer is Ghana government controlled totalled £3.4m in gross exposure for 2024 (2023: £5.6m).

Fees and commission income earned from Ghana government-controlled entities of £3.9m for 2024 (2023: £2.8m), whilst the contribution to foreign exchange income was £0.7m (2023: £0.9m). Lease payments falling due to Ghana government-controlled entities for the main banking premises totalled £0.9m for the year ending 31 December 2024 (2023: £0.6m).

36. Related party transactions with directors and key management

Directors' remuneration is disclosed in note 8 to the financial statements. Total remuneration for other key management personnel was awarded as follows.

	2024		2023	
	Short-term employee benefits £	Post-employment benefits £	Short-term employee benefits £	Post-employment benefits £
Directors	2,802,165	53,060	2,286,349	49,367
Other key management personnel	2,895,005	258,409	2,330,875	232,566

The Bank provides short-term interest free annual loans for travel to and from work. It also provides personal loans subject to a limit of £10,000 per person and relocation loans subject to a limit of £8,000 (or higher in exceptionally approved circumstances) at the prevailing base rate to executive directors and staff.

Loans outstanding as at 31 December 2024 were loans totalling £29,057 (2023: £30,482).

	2024		2023	
	Base Rate £	Interest free £	Base Rate £	Interest free £
Directors	1,670	-	5,678	-
Other key management personnel	27,387	-	24,804	-

37. Capital management

The Directors regard its Common Equity Tier 1 (CET1) ratio for capital management purposes. Its principal objectives in managing capital are to ensure it is sufficient to participate in lines of business and to meet capital adequacy requirements of the Prudential Regulation Authority. Common Equity Tier 1 (CET1) is measured as share capital and reserves less regulatory deductions, which resulted in £156.7m CET1 at 31 December 2024 (2023: £153.1m). Regulatory capital adequacy requirements were met during the year.

38. Controlling party

The ultimate controlling party is the Bank of Ghana, which is the Central Bank of Ghana and is registered at 1 Thorpe Road, P.O. Box GP 2674, Accra. The only group accounts, of which Ghana International Bank plc is a subsidiary undertaking to, are prepared by the Bank of Ghana. Group accounts may be obtained from <https://www.bog.gov.gh>.

39. Subsequent events

Proposed Dividend

The Directors have recommended a final dividend for the year ended 31 December 2024 of £847,741 (equivalent of 1.33p per share). The dividend is subject to approval by the Bank's Annual General Meeting which is scheduled on 20 March 2025.

There are no further matters that have taken place since the year end that require disclosure.

40. Country-by-country disclosures

The Capital Requirements (Country-by-country) Regulations came into effect on 1 January 2014 and places certain reporting obligations on financial institutions. The objective of the reporting requirements is to provide increased transparency regarding the activities of the institution.

GHIB is a UK registered entity with no subsidiaries. The Bank received no public subsidies during the period to 31 December 2024 (2023: nil).

As at 31 December 2024

Country	Type of Operations	Profit before tax £	Operating income £	Corporation tax paid £	Average number of employees
United Kingdom	PRA and FCA regulated banking	5,836,762	47,404,294	-	204

As at 31 December 2023

Country	Type of Operations	Profit before tax £	Operating income £	Corporation tax paid £	Average number of employees
United Kingdom	PRA and FCA regulated banking	4,258,102	39,956,124	-	190



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Ghana International Bank hosted its flagship conference, #CNVERGE



on the theme: 'The Risk/ Opportunity Interplay for African Trade'.

This was an improved and reimagined version of GHIB's traditional London 'Summer School'. GHIB continues to lead the way on the critical brainstorming on growing African Trade.





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