



2022 ANNUAL REPORT

MALTAABA COMMUNITY BANK



SAVINGS | INVESTMENTS | LOANS | MONEY TRANSFER

MALTAABA COMMUNITY BANK

W E G R O W T O G E T H E R

2022 ANNUAL REPORT

Contents

Notice of Annual General Meeting	3
Corporate information	5
Report of the Directors	9
Independent Auditor's Report	14
Statement of comprehensive income	17
Statement of Financial Position	18
Statement of equity changes	18
Statement of Cashflows	19
Notes to the Financial Statements	21
Proxy	32

NOTICE OF ANNUAL GENERAL MEETING (AGM)



NOTICE IS HEREBY given that the 10th Annual General Meeting (AGM) of the Maltaaba Community Bank will be held at the Bank head office premises, Bongo on Saturday, **28th October, 2023** at **10:00am** to transact the following business.

AGENDA

1. To read the Notice convening the meeting.
 2. To receive the Directors' and Chairman's Report.
 3. To receive and adopt the Financial Reports of the Company (together with the Reports of the Directors and the External Auditors of the Company) for the year ended 31st December, 2022.
 4. To elect Directors in place of those retiring
 5. To approve the Directors' fees.
 6. To authorize Directors to appoint new External Auditors.
 6. To authorize Directors to negotiate remuneration of the New External Auditor.
- Any Other Business (AOB)

Dated in Bongo this **22nd day of September, 2023**

By Order of the Board

.....
Duke Awinsune Anabah, ESQ.
COMPANY SECRETARY



NOTES:

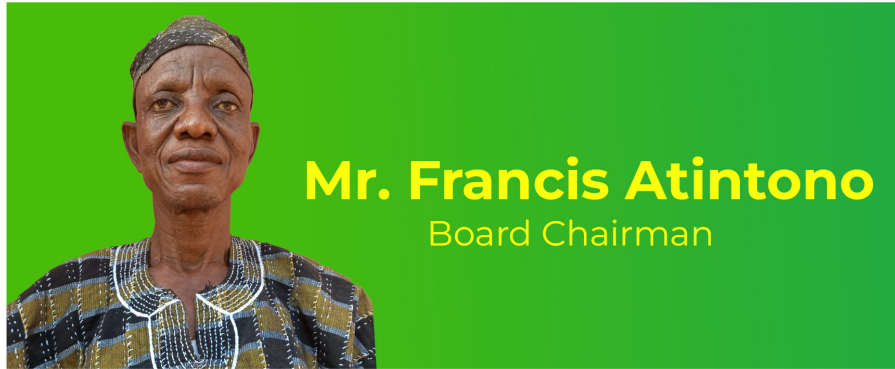
A member entitled to attend and vote may appoint a proxy who need not be a member of the bank to vote in his/ her stead. A form of proxy for it to be valid for the purposes of the meeting must be completed and deposited with the Company Secretary, Maltaaba Community Bank Ltd, P.O. Box 39, Bongo not less than 72 hours before the meeting

There is a vacant position for a Director and will be filled at the AGM. Interested Members should be guided by the following qualification criteria:

- The applicant must be a shareholder with a minimum of 25,000 shares acquired in the previous year.
- The applicant must possess a minimum qualification of DIPLOMA certificate
The applicant must have competencies in one or more of the following areas; Banking, Law, Finance, Accounting, Economics, Information Technology, Business Administration, Entrepreneurship, Risk Management, Strategic Management and Corporate Governance and meet the Bank Ghana Fit and Proper person criteria.
- Voting for Directorship shall strictly be conducted by POLL (A vote by a member is equivalent to the shares held by that member) pursuant to section 65 of the Bank of Ghana (BoG) Corporate Governance Directives to Rural and Community Banks, 2021.
- Shareholders who wish to contest for the Directorship must be nominated and seconded by at least two other shareholders. The completed Nomination forms should be submitted to the Company Secretary not later than 72hours before the meeting



Board of Directors



MR. JOHN ABUGRE
AKAMAH
DIRECTOR



MR. ABRAHAM
ADOCTOR GIBA
DIRECTOR



MR. PETER A. AYINBISA
DIRECTOR



MR. ERIC AKURUGU
VICE CHAIRMAN



MR. DUKE AWINSUNE
ANABAH, ESQ
SECRETARY

**REGISTERED OFFICE
P. O. BOX 39, BONGO**

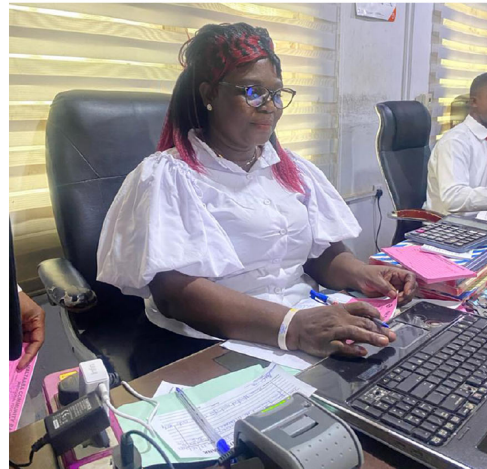
**BANKERS
ARB APEX BANK
GCB PLC**



Management



MR. APASE ISSAH YAHAYA
CHIEF EXECUTIVE OFFICER



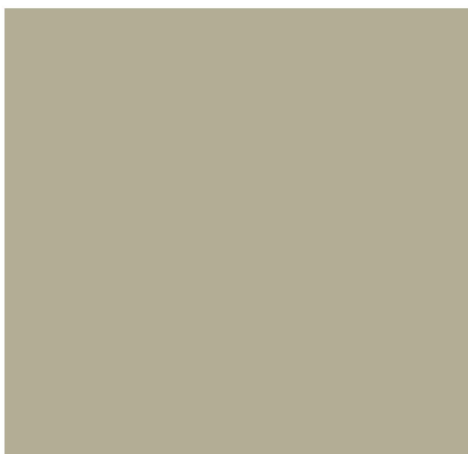
MADAM GRACE AYOMAH
OPERATIONS MANAGER



MR. ATONGO MUSTAPHA PHILIP
CREDIT MANAGER



**MR. CHRISTOPHER
BILLA LAARIJAH**
RISK AND COMPLIANCE OFFICER



ISSAHAKU MOHAMMED
SYSTEM ADMINISTRATOR



LAWAL AWUISU
AUDITOR



MALTAABA COMMUNITY BANK LIMITED

Report and Financial Statements 2022

<u>Contents</u>	<u>Page</u>
Directors, Officials and Registered Office	2
Report of the Directors	3
Report of the Auditors	4-6
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Cash flows	9
Notes to the Financial Statements	10-19



MALTAABA COMMUNITY BANK LIMITED

Report and Financial Statements 2022

Directors, Officials and Registered Office

Directors:	Mr. Francis Atintono	- Chairman
	Mr. Akurugu Eric	- Vice Chairman
	Mr. Azitariga A. Gaaga	- Member
	Mrs. Fawzia Adamu	- Member
	Mr. Giba Abraham Adoctor	- Member
	Mr. Peter Ayinbisa	- Member
	Mr. John Abugre Akamah	- Member
	Madam Grace Ayomah(Jan-,	- Acting CEO/ Secretary
	Mr.Yahaya Apase Issah(Sept -Dec 2022)-	CEO/Secretary

Registered Office: Maltaaba Community Bank
Limited
P. O. Box 39
Bongo-Upper East Region

Auditors: Diligence Consult
Chartered Accountants &
Business Consultants
P. O. Box 206
Wa
Upper West Region

Bankers: ARB-APEX Bank Ltd

Board Chairman's Report



MALTAABA COMMUNITY BANK

CHAIRMAN'S REPORT ON 10TH ANNUAL GENERAL MEETING (AGM)

INTRODUCTION

Distinguished shareholders, Boonaba, Nadoma, Fellow Board members, Representatives from the Bank of Ghana, ARB Apex Bank and ARB-Ghana, Sister Rural and community banks, our business partners, friends from the media, management and staff of Maltaaba Community Bank, Ladies and Gentlemen, it fills me with excitement to welcome you all to the 10th Annual general meeting of Maltaaba Community Bank Ltd.

On behalf of the Board of Directors of the Bank, I am pleased to present the 10th Annual Report comprising the Financial Statements for the year ended 31 December 2022.

MACRO ECONOMIC ENVIRONMENT

Ghana's economy was faced with considerable challenges in 2022 with the economy growing by 3.1% in 2022, against 5.1% recorded in the previous year.

The country recorded a new 21-year high inflation of 54.1% as at December 2022. The cedi also depreciated by 30% against the US dollar compared to 4.1% depreciation in 2021. This compared with the inflationary pressures drove cost of essential items such fuel, utility and rent to all time high during the year.

The Monetary Policy rate moved from 14% at the start of 2022 to 27.00% in December 2022. Treasury Bill rates soared to a record high of 35.48% in December 2022 from 12.46% in October 2021. Large external shocks contributed to worsening Ghana's pre-existing fiscal and debt vulnerabilities. Due to declining economic and financial conditions, multiple rating agencies reduced Ghana's rating which resulted in weaker investor confidence. Decreasing reserves, cedi depreciation, rising inflation, high debt to GDP ratio, and plummeting domestic investor confidence, eventually triggered an acute crisis.

The Government's decision to access an Extended Credit Facility of US\$3 billion in July 2022 from the International Monetary Fund was not concluded as at December 2022. The government's debt sustainability plan led to the announcement of Domestic Debt Exchange Program (DDEP) which required investors to surrender their existing bonds for new Government of Ghana Bonds which maturity up to 15 years. The DDEP undoubtedly has serious consequences for the banking sector though some regulatory interventions had been announced by the central bank.

With the Domestic Debt Exchange Program finally announced on 5th December 2022 to climax the issues encountered in the year, this significantly impacted the confidence of depositors and the public in the Banking sector due to the Banking sectors significant involvement in domestic



financing programmes. However, With the acceptance of the DDEP and indicators of a successful IMF deal, the macroeconomy is gradually getting positioned for recovery.

BANKING INDUSTRY PERFORMANCE HIGHLIGHTS

Distinguished Shareholders, the Banking industry in Ghana remains resilient and well positioned despite economic challenges encountered during the period under review.

Total assets of the banking sector grew by 22.9% to GH¢221.0 billion at end-December 2022, compared to 20.4% growth recorded in December 2021. Investments contracted by 4.8% to GH¢79.2 billion in December 2022 from a growth of 29% in 2021, as banks rebalanced their asset portfolios in favour of loans and other assets due to the Debt Exchange Program. Net loans and advances recorded 29.2% growth in December 2022 to GH¢60.9 billion, compared to 12.8% growth in the previous year.

Deposits remain the main source of funding for the banking sector, increasing by 30.4% to GH¢157.9 billion in December 2022, compared with the growth of 16.6% recorded in December 2021. Borrowings, however, declined by 14.1% to GH¢18.9 billion in December 2022 compared with 51.9% growth recorded in December 2021.

The industry's shareholders' funds increased by 12.5% to GH¢27.9 billion in December 2022 compared to a growth of 16.8% in December 2021. The industry's profit-after-tax contracted by 18.9% to GH¢3.9 billion in 2022, compared with the 12.2% growth recorded in December 2021.

The decline in profit was on the back of higher costs and provisions during the year, which moderated the impact of higher income in 2022 on banks' net profit.

Interest income increased by GH¢5.5 billion to GH¢24.5 billion, representing a growth of 29.2% in December 2022, from 15.5% in December 2021.

Interest expenses also increased by GH¢2.5 billion to GH¢8.7 billion in December 2022, a growth rate of 42.2%, compared to the 17.6% growth recorded in December 2021.

The industry's operating expenses grew by 32.2% in 2022, compared to 14.2% in 2021, on the back of higher staff costs and other operating (administrative) expenses.

Provisions increased significantly by 184.2% in December 2022, after contracting by 4.7% in December 2021, reflecting higher impairments on loans and mark-to-market losses on investments.

The sector remained solvent despite notable declines in the financial soundness indicators within the year. In the wake of the DDEP some safeguards are expected to be rolled out to ensure the continuous stability of the sector.



RESULTS FROM BUSINESS OPERATIONS

Distinguished shareholders, notwithstanding the global economic challenges in 2022 and Ghana's internal debt challenges, I am pleased to inform you that, our bank delivered a strong performance. Total Assets grew by 27%, Deposit grew by 29%, Operating income went up by 58% and profit after tax was up by 121% from the previous year. The Bank had to adopt tough approach to loan recovery across the Branch network to ensure the quality of the Bank's credit portfolio. These programs are being sustained during the current year. The table below gives details of the performance indicators.

Table of key performance indicators

FINANCIAL INDICATOR	2022 GH¢	2021 GH¢	Change in figures	change by %
Operating Income	3,114,886.00	1,967,539.00	1,147,347.00	58%
Profit After Taxation	471,078.00	213,203.00	257,875.00	121%
Investments	10,848,301.00	9,408,301.00	1,440,000.00	15%
Cash and Bank Balances	4,608,693.00	2,163,883.00	2,444,810.00	113%
Loans and Advances	4,633,074.00	4,090,780.00	542,294.00	13%
Total Deposit	18,666,076.00	14,447,798.00	4,218,278.00	29%
Total Assets	21,633,581.00	17,101,446.00	4,532,135.00	27%
Shareholder Funds	1,924,026.00	1,414,644.00	509,382.00	36%

DIRECTORSHIP

Distinguished shareholders, in line with the provisions of section 325(1) of the companies Act 2019, Act 992 and the corporate governance directive issued by the Bank of Ghana in May 2021. We shall be conducting an election to replace Mr. Azitarige Gaga who retired at the last AGM.

Distinguished Shareholders, this year's election of a Director shall be conducted using POLL-VOTING basis (where voting is proportional to the number of shares held by Members) pursuant



to Section 65 of the BoG Corporate Governance Directives to Rural and Community Banks, 2021. The purpose of this is to promote increased share acquisition for increased share formation for the Bank. I will use this opportunity to encourage existing Shareholders to acquire more shares in order to have more say in who manages the Bank (Director). And to all potential shareholders, please do not hesitate to subscribe to the shares of the Bank as the Bank shows a lot of prospects and need capital for vigorous expansion drive.

Distinguished shareholders, during any other matters (AOB) in the course of this AGM, I shall comment on other matters of interest that have occurred outside my reporting period of 31st December, 2022 but require information sharing with shareholders.

EXTERNAL AUDITORS

Diligence Consult have served your bank very well as its external auditors. Due to the limitation of term placed on the firm and the bank by section 81(4) of the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930) which reads as follows:

“An auditor of a bank or specialized deposit- taking institution shall hold office for a term of not more than six years and is eligible for reappointment after a cooling off period of not less than five years”.

Distinguished shareholders, the board shall be seeking your approval to engage a new auditing firm for the Bank.

CORPORATE SOCIAL RESPONSIBILITY

Distinguished shareholders we are still very much focused on supporting the development of our local communities in corporate social responsibility as we invested GHS 7,964.00 in the areas of Education, Security, and Agric.

OUTLOOK

Distinguished shareholders, considering the role of Rural Banking today, a lot is expected of us to keep growing and ensure soundness and sustainability, with management working under the direction of the Board.

In 2022 we achieved sustainable growth and plans are well advanced in 2023 to improve the deposit mobilization drive of the Bank and increase in profitability of the Bank.

We will continue to work with our Micro, Small, Medium Enterprises as well as government and local institutions through new product innovation and service channels.



Distinguished Shareholders, building on the strong financial performance in 2022, I am happy to inform you that revenue outlook for 2023 is positive.

ACKNOWLEDGMENT

Fellow shareholders, Boonaba, Nadoma , Ladies and Gentlemen, let me take a moment to thank the Board of Directors for their tireless response to duty in the service of the Bank. To our loyal customers, we thank you for the privilege of doing business with you in the past years. I would also like to acknowledge the management team and staff for their hard work and diligence that contributed to this great performance for the year 2022. Their contribution and commitment year after year to ensure the continued growth and profitability of our Bank is highly commendable and appreciated.

Finally, I want to say thank you to our shareholders who have supported us in this journey. I am confident that we are well prepared to address the challenges and take advantage of the opportunities in 2023 with the view to building a sustainable business that would provide value to our customers, shareholders, employees and all other stakeholders.

Long Live Maltaaba Community Bank Ltd, God Bless us all.

**MALTAABA COMMUNITY BANK LIMITED**

The Directors present herewith their report together with the audited Financial Statements of the bank for the year ended 31st December, 2022.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible for the preparation of the Financial Statements that give a true and fair view of the bank, comprising the statement of financial position at 31st December, 2022, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) and in the manner required by the Companies Act, 2019 (Act 992) as amended, and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). They are responsible for taking such steps as are reasonably open to them to safeguard the assets of the Bank, and to prevent and detect fraud and other irregularities. In addition, the Directors are responsible for the preparation of the Directors' report. The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The Directors have made an assessment of the ability of the bank to continue as a going concern and have no reason to believe that the business will not be a going concern in the foreseeable future. The auditor is responsible for reporting on whether the financial statements give a true and fair view in accordance with the applicable financial reporting framework.

1 PRINCIPAL ACTIVITY

The principal business of Maltaaba Community Bank Limited is the acceptance of customers deposits, lending out money to customers, investments in 91 days Treasury Bills etc. The principal activities carried on by the bank during the year under review are within the limits permitted by its Regulations. There has been no change in the nature of business of the bank during the period.

2 RESULTS FOR THE YEAR

Results of Operations	2022 GH¢	2021 GH¢
The balance brought forward on Retained Earnings at 1st 01/01/2022	115,977	9,375
Add Net Profit After Tax	471,078	213,203
Transfer to Reserve Fund	(235,539)	(106,602)
Leaving a balance to be carried forward on Retained Earnings as at 31/12/2022	351,516	115,977

3 Auditors.

In accordance with section 137(5) of the Companies' Act 2019 (Act 992), Diligence Consult, continues in office as Auditors of the MALTAABA COMMUNITY BANK LIMITED.

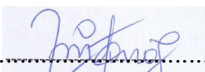
4 DECLARATION OF DIVIDEND

Directors have not declared dividend for the period under review.

5 Approval of the Financial Statements

The financial statements of the bank were approved by the Board of Directors

On behalf of the board


.....
Director


.....
Director



MALTAABA COMMUNITY BANK LIMITED

Auditor`s report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of MALTAABA COMMUNITY BANK Limited as set out on pages 7 to 19, which comprise the statement of financial position as at 31st December 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies. In our opinion, the financial statements present fairly, in all material respects, the financial position of MALTAABA COMMUNITY BANK Limited as at 31st December 2022, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Companies Act, 2019(Act 992), and of the Banks and Specialised Deposit-Taking Institutions Act 2016 (Act 930).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor`s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Federation of Accountants` Code of Ethics for Professional Accountants (IFAC code) and other independence requirements applicable to performing the audit of MALTAABA COMMUNITY BANK Limited. We have fulfilled our other ethical responsibilities in accordance with the IFAC Code and in accordance with other ethical requirements applicable to performing the audit of MALTAABA COMMUNITY BANK Limited in Ghana. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the Directors` Report as required by the Companies Act, 2019(Act 992). The other information does not include the financial statements and our report thereon. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Companies Act, 2019 (Act 992), and of the Banks and Specialised Deposit-Taking Institutions Act 2016 (Act 930) and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the 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.



Auditor's Responsibilities for the Audit of the Financial Statements

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also

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

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



Report on other legal and regulatory requirements

The Companies Act, 2019 (Act 992) and sect. 85 of the Banks and Specialised Deposit-Taking Institutions Act 2016 (Act 930) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- 1 We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- 2 In our opinion, proper books of account have been kept by the company, so far as appears from our examination of those books; and
- 3 The balance sheet (statement of financial position), and the profit and loss account (profit or loss section of the statement of profit or loss and other comprehensive income) of the company are in agreement with the underlying books of account.
- 4 The Bank's transactions were within its powers and the Bank generally complied with the relevant provisions of the Banks and Specialised Deposit-Taking Institutions Act, 2016, (Act 930).
- 5 The Bank also generally complied with the Anti-Money Laundering Act, 2008 (Act 749), as amended by Anti-Terrorism Act, 2014 (Act 875) and the Regulations made under these enactments.

Diligence Consult

.....
DILIGENCE CONSULT (License NO. ICAG/F/2022/221)
CHARTERED ACCOUNTANTS
BOX 206
Wa, Ghana

PETER LATUO KUUKYANE, (License NO. ICAG/P/1244)



Statement of Comprehensive Income for the year ended 31st December, 2022

Revenue	Note	2022 GH¢	2021 GH¢
Interest Income	2	3,247,704	2,067,847
Interest Expense	3	(442,585)	(424,965)
Net Interest Income		2,805,119	1,642,881
Commissions, Fees & Others	4	309,767	324,657
Total Operating Income		3,114,886	1,967,539
Expenses:			
Increase in Provision for Bad & Doubtful Debts	9d	(99,499)	(33,674)
Operating Expenses	5	(2,430,583)	(1,665,661)
Net Profit/(Loss) Before Tax		584,804	268,203
Provision for Tax		(113,727)	(55,000)
Net Profit After Provisional Tax		471,078	213,203

Statement of Changes in Equity

	Stated Capital GH¢	Retained Earnings GH¢	Reserve Fund GH¢	Capital Surplus GH¢	Totals GH¢
Bal. @ 01/01/2022	1,048,131	115,977	211,121	39,415	1,414,644
Issued for Cash	38,305	-	-	-	38,305
Net Profit After Tax	-	471,078	-	-	471,078
Transfer to/(from)	-	(235,539)	235,539	-	-
Reversal	-	-	-	-	-
Bal. @ 31/12/2022	1,086,436	351,516	446,660	39,415	1,924,026

The accompanying notes on pages 10 - 19 form an integral part of the Financial Statements



Statement of Financial Position As at 31st December 2022.

	Note	2022 GH¢	2021 GH¢
Assets			
Cash & Bank Balances	6	4,608,693	2,163,883
Investments in Securities	7	10,784,287	9,344,287
Other Investments	8	64,014	64,014
Loans, Advances and Overdrafts	9	4,633,074	4,090,780
Other Assets	10	756,188	661,075
		-----	-----
Total Liquid Assets		20,846,256	16,324,039
Property, plant & equipment	11	787,325	766,899
Intangible Asset(T24 Software)	12	-	10,508
		-----	-----
Total Assets		21,633,581	17,101,446
		=====	=====
Equity and Liabilities			
Equity			
Stated Capital	15	1,086,436	1,048,131
Capital Surplus		39,415	39,415
Retained Earnings		351,516	115,977
Statutory/General Reserve	16	446,660	211,121
Reserve Share Capital		-	-
		-----	-----
		1,924,026	1,414,644
		-----	-----
Liabilities			
Non-current			
Loan from Apex Bank		233,333	366,667
		-----	-----
		233,333	366,667
Current			
Deposits & Current Accounts	13	18,666,076	14,447,798
Payables & Accruals	14	753,282	872,339
Taxation	17	56,864	-
		-----	-----
Total Current Liabilities		19,476,222	15,320,136
		-----	-----
Total Liabilities		19,709,555	15,686,803
		-----	-----
Total Equity and Liabilities		21,633,581	17,101,446
		=====	=====

The accompanying notes on pages 10 - 19 form an integral part of the Financial Statements



 Director



 Director



	2022 GH¢	2021 GH¢
Operating Activities		
Net Operating Activities	4,180,750	2,119,545
Net Cash Inflow from Operating Activities	4,180,750	2,119,545
Investing Activities		
Purchase of Property & Equipment	(154,557)	(207,751)
Increase in Investment in T.Bill and ACOD	(1,440,000)	(1,241,758)
Net Cash Inflow from Investing Activities	(1,594,557)	(1,449,509)
Taxation		
Paid	(56,863)	(90,000)
Financing Activities		
Proceeds from issue of shares	38,305	24,573
Apex Bank Loan	(133,334)	366,667
Reserve Share Capital	-	(502,903)
Net Cash Inflow from Financing Activities	(95,029)	(111,664)
Net increase in Cash and Cash Equivalents	2,434,300	468,372
<u>Movement in Cash and Cash Equivalents</u>		
Cash and Cash Equivalents at 1st January	2,163,883	1,695,512
Net increase in Cash and Cash Equivalents	2,434,300	468,371
Cash and Cash Equivalents at 31st December	4,598,183	2,163,883
<u>Analysis of Cash and Cash Equivalents</u>		
Apex Bank Ltd	649,978	958,416
5% Placement @ Apex	855,966	703,488
Cash in hand	402,505	424,105
Susu Collection	244	77,875
	1,908,693	2,163,883
<u>Reconciliation of Profit to Cash</u>		
Net profit/(Loss) before tax	584,804	268,203
Adjustment for:		
Depreciation	134,131	123,981
Increase in Advances	(542,294)	(999,004)
Decrease (Increase) in Other Assets	(95,113)	(311,926)
Increase in Deposits & Current Accounts	4,218,278	2,434,160
Decrease (Increase) in Payables & Accruals	(119,057)	604,132
Net cash Flow from Operating Activities	4,180,750	2,119,545



1.1 ACTIVITIES

Maltaaba Community Bank Limited principal business activity are:

- i Acceptance of members deposits in a form of; Savings, Current, fixed and mobile (susu) deposits.
- ii Acceptance of members withdrawals from their deposits.
- iii Money trading in a form of Treasury Bills and other long term investments for return of interest.
- iv Lending out Money to customers for loans for return of interest.
- v E-zwich bankings.
- vi Mobile money bankings
- vii Supporting farmers with low interest rate loans.

1.2 CORPORATE SOCIAL RESPONSIBILITY.

- i To shareholders; Maximise Shareholders wealth for a better returns on their investments.
- ii To stakeholders; To respect the right of stakeholders and be accountable to them for the corporate activities.

1.3 BASIS OF PREPARATION

Presentation of Financial Statements

Maltaaba Community Bank Limited presents its Statement of Financial Position broadly in order of Assets equal to Equity plus Liabilities. Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position only when there is a current legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously. Income and expenses are not offset in profit or loss unless required or permitted by any accounting standard or interpretation.

The Financial Statements have been prepared in Ghana Cedi (GH₵) and under the historical cost convention (unless otherwise stated).

Statement of compliance

The Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and the requirement of Ghana Company's Act 2019 (Act 992).

1.4 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS .

In the process of applying its accounting policies, Management has exercised judgment and estimates in determining the amounts recognized in the Financial Statements. The most significant uses of judgment and estimates are as follows:



Notes to the Financial Statements For the year ended 31st December 2022
(continued)

Going concern

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

Key sources of estimating uncertainty

When there is the need for estimation in relation to cost, management considers its past experience in relation to similar liabilities and trend in arriving at the estimate.

1.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation and Accounting policies

(a) The following are the basis and significant accounting policies adopted by the Bank and which have been consistently applied in the preparation of the Financial Statements.

(a) **Basis of accounting**

The Financial Statements have been prepared under the historical cost convention.

(b) **Functional and Presentation Currency**

These Financial Statements are prepared in the Ghana Cedi (GH¢) which is the Bank's functional and presentation currency. Except as otherwise indicated, the financial information presented in Ghana Cedi has been rounded up to the nearest Ghana Cedi.

(c) **Interest Income**

Interest on loans and advances is recognised only when it is received in cash. Interest earned but not received in cash is accrued until realised in cash. Interest income and expense presented in the income statement include interest on financial assets and liabilities at amortised cost on an effective interest rate basis.

(d) **Fees and Commission**

Fees and Commission income and expenses that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate. Other fees and commission income are recognised as the related services are performed. Other fees and commission expense relate mainly to transaction and service fees, which are expensed as the service is received.



Notes to the Financial Statements For the year ended 31st December 2022
(continued)

(e) Property & Equipment and Depreciation.

The bank recognizes an item of property, plant and equipment as an asset when it is probable that future economic benefits will flow to it and the cost can be reliably measured. Property, plant and equipment is stated at cost less accumulated depreciation and any impairment in value. Depreciation is provided on the depreciable amount of each asset on a straight-line basis over the anticipated useful life of the asset. The depreciable amount related to each asset is determined as the difference between the cost and the residual value of the asset. The residual value is the estimated amount, net of disposal costs that the bank would currently obtain from the disposal of an asset in a similar age and condition as expected at the end of the useful life of the asset. The bank does not depreciate Work in Progress and land. The current annual depreciation rates for each class of property, plant and equipment are as follows:

Land and Building	5%
Office Equipments	25%
Furniture & Fittings	20%
Motor Vehicles	20%
Computers & Accessories	33.33%
Sign Board	20%

Costs associated with routine servicing and maintenance of assets are expensed as incurred. Subsequent expenditure is only capitalized if it is probable that future economic benefits associated with the item will flow to the organization. The carrying values of property, plant and equipment are reviewed for indications of impairment annually, or when events or changes in circumstances indicate that the carrying value may not be recoverable. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the item. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the comprehensive income statement in the year the item is derecognized. Residual values, useful lives and methods of depreciation for property, plant and equipment are reviewed, and adjusted prospectively if appropriate, at each financial year end.

(f) Employee benefits and pension scheme.

Short-term employee benefits

The cost of all short-term employee benefits is recognized during the period employees render services. The bank contributes to the Defined Contribution Pension Schemes on behalf of all employees that qualified under the scheme. This is a national pension scheme under which it pays 13% of qualifying employees' basic monthly salaries to a state managed Social Security Fund for the benefit of the employees. All employer contributions are charged to Comprehensive Income Statement as incurred and included under personnel expenses. The bank's obligation is limited to the relevant contributions which are settled on due dates. The pension liabilities and obligation however rest with SSNIT and the private fund manager, the bank has elected to manage part of the total contributions attributable to the pension scheme of employees.

(g) Events after the reporting period.

Management is not aware of any event after the reporting period that may have impact on the operations of Maltaaba Community Bank Limited.



Notes to the Financial Statements For the year ended 31st December 2022

(continued)

(h) Financial Assets and Liabilities

Financial assets and financial liabilities include the following:

(i) Borrowings.

Interest bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Direct issue cost are amortised over the period of the loan and overdrafts to which the related finance charges including premiums payable and settlement or redemption are charged to the income statement as incurred using the effective interest method and are added to carrying value of the instrument to the extent that they are not settled in the period in which they arise.

(j) Loans/Advances

These are stated at their fair values reduced by appropriate allowances for estimated irrecoverable amounts. Loans and Overdrafts are recorded at the proceeds received, net of direct issue cost. Finance charges are charged to the income statement as incurred using the effective interest method and are added to the carrying value of the instruments to the extent that they are not settled in the period in which they arise.

(k) Payables

These are not interest bearing and are stated at their fair values.

(l) Cash and Cash Equivalents

Cash and Cash Equivalents comprise cash on hand and demand deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

	2022	2021
	GH¢	GH¢
Note2 Interest Income		
Discount on Treasury Bills	1,748,255	875,873
Interest on Apex Bank ACOD	109,688	51,469
Interest on Loans and Overdrafts	1,383,557	1,135,069
Interest on Clearing Account	6,204	5,436
	3,247,704	2,067,847
Note3 Interest Expense		
Savings & Current Accounts	280,455	269,653
Fixed Deposit	162,130	155,312
	442,585	424,965
Note4 Commissions & Fees		
Commitment Fees	-	10
Cheque Clearing Fees	12,243	13,098
Commission on Transfers	54,954	84,580
Commission on SMS	13,205	10,149
Other Income	147,388	152,739
Processing Fees	74,606	64,082
Income from remittances	7,371	-
	309,767	324,657



Notes to the Financial Statements For the year ended 31st December 2022
(continued)

	2022	2021
	GH¢	GH¢
Note5 Operating Expenses		
Note5.1 Staff Cost	-----	-----
Salaries & Allowances	748,850	634,727
Other Staff Cost	287,403	150,019
	-----	-----
	1,036,253	784,746
	-----	-----
Other staff costs representing staff SSNIT, and staff provident fund, staff allowances and staff end of year bonuses		
Note5.2 Directors' Fees & Expenses		
Sitting Allowances	121,317	85,805
Directors Remuneration	16,800	4,114
	-----	-----
	138,117	89,919
	-----	-----
Note5.3 Administrative Expenses		
Printing & Stationery	27,157	28,436
Travelling and transport	35,392	13,766.00
Medical Expenses	920	672.00
Specie Movement	4,640	2,560
Insurances	70,462	54,285
Subscriptions	93,768	36,780
Postage & Telephone	6,367	5,437
Electricity & Water	52,446	44,066
Office Plant Running Expenses	27,285	12,790
Staff Training	62,855	42,429
Auditors' Fees and Expenses	11,940	18,544
Repairs & Maintenance of equipment	7,332	11,864
Depreciation	134,131	123,981
Motor Vehicle Running Expenses	27,622	18,366
Rent, Rate & Property Tax	39,452	32,132
Legal Expenses	20,440	2,504
Cleaning and Sanitations	8,521	5,214
Sundry Expenses	185,471	43,742
Business Promotion	2,500	8,845
Recovery Expenses	26,801	5,020
Motor Vehicle Repairs and Maintenance	12,751	5,023
Houses expenses	21,829	-
Bad Debt Written off	-	68,597
	-----	-----
	880,082	585,052
	-----	-----

'Sundry expenses' are transactions that are not assigned to any of the transaction heading in the chart of account in T24 software.



Notes to the Financial Statements For the year ended 31st December 2022
(continued)

	2022	2021
	GH¢	GH¢
Note5.4 Other Expenses	-----	-----
Savings Mobilisation	169,130	102,692
Micro Finance Expenses	2,705	1,716
Computerisation	83,134	40,630
Annual General Meeting	26,982	442
Police Guard	26,452	15,048
Advert/Publicity	16,200	18,951
Donations	2,964	6,749
Office Expenses	17,834	4,675
Entertainment	6,818	1,144
Remittance Expenses	6,518	2,654
Funeral Expenses	3,500	2,272
Cheque Clearing Expenses	8,430	4,702
Bank Charges	724	140
Cashiers Efficiency expenses	4,210	3,600
Commission Susu Agent	530	530
	-----	-----
	376,131	205,945
	-----	-----
Total Operating Expenses	2,430,583	1,665,661
	=====	=====
Note6 Cash & Bank Balances		
Apex Bank Ltd	649,978	958,416
Susu Collection	244	77,875
5% Placement @ Apex	855,966	703,488
Apex Product(ACOD)	2,700,000	-
Cash in Hand	402,505	424,105
	-----	-----
	4,608,693	2,163,883
	=====	=====
Note7 Investments		
Treasury Bills with Bank of Ghana	5,300,000	5,740,000
Government Treasury Bills and Notes	3,600,000	-
Short term investment in ARB Apex (ACOD)	-	1,720,000
Treasury Bill with GoldCoast Securities	1,582,516	1,582,516
Legacy Financial Services	301,771	301,771
	-----	-----
	10,784,287	9,344,287
	=====	=====
Note8 Other Investments		
This represents unquoted Shares in ARB Apex Bank Ltd	64,014	64,014
	-----	-----
	64,014	64,014
	=====	=====



	2022 GH¢	2021 GH¢
Note9 Loans & Advances		
(a) Analysis by type of Product		
Term Loans	4,559,226	4,067,433
Staff Loans	508,903	358,903
	-----	-----
Gross Loans & Advances	5,068,130	4,426,336
Provision for Doubtful Debts	(435,056)	(335,557)
	-----	-----
	4,633,074	4,090,780
	=====	=====
(b) Analysis by Business Segment		
Agriculture	384,133	224,133
Commercial & Micro Finance Advances	4,115,075	3,783,281
	568,922	418,922
	-----	-----
Gross Loans & Advances	5,068,130	4,426,336
Provision for Doubtful Debts	(435,056)	(301,883)
	-----	-----
	4,633,074	4,124,453
	=====	=====
(c) Analysis by Type of Customer		
Individuals	3,102,055	2,851,982
Private Enterprises (Groups)	1,565,525	1,215,451
Staff	400,550	358,903
	-----	-----
Gross Loans & Advances	5,068,130	4,426,336
Provision for Doubtful Debts	(435,056)	(335,557)
	-----	-----
	4,633,074	4,090,779
	-----	-----
	4,633,074	4,090,779
	=====	=====
(d) Changes in Provision for Bad & Doubtful Debts		
Balance at 1st January	335,557	301,883
Increase/(Decrease) in Provision	99,499	33,674
	-----	-----
Balance at 31st December	435,056	335,557
	=====	=====
Note10 Other Assets		
Stationery Stock	34,925	20,565
Prepayments	76,431	94,032
Uncleared Effects	70,158	34,963
Office Account	-	85,593
Other prepayments	45,330	35,592
E-Zwich Suspense	194,939	54,404
Preliminary Expenses	231,083	258,269
Interest and Commission Accrued	63,435	77,657
Interbranch(Debit)	39,887	-
	-----	-----
	756,188	661,075
	=====	=====



Notes to the Financial Statements For the year ended 31st December 2022 (continued)

Note11 Property, Plant & Equipment

Cost	Land&Buildings	Capital work i	Motor	Office	Furniture	Computers &
	GH¢	progress	Vehicles	Equipment	& Fittings	Accessories
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
01/01/2022	602,652	-	151,909	232,071	102,281	98,024
Additions	57,893	27,999	19,000	21,696	22,379	5,590
Fully Depreciated Assets				(7,000)	(42,596)	(46,477)
31/12/2022	660,545	27,999	170,909	246,767	82,064	57,137
Depreciation						
01/01/2022	131,710		115,298	128,838	56,116	55,371
Charge for the year	30,548		25,928	34,553	12,591	19,027
Fully Depreciated Assets		-		(7,000)	(42,596)	(46,477)
31/12/2022	162,259	-	141,226	156,391	26,111	27,920
Carrying Amount						
At 31/12/2022	498,286	27,999	29,683	90,376	55,953	29,217
At 31/12/2021	470,942	-	36,611	103,233	46,165	42,653

Note 12 INTANGIBLE ASSET

	2022	2021
	GH¢	GH¢
T24 Software	-	10,508



Notes to the Financial Statements For the year ended 31st December 2022

(continued)

Note13 Deposits & Current Accounts	2022	2021
This is made up as follows:	GH¢	GH¢
Savings Accounts	14,974,023	11,411,354
Demand Deposits/Current Accounts	1,349,790	979,241
Time Deposits	1,335,043	1,272,289
Other (E-zwich holdings)	1,007,220	784,914
	18,666,076	14,447,798
	=====	=====
Note14 Payables & Accruals		
Office Accounts	95,358	72,891
Provision(Police)	8,400	-
Accrued Interest	34,014	158,640
E-zwich operation	1,331	6,670
Payment Order	960	2,960
T24 License Fee Payable	-	20,661
Inter-Agency	152,313	-
Unearned Interest	460,906	105,684
Other liabilities	-	501,500
Sundry Liabilities	-	3,332
	753,282	872,339
	=====	=====

The directors consider that the carrying amounts of payables and accruals approximate to their fair value.

Note15 Stated Capital

The Bank is registered with 500,000,000 authorised shares of no par value

The issued share capital is made up of:

	2022		2021	
	No of shares	Value(GH¢)	No of shares	Value(GH¢)
Issued and Fully paid:				
Issued for Cash Consideration	5,605,782	1,048,131	5,601,612	1,023,558
Issued during the year	191,525	38,305	4,170	24,573
	5,797,307	1,086,436	5,605,782	1,048,131
	=====	=====	=====	=====

There are no shares in Treasury and no calls or installments unpaid on any shares.



Note16 Statutory Reserves

	2022	2021
	GH¢	GH¢
Bal as at 1st January	211,121	104,519
Transfer from Income Surplus	235,539	106,602
Bal as at 31st December	446,660	211,121

Notes to the Financial Statements For the year ended 31st December 2022
(continued)

Note17 Taxation	Year of Assessment	As at	Charge during		As at
		1/1/2022	the year	aid during th	31/12/2022
		GH¢	GH¢	GH¢	GH¢
		-----	-----	-----	-----
	2021	35,000	55,000	(90,000)	-
	2022	-	113,727	(56,863)	56,864
		-----	-----	-----	-----
		-	113,727	(56,863)	56,864
		=====	=====	=====	=====



MALTAABA COMMUNITY BANK LIMITED

Notes to the Financial Statements For the year ended 31st December 2022 (continued)

Note 11 Property, Plant & Equipment

Cost	Land & Buildings	Capital work in Progress	Motor Vehicles	Office Equipment	Furniture & Fittings	Computers & Accessories	Sign Board	T24 Software License	Total
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
01/01/2022	0	-	-	-	-	-	-	-	-
Additions	57,893	27,999	19,000	21,696	22,379	5,590	-	-	154,557
Fully Depreciated Assets				(7,000)	(42,596)	(46,477)			(96,073)
31/12/2022	57,893	27,999	19,000	14,696	(20,217)	(40,887)	0	0	58,484
Depreciation									
01/01/2022	-	-	-	-	0	-	-	-	-
Charge for the year	30,548	-	25,928	34,553	12,591	19,027	5,067	6,418	134,131
Fully Depreciated Assets				(7,000)	(42,596)	(46,477)			
31/12/2022	30,548	-	25,928	27,553	30,005	27,450	5,067	6,418	38,058
Carrying Amount									
At 31/12/2022	27,345	27,999	(6,928)	(12,857)	9,788	(13,437)	5,067	6,418	20,426
At 31/12/2021	-	-	-	-	-	-	-	-	-



MALTAABA COMMUNITY BANK



PHOTO GALLERY

MALTAABA
COMMUNITY
BANK





PROXY

The 10th Annual General meeting (AGM) of the Members Maltaaba Community Bank Ltd will be held on Saturday, 28th October, 2023 at 10:00am prompt at the Bank's Head Office, Bongo.

I/We..... being Member (s)

Of

Hereby appoint Prof. / Dr. / Hon. / Mr. / Mrs. / Ms. /

Rev..... with a duly sealed proxy form to attend and vote for us and on our behalf at the Annual General Meeting of the Bank on Saturday, 28th October, 2023

Dated this day of..... 2023

.....

Signature.....

Name

.....

Designation

.....

Signature

.....

Name

.....

Designation



RESOLUTIONS FROM THE BOARD	FOR	AGAINST
1. To receive the Directors' and Chairman's Report.		
2. To receive and adopt the Financial Reports of the Company (together with the Reports of the Directors and the External Auditors of the Company) for the year ended 31 st December, 2022.		
3. To elect Directors in place of those retiring		
4. To approve the Directors' fees.		
5. To authorize Directors to appoint new External Auditors.		
6. To authorize Directors to negotiate the New External Auditor.		

Please indicate with an "X" in appropriate square how you wish your votes to be cast on the resolutions set out above. Unless otherwise instructed the proxy will vote or abstain from voting his / her discretion.