



CCMF
ANNUAL
REPORT
2022



Table of Contents

Corporate Information	1-2
Notice of Annual General Meeting	3-4
Chairman's Statement	5-6
Fund Manager's Report	7-12
Report of Directors	13-14
Independent Auditor's Report	15-20
Statement of Comprehensive Income	21
Statement of Financial Position	22
Statement of Changes in Members Fund	23
Statement of Financial Assets	24-25
Statement of Changes in Equity	26
Notes to the Financial Statements	27-38



CORPORATE INFORMATION

BOARD OF DIRECTORS

Sam Okudzeto(Chairman)
Yaa Peprah Agyemen Amekudzi
Naa Odey Asante

REGISTERED OFFICE

4th Floor
The Rhombus
Plot No. 24 Kanda Estate
Accra

INVESTMENT MANAGER

Black Star Advisors
4th Floor
The Rhombus
Plot No. 24 Kanda Estate
Accra

FUND CUSTODIAN

Standard Chartered Bank (Ghana) PLC
P.O. Box 768
High Street
Accra

INDEPENDENT AUDITORS

BNA Chartered Accountants
C720/3 Korle Obuade Street, 1st
Crescent Link, Off Okukuseku
Street, Asylum
Down
P.O. Box AN 10673, Accra - North
Web: www.bnagh.com
Email: info@bnagh.com

BANKERS

Standard Chartered Bank (Ghana) PLC
P.O. Box 768
High Street
Accra

Access Bank Ghana PLC
Head Office
Ohene Djan Stadium
Accra

Guaranty Trust Bank (Ghana) Limited
P. M B CT 416,
Cantonments Accra

Zenith Bank (Ghana) Limited
P. M B CT 393,
Accra



NOTICE OF ANNUAL GENERAL MEETING (AGM)

NOTICE IS HEREBY GIVEN that the 11th Annual General Meeting (AGM) of the Christian Community Mutual Fund (CCMF) will be held virtually on Friday 5th July 2024, at 10:00 a.m. to transact the following business:

Ordinary Business:

- 1.To receive and adopt the Audited Financial Statements together with the Reports of Directors, Fund Manager, and Auditors for the year ended 31st December 2022 and for the year ended 31st December 2023.
- 2.To re-elect Directors retiring by rotation.
- 3.To appoint MR. KARL OCRAN as a Director of CCMF.
- 4.To authorize the Directors to fix the remuneration of the Auditors.

Special Business:

- 1.To amend the Scheme Particulars of CCMF to reduce fund management fees from 2.5% of Net Asset Value to 1.25% of Net Asset Value.

Dated this 11th June 2024

BY ORDER OF THE BOARD



Lawfields
CONSULTING

Lawfields Consulting
Company Secretary



NOTICE OF ANNUAL GENERAL MEETING (AGM)

Notes:

General

1. Members may join the meeting and participate by virtual means via Microsoft Teams. All members will be sent a registration link (via SMS) in order to permit those who wish to participate virtually to do so.
2. A member is entitled to attend and vote or may appoint a proxy to attend or participate virtually through the Microsoft Teams link. Such proxy need not be a member of the company. For a proxy to be valid for the purposes of the meeting, it must be completed and submitted via email to admin@lawfieldsconsulting.com or deposited at the 4th Floor, Rhombus building not less than 48 hours before the meeting.
3. A copy of the Proxy Form can be downloaded from <https://www.blackstargroup.ai> and may be filled and sent via email to admin@lawfieldsconsulting.com not less than forty-eight (48) hours before the commencement of the meeting.
4. The appointment of the proxy will not prevent a member from subsequently attending and voting at the meeting or participating via online participation. Where a member attends the meeting in person or participates online, the proxy's appointment shall be deemed to be revoked.
5. An electronic version of the Company's Annual Report consisting of the Financial Statement and Auditor's Reports for the year ended 31st December 2022 and 2023 may be accessed at the Company's dedicated AGM website at <https://www.blackstargroup.ai>
6. Members are also encouraged to send in any questions in advance of the AGM by mailing them to clientservices@blackstargroup.ai. Answers to the questions will be provided at the AGM.

Access and Registration for Virtual AGM:

- 1 To enable members to register for the AGM, the Company shall send to all members a registration link via email and/or by text message. Members are required to provide relevant information to complete the registration process.
2. Members will receive a confirmation email and/or text message containing information about joining the virtual meeting.



Global Economic Performance

The year 2022 was a very eventful one. The global effort to restart the world economy after a year of lockdowns saw major setback when Russia invaded Ukraine. The position of Russia and Ukraine as exporters of cereals, oilseeds, fertilizers and natural gas meant that the global supply chain was thrown into upheaval. We saw energy costs and the cost of food increase significantly. This increase in prices coupled with the quantitative easing that central banks initiated during the pandemic era led to a global rise in inflation rates.

In response, central banks began to initiate interest rate hikes in order to curb consumer demand and reduce inflation. The US Dollar strengthened against its major trading pairs for over 6 months as U.S treasuries proved to be more attractive and less risky than equities. As borrowing costs increased and inflation proved sticky, the US Dollar reemerged as the world reserve currency.

Ghana's Economic Performance

Just like other economies, Ghana's economy was greatly influenced by the Russian-Ukrainian war. The nation saw a steeper balance of payments deficit during this period, with imports becoming significantly more expensive and exports reducing in value as the cost of gold, oil and cocoa fell from the peak prices seen during the onset of the Russia-Ukrainian war. The cost of living in the country rose to record-high levels as consumer spending reduced. In the first quarter of 2022, the overall GDP grew by 3.3 percent, year-on-year, down from 3.6 percent over the same period in 2021. Non-oil growth also slowed down significantly (from 5.3 percent to 3.7 percent), reflecting a slowdown in all the sectors of the economy.

Over the first half of 2022, the fiscal deficit reached 5.6 percent of GDP, well above the 3.9 percent target. Revenues underperformed, as the flagship e-levy was introduced late and faced major implementation challenges. As of end-June 2022, public debt reached 78.3 percent of GDP and interest payments reached 54.4 percent of revenues over the first half of the year. Given growing macroeconomic imbalances, in July 2022, Ghana's government began discussions with the IMF on a three-year extended credit facility program.

Inflation finished off at 54.1 percent in December 2022, from 12.6 percent at the end of 2021. This was the highest level of inflation recorded in Ghana since May 1996. The impact of soaring global commodity prices (Ghana imports 40 percent of its fertilizers from Russia) had been compounded by the depreciation of the Ghana Cedi. The Government and the Bank of Ghana (BoG) sought to dampen inflationary expectations by cutting expenditures and raising the monetary policy rate (MPR) to 27 percent in 2022.



CHAIRMAN'S STATEMENT

Overall, it was a difficult year for the Ghanaian economy; cost of living was very high, especially for food and energy and this put a considerable strain on household budgets. Some respite was seen during the last two months of 2022 as the Ghana Cedi appreciated and stabilized against its major trading currencies, leading to a marginal reduction in fuel prices.

Outlook

Globally, inflation is expected to gradually slow down (albeit not significantly enough) as the effects of the 2022 rate hikes on consumer demand begin to show. The strength of the US Dollar is expected to weaken as some world economies seek alternatives to the US Dollar for trading commodities. We expect to see a recession in the 3rd to 4th quarter for many economies, owing to a combination of monetary tightening policies and weaknesses in the banking sector.

Locally, inflation is expected to slow down on the back of a projected stable currency. The government's suspension of external debt interest payments and the waning strength of the dollar should see the Ghana Cedi appreciate against the US Dollar and stay relatively stable. GDP growth is expected to slow in 2023 as macroeconomic instability and corrective policy measures depress aggregate demand. The weakening impact of high inflation and elevated interest rates on private consumption and investment will be reinforced by monetary and fiscal tightening. The Monetary Policy Committee is likely to slow down on rate hikes based on tapering year-on-year inflation rate figures.

In terms of supply, in 2023: agriculture is expected to grow as fertilizer prices have reduced after reaching all-time highs during the onset of Russia-Ukrainian war. The export value of cocoa and crude oil should receive a boost as well following OPEC+ supply cuts decision and the government of Ghana's decision to raise Cocoa Farmers' pay by 21% in the last quarter of 2022. We expect that Ghana's Balance of Trade books will receive a significant boost as world economies find their footing again.

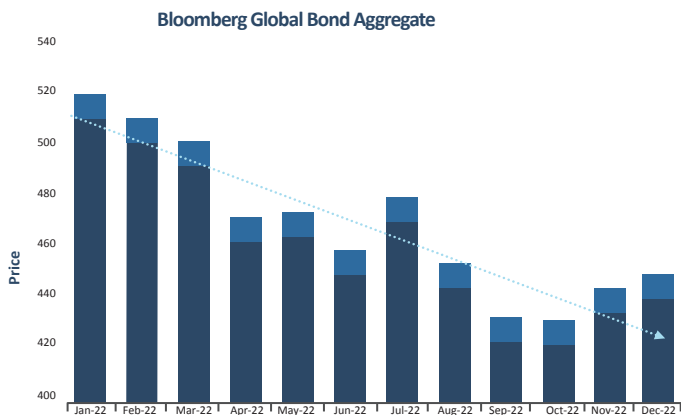
FUND MANAGER'S REPORT

The year 2022 proved to be a very challenging one. We experienced heights of uncertainty not seen in our market in years. Inflation remained stubborn, the Cedi was brought to its knees, Government's fiscal position unraveled; cost of borrowing skyrocketed on the back of the hawkish Central Bank, and then the most feared word in 2022; the DDEP.

Fixed Income

The global rate hiking policies initiated last year saw the world economy experience its worst bond market performance in over two decades. Efforts to control inflation saw huge discounts in prices of bonds being traded (shown in Fig.1) with investors preferring to purchase newly issued bonds in order to gain higher yields. No market was more indicative of this than the US Bond Market where prices were hugely discounted as the Federal Reserve raised the benchmark interest rate from 0.25% to 5.00% in 2022. In the USA, we saw bonds and equities being uncharacteristically correlated. This was as a result of investors abandoning the conventional 40/60 portfolio split in favor of more US treasuries. The possibility of higher yields and less volatility meant that US treasuries were not only a hedge to investors but also an opportunity to gain good income. Money markets also saw a huge influx of investor funds as both retail and institutional investors sought to hold more cash in anticipation of buying higher-yielding US treasuries.

FIGURE 1



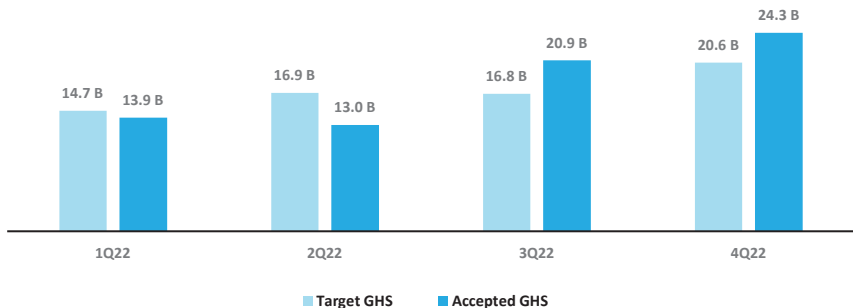
FUND MANAGER'S REPORT

Locally, the year began with the Ghana Sovereign bond index steady on its upward trajectory. However, a few months into the year, the effects of the Russian-Ukraine war, which contributed to global macroeconomic challenges, began to show in the performance of the Fixed Income Market. This was not the only contributory factor to Ghana's woes as tell-tale signs of the nation's internal struggle and threat to debt sustainability became evident. Public Debt Stock rose significantly as a result of the weakening local currency. In addition, the Government was finding it difficult to fund its budget since access to the international debt market was closed, and internally generated revenue was inadequate.

Frequent downgrades of the country's credit rating and the anticipated debt restructuring made sovereign bonds less attractive, driving more investors to take refuge in short-term maturity securities in the last half of the year at higher yield levels.

FIGURE 2

T-bills became a safe haven in Q4 after liquidity crunches in Q1 & Q2



The Government exceeded its annual T-bill auction target for the first time since 2019. There was also an increased interest in T-Bill activity on the secondary market following the Government's announcement of the Domestic Debt Exchange Program (DDEP).

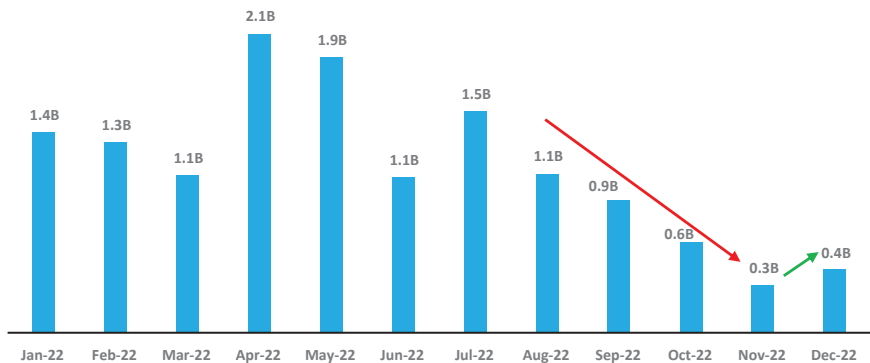
Ghana's government had to battle with the rising cost of borrowing throughout the year; however, though rates remained high towards the end of the year, the increased demand for T-Bills and the Government's attempt to manage debt caused treasury bill rates to drop marginally.



FUND MANAGER'S REPORT

Cocoa Bill trades on the secondary market were highly influenced by the uncertainty around the DDEP as investors were uncertain about the impact of the DDEP and COCOBOD's repayment ability. For this reason, trading activity began declining in July, after the Government announced plans to seek help from the IMF and increased marginally in December as investors repositioned their investment in preparation for the Domestic Debt Exchange Program.

FIGURE 3



FX MARKET (USD/GHS)

The Ghana Cedi was hit hard in 2022, tumbling by a staggering ~39% by close of the year.

The delay in the implementation of the 2023 budget set the ball rolling as the compounded effect of the pushback of e-levy and the onset of the Russia-Ukraine war pushed the Cedi deeper into hostile territories. The Bank of Ghana made a determined effort to stabilize the Cedi in the second quarter, securing \$1 billion and implementing measures to control foreign currency pricing and receipts. Despite these efforts, concerns over the country's debt sustainability continued to grow, culminating in the announcement of seeking IMF support in the third quarter. As credit rating agencies downgraded the country, Government repositioned its outflow on the bi-weekly dollar supply, cutting it from \$50 million to \$25 million. In August, the government was blocked from borrowing from the domestic capital market, further straining its debt-refinancing effort.

Uncertainty surrounding the country's debt sustainability was the primary catalyst for the Cedi's decline in the third and fourth quarters of 2022. However, a positive market reaction to the announcement of an IMF program helped to stem the depreciation temporarily, reducing it from 57.78% to 38.86% by the end of the year. The mixed sentiment towards the Domestic Debt Restructuring also significantly impacted the Cedi's performance in the final months of 2022.



FUND MANAGER'S REPORT

EQUITY

The Ghana Stock Exchange in 2022 looked to continue the impressive climb it saw in the Ghana Stock Exchange Composite Index (GSE-CI), and the Ghana Stock Exchange Financial Stock Index (GSE-FI) post the COVID-19 pandemic. Trading in financial stocks picked up from where they left off in 2021 after contributing ~15% to the stocks traded on the bourse. Financial stocks led the way in the first quarter, with gains in ACCESS, CAL, TBL, ETI, and SIC, driving the GSE-FI to 2,174.96 before hitting a peak of 2,223.67 by April.

The general market was on a downward trajectory throughout the year, with significant market movers like MTNGH, EGH, and GCB experiencing downward price movements. In contrast, the New Gold ETF (GLD) had a good run during the year to finish at a ~101% on a price appreciation basis.

A considerable portion of the trade volumes recorded during the year were skewed towards the Information Communication Technology sector stocks, followed by financial sector stocks.

Altogether, ICT sector stocks contributed ~95% of the year's total volumes trades; Finance contributed ~2%, Insurance ~1%, and the other sectors made up the remaining ~3%. On a sector performance basis, the Insurance sector finished the year on a solid note with a ~362% total return, driven by the ~288% price appreciation on the SIC stock. Unilever (UNIL) ended the year on top of the laggards, suffering a 34% drop in price all year. Despite the bearish nature of the Ghana Stock Exchange in 2022, it outperformed the Ghana Fixed Income market.

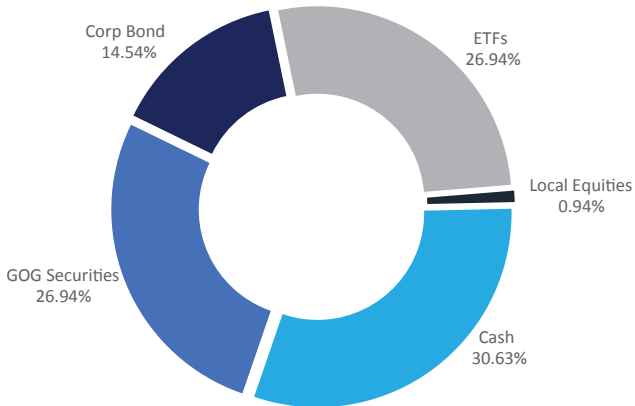
FUND MANAGER'S REPORT

The Portfolio

The Christian Community Mutual Fund had a generally positive performance throughout the year. The fund experienced slow but steady growth, primarily influenced by the cedi's performance against the dollar. It saw notable improvement until the last quarter, when performance significantly dropped due to the cedi's appreciation against the dollar, given the fund's substantial exposure to USD. Despite this challenge, the fund still managed to outperform its benchmarks, closing the year with a return of 3.75%.

Asset Distribution

FIGURE 4



Outlook and Recommendation for 2023

Looking at the worldwide perspective, there is an anticipation that inflation will gradually decrease, although it may not slow down significantly. This projection is due to the expected impact of the 2022 rate hikes on consumer demand. Furthermore, it is expected that the US Dollar's strength will weaken as some countries look for other options for trading commodities besides the US Dollar. Unfortunately, we predict that many economies will experience a recession during the third to fourth quarter due to a combination of monetary tightening policies and vulnerabilities in the banking sector.

Locally, GDP growth is expected to decline due to macroeconomic instability and corrective policy measures that will reduce aggregate demand. Monetary and fiscal tightening will reinforce the weakening impact of high inflation and elevated interest rates on private consumption and investment. Based on tapering year-on-year inflation rate figures, the Monetary Policy Committee is likely to slow down on rate hikes.

On the supply side, the agriculture sector is expected to grow in 2023 as fertilizer prices have decreased after reaching all-time highs during the Russia-Ukraine war. Additionally, the export value of cocoa and crude oil is predicted to increase following OPEC+ supply cuts and the Ghanaian government's decision to raise Cocoa Farmers' pay by 21% in Q4 2022. It is expected that Ghana's Balance of Trade will receive a significant boost as the global economy stabilizes.

Inflation is also expected to slow down, thanks to a stable currency. Ghana's Cedi is expected to appreciate against the US Dollar and remain relatively stable, aided by the government's suspension of external debt interest payments and a weaker US Dollar. This to a large extent will be made possible if the managers of the economy close an Extended Credit Facility with the International Monetary Fund. Successfully closing staff level agreement bodes well for the country, however, an IMF Board approval will require a commitment from the country's bilateral lenders to provide debt relief.

Historically, inflation and currency depreciation have always been curtailed when the country engages the IMF. We believe this year will be no different. It is also worth noting that Ghana has engaged the IMF on 17 occasions since it became a member in September 1957 and has since spent in total of about 31 years under an IMF program.

The Fund Manager will actively track the developments in the international market as 2022 has proven that changes in the international market have direct impacts on the local markets. We believe strongly and will prioritize safeguarding investors' funds as we foresee some turbulence both globally and locally. The Fund Manager will position the fund to withstand shocks and also take advantage of opportunities in the market.



REPORT OF DIRECTORS OF THE FUND TO THE MEMBERS OF CHRISTIAN COMMUNITY MUTUAL FUND LIMITED

The Directors of the Fund have the pleasure in submitting their report together with the audited financial statements of the Christian Community Mutual Fund for the year ended 31 December, 2022 in accordance with Sections 128 and 136 of the Companies Act, 2019 (Act 992), the Securities Industry Act, 2016 (Act 929) as amended by the Securities Industry Act, 2021 (Act 1062), Unit Trust and Mutual Funds Regulations, 2001 (LI 1695), and the International Financial Reporting Standards (IFRS) for SMEs.

ESTABLISHMENT, NATURE AND THE STATUS OF THE FUND

Christian Community Mutual Fund Limited ‘The Fund’ was incorporated as a public limited liability company that exists to invest monies of its members for their mutual benefits and to hold and arrange for the management of securities and other properties acquired with the monies.

The Fund is licensed by the Securities and Exchange Commissions (SEC) to operate as an authorized open-ended mutual fund investing primarily in equity and equity related instruments on licensed exchanges globally and Fixed Income and Money Market securities in line with the Unit Trust and Mutual Fund Regulation, 2001 (L.I.1695). The Funds objective is to maximize total return, emphasizing current income while providing opportunities for capital appreciation.

The fund is a tax-exempt mutual fund under the Unit Trust and Mutual Funds Regulations, 2001 (LI 1695) and subject to any amendments made to it thereafter. The fund’s activities are bound by provisions of the Unit Trust and Mutual Funds Regulations, 2001 (LI 1695), regulations made under it, guidelines formulated and published and any board directives that may be issued from time to time as well as the governing rules of the fund.

STATEMENT OF DIRECTORS RESPONSIBILITIES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

The Directors are responsible for the preparation of the fund’s financial statements which:

- show a true and fair view of the financial transactions of the fund during the year and of the amount and disposition of its assets and liabilities after the end of the fund year
- show a summary of significant accounting policies and other explanatory notes in accordance with International Financial Reporting Standards (IFRS) for SMEs and in conformity with the Unit Trust and Mutual Funds Regulations, 2001 (L.I 1695)
- determine internal controls necessary and appropriate for the preparation of financial statements and ensuring that adequate accounting records are kept and taking steps that are reasonable to safeguard the assets of the fund, prevent and detect fraud, error and other irregularities.

REPORT OF DIRECTORS OF THE FUND TO THE MEMBERS OF CHRISTIAN COMMUNITY MUTUAL FUND LIMITED

STATEMENT OF DIRECTORS RESPONSIBILITIES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with International Financial Reporting Standards for SMEs and in the manner required by the Unit Trust and Mutual Funds Regulations, 2001 (L.I 1695).

The Directors assert that the financial statements give a true and fair view of the state of the financial affairs of Christian Community Mutual Fund Limited.

DIRECTORS AND INTEREST REGISTER

The Company is yet to maintain an interest register.

CAPACITY BUILDING OF DIRECTORS

As a measure to advance the technical capacity and knowhow of the directors, the directors are expected to undertake periodic training, seminars and conferences organised by external persons to equip the directors with requisite skills and knowledge to discharge the duties imposed on them by law. There was no such training during the current year (2022)

FINANCIAL STATEMENTS RESULTS & HIGHLIGHTS

The company's financial results for the year are set out in the attached financial statements from pages 11-26, highlights of which are as follows:

STATEMENT OF PROFIT OR LOSS	2022 GH¢	2021 GH¢	ABSOLUTE CHANGE	% CHANGE	INCREASE/ DECREASE
Revenue	417,344	401,924	15,420	3.8%	Increase
General & Administrative expenses	(133,827)	(133,750)	77	0.1%	Increase
Net (Loss) /Gain on Investment Income	(167,717)	293,020	460,737	157.2%	Decrease
STATEMENT OF FINANCIAL POSITION					
Total Assets	3,764,985	3,655,461	109,525	3.0%	Increase
Total Liabilities	(133,827)	163,095	284,503	174.4%	Increase
Members Contribution	(167,717)	1,874,789	290,778	15.5%	Decrease

1. During the year under review, the fund made a net profit of GH¢115,800 over last year's profit of GH¢561,194
2. The Company's Members' Fund for the year increased to GH¢3,317,387 from GH¢3,492,365 in 2021.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTIAN COMMUNITY MUTUAL FUND LIMITED

DIVIDEND

The fund does not distribute dividends. All net gains earned is reinvested. It is the policy of the fund to reinvest all its net gains/returns. Annual dividends shall neither be declared nor distributed. As such, individual investors benefit from a growth in Net Asset Value of each unit of the fund they hold.

INVESTMENT REPORT

(i) Statement of Investment Principles

We the Directors attest that the Funds resources have been invested with the objective of obtaining safe and fair returns in accordance with Unit Trust and Mutual Funds Regulations, 2001 (LI 1695). We confirm that there has been full compliance with prohibitions on investments which include but are not limited to the provisions of 2.8 of the Fund Particulars (Limitations on Investment).

(ii) Particulars of Investment Policy

The Board of Directors of Christian Community Mutual Fund is required by law to, among other things, maintain a Statement of Investment Policy for the Mutual Fund administered and ensure that the investment of members fund assets is diversified in order to minimize investment risk. Consequently, the Board of Directors have supervised the preparation of a Statement of Investment Policy (SIP) documents for the Christian Community Mutual Fund that have been approved by the Securities and Exchange Commissions (SEC) and addresses the manner in which the fund's assets are to be invested. The SIP therefore ensures continued prudent and effective management of funds and its ongoing financial well-being.

Thus, in order to provide for the payment of redemptions to members or their beneficiaries in the event of shares redemption, the broad objective of the fund is to achieve a total rate of return sufficient to provide generous redemption payment to the Members. Accordingly, the fund is managed on a going concern basis with the primary objective of providing high rates of return, consistent with prevailing market conditions, a high quality standard of investment, and moderate levels of risk.

Specifically, the primary objective in the investment management of the fund's assets is to systematically grow the monies provided by investors by investing in companies listed on the approved exchanges globally with the approval of the Securities and Exchange Commission, with potential for positive real returns and also in fixed income and money market instruments. The fund seeks to generate returns through a combination of capital appreciation and income accrual for shareholders.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTIAN COMMUNITY MUTUAL FUND LIMITED

GOING CONCERN CONSIDERATIONS

The Directors have assessed the situation and the financial position of the fund's` and they reasonably believe that the fund will be able to settle its liabilities as and when they fall due. This is based on measures the Directors have taken to improve the financial performance of the fund. The Directors have made an assessment of the ability of the fund to continue as a going concern and have no reason to believe the fund will not be a going concern in the year ahead. Accordingly, the financial statements are prepared on the basis of the accounting policies applicable to a going concern.

APPOINTMENT AND REMUNERATION OF AUDITORS

The directors in the year under review appointed Messrs. BNA Chartered Accountants as the new external auditors of the fund to replace John Kay & Co pursuant to Section 139 of the Company's Act, 2019 (Act 992). Messrs BNA Chartered Accountants have indicated their willingness to continue as external auditors of the fund. The directors have recommended for their reappointment. The audit fees for the year is disclosed in Note 5 (page 21) of these Financial Statements.

STATEMENT OF DISCLOSURE TO AUDITORS

So far as the Directors are aware, there is no relevant information of which the fund's auditors are unaware. Additionally, Directors have taken all necessary steps that ought to have been taken as Directors in order to make themselves aware of all relevant audit information and to establish that the fund's auditors are aware of that information. The Board of Directors confirms that no matters have arisen since 31 December, 2022 which materially affects the financial statements of the fund for the year ended on that date.

FUTURE PROSPECTS

The Directors believe that the prospect of the fund beyond 31 December, 2022 remains positive.

APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements of the fund were approved by the board of directors and signed on its behalf by two directors.

Sam Okudzeto
Chairman

Yaa Peprah Agyeman Amekudzi
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTIAN COMMUNITY MUTUAL FUND LIMITED

REPORT ON THE AUDIT OF THE FUND'S FINANCIAL STATEMENTS

We have audited the financial statements of Christian Community Mutual Fund for the year ended 31 December, 2022. The audited financial statements of the fund from pages 11 to 26 comprise:

- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Members' Fund
- Statement of Cash Flows
- Statement of Financial Assets
- Notes to the Financial Statements which include a summary of significant accounting policies state therein.

Opinion

In our opinion, the fund's financial statements audited by us present fairly and in all material respect the financial performance of the fund for the year 31 December, 2022 and of the disposition of its assets and liabilities as at that date other than the liabilities to pay redemptions after year end, the Cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS) for SMEs and in a manner required by the particulars of the Fund, the Securities Industry Act, 2016 (Act 929) as amended by the Securities Industry Act, 2021 (Act 1062), the Companies Act, 2019 (Act 992) and the Unit Trust and Mutual Funds Regulations, 2001(LI 1695).

Basis for Opinion

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

Independence

We are independent of the fund's operations in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (the Code) issued by the International Ethics Standards Board for Accountants (IESBA Code) together with ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other responsibilities under those ethical requirements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate evidence to support such opinion. There are no key audit matters to report on.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTIAN COMMUNITY MUTUAL FUND LIMITED

Other Information

We were not the auditors of the fund for the preceding year (2021), the previous auditors issued an unqualified opinion on the 2021 audited financial statements of the company signed and dated 23 December, 2022. The Directors are responsible for other information. The other information comprise the information in the Directors report on pages 3 to 5 and the corporate information on page 2. 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 information obtained during 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. Our Opinion on the financial statement does not cover the other information and we do not express any form of assurance conclusion thereon.

Responsibilities of the Directors

The Directors of the company are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS for SME's 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 fund's operations and ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless directors either intend to liquidate the fund or to cease operations, or has no realistic alternative but to do so.

The directors are charged with overseeing the company's financial reporting process.

Auditor's Responsibility

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.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTIAN COMMUNITY MUTUAL FUND LIMITED (CONT'D)

Auditor's Responsibility

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of 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 fund's operations ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the fund's operations to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the fund's 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 and other persons charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTIAN COMMUNITY MUTUAL FUND LIMITED (CONT'D)

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

Report on Other Legal and Regulatory Requirements

The Companies Act, 2019 (Act 992) Section 137 and the seventh schedule requires that in carrying out our audit, we consider and report on the matters stated in the said section and schedule. We confirm compliance in that:

- 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.
- Proper books of account have been kept by the company, so far as appears from our examination of those books, and
- The Company's Statement of Financial Position and the Statement of Comprehensive Income are in agreement with the books of account.

Furthermore, the fund's operations generally complied with the requirements under the Securities Industry Act, 2016 (Act 929) as amended by the Securities Industry Act, 2021 (Act 1062) We were independent of the fund's operations we audited pursuant to section 143 of the Companies Act, 2019 (Act 992).

The engagement partner on the audit resulting in this Independent Auditors' Report is EBENEZER BATSA-NAKOTÉY
– ICAG/P/1361.


BNA CHARTERED ACCOUNTANTS – ICAG/F/2023/927
P.O. BOX AN 10673
ACCRA-NORTH

Date: 21/08/2023

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER 2022

	Note(s)	2022 GH¢	2021 GH¢
Revenue	4	417,344	401,924
General and Administrative Expenses	5	(133,827)	(133,750)
Operating Profit		<u>283,517</u>	<u>268,174</u>
Profit before Tax		<u>283,517</u>	<u>268,174</u>
Profit after Tax		283,517	268,174
Other Comprehensive Income			
Realized Gain on Investment Income	6	1,076,265	270,199
Unrealized Loss on Investment Income		(1,243,982)	22,821
Total Comprehensive Income for the Year		<u>133,750</u>	<u>(82,997)</u>

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2022

Assets	Notes	2022 GH¢	2021 GH¢
Bank Balances	7	1,406,635	415,248
Accounts Receivable	8	9,468	8,988
Financial Assets at FVOCI	9	2,348,882	3,231,225
Total Assets		<u>3,764,985</u>	<u>3,145,374</u>
Members fund and liabilities			
Members fund			
Members Total Unit Contributions	10	1,584,011	1,874,789
Fair Value Reserves	11	(1,221,161)	22,821
Fair Value Reserves	11	2,977,358	1,594,755
Total Members Fund		<u>3,317,387</u>	<u>3,492,365</u>
Current Liabilities			
Account Payables and Accruals	12	447,598	163,096
Total Liabilities		<u>447,598</u>	<u>163,095</u>
Total Liabilities and members Fund		<u>3,764,985</u>	<u>3,655,461</u>

The Financial Statements on pages 11 to 26 were approved by the Board of Directors for issue and signed on its behalf by:



Sam Okudzeto
Chairman



Yaa Peprah Agyeman Amekudzi
Director

The accounting policies and notes on pages 16-26 also form an integral part of these Financial Statements and should be read in conjunction therewith

STATEMENT OF CHANGES IN MEMBERS FUND AS AT 31ST DECEMBER 2022

2022	Stated Capital GH¢	Undistributed Earnings GH¢	Fair Value Reserve GH¢	Total Members Fund GH¢
Balance as of 1 January, 2022	1,874,789	1,594,755	22,821	3,492,365
Profit for the year	-	283,517	-	283,517
Realized Gain on Investment Income	-	1,076,265	-	1,076,265
Value of units Issued	98,383	-	-	98,383
Value of units Redeemed	(389,161)	-	-	(1,633,143)
Fair Value Reserve	-	-	(1,243,982)	(1,243,982)
Balance as of 31 December, 2022	<u>1,584,011</u>	<u>2,977,358</u>	<u>(1,221,161)</u>	<u>3,317,387</u>

2021	Stated Capital GH¢	Undistributed Earnings GH¢	Fair Value Reserve GH¢	Total Members Fund GH¢
Balance as of 1 January, 2021	2,006,057	1,056,382	-	3,062,439
Profit for the year	-	268,174	-	268,174
Realized Gain on Investment Income	-	270,199	-	270,199
Value of units Issued	57,150	-	-	57,150
Value of units Redeemed	(188,418)	-	-	(188,418)
Fair Value Reserve	-	-	22,821	22,821
Balance as of 31 December, 2022	<u>1,584,011</u>	<u>2,977,358</u>	<u>(1,221,161)</u>	<u>3,317,387</u>



STATEMENT OF FINANCIAL ASSETS AS AT 31ST DECEMBER 2022

Cash flow from Operating Activities

Income for the year

1,359,782

538,373

Changes in Working Capital

Increase or Decrease in Receivables

(480)

(1,211)

Increase or Decrease in Payables

284,503

80,160

Net Cash flow from Operating Activities

1,643,805

617,322

Cash flow from Investing Activities

Purchases Financial Assets at FVTOCI

882,342

(150,986)

Net Cash flow from Operating Activities

882,342

(150,986)

Cash flow from Financing Activities

Proceeds from capital transactions

98,383

57,150

Shares redeemed

(389,161)

(188,418)

Fair Value Reserve

(1,243,982)

22,821

Net Cash flow from Financing Activities

(1,534,760)

(108,447)

Net Increase in Cash and Cash Equivalents

991,387

357,889

Cash & Cash Equivalents as at 31 December

415,248

57,359

Cash & Cash Equivalents as at 31 December

(1,534,760)

(108,447)

ANALYSIS OF CASH AND CASH EQUIVALENTS

As shown in Statement of Financial Position

Call Account

143,633

415,248

Current Account

1,263,002

-

1,406,635

415,248

STATEMENT OF FINANCIAL ASSETS AS AT 31ST DECEMBER 2022

EQUITY INVESTMENTS

Manufacturing

Fan Milk Ghana

2,455

3

7,365

0.22%

Insurance

Enterprise Group Limited

7,500

3

24,000

0.72%

Offshore

Developed Market Government Bonds

342,828

10.33%

Short-term Investment Grade Bonds

886,655

26.73%

Developed Market Equities

7,725

0.23%

*NB: These are foreign equities the fund
invested in*

FIXED INTEREST SECURITIES

Government of Ghana Securities

5-year Bond

17,211

0.52%

13-year Euro bond

514,746

15.52%

Corporate Bonds

3-year Bond

490,953

14.80%

182-Day Treasury Bills

45,478

1.37%

Money Market

Funds on call

143,633

4.33%

1,263,002

38.07%

Others

Other Receivable

9,468

0.29%

Total Investment Securities

3,764,985

Total Liabilities

(447,598)

Total Net Investments

3,317,387

100%

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2022

31 December 2021	Capital Account GH¢	Accumulated Income GH¢	Total GH¢
At 1 January	2,006,057	1,056,382	3,062,439
Net Income from Operations	—	561,194	561,194
Share Issue	57,150	—	57,150
Shares Redemption	(188,418)	—	(188,418)
At 31 December	<u>1,874,789</u>	<u>1,617,576</u>	<u>3,492,365</u>

31 December 2020	Capital Account GH¢	Accumulated Income GH¢	Total GH¢
At 1 January	797,863	720,651	1,518,514
Net Income from Operations	—	335,731	335,731
Share Issue	1,251,167	—	1,251,167
Shares Redemption	(42,973)	—	(42,973)
At 31 December	<u>2,006,057</u>	<u>1,056,382</u>	<u>3,062,439</u>



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

NOTES TO FINANCIAL STATEMENTS

1. REPORTING ENTITY

Christian Community Mutual Fund Limited ‘The Fund’ was incorporated as a public limited liability company, incorporated in Ghana with its principal place of business as 4th Floor, The Rhombus, Plot No. 24 Kanda Estate-Accra. The Funds exist to invest monies of its members for their mutual benefits and to hold and arrange for the management of securities and other properties acquired with the monies.

2. BASIS OF THE FUND’S FINANCIAL STATEMENTS PREPARATION

2.1 Statement of Compliance

The Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) for SMEs and in a manner required by the Securities Industry Act, 2016 (Act 929) as amended by the Securities Industry Act, 2021 (Act 1062)), the Unit Trust and Mutual Funds Regulations, 2001 (LI 1675) and relevant guidelines.

2.2 Basis of Measurement

The Financial Statements have been prepared under the historical cost convention as modified by the revaluation of certain financial instruments. The principal accounting policies adopted in the preparation of these Financial Statements remain unchanged from that of previous years.

2.3 Use of Estimates and Judgments

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

2.4 Estimates and Assumptions

The key assumptions concerning the future and other sources of estimating uncertainty at the balance sheet date, that have significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

2.5 Fair Value of Financial Instruments

The framework for measuring fair value provides a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under IFRS 13 are described as follows:

Level 1

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Scheme participates in.

Level 2

Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active market;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset and liability.

Level 3

Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of the Financial Statements are set out below:

3.1 Functional and Presentation Currency

The Financial Statements are presented in Ghana Cedis (GHS), which is the fund's functional and presentation currency. All figures are rounded up to the nearest Ghana Cedi.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange ruling at the end of the reporting period. Foreign exchange gains and losses resulting from the settlement of such transactions and from the transaction at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit or Loss.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

3.2 Contributions

Contributions are recognized as and when they are received.

3.3 Redemptions

Redemptions are recognized in the period in which they fall due. Redemptions represent all valid claims paid/payable during the year in compliance with the Unit Trusts and Mutual Fund Regulations, 2001 (LI 1695)

3.4 Investment Income

Investment income, including interest income from non-derivative financial assets at Fair value through profit or loss (FVTPL), are recognized in profit or loss, using effective interest method. The effective interest is the rate that discounts the estimated future cash payments or receipts, without consideration of future credit losses over the expected life of the financial instrument or through to the next market-based re-pricing date to the net carrying amount of the financial instrument on initial recognition. Interest received or receivable and interest paid or payable are recognized in the profit or loss as interest income or interest expense, respectively.

Pooled Investment Income arising from the underlying investment of the pooled investment vehicles that is reinvested within the pooled investment vehicles is reflected in the unit price. Such income is reported within the change in market value.

3.5 Financial Instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Fund becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and Initial Measurement of Financial Assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value, transaction costs are expensed in the year in which they occur.

Financial assets, other than those designated and effective as hedging instruments, are classified into one of the following categories:

- amortised cost
- fair value through profit or loss (FVTPL), or
- fair value through other comprehensive income (FVOCI).

In the periods presented all fund's financial assets are categorised as FVOCI



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

The classification is determined by both:

- the fund's business model for managing the financial asset, and
- the contractual cash flow characteristics of the financial asset. All revenue and expenses relating to financial assets that are recognised in Statement of Profit or Loss are presented within Investment income or gains or losses on Investment Income.

Subsequent Measurement of Financial Assets

(i) Financial Assets at Amortised Cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows, and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

(ii) Financial Assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at FVTPL. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

The category also contains equity investments. The Fund accounts for equity investments at FVTPL and did not make the irrevocable election to account for the investment in listed equity securities at fair value through other comprehensive income (FVOCI). The fair value was determined in line with the requirements of IFRS 9 'Financial Instruments', which does not allow for measurement at cost.

(iii) Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)

The Fund accounts for financial assets at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective it is "hold to collect" the associated cash flows and sell, and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Any gains or losses recognised in other comprehensive income (OCI) will be recycled upon derecognition of the asset.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

Impairment of Financial Assets

IFRS 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of the requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Scheme considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category (ie Stage 1) while 'lifetime expected credit losses' are recognised for the second category (ie Stage 2).

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and Other Receivables and Contract Assets

The Fund makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Fund uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

3.6 Cash and Cash Equivalents

Cash and cash equivalents as referred to in the Cash Flow Statement comprises, current and call accounts with banks

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

	2022 GH¢	2021 GH¢
4A. REVENUE		
Interest on Call Account	16,276	-
Dividend Income	7,737	28,729
Other Income	-	14,390
Revenue for the year	<u>24,013</u>	<u>43,119</u>
4B. INVESTMENT INCOME		
Income - Government of Ghana Bonds	201,908	358,805
Income - Corporate Bonds	191,423	-
Total Revenue	<u>417,344</u>	<u>401,924</u>
5. ADMINISTRATIVE EXPENSES		
Asset Based Fees		
Management Fees	94,608	82,081
Custodian Fees	7,577	9,183
Total Asset Based Fees	<u>102,185</u>	<u>91,264</u>
Audit Fees	12,190	7,000
General Expenses	19,452	35,486
Total Administrative Expenses	<u>133,827</u>	<u>133,750</u>
6. REALIZED GAIN OR LOSS ON INVESTMENT INCOME		
Realized Gains/ Losses - GOG Bonds	145,906	49,352
Realized Gains/ Losses - LGSA	20,411	135,141
Realized Gains/ Losses - Equities	2,176	79,841
Realized Gains/ (Losses) - Corporate Bonds	(154,533)	(26)
Realized Gains/ Losses - CIS	32	5,891
Realized Gains/ Losses - FX	978,178	-
Realized Gains/ Losses - ETFs	84,095	-
	<u>1,076,265</u>	<u>270,199</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

	2022 GH¢	2021 GH¢
6. UNREALIZED GAIN OR LOSS ON INVESTMENT INCOME		
Unrealized Gains/ Losses - GOG Bonds	109,888	(23,037)
Unrealized Gains/ Losses – Equities	(620)	34,899
Unrealized Gains/ Losses - Corporate Bonds	176,939	(4,619)
Unrealized Gains/ Losses – FX	513,596	-
Unrealized Gains/ Losses – ETFs	444,179	-
Unrealized Gains/ Losses – CIS	-	32
Unrealized Gains/ Losses – LGSA	-	15,547
	<u>1,243,982</u>	<u>22,821</u>
Net (Loss) / Gain in Investment Income	<u>(167,717)</u>	<u>293,020</u>
7. BANK BALANCE		
Call Account	143,633	415,248
Current Account	1,263,002	-
Total Administrative Expenses	<u>1,406,635</u>	<u>415,248</u>
8. ACCOUNT RECEIVABLES		
Other Receivables	<u>9,468</u>	<u>8,988</u>
9. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME		
Investments in Listed Equities	43,285	132,154
Exchange-Traded Funds(ETFs)	1,237,207	-
Money Market	-	882
Government Bonds and Bills	577,436	1,655,548
Local Government and Statutory Agency Bonds	-	315,546
Corporate Bonds	490,954	1,127,095
Total Investments at FVTOCI	<u>2,348,882</u>	<u>3,231,225</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

	2022		2021	
	Units	Value Ghc	Units	Value Ghc
10. MEMBERS' TOTAL UNIT CONTRIBUTIONS				
Balance as at January 1, 2023	4,055,875	1,874,789	4,220,958	2,006,057
New Units Issued	103,362	98,383	71,608	57,150
	<u>4,159,237</u>	<u>1,973,172</u>	<u>4,292,566</u>	<u>2,063,207</u>
Units Redeemed	(402,464)	(389,161)	(236,691)	(188,418)
	<u>3,756,774</u>	<u>1,584,011</u>	<u>4,055,875</u>	<u>1,874,789</u>
11. FAIR VALUE RESERVES	2022	2021		
	GHc	GHc		
Balance as at January 1	22,821	-		
Unrealized Loss on Investment Income	(1,243,982)	22,821		
Balance as at December 31	<u>(1,221,161)</u>	<u>22,821</u>		
12. ADMINISTRATIVE EXPENSES PAYABLE				
ASSET BASED FEES				
Management Fees Payable	246,142	151,533		
Custodian Fee Payable	1,478	2,410		
Total Asset Based Fees Payable	<u>247,620</u>	<u>153,943</u>		
Audit Fees Payable	17,000	7,000		
Accrued Expense Payable	4,342	2,152		
Total Asset Based Fees Payable	<u>21,342</u>	<u>9,152</u>		
Repurchase Agreement	178,636	-		
Total Payable	<u>447,598</u>	<u>163,095</u>		



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

13. FAIR VALUE RESERVES

Pursuant to sections 2, 3, 197 and 209 of the Securities Industry Act, 2016 (Act 929) as amended by the Securities Industry Act, 2021 (Act 1062) the Securities and Exchange Commission (SEC) directs Fund Managers and Custodians to use Fair Value through Other Comprehensive portfolios of Collective Schemes.

14. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

The fund's activities expose it to a variety of risks due to the nature of its activities. These risks include credit risk, liquidity risk and market risk (including interest rate risk and price risk). The fund's objective in managing these risks is the protection and enhancement of shareholder value. The fund is also exposed to operational risks such as custody risk. Custody risk is the risk of a loss being incurred on securities in custody as a result of the custodian's insolvency, negligence, misuse of assets, fraud, poor administration or inadequate record-keeping. Although an appropriate legal framework is in place that reduces the risk of loss of value of the securities held by the custodian, in event of its failure, ability of the fund to transfer the securities might be temporarily impaired.

The fund's risk management policies are approved by the management of the fund and seek to minimize the potential adverse effects of these risks on the fund's financial performance. The risk management system is an on-going process of identification, measurement, monitoring and controlling.

a) Credit Risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in financial loss to the Fund. At reporting date, financial assets exposed to credit risk include, cash and cash equivalents and debt instruments. It is the opinion of the fund managers that, the carrying amounts of these financial assets represent the maximum credit risk exposure at the reporting date.

Risk exposure arising from cash and cash equivalents: The fund's cash and cash equivalents are mainly held by Standard Chartered Bank Ghana limited, Barclays Bank Ghana Limited and Zenith Bank Ghana limited. Risk exposure to investment debt securities and concentration of credit risk is – shown in the statement of financial assets designated at fair value through other comprehensive income.

b) Liquidity Risk

Liquidity risk is the risk that the fund will encounter difficulty in meeting obligations associated with financial liabilities. The fund is exposed to daily cash redemption. The fund's policy is to maintain a minimum of 5% of its assets in short- term instruments for the purpose of handling redemption by unit holders.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

c) Market Risk

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and market prices.

i. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The fund is exposed to interest rate risk as it invests its cash and cash equivalent in short term interest rates. The asset manager manages the fund's exposure to interest rate on daily basis in accordance with the fund's investment objectives and policies. The Fund's overall exposure to interest rate risk is monitored on a monthly basis by the management of Christian Community Mutual Fund Limited.

ii. Interest Rates Sensitivity

The sensitivity analysis reflects how net assets attributable to holders of units would have been affected by changes in relevant risk variable that were reasonably possible at the reporting date. Management has determined that fluctuation in interest rates of 20 basis points is reasonable considering the economic environment in which the Fund operates.

iii. Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The fund invests in securities denominated in United States Dollars. Accordingly, the value of the fund's net assets may be affected favorably or unfavorably by fluctuations in currency rates and therefore the fund is subject to foreign exchange risk. Exchange risk exposures are managed within approved policy parameters.

iv. Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market. The fund is exposed to equity prices risk which arises from its investment in equity securities.

The investment manager manages the fund's equity price risk on a daily basis in accordance with the fund's investment objectives and policies of 50 % (+/-10%). The fund's overall market positions are monitored on quarterly basis by the Board of Directors.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

15. TAXATION

The fund is exempted from taxes in accordance with the Income Tax Act, 2015 (Act 896) as amended by the Income Tax (Amendment) (No. 2) 2021 (Act 1071).

16. COMMITMENTS AND CONTINGENCIES

As at the date of reporting, there were no outstanding commitments or contingencies.

17. EVENTS AFTER THE REPORTING PERIOD

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

18. RELATED PARTY TRANSACTIONS

Black Star Advisors is paid management fees for its role as the fund's Administrator.

19. COMPARATIVE FIGURES & PRESENTATION RESTATEMENT.

The Company has restated the financial statements for the prior year to reflect a change in presentation style. The restatement was made to provide a clearer and more consistent presentation of the financial information, and does not impact any of the previously reported financial results. The change in presentation style has been applied consistently throughout the financial statements for the current and prior year. The restatement does not impact any of the amounts previously reported in the financial statements, and therefore does not affect the Company's financial position, results of operations or cash flows for the current period presented.



SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022

SCHEDULE I	2022	2021
BANK BALANCES	GH¢	GH¢
Call Accounts:		
CCMF Call Account (SCB)	131,418	400,035
CCMF GT Call Account	12,215	10,867
	<u>143,633</u>	<u>410,902</u>
Transaction Accounts		
CCMF Transaction Account (SCB)	1	-
CCMF Payment Account (SCB)	22	-
CCMF SCB USD Account	1,258,842	84
CCMF Zenith Bank Account	3,892	4,020
CCMF Zenith Bank Call Account	112	108
CCMF Access Bank Account	133	133
	<u>1,263,002</u>	<u>4,346</u>
TOTAL BANK BALANCES	<u>143,633</u>	<u>410,902</u>

SCHEDULE II **ADMINISTRATIVE EXPENSES**

Securities trading expenses	15,432	18,428
AGM cost	-	8,555
Legal fees	-	7,155
SEC fees	500	-
Logo design	3,000	-
Other Expenses	520	-
	<u>19,452</u>	<u>35,486</u>

Other Receivables

Matured Investments	7,271	7,271
Overpayment of Audit fees	1,000	1,000
Wrong redemption pay out	480	-
Withholding tax	717	1,000
	<u>9,468</u>	<u>8,988</u>



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