



Premier Investment Banking

*InvestCorp Active Equity
Fund PLC.*

**ANNUAL
REPORT
20
23**



**Secure your legacy with
InvestCorp Active Equity Fund**

Plan ahead with confidence, ensuring your
loved ones inherit a prosperous future.



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NOTICE OF 4TH ANNUAL GENERAL MEETING OF INVESTCORP ACTIVE EQUITY FUND PLC

NOTICE IS HEREBY GIVEN THAT the 4th Annual General Meeting of InvestCorp Active Equity Fund PLC (the “Company”) will be held **VIRTUALLY and streamed live via Zoom on 29th August, 2024 at 3:00 pm**, for the transaction of the following business:

AGENDA

ORDINARY BUSINESS

1. To receive and adopt the Financial Statements of the Company for the year ended 31st December, 2023, together with the reports of the Directors and the external Auditors thereon
2. To authorize the Directors to fix the remuneration of the external Auditors
3. To approve Directors’ remuneration

SPECIAL BUSINESS

1. To amend section 55(2) of the Company’s Constitution to read as follows:

“Except

 - i. as otherwise decided by the members by ordinary resolution; or
 - ii. otherwise specified in this Constitution; or
 - iii. in the case of a director who is a representative of the Fund Manager, a director shall hold office for a term not exceeding four (4) years but may be re-appointed following the expiration of the initial four (4) year term.”

ANY OTHER MATTERS

Dated this 24th day of July, 2024.

BY ORDER OF THE BOARD



JLD & MB LEGAL CONSULTANCY
P.O. BOX 410
ACCRA

JLD & MB LEGAL CONSULTANCY
(COMPANY SECRETARY)

NOTE

- i. A member of the Company is entitled to attend and vote at the meeting or to appoint a proxy to attend and vote in his or her stead. A proxy need not be a member of the Company. A proxy form is enclosed with the accounts.
- ii. Completed proxy forms should be lodged with the Company Secretary, JLD & MB Legal Consultancy, No. 23 Nortei Ababio Street, Airport Residential Area, Accra or sent via email to info@jldmblaw.net not less than 48 hours before the appointed time for meeting (that is, no later than 3:00 pm on 27th August, 2024).
- iii. This serves as notice to all shareholders to attend.

PARTICIPATION IN THE AGM VIA ZOOM

Accessing the AGM

- A private Zoom link and password to the meeting will be sent to Shareholders by 27th August 2024 via email and/or SMS together with other details of participation.
- Shareholders who do not receive the access details should contact clientexperience@investcorpgh.com or call 0302 50 90 45 or 0501 55 68 70 any time before the date of the AGM
- Shareholders will be granted access once they are verified

Participating in the AGM

- Access to the meeting will be granted from 2:45 pm and the AGM will officially begin at 3:00 pm prompt
- Participants can raise their hands to either second a motion or ask a question during the meeting
- At the time of voting, the resolution will appear on your screen. Select your preferred option (For / Against) to vote on a motion

CHAIRPERSON'S STATEMENT TO SHAREHOLDERS OF THE INVESTCORP ACTIVE EQUITY FUND PLC

INTRODUCTION

Dear Valued Shareholders,

On behalf of the Board of Directors, I welcome you to the Annual General Meeting (AGM) of the InvestCorp Active Equity Fund (IAEF) for the year ended December 31, 2023. It is a pleasure to address you today and I appreciate your continuous investment in this Fund as a strategic way to gain exposure to the equities market. I extend a special welcome to all our new shareholders.

As we reflect on the past year, I will provide an overview of the global economic landscape, followed by a review of the Ghanaian economy. I will then provide a review of the performance of the IAEF and conclude with our outlook for 2024.

Economic Review: Global

The global economy, in 2023, was characterized by elevated public debt and inflation levels, adverse climatic events and spillover from the unprecedented events of 2022. Major central banks maintained restrictive policy rate levels during the year to tame elevated inflation. There were four rate hikes by the United States Federal Reserve (US-Fed) by July 2023 to cool down the "still too high" price pressure. In response to the globally tight policy rate stance, inflationary pressure eased in the first half of the year, supported by energy prices which declined to levels comparable to those observed in mid-2021.

Global growth in 2023 was resilient (3.2% according to IMF estimates), although the stagflation environment coupled with a restrictive monetary policy stance threatened a weakness in global economic activity. China's slowed growth momentum in early 2023, was exacerbated by a further weakening in the country's property sector. There was observed flight to U.S. assets due to a significant rise in interest rates and later, by optimism around U.S. economic growth. The high U.S. interest rates weakened emerging market currencies and worsened productivity in low-income economies. According to the IMF, over 50% of African economies were at high risk of distress or were already in distress as at September 2023 and some of these economies may face sustained weak debt profiles until year-end. Existing uncertainty from the on-going Russia-Ukraine war heightened during the period with the start of the Israel-Palestine war in October 2023, and the fear of a potentially wider Middle East conflict.

Economic Review: Ghana

Real Sector & Government Fiscal Performance

Ghana's real GDP growth in 2023 was 2.9%, a slowdown from the 3.8% recorded in 2022, according to provisional data from the Ghana Statistical Service (GSS). Growth in 2023 was driven by the Services and Agriculture sectors with 5.5% and 4.5% rates respectively, while the Industry sector declined by 1.2%. Growth was subdued at the beginning of the year, due to the tight monetary policy stance, high rate of inflation and elevated interest rates. There was a strong rebound in real sector activity to close the year 2023 despite several headwinds throughout the year. The Composite Index of Economic Activity (CIEA) improved from -3.5% as at year-end 2022 to 2.9% in December 2023. Positive contributions to



CHAIRPERSON'S STATEMENT TO SHAREHOLDERS OF THE INVESTCORP ACTIVE EQUITY FUND PLC (CONT'D)

growth came from domestic Valued Added Tax (VAT), port activity, industrial electricity consumption and imports. Domestic and business confidence improved with easing inflationary pressures and improved consumer demand which led to an optimistic economic outlook.

The government concluded its planned Domestic Debt Exchange Programme (DDEP) in September 2023. According to the Ministry of Finance (MoF), a total of GHS 203 billion was exchanged, resulting in debt service savings of GHS 61 billion.

The banking sector recorded some recovery following the completion of the DDEP, despite the previous year's staggering indications of a potential banking sector meltdown. At the end of December 2023, the Financial Soundness Indicators (FSI) reflected overall positive trends, driven by enhancements in liquidity, efficiency, and profitability throughout the assessment period.

Ghana's request to the International Monetary Fund (IMF) for financial support was approved by the IMF Executive Board in a US\$ 3 billion Extended Credit Facility (ECF) arrangement in May 2023. Fiscal consolidation efforts, as part of the programme, resulted in some improvements in government's fiscal operations for 2023. Government's fiscal deficit (on cash basis) stood at 3.3% of GDP at the end of the year (deficit of 10.6% of GDP in 2022). The primary balance (on cash basis) recorded a deficit of 0.2% of GDP, a significant improvement from the 3.2% of GDP recorded at the end of 2022.

Headline Inflation & Interest Rates

The Monetary Policy Committee (MPC) of the Bank of Ghana (BoG) increased the Monetary Policy Rate (MPR) by a cumulative 300bps to 30.0% by July 2023, in line with its inflation targeting strategy. The MPR was maintained at 30% to close the year as headline inflation trended downwards from the 54.1% recorded in December 2022 to close the year at 23.2%. The policy rate tightening and the Central Bank's increase in the cash reserve ratio of commercial banks supported the disinflationary process.

Following the completion of the DDEP, Treasury bill rates across the three tenors, experienced a significant dip from the 35.6% levels to 19.4%, 21.9% and 25.7% for the 91-Day, 182 and 365-Day bills respectively. With the government's continued heavy reliance on the primary market for financing, the decline in yields was quickly reversed and interest rates continued to rise throughout the year. The 91-Day bill yield hit 29.4% at the end of the year. The sharp rise in the interest rates on benchmark Treasury securities significantly depressed bond prices.

Exchange Rate

The resolution of the U.S. debt ceiling talks by mid-2023, occasioned the U.S. Treasury Department targeting a large Treasury bill issuance of about \$1 trillion in H2 2023, signalling a potential flight from other markets to U.S. assets. The elevated interest rates on US securities exerted pressure on many world currencies, although the USD declined in Q4 2023, affected by the US Fed's indication of a scaling back on the policy rate tightening. Our Central Bank supported the spot market with forex supply but could not fully meet demand. The Ghana cedi thus, ended the year with a depreciation of 27.8% against the US dollar, 30.3% against the euro and 31.9% against the British pound.

Stock Market Performance

Global Equity Market

Equity markets in the United States, the United Kingdom and the Eurozone maintained some positive YTD returns throughout the year. The markets rallied in Q4 2023, in line with expectations of lower interest rates as inflation eased. The S&P Europe 350 Index (which tracks the performance of 350 top companies from 16 European economies) closed the year with a year-to-date return of 12.93%, driven by technology and energy stocks. The S&P 500 Index (composed of 500 large-cap companies across sectors in the United States) witnessed a strong performance during the second half of the year, recording a YTD return of 24.2% to close the year. Technology, communication and consumer

CHAIRPERSON'S STATEMENT TO SHAREHOLDERS OF THE INVESTCORP ACTIVE EQUITY FUND PLC (CONT'D)

discretionary stocks topped the gainers list whilst energy and utilities stocks declined.

The S&P Africa 40 Index (which tracks 40 of the largest, most liquid companies that operate solely in Africa) and the S&P All Africa Index (which covers companies listed in 13 African countries) recorded strong YTD returns in January 2023 and mixed performance throughout the year. The S&P Africa 40 and the S&P All Africa indices recorded all-year low returns of approximately -11.5% and -15.2% respectively, in October 2023, but immediately recovered some losses during the last quarter to close the year at -1.24% and -2.56% respectively, as appetite for equity investments increased.

Ghana's Equities Market

The equity market witnessed an impressive performance amidst the challenging macroeconomic environment. Improved investor sentiment drove the performance of the indices. The YTD return of the Ghana Stock Exchange Composite Index (GSE-CI) at the end of the year was 28.08% (-12.38% in 2022) while the GSE-Financial Stock Index (GSE-FSI) deepened its loss of 4.4% in 2022 to 7.36%. Benso Palm Plantation PLC (187.58%), TOTAL (125.0%), Unilever Ghana PLC (109.02%), Guinness Ghana Breweries PLC (65.85%), Scancom PLC (59.09%), and Societe Generale Ghana PLC (57.00%) were the top gainers during the year. The top decliners during the year were Cal Bank PLC (-26.2%), Enterprise Group PLC (25.3%), SIC Insurance Company PLC (22.6%), Ecobank Ghana PLC (-17.17%) and Access Bank PLC (-15.2%).

Fund Performance

At the end of 2023, the Fund's Assets under Management (AUM) stood at GHS 124,427, compared to GHS 200,611 in 2022. The decline in AUM was primarily due to high redemptions levels in the first half of the year. The full year return of the Fund improved significantly to 4.18% from the previous year's negative return of 6.98%. We maintain a bullish outlook on equity investments as the expected decline in interest rates is likely to bolster stock market performance. Accordingly, we will position strategically in some financial sector stocks poised for robust positive total returns, including Ecobank Ghana PLC. The Fund will also enhance diversification into telecommunication stocks (MTNGH) as well as food and beverage stocks including FML, GGBL and UNIL in 2024.

Outlook for 2024

Global growth is projected to be fairly strong in 2024, as economies initiate recovery from potential policy rate easing. The IMF, in its January 2024 World Economic Outlook (WEO) maintained global GDP growth forecast at 3.1% in 2024 and 3.2% in 2025. Artificial Intelligence (AI) is projected to dominate the technology scene in 2024 as commercialization ramps up. Coupled with stronger structural reforms, AI could spur global productivity.

Major Central Banks have become cautious with the pace of policy easing, due to uncertainty regarding the inflation outlook. There remains the possibility of an upside to energy-driven inflation as the war in the Middle East gradually escalates. The on-going Russia-Ukraine war could contribute to sustained elevated levels of food inflation. With higher barriers to the flow of goods and capital, there is the risk of supply-side price pressure and a slowdown in output. For some economies, the sharp hikes in interest rates in 2023 pose the risk of high debt servicing cost in 2024, leading to financial stress on households. It is also likely to put pressure on fiscal discipline, which is currently a challenge in some countries.

Growth is projected at 4.2% in Emerging Markets and Developing economies in 2024 and 2025. The sub-Saharan Africa region is projected to grow at 3.7% in 2024 and 4.1% in 2025. Inflation is expected to remain higher in emerging markets and developing economies (and to drop more slowly) than in advanced economies. However, with falling energy prices inflation could fall close to pre-pandemic levels relatively quickly.

CHAIRPERSON'S STATEMENT TO SHAREHOLDERS OF THE INVESTCORP ACTIVE EQUITY FUND PLC (CONT'D)

On the local front, Ghana's economy is projected to sustain a stable growth, primarily driven by a boost from the Services sector. Economic expansion of 2.8% in 2024 has been estimated by the IMF. Growth is expected to be supported by a pause in monetary policy tightening by the Central Bank. Additionally, the surge in cocoa prices on the international market is expected to bolster cocoa exports and improve the Agriculture sector's contribution to GDP growth. Tight macroeconomic conditions and elevated cost of borrowing may, however, threaten to stifle real sector growth.

We expect the disinflation process to continue, however, alignment with the Bank of Ghana's medium-term target of $8\pm 2\%$ is unlikely. Potential risks to the disinflation path include the 2024 general elections, rising utility tariffs and fluctuations in commodity prices from external shocks. Although short-term benchmark interest rates are expected to witness some considerable decline as the government's continuous dependence on the primary market ease following successful disbursements from the IMF in 2024, yields are likely to remain elevated.

The country may encounter a sustained financial squeeze due to the substantial burden of servicing high-interest debt. A successful completion of the External debt restructuring is expected to consolidate the gains made from other fiscal consolidation efforts under the IMF ECF and put the economy on the path of stability and sustainable growth.

Closing Remarks

To close, I wish to say thank you once again to you, our Valued Shareholders, for maintaining your relationship with the Fund. The IAEF presents a more active approach to equity investments, in line with an optimal portfolio constructed based on value, liquidity, and identified short-term advances. We will continue to actively manage your Fund and provide highly competitive growth. I look forward to improved growth and Fund performance in 2024.



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Matilda Asante-Asiedu
Chairperson

FUND MANAGER'S REPORT

Portfolio & Market Review

The Ghana Stock Market experienced a significant resurgence in 2023, achieving a full-year return of 28%, compared to a negative performance of -12.38% in 2022. This was largely driven by robust performances in the Fast-Moving Consumer Goods (FMCG), Telecommunications, and Oil Marketing sectors, alongside substantial losses in the fixed income market following the Domestic Debt Exchange Programme (DDEP).

Conversely, financial stocks under performed, delivering a negative return of 7.36%, primarily influenced by the adverse effects of the DDEP.

The InvestCorp Active Equity Fund (IAEF) reported a full-year return of 4.18% in 2023, recovering from a negative return of 6.98% in 2022. However, the Fund's Assets Under Management (AUM) decreased from GHS 200,611 in 2022 to GHS 124,427 in 2023.

As of the end of the reporting period, the portfolio's allocation was as follows: listed equities (69.40%), treasury bonds (9.90%), Local Government and Statutory Agencies Securities (7.41%), collective investment schemes (2.55%), and cash (10.74%). The Fund maintained substantial cash reserves to ensure sufficient liquidity to meet client withdrawal demands.

Outlook / Strategy

We anticipate that the stock market will perform robustly, bolstered by renewed investor interest, a stable macroeconomic environment, declining interest rates, and subdued inflation levels. These factors are expected to enhance corporate earnings and valuations.

The projected disbursement of the second tranche of the IMF loan and successful restructuring negotiations for Ghana's external debt are likely to mitigate pressures on the cedi and improve overall economic prospects. This improvement should also alleviate stress within the financial sector, potentially catalyzing better performance among financial stocks.

In 2024, we plan to reduce our exposure to treasury bonds to shield the portfolio from price volatility. We anticipate a continued upward trend in financial stocks, supported by favorable economic conditions and successful recapitalization efforts that strengthen their balance sheets. We will maintain our positions in financial stocks while seeking additional opportunities at attractive valuations.

Furthermore, we intend to increase our exposure to the telecommunications sector, particularly in MTN, given its strong earnings and consistent dividend payouts. We will also enhance our holdings in Oil Marketing Companies (OMCs) and the Fast-Moving Consumer Goods (FMCG) sector, as we expect these sectors to be key drivers of growth in the equity market in 2024.

Finally, The Board of the Fund, working with the Fund Manager has resolved to create a new sub-class for the Fund. The InvestCorp Active Equity Fund Series B (IAEF Series B) seeks to expose investors to foreign currency denominated stock / equity market listed on the New York Stock Exchange (NYSE) or the NASDAQ. It presents a more active approach for organizations and high net-worth individuals (HNI) who seek investment in global stocks with competitive returns while taking advantage of currency-based risk diversification. This is however subject to approval by the Securities and Exchange Commission (SEC).

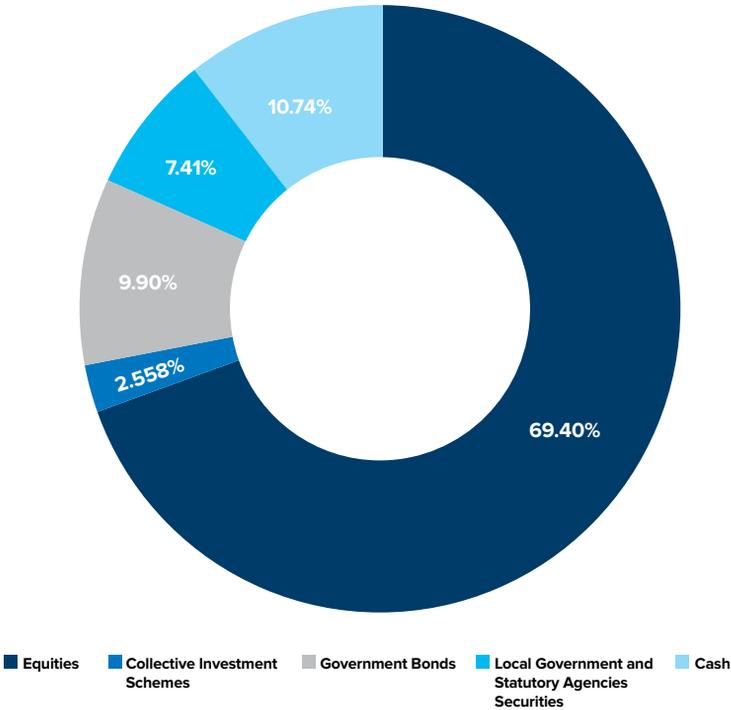
Fund Manager

PERFORMANCE SUMMARY AS AT DECEMBER 2023

Year	Assets under Management (AUM)	YTD Return	Benchmark	Excess Return
2020	182,601	-5.67%	-13.98%	8.31%
2021	215,929	51.75%	43.66%	8.09%
2022	213,274	-6.98%	-12.38%	5.40%
2023	124,427	4.19%	28.08%	-23.89%

INVESTMENT ALLOCATION

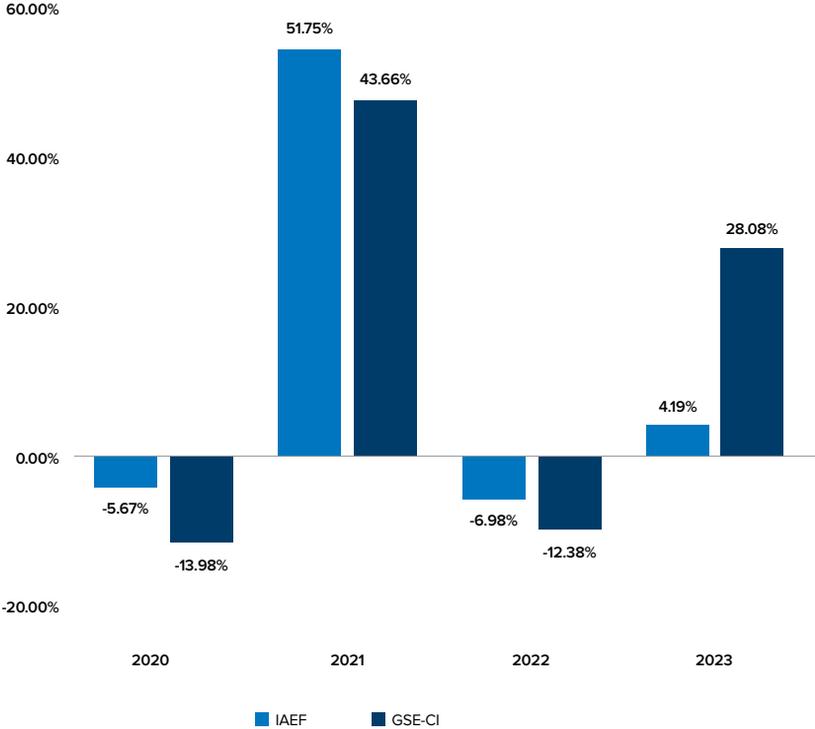
The investment allocation of the Fund as at December 31, 2023:



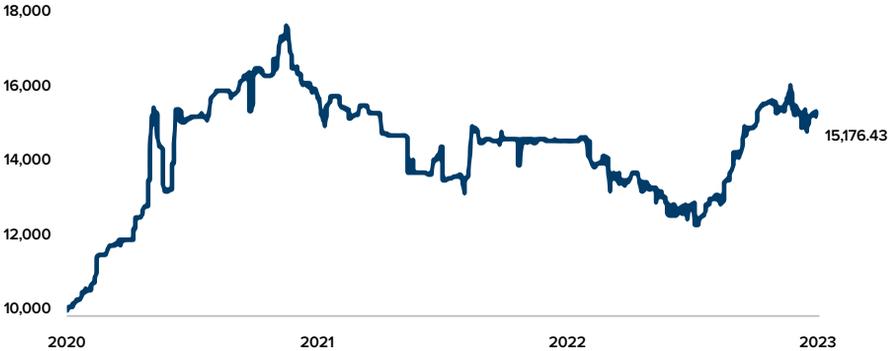
NB: The Fund has Fixed Income holdings for liquidity management purposes

PERFORMANCE SUMMARY AS AT DECEMBER 2023 (CONT'D)

COMPARATIVE PERFORMANCE



GROWTH OF GHS 10,000 IN THE FUND SINCE INCEPTION



PERFORMANCE SUMMARY AS AT DECEMBER 2023 (CONT'D)

EQUITY ALLOCATIONS

14.67%



Enterprise Group

13.63%



Ecobank
Ghana

13.58%



Standard
Chartered

12.95%



Société
General

6.62%



GOIL

19.06%



Benso
Oil Palm

11.54%



Total
Ghana

4.08%



GCB Bank

3.88%



Republic
Bank

During the year, the Fund liquidated its positions in MTN to fulfill significant redemption requests. We anticipate re-entering these positions when market conditions become favorable.

REPORT OF THE DIRECTORS TO THE MEMBERS OF INVESTCORP ACTIVE EQUITY FUND PLC

The Board of Directors presents the report and audited financial statements of the Fund for the year ended 31 December 2023.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible for the preparation of financial statements that give a true and fair view of InvestCorp Active Equity Fund PLC, comprising the statement of assets and liabilities, the statement of financial position at 31 December 2023, and the statements of profit or loss and other comprehensive income, changes in net assets attributable to holders of redeemable shares 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 and in the manner required by the Companies Act, 2019 (Act 992), the Securities Industry Act, 2016 (Act 929) and the Unit Trust and Mutual Fund Regulations, 2001 (L.I. 1695). In addition, the Directors are responsible for the preparation of the Directors' report.

The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for maintaining adequate accounting records and an effective system of risk management.

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

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

NATURE OF BUSINESS

InvestCorp Active Equity Fund PLC is a company registered and domiciled in Ghana. It is licensed by the Securities and Exchange Commission of Ghana to operate as an authorized mutual fund.

InvestCorp Active Equity Fund PLC ("The Fund") is an open-ended mutual fund that enables you to uniquely invest in equities listed on the Ghana Stock Exchange (GSE). With our model equity portfolio approach, you can either invest in the stock market as an individual or through a collective investment scheme. This allows you to take control of your investment choice while allowing professionals to take charge of the portfolio dynamics.

DIVIDEND DISTRIBUTION POLICY

The fund does not distribute dividends. All income earned is reinvested.

Shareholders should be aware that the mutual fund aims to achieve capital growth and as such income is reinvested to take advantage of the effects of compounding.

REPORT OF THE BOARD OF DIRECTORS TO THE MEMBERS OF INVESTCORP ACTIVE EQUITY FUND PLC (CONT'D)

Investment distribution:

Total investment as at 31 December is made up as follows:

	2023 GH¢	2022 GH¢
Equity Investments	86,567	186,896
Collective Investment Scheme	3,182	3,104
Cocoa bill	9,249	7,260
Government Bonds	12,348	15,629
Cash and cash equivalents	13,395	2,698
Total Investment	124,741	215,587

CORPORATE SOCIAL RESPONSIBILITY

The Fund did not undertake any Corporate Social Responsibility (CSR) programs during the year.

CAPACITY BUILDING OF DIRECTORS TO DISCHARGE THEIR DUTIES

On appointment to the Board, Directors are provided with full, formal, and tailored programs of induction, to enable them to gain in-depth knowledge about the fund’s business, the risks and challenges faced, the economic knowledge, and the legal and regulatory environment in which the fund operates. Programs of strategic and other reviews, together with the other training programs provided during the year, ensure that Directors continually update their skills, knowledge, and familiarity with the Fund’s businesses. This further provides insights about the industry and other developments to enable them effectively fulfil their role on the board and committees of the board.

AUDIT FEES

The audit fee for the year is GH¢ 15,340 exclusive of NHIL, GET Fund, COVID-19 Levy and VAT.

APPROVAL OF FINANCIAL STATEMENTS

The financial statements of the fund as indicated above were approved by the board of directors 30th May 2024 and are signed on its behalf by:

Signature

Name: Mark Kofi Amoako

Signature

Name: Henry Sunkwa-Mills

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF INVESTCORP ACTIVE EQUITY FUND PLC



Opinion

We have audited the accompanying financial statements of InvestCorp Active Equity Fund PLC, which comprise the statement of assets and liabilities, the statement of financial position as at 31 December 2023, the statement of profit or loss for the year ended, the statement of movements in net assets for the year ended, the statement of cash flows for the year ended, and notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, as set out on pages 21-28.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of InvestCorp Active Equity Fund PLC as at 31 December 2023 and the Fund's financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) in accordance with International Financial Reporting Standards with the IAS 29 directive issued by the Institute of Chartered Accountants Ghana (ICAG) and in the manner required by the Companies Act, 2019 (Act 992), the Securities Industry Act, 2016 (Act 929) and the Unit Trust and Mutual Fund Regulations, 2001 (L.I. 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 are independent of the Fund 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) and have fulfilled our other ethical responsibilities in accordance with the code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements for the year ended 31 December 2023. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the following as key audit matters:

1. Existence and Valuation of Investment Assets

The fund's assets are primarily invested in listed equities on the Ghana Stock Exchange. However, some of the fund's assets are also invested in collective investment schemes, cocoa bills, and government bonds for liquidity management purposes. The custody of these assets is entrusted to authorized third-party entities. The valuation of these assets is based on their market price and the number of units held for listed equities and collective investment schemes. For cocoa bills and government bonds, valuation is determined by their market price and face value, respectively.

How the matter was addressed in our audit

- We obtained a list of investments in the name of the fund from the Central Securities Depository to confirm their existence and agreed the total to the fund manager's accounting records.
- We reviewed the Securities and Exchange Commission's directive on the use of the fair value method in the valuation of investment assets.
- We reviewed the fund manager's valuations of the investment assets to ensure that they were done using the fair value method as directed by the Securities and Exchange Commission (SEC).
- We also reviewed whether the quarterly valuation of the investment portfolio by the fund manager as the basis for determining management fees was reasonably made and accurate.

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF INVESTCORP ACTIVE EQUITY FUND PLC (CONT'D)



- We evaluated the adequacy of disclosures of investment assets recognized in the fund's statement of financial position and the statement of assets and liabilities.

2. Income Recognition

Interest income is recognized in the statement of profit or loss based on the coupon rate, the face value, and the number of days within the financial year for which the assets were held by the fund. Dividend income is recognized in the statement of profit or loss once the fund's right to receive payment of the dividend is established.

How the matter was addressed in our audit

- We reviewed the design and implementation of controls over the fund's income recognition.
- Confirmed dividend income received to the fund's custody account.
- We recomputed the interest income based on the agreed interest rates, face value/cost, and the duration for which the interest income relates to.
- We reviewed the cut-off period for investment assets of the fund to ensure that interest income accruing to the fund after 31 December 2023 is not recognized as interest income for the current year.
- We evaluated the adequacy of disclosures of interest income recognized in the fund's profit or loss account.

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Companies Act 2019, (Act 992) of Ghana, Unit Trust and Mutual Funds Regulations, 2001 (L.I 1695) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for overseeing the Fund's financial reporting process.

In preparing the financial statements, the Board of Directors are responsible for assessing the fund'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 management either intends to liquidate the fund or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objective is 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 scepticism 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.

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF INVESTCORP ACTIVE EQUITY FUND PLC (CONT'D)



- 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 management.
- Conclude on the appropriateness of management's 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 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 fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieve fair presentation.

We communicate with those 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.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Report on Other Legal and Regulatory Requirements

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

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit. In our opinion, proper books of accounts have been kept by the fund so far as it appears from our examination of those books.

The engagement partner on the audit resulting in this Independent Auditor's Report is **Gilbert Adjetej Lomfio (ICAG/P/1417)**

John Kay & Co
 For and on behalf of John Kay & Co. (ICAG/P/2024/128)
 Chartered Accountants
 Accra

30/05/2024



STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 2023

	MARKET VALUE 2023 GH¢	NET ASSETS %	MARKET VALUE 2022 GH¢	NET ASSETS %
Quoted Equities				
BOPP	16,500	13.26	5,911	2.95
EGH	11,798	9.48	14,243	7.10
EGL	12,700	10.21	17,005	8.48
GCB	3,529	2.84	4,090	2.04
GOIL	5,727	4.60	6,567	3.27
HFC	3,360	2.70	3,780	1.88
SCB	11,753	9.45	13,500	6.73
SOGEGH	11,210	9.01	7,140	3.56
TOTAL	9,990	8.03	4,440	2.21
MTNGH	-	-	110,220	54.94
	86,567	69.57	186,896	93.16
Collective Investment schemes				
IMMF	3,182	2.56	3,104	1.55
Government Bonds				
GoG Bonds	12,348	9.92	15,629	7.79
Local Government and Statutory Agencies Securities				
Cocoa Bills	9,249	7.43	7,260	3.62
Cash and cash equivalent	13,395	10.77	2,698	1.34
Total Assets	124,741	100.25	215,587	107.47
Total Liability	(314)	(0.25)	(14,976)	(7.47)
Net Assets	124,427	100.00	200,611	100.00

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Note	2023 GH¢	2022 GH¢
Assets			
Cash and cash equivalents	9	13,395	2,698
Investment at FVTOCI	10	111,346	212,889
Total Assets		124,741	215,587
Liabilities			
Account payables	11	314	14,976
Total Net Asset		124,427	200,611
Represented By:			
Capital Account	12	88,327	162,525
Retained Earnings	14	38,910	55,439
Investment Revaluation Reserve	15	(2,810)	(17,353)
Total Equity		124,427	200,611

The notes on pages 21 to 28 form an integral part of these financial statements.

The Financial Statements of InvestCorp Active Equity Fund PLC were approved by the Board of Directors on 30th May 2024 and signed on their behalf by:



Signature

Name: Mark Kofi Amoako



Signature

Name: Henry Sunkwa-Mills

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 GH¢	2022 GH¢
Investment Income			
Interest Income	8	1,869	2,426
Dividend Income	8	4,370	21,740
Total Revenue		6,239	24,166
Expenses			
General Expenses	13	(22,768)	(22,115)
Net investment income		(16,529)	2,051
Other Comprehensive Income			
Unrealised Gain/(Loss) on Investments	15	4,309	(17,353)
Total other comprehensive Income		4,309	(17,353)
Total Comprehensive Income		(12,220)	(15,302)

ACCUMULATED NET INVESTMENT INCOME

	2023 GH¢	2022 GH¢
Balance at 1 January	55,439	53,388
Net Investment Income	(16,529)	2,051
Balance at 31 December	38,910	55,439

The notes on pages 21 to 28 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

	Capital Transactions GH¢	Investment Income GH¢	Valuation Reserve GH¢	Total GH¢
2023				
At 1 January	162,525	55,439	(17,353)	200,611
Net Investment Income	-	(16,529)	-	(16,529)
Reclassification Adjustment	-	-	10,234	10,234
Other Comprehensive Income	-	-	4,309	4,309
Share Issue	12,580	-	-	12,580
Share Redemption	(86,778)	-	-	(86,778)
At 31 December	88,327	38,910	(2,810)	124,427

	Capital Transactions GH¢	Investment Income GH¢	Valuation Reserve GH¢	Total GH¢
2022				
At 1 January	162,541	53,388	-	215,929
Net Investment Income	-	2,051	-	2,051
Other Comprehensive Income	-	-	(17,353)	(17,353)
Share Issue	13,220	-	-	13,220
Share Redemption	(13,236)	-	-	(13,236)
At 31 December	162,525	55,439	(17,353)	200,611

The notes on pages 21 to 28 form an integral part of these financial statements.

STATEMENT OF MOVEMENTS IN NET ASSETS FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 GH¢	2022 GH¢
Changes in net assets from operations			
Comprehensive Income		(12,220)	(15,302)
Reclassification Adjustment		10,234	-
Net change in net assets from operations		(1,986)	(15,302)
Change in net assets from capital transactions			
Proceeds from Issue of Shares	12	12,580	13,220
Share Redemption	12	(86,778)	(13,236)
Net change in net assets from capital transactions		(74,198)	(16)
Net additions to net assets		(76,184)	(15,318)
Analysis of changes in movements in net assets for the year			
At 1 January		200,611	215,929
Net additions to net assets		(76,184)	(15,318)
At 31 December		124,427	200,611

The notes on pages 21 to 28 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 GH¢	2022 GH¢
Cash Flows from Operating Activities			
Comprehensive Income		(12,220)	(15,302)
Adjustment for:			
Interest Income Accrued		(1,000)	(1,422)
Fair Value Gain/(Loss)	15	(4,309)	(17,353)
Reclassification Adjustment		10,234	-
Change In:			
Account Payable	11	(14,662)	-
Net cash from operating activities		(21,957)	(34,077)
Cash Flows from Investing Activities			
Purchase of Investments		(26,290)	(21,469)
Proceeds from redemption of investment		133,142	50,529
Net cash used in investing activities		106,852	29,062
Cash Flow from Financing Activities			
Proceeds from issue of redeemable shares	12	12,580	13,220
Payments on redemption of redeemable shares	12	(86,778)	(13,236)
Net cash from financing activities		(74,198)	(16)
Net Increase/ (Decrease) in cash and cash equivalents		10,697	(5,031)
Cash and cash equivalents at 1 January		2,698	7,729
Cash and cash equivalents at 31 December	9	13,395	2,698

The notes on pages 21 to 28 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. REPORTING ENTITY

InvestCorp Active Equity Fund PLC is a mutual fund investment company whose primary objective is to obtain contributions from members and invest the same for their benefit. InvestCorp Active Equity Fund PLC is a public limited liability company and is incorporated and domiciled in the Republic of Ghana. The address and registered office of the fund can be found on page 2 of the financial statements.

The Fund was established and operates in accordance with the Unit Trust and Mutual Fund Regulation (L.I.1695). The Fund shall be marketed as "InvestCorp Active Equity Fund PLC", which means it will invest in equities listed on the Ghana Stock Exchange (GSE). The investment activities are managed by InvestCorp Asset Management Limited (IAML).

2. BASIS OF ACCOUNTING

(a) Basis of preparation

These financial statements have been prepared in accordance with the Unit Trust and Mutual Funds Regulations, 2001 (L.I. 1695) and comply with the International Financial Reporting Standards (IFRS) with the IAS 29 directive issued by the Institute of Chartered Accountants Ghana (ICAG) and the Companies Act, 2019 (Act 992).

(b) Functional and presentation currency

These financial statements are presented in Ghana cedi, which is the fund's functional currency. All amounts have been stated in full.

(c) Use of estimates and judgment

In preparing these financial statements, the fund's management has made judgments, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

3. SIGNIFICANT ACCOUNTING POLICIES

The following principal accounting policies have been consistently applied during the year in the preparation of the fund's financial statements.

(a) Investment income recognition

(i) Dividend Income

Dividend income is recognized in the statement of profit or loss once the fund's right to receive payment of the dividend is established, which in the case of listed equities, is the ex-dividend date.

(ii) Interest Income

Interest income on financial assets at fair value through other comprehensive income (FVTOCI) is recognized in profit or loss, using the effective interest rate. The effective interest is the rate that exactly 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 are recognized in the profit or loss as interest income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT'D)

(iii) Pooled Investment Income

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

(b) Financial Assets

(i) Initial Recognition

The fund recognizes financial assets in its statement of financial position when and only when the fund becomes a party to the contractual provisions of the assets. On initial recognition, the fund classifies its financial assets either at fair value through profit or loss or at fair value through other comprehensive income depending on the fund's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. At initial recognition, the fund measures financial assets at their fair value plus or minus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial assets.

(ii) Financial Assets at Fair Value Through Other Comprehensive Income

After initial recognition, the fund measures financial assets at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial Assets at Fair Value Through Profit or Loss

After initial recognition, financial assets held for trading are designated at fair value through profit or loss. A financial asset is classified into this category when it is acquired principally for the purpose of selling in the short term and if it forms part of a portfolio of financial assets in which there is evidence of short-term profit taking or if so, designated by the fund.

(iv) Identification and Measurement of Impairment

The fund recognizes a loss allowance for expected credit losses on its financial assets at each reporting date. The loss allowance is an amount equal to the lifetime expected credit losses if the credit risk on the financial assets has increased significantly since initial recognition. The objective of the impairment requirements is to recognize lifetime expected credit losses for all financial instruments for which there have been significant increases in credit risk since initial recognition -whether assessed on an individual or collective basis — considering all reasonable and supportable information, including that which is forward-looking.

(v) Derecognition of Financial Assets

Financial assets are derecognized when the right to receive cash flows from the financial assets has expired or where the fund has transferred substantially all risks and rewards of ownership. Any interest in the transferred financial assets that is created or retained by the fund is recognized as a separate asset or liability.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT'D)

(c) Cash and Cash equivalents

Cash and cash equivalents comprise deposits with banks and highly liquid financial assets with a maturity of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their value and are used by the fund in the management of short-term commitment, other than cash collateral provided in respect of derivatives and security borrowing transactions.

4. NEW AND AMENDED STANDARDS EFFECTIVE FOR THE CURRENT PERIOD

Amendments to IFRS 9, Financial Instruments

The amendment clarifies which fees to include in the '10%' test to determine whether a financial liability has been substantially modified (i.e. the derecognition analysis). A borrower includes only fees paid or received between itself and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

5. NEW AND REVISED STANDARDS IN ISSUE NOT YET EFFECTIVE

Amendments to IAS 1 Presentation of Financial Statements—Classification of Liabilities as Current or Noncurrent

The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2024

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures—Supplier Finance Arrangements

The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

The amendments, which contain specific transition reliefs for the first annual reporting period in which an entity applies the amendments, are applicable for annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted.

6. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the fund's accounting policies, which are described in note 3, the directors are required to make judgments, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT'D)

may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

7. RELATED PARTIES AND KEY CONTRACTORS

a. Fund Manager

The Directors of the fund appointed InvestCorp Asset management Limited, an investment management company incorporated in Ghana and duly licensed by the Security and Exchange Commission of Ghana to implement the investment strategy and objectives as stated in the Fund's investment management policy manual. Under that investment management agreement, InvestCorp Asset management Limited receives a management fee at an annual rate of 2.5% of the net asset value attributable to members of the Fund. The management fees incurred during the year amounted to GH¢2,972 (2022: GH¢5,524).

b. Fund Custodian

The Directors of the fund appointed Standard Chartered Bank Ghana PLC, a limited liability company incorporated in Ghana and duly licensed by the Security and Exchange Commission of Ghana, to provide custody services as prescribed in the fund's policy manual. Under the custody agreement, the Custodian receives a custodian fee as agreed between the parties. Fees are payable within 30 days of the date of the custodian's invoice.

8. INVESTMENT INCOME

	2023 GH¢	2022 GH¢
Dividend Income	4,370	21,740
<i>Interest Income:</i>		
Money Market	-	-
Cocoa Bill	374	784
Government Bonds	1,495	1,642
	6,239	24,166

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT'D)

9. CASH AND CASH EQUIVALENTS

	2023 GH¢	2022 GH¢
Absa Bank	1,287	2,160
Standard Chartered Bank	12,108	538
	13,395	2,698

10. FINANCIAL ASSETS AT FVTOCI

	2023 GH¢	2022 GH¢
Equity Investments	86,567	186,896
Collective Investment Scheme	3,182	3,104
Cocoa bill	9,249	7,260
Government Bonds	12,348	15,629
	111,346	212,889

11. ACCOUNTS PAYABLE

	2023 GH¢	2022 GH¢
Accrued Expenses	314	592
Audit Fees	-	14,384
	314	14,976

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT'D)

12. CAPITAL ACCOUNT

	2023 No. of shares	2023 GH¢	2022 No. of shares	2022 GH¢
Balance at 1/1	132,246	162,525	132,277	162,541
Contributions	8,014	12,580	8,212	13,220
	140,260	175,105	140,489	175,761
Redemption	(67,332)	(86,778)	(8,243)	(13,236)
Balance at 31/12	72,928	88,327	132,246	162,525

13. GENERAL EXPENSES

	2023 GH¢	2022 GH¢
Management fees	2,972	5,524
Administration fees	507	2,207
Audit fees	-	11,800
VAT on audit fees	-	2,584
Realised loss on sale of equity	9,055	-
Reclassification Adjustment	10,234	-
	22,768	22,115

14. RETAINED EARNINGS

	2023 GH¢	2022 GH¢
Balance at 1 January	55,439	53,388
Net Investment Income	(16,529)	2,051
Balance at 31 December	38,910	55,439

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT'D)

15. INVESTMENT REVALUATION RESERVE

	2023 GH¢	2022 GH¢
Balance at 1 January	(17,353)	-
Reclassification Adjustment	10,234	-
Unrealized Gain/(Loss)	4,309	(17,353)
Balanced at 31 December	(2,810)	(17,353)

16. TAXATION

The income of an approved unit trust scheme or mutual fund is exempt for tax from tax under the Income Tax Act, 2015 (act 896) as amended. The fund currently withholds taxes on payments made to directors and other service providers.

17. TRANSACTIONS THROUGH STOCK BROKERS

The fund's transactions were through EDC Stock Brokers Limited, a member of the Ecobank Group.

18. FINANCIAL RISK MANAGEMENT

(a) Liquidity risk

Liquidity risk is the risk that the fund does not have sufficient financial resources available to meet all its obligations and commitments as they fall due. The fund's approach to managing liquidity is to ensure that it maintains adequate liquidity in the form of cash and very liquid instruments to meet its liabilities when due.

The following are contractual maturities of financial Liabilities
31 December 2023

Financial Liabilities	3 Months or less (GH¢)
Administrative Expenses Payable	314
Total	314

(b) Asset/Portfolio/Credit risk

Credit risk is the risk that counterparties (i.e. financial institutions and companies) in which the fund's assets are invested will fail to discharge their obligations or commitments to the fund, resulting in a financial loss to the fund. The fund's policy over credit risk is to minimize its exposure to counterparties with a perceived higher risk of default by dealing only with counterparties that meet the standards set out in the SEC guidelines and the fund's investment policy statement.

(c) Fair value of financial assets and liabilities

Fair values are based on discounted cash flows using a discount rate based upon the borrowing rate

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT'D)

that the Directors expect would be available to the Fund at the balance sheet date. The fair values of the Fund's financial assets and liabilities approximate the respective carrying amounts.

The fair value hierarchy is as follows:

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly and
- Level 3: Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The fair values of the fund's investments at FVTPL and FVTOCI approximate its carrying amounts.

(d) Market risk

The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return. This systematic risk cannot be mitigated through diversification.

(e) Equity Price risk

Listed equity securities are susceptible to market price risk arising from uncertainties about the future values of the investment securities. The fund's policy over equity price risk is to only deal with equities that meet the standards set out in the SEC guidelines and the fund's investment policy statement as well as directives of the investment committee of the fund manager. Keen attention is paid to the equity market to realize capital gains on equity securities.

(f) 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 investment managers advise the board of directors on the appropriate balance of the portfolio between equity, fixed-rate interest, and variable-rate interest investments. The fund uses duration targeting as a means of mitigating the effects of the risk. Fixed income investment is for liquidity management purposes and thus the manager only invests in short duration instruments including investments in fixed income and collective investment schemes (CIS). The target duration is regularly reviewed by the board of directors.

(g) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Fund's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of fund behaviour. Operational risks arise from all of the Fund's operations and are faced by similar mutual funds.

The fund's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the funds' reputation with overall cost-effectiveness and to avoid control procedures that restrict initiative and creativity.

19. EVENTS AFTER THE REPORTING PERIOD

No significant event occurred after the end of the reporting date which is likely to affect these financial statements.

CORPORATE INFORMATION

BOARD OF DIRECTORS	<p>Matilda Asante-Asiedu (Chairperson) Henry Sunkwa-Mills (Director) Kwabena Ofori Apeagyei (Director) Adelaide Benneh Prempeh (Director) Mark Kofi Amoako (Director)</p>
REGISTERED OFFICE	<p>Hno. 15 Wawa Drive North Dzorwulu P. O. Box GP 22493 Accra, Ghana Tel: (+233) 0302 50 90 45</p>
SECRETARY	<p>JLD & MB Legal Consultancy No. 18 Quarter Papafio Avenue Airport Residential Area P.O. Box 410 Accra</p>
INVESTMENT MANAGER	<p>InvestCorp Asset Management Limited Hno. 15 Wawa Drive North Dzorwulu P. O. Box GP 22493 Accra, Ghana</p>
CUSTODIAN	<p>Standard Chartered Bank (Ghana) PLC 87 Independence Avenue, Accra P.O. Box 768 Accra</p>
BANKER	<p>ABSA Bank (Ghana) Limited ABSA House, High Street Accra</p>
AUDITOR	<p>John Kay and Co. 7th Floor, Trust Towers Farrar Avenue P. O. Box KIA 16088 Accra</p>

DIRECTORS' PROFILE

NAME

MATILDA ASANTE-ASIEDU

OCCUPATION

BANKER



POSITION

BOARD CHAIRPERSON

Matilda Asante-Asiedu is the Head of Private & Women Banking of Access Bank Ghana Limited, a subsidiary of Access Bank PLC., Nigeria. She previously headed the Corporate Communications Unit at Access Bank (Ghana) Limited. She managed the entire corporate communications functions of the Bank, promoting effective client and public relations. Her job function included: the design and implementation of strategies for Stakeholder Management, Advertising and Marketing, Events Management, Brand Management and Corporate Social Responsibility.

Matilda has over 15 years of professional experience in media practice, corporate communications, public relations and marketing. For more than 12 years (1997 to 2009) Matilda was the most influential political journalist in Ghana, shaping national discourse. She is a fellow of the One World Broadcast Trust U.K. and Les Aspin Centre for Governance USA, and the International Women's Media Forum USA. She acquired her Masters in Journalism Degree from the Cardiff University in the United Kingdom and holds several post-graduate diplomas in development and media studies.

NAME

ADELAIDE BENNEH PREMPEH

OCCUPATION

LAWYER



POSITION

DIRECTOR

Adelaide is the Founder and Managing Partner of B & P ASSOCIATES. Adelaide's expertise spans across a number of industries including energy and power, real estate, construction and infrastructure, corporate governance, investment advisory, and international family law. Adelaide was called to the English Bar with an award of Distinction in 2001. She began her legal career with the international law firm Lovells (now Hogan Lovells) in London where she assisted in the drafting of depositions and pleadings for high profile product liability cases, and various contentious matters regarding regulatory requirements.

With a background in litigation, she joined Renaissance Chambers in London as a practising Barrister, where she was regularly instructed to appear at all levels of Court in a variety of cases from 2003 until 2012. In 2012, Adelaide was called to the Ghana Bar as a Barrister and a Solicitor of the Supreme Court of Ghana. Prior to setting up the Firm, Adelaide worked with Bentsi- Enchill Letsa & Ankomah, a law firm in Accra, as a Dual Qualified Associate, with a wealth of experience.

DIRECTORS' PROFILE

NAME

MARK AMOAKO

OCCUPATION

ACCOUNTANT


POSITION

DIRECTOR

Mr. Mark Kofi Amoako is a Chartered Accountant with over 10 years experience in Financial Management, Taxation, Mergers & Acquisitions, Public Finance Management, Financial and Operational Audit. He has been a Regional Accountant at the National Health Insurance Authority since 2012 with the core responsibility of training, supervising, monitoring and evaluation of Accountants, examining financial transaction processes to help establish financial controls, supervise and prepare budgets.

He holds a first Degree in Banking and Finance with the University of Ghana; MSc. International Economics, Banking and Finance and a member of the Association of Chartered Certified Accountants – UK and Institute of Chartered Accountants – Ghana.

NAME

HENRY SUNKWA-MILLS

OCCUPATION

INVESTMENT BANKER


POSITION

DIRECTOR

Henry is the Managing Director of InvestCorp. Prior to this role, he was the Deputy Managing Director of the Firm – responsible for planning, monitoring and evaluation of policy and strategy implementation. As Managing Director, he is responsible for the overall strategic management of the Firm, chairs the Investment Committee and serves as a board member of the Firm's managed mutual funds.

He is a member of the Ghana Securities Industry Association's Fund Managers & Advisors Committee and also a member of the Technical Committee of the Ghana Fixed Income Market (GFIM).

Henry worked with Merrill Lynch / Bank of America Merrill Lynch in New York within the Global Energy & Power Investment Banking Group. He possesses strong origination and corporate finance skills, including leveraged finance, deal origination and corporate restructuring. Henry has extensive and key relationships in Ghana and internationally, which are critical to the success of our firm.

He served on the Board of the Ghana Netherlands Business and Culture Council (GNBCC) between 2015 and 2019 and acted as the Treasurer of the Council. He is a member of the Rotary Club of Accra La-East and serves on the Public Image (PI) and Fundraising Committees.

Henry obtained an honors degree in Business Administration (Finance) from Morehouse College in Atlanta, Georgia, USA, graduating summa cum laude. He is a member of the Phi Beta Kappa and Beta Gamma Sigma honor societies. In 2012, Henry was admitted to Cornell University's Johnson School of Management MBA program but did not pursue it.

DIRECTORS' PROFILE

NAME

KWABENA OFORI APEAGYEI

OCCUPATION

INVESTMENT BANKER



POSITION

DIRECTOR

Kwabena has oversight responsibility for the firm's operations and business development. He helps in overseeing the day-to-day business activities and in ensuring that the firm's client acquisition strategy, operational risk and technology functions are effective and well-coordinated. He is a member of the firm's Investment Committee (IC). Prior to InvestCorp, he worked with Access Bank, Republic Bank, Fidelity Bank, FBN Bank and Omni Bank in roles of client acquisition, branch operations, and team management. He has built immense experience in sales and marketing, organizational efficiency and strategy and has developed key relationships in the financial industry.

He holds a Bachelor of Arts (BA) degree in Psychology with a minor in Philosophy and an MBA in Finance from the University of Ghana. He also undertook the Securities Industry Course at the GSE as well as other professional courses from the Ghana Banking College.

CUSTODIAN'S REPORT

INTERNAL




July 4, 2024

The Board
 InvestCorp Active Equity Fund
 15 Wawa Drive, North Dzorwulu
 P.O.BOX 22493, Accra

REPORT OF THE CUSTODIAN TO THE INVESTORS OF INVESTCORP ACTIVE EQUITY FUND – DECEMBER 31, 2023

Standard Chartered Bank Ghana PLC confirms the investment holding for InvestCorp Active Equity Fund as of December 31, 2023, as follows:

<i>COLLECTIVE INVESTMENT SCHEME</i>				
Security Name		Nominal	Mkt Price	Valuation
InvestCorp Money Market Fund		743.41	GHS 4.7213	3,509.86
Classification Total		743.41		3,509.86
<i>COCOA BILL</i>				
Security Name		Nominal	Mkt Price	Valuation
CMB-BD-02/09/24-A6313-6175-13.00		443.00	0	461.83
CMB-BD-01/09/25-A6312-6175-13.00		1,775.00	0	1,850.44
CMB-BD-31/08/26-A6303-6175-13.00		2,219.00	0	2,313.31
CMB-BD-30/08/27-A6302-6175-13.00		2,219.00	0	2,313.31
CMB-BD-28/08/28-A6301-6175-13.00		2,219.00	0	2,313.31
Classification Total		8,875.00		9,252.19
<i>EQUITIES</i>				
Security Code	Security Name	Nominal	Mkt Price	Valuation
EGL	Enterprise Group Limited	5,314.00	GHS 2.39	12,700.46
SCB	Standard Chartered Bank Ghana Ltd	670.00	GHS 17.55	11,758.50
GCB	GCB Bank Limited	1,038.00	GHS 3.40	3,529.20
EGH	Ecobank Ghana Limited	2,145.00	GHS 5.50	11,797.50
BOPP	Benso Oil Palm Plantation Limited	750.00	GHS 22.00	16,500.00
TOTAL	Total Petroleum Ghana Limited	1,110.00	GHS 9.00	9,990.00
HFC	Republic Bank (Ghana) Ltd	7,000.00	GHS 0.48	3,360.00
GOIL	Ghana Oil Company Limited	3,818.00	GHS 1.50	5,727.00
SOEGEH	Societe Generale Ghana Limited	7,140.00	GHS1.57	11,209.80
Classification Total		28,985.00		86,572.46
<i>GOVERNMENT BOND</i>				
Security Name		Nominal	Mkt Price	Valuation
REPUBLIC OF GHANA - 10 PCT SNR BDS 15/08/2028 GHS1 '2023-A-2'		8,691.00	0	5,651.91
REPUBLIC OF GHANA - 10 PCT SNR BDS 17/08/2027 GHS1 '2023-A-1'		8,691.00	0	6,695.42
Classification Total		17,382.00		12,347.32

Standard Chartered Bank Ghana PLC

Head Office,
 87 Independence Avenue,
 P O Box 788, Accra – Ghana
 SC.com/gh

Tel 0302 610750 / 0302 633366

Ebenezer Twum Asante (Chairman) - Mansa Netey (Managing Director) - Sheikh Jobe - Kwabena Nifa Aning - George Akello - Albert Asante Mohanty Subhadeep - Naa Adorkor Codjee - Augustine Xorse Godzi

CUSTODIAN'S REPORT

INTERNAL


**standard
chartered**

<i>SUMMARY</i>		
Description	Market Value	PCT of Total
Collective Investment Scheme	3,509.86	2.84
Cocoa Bill	9,252.19	7.47
Equities	86,572.46	69.94
Government Bond	12,347.32	9.97
Cash Balance	12,107.53	9.78
GRAND TOTAL (GHS)	123,789.36	100.00

Yours faithfully



Beverly Frimpong
 Head, Financing and Securities Services

Standard Chartered Bank Ghana PLC

Head Office,
 87 Independence Avenue,
 P O Box 768, Accra – Ghana
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Tel 0302 610750 / 0302 633366

Ebenezer Twum Asante (Chairman) - Mansa Nettey (Managing Director) - Sheikh Jobe - Kwabena Nifa Aning - George Akello - Albert Asante
 Mohanty Subhadeep - Naa Adorkor Codjoe - Augustine Xorse Godzi

**PROXY FORM
INVESTCORP ACTIVE EQUITY FUND PLC**

I/We.....of.....
being a member/members of InvestCorp Active
 Equity Fund PLC hereby appoint or,
 failing him/her, the duly appointed Chairman of the meeting, as my/our proxy to vote for me/us on my/
 our behalf at the 4th Annual General Meeting of the Company to be held **virtually and streamed live**
via Zoom on 29th August, 2024 at 3:00 pm prompt and any adjournment thereof.

Please indicate with an X in the spaces below how you wish your votes to be cast.

ORDINARY RESOLUTIONS	FOR	AGAINST
1. To receive and adopt the Financial Statements for the year ended December 31, 2023 together with the reports of the Directors and external Auditors thereon		
2. To authorize the Directors to fix the remuneration of the external Auditors		
3. To approve Directors' remuneration		
SPECIAL RESOLUTION		
To amend section 55(2) of the Company's Constitution to read as follows: "Except i. as otherwise decided by the members by ordinary resolution; or ii. otherwise specified in this Constitution; or iii. in the case of a director who is a representative of the Fund Manager, a director shall hold office for a term not exceeding four (4) years but may be re-appointed following the expiration of the initial four (4) year term."		

Signed this.....day.....2024

Shareholder's Signature

Grow your wealth wisely!

Invest in the InvestCorp Active Equity Fund.



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Hurray! We are



*10 years of Innovation,
Integrity & Leadership*

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A brighter future hinges on secure and trustworthy investments

At InvestCorp our product solutions are designed to enable you to invest safely while earning competitive returns

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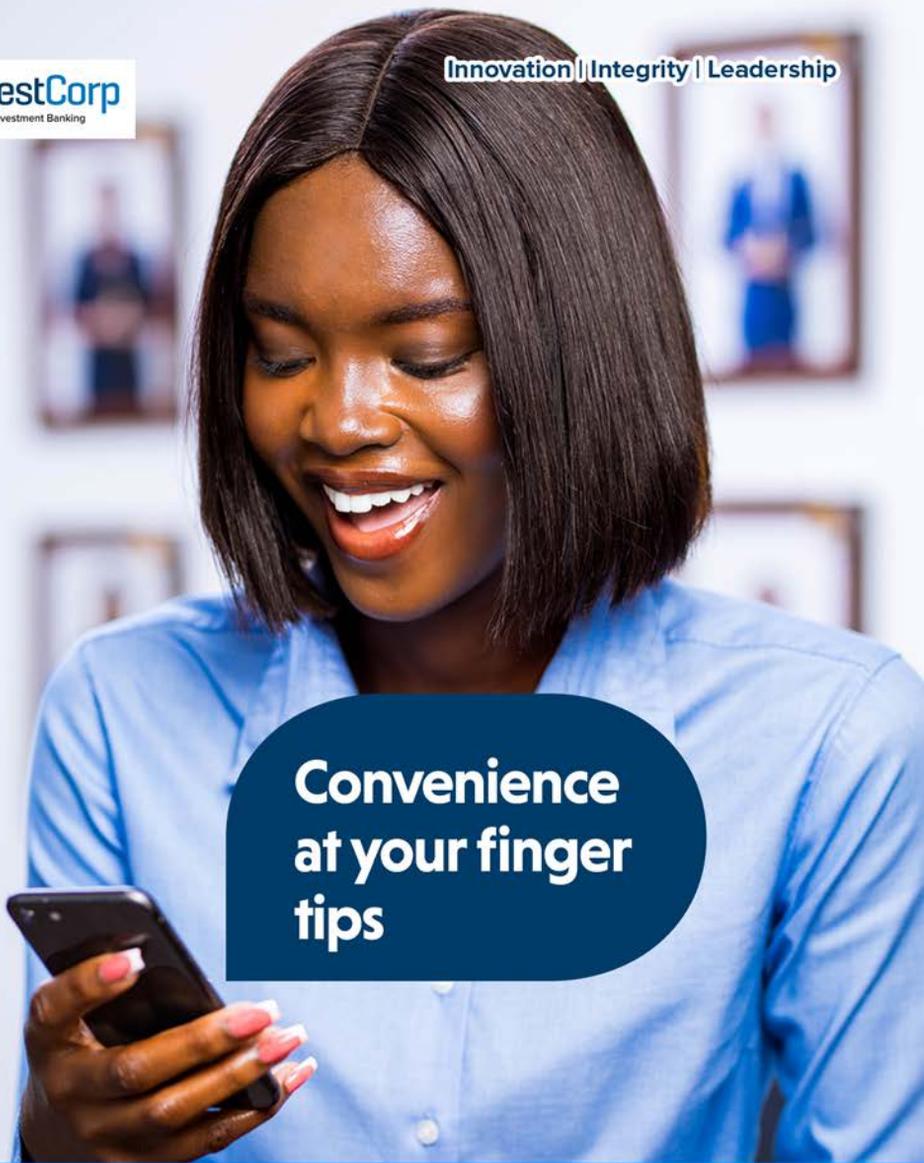
InvestCorp



- Treasury Securities Fund
- Money Market Fund
- Mid-Tier Fund
- Active Equity Fund

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Images from last year's AGM





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