



INVESTCORP ACTIVE EQUITY FUND PLC.

ANNUAL REPORT 2022

#15 Wawa Drive, North Dzorwulu, Accra | P. O. Box GP 22493, Accra
+233 (0) 302 50 90 45 | info@investcorpgh.com

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NOTICE OF 3RD ANNUAL GENERAL MEETING OF INVESTCORP ACTIVE EQUITY FUND PLC

NOTICE IS HEREBY GIVEN that the 3rd Annual General Meeting of InvestCorp Active Equity Fund PLC (the “Company”) will be held **VIRTUALLY and streamed live via Zoom on Thursday, 24th August, 2023 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 December 31, 2022, together with the reports of the Directors and the external Auditors thereon.
2. To authorize the Directors to fix the remuneration of the Auditors.
3. To approve Directors’ remuneration

ANY OTHER MATTERS

Dated this 20th day of June, 2023.

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 the meeting (that is, no later than 3:00 pm on 22nd August, 2023).
- 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 22nd August, 2023 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 2:30 pm and the AGM will officially begin at 3:00 pm
- 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

Dear Valued Shareholder,

I welcome you to the third Annual General Meeting (AGM) of the InvestCorp Active Equity Fund PLC (IAEF), for the year ended December 31, 2022. On behalf of the Board of Directors, I would like to express my sincere gratitude to you for your continued confidence in the Fund as a strategic way to gain exposure to Ghana's stock market.

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. During the year under review, the equity market faced some challenges as an unprecedented rise in interest rates led to sell-offs in favour of fixed-income investments, particularly Treasury bill securities.

In this statement, I will talk about the international and domestic economic environment which existed in the 2022 financial year. I will then discuss the performance of the Fund during the period and share our economic outlook and expectations for the Fund for the year 2023.



ECONOMIC REVIEW

Global

Economic risks rose sharply in 2022 as a result of sustained geopolitical and social tensions which escalated a cost of living crisis across the globe. Gross Domestic Product (GDP) growth reported in the International Monetary Fund (IMF) World Economic Outlook indicated a decline in the output of Advanced Economies (from 5.2% in 2021 to 2.7% in 2022), Emerging Market and Developing Economies (from 6.8% in 2021 to 4.0% in 2022) and Sub-Saharan Africa (from 4.5% in 2021 to 3.9% in 2022). Inflation in many countries reached historic highs, fuelled by surging energy, food and commodity prices, labour shortages and supply chain disruptions. By the end of the third quarter, China's zero Covid-19 policy and subsequent lockdowns worsened the existing supply chain bottlenecks, before it was repealed in December 2022. With limited fiscal space and significant debt overhang, countries were faced with tackling rising inflation, slow growth and a challenging macroeconomic environment. Major Central Banks across the globe embarked on aggressive monetary policy rate hikes to rein in inflation despite the prospects of a global recession. With the strengthening US dollar, major world currencies experienced value destruction. Even as policy makers focused on cushioning the impact of the war in Ukraine and the pandemic, there was still the need for some structural reforms and improvements to policy frameworks for building resilience and achieving long term growth.

Ghana

Ghana's GDP growth slowed to 3.1% in 2022, down from 5.4% in 2021. The services sector recorded a growth rate of 5.5% (down from 9.4% in 2021), agriculture grew by 4.2% (down from 8.5% in 2021) while industry grew by 0.9% (up from -0.5% in 2021). The improved growth in industry during the year was due to increased gold production. The level of economic activity [(measured by the Composite Index of Economic Activity (CIEA)] struck a level of -3.5%, from the 5% growth recorded in 2021, helping to push the Ghana Stock Exchange Composite Index (GSE-CI) to a YTD return of -12.38%, compared to the 43.66% recorded in 2021.

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

Inflation accelerated throughout the year 2022, from 12.6% in December 2021 to 54.1% as at December 2022 (the highest in 22 years). The Bank of Ghana (BoG) responded to the surge in inflation by increasing the Monetary Policy Rate (MPR) steadily from the year-open of 14.50% to 27% by the end of the year. Overall, the balance of payments deficit reached 5% of GDP, from a surplus of 0.6% in 2021. As a result, international reserves fell to US \$6.2 billion (2.7 months of import cover) in December 2022 from US \$9.7 billion (4.3 months of import cover) in 2021. Despite remaining fairly stable during the first quarter of 2022, the cedi witnessed a steady sharp YTD depreciation, reaching record highs of 54.17%, 48.92% and 49.95% against the US dollar, the Pound Sterling and the Euro respectively by November 2022. The cedi recovered somewhat during the month of December 2022.

Banking sector vulnerabilities heightened in response to policy tightening by the BoG, which affected credit conditions and the value of long-term fixed-income assets of commercial banks. With commercial banks holding the largest portion (approximately 34%) of local GoG bonds, various aspects of the banking sector experienced significant stress and volatility, which was aggravated by the proposed Domestic Debt Exchange Program (DDEP). End of year financial reports of most commercial banks indicated huge losses and high Non-Performing Loans (NPL). Additionally, the implementation of the marked-to-market valuation methodology decimated some mutual funds and significantly eroded confidence in the financial sector as it faced dire liquidity challenges.

HIGHLIGHTS OF KEY ECONOMIC INDICATORS

Exchange Rates

The local currency came under intense pressure during the year, reflecting a strengthening US dollar, portfolio investment reversals and lower Foreign Direct Investment (FDI) inflows, while demand pressure for the greenback increased. The cedi depreciation against the USD reached an all-time high of 54.17% in November 2022, but recovered to record a YTD depreciation of 29.97% at the end of the year. The cedi's performance improved in December 2022 as Ghana reached a Staff Level Agreement (SLA) with the IMF, amid tight monetary policy conditions, and marginal weakness in the US dollar as inflation peaked in the United States.

Inflation

Headline inflation soared throughout the year, averaging 31.5% compared to the previous year's average of 10.0%. The surge in inflation reached an all-time high of 54.10% in December 2022, attributable to the ripple effect of the Russia-Ukraine war and the resurgence of the Covid-19 pandemic in China, which led to soaring global food and commodity prices. The combined effect of currency depreciation, upward trend in ex-pump prices and transport fares, supply chain bottlenecks, upward utility price adjustments and the BoG's financing of government budget, among others, contributed to the steady rise in headline inflation. To address the price pressure, the BoG implemented a series of measures, including a total 1,250 bps-increase in the MPR and the removal of foreign exchange interventions on some imported items.

Interest rates

Treasury yields recorded a steady rise in the second half of the year, to compensate for the high inflationary environment, and reached 35.36%, 35.90% and 36.10% for the 91, 182 and 364 Day bills respectively, at the end of the year. Bond yields also increased by an average of 25 percentage points in the period under review. This upward trend was supported by the rapid depreciation of the local currency, the government's limited access to the international market and talks of the restructuring of both domestic and external debt. These circumstances led to the government's dependence on the primary market to finance its activities, causing a significant rise in Treasury bill yields, further widening yields on the market.

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

Fund Performance

The IAEF closed the year 2022 with a YTD return of -6.98%, much lower than the previous year's return of 51.75%. The Fund however outperformed the Ghana Stock Exchange Composite Index (GSE-CI) which recorded a -12.38% YTD return by the close of the year with an alpha of 5.4%. The stock market's decline was due to massive sell-offs by offshore investors who remained wary of Ghana's debt sustainability concerns and the prospects for listed companies. The market also saw sell-offs by on-shore investors who sought to take advantage of the sharp rise in the yields of Treasury bill securities in the high inflationary environment. The Assets Under Management (AUM) of the Fund declined by 7.09% from GHS 215,929 in 2021 to GHS 200,611 in 2022. Redemptions were contained as investors in the Fund adopted a wait and see approach.

We are confident that the value of the GoG holdings of financial institutions (particularly the commercial banks) will recover following the completion of the DDEP, thus fears of a banking sector collapse which weighed on some stocks in the GSE Financial Stock Index during the year would be dispelled. Also, as investors seek to diversify away from the fixed-income market, the Ghana Stock Exchange may see some recovery in 2023.

Economic Outlook

The IMF forecasts global economic growth to decelerate from the 3.5% recorded in 2022 to 3.0% in 2023 and 2024. Emerging markets and developing economies show signs towards a steady rebound, but the slowdown in global growth is expected to be driven by advanced economies, particularly the euro area and the United Kingdom (UK) where inflation remains sticky. While global inflation shows a downward trend, core inflation in most economies are not near a decline. The uniform aggressive monetary policy tightening is directing inflation towards Central Banks' targets, supported by declining global crude oil prices. Although food inflation has seen some downward tilt, averting fears of hunger crises, there is still some upside risk should the Russia-Ukraine war persist.

Ghana's growth prospects for 2023 is projected to be sluggish, but with a potential upturn in 2024, in line with global markets. The BoG's CIEA performance in 2023 may continue to show the effect of low port activity, low cement sales, weakened imports, and reduced credit access for the private sector. The IMF's Extended Credit Facility (ECF) arrangement is expected to help restore macroeconomic stability and bring debt to sustainable levels in the medium term.

The revenue outlook is fairly positive, as the IMF program seeks to make domestic revenue mobilization a key focus to support fiscal consolidation. In addition to the recent implementation of some tax increments, revenue figures may see some improvement if the strengthening of VAT compliance, streamlining of large VAT exemptions, and the strengthening of compliance of e-commerce, to maximise revenue mobilization, are successfully implemented.

Headline inflation is projected to decline this year, influenced by zero budget financing by the Central Bank, the economy's response to the downturn in energy prices on the international market as well as the response of the market to the recent MPR hikes. However, the implementation of new tax measures enacted by parliament in March 2023, coupled with other government revenue measures are expected to exert upward pressure on prices.

There are indications of an uptick in benchmark interest rates as the government continues to rely heavily on the primary market to finance its activities. The uptick is also supported by comments by the Finance Ministry that the country will not be in a hurry to return to the bond market as it seeks a road map for a gradual resumption of activities in the bond market, despite the expected increase in borrowings. Completion of full debt restructuring may however lead to a decline in benchmark yields as fiscal space will be created and GoG financing mix may not include significant amounts of these short-term benchmark instruments.

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

Closing Remarks

Bearish sentiments in equities are far from exhausted as investors continue to favour short-term fixed income securities. However, as the market adjusts post the DDEP, the observed high interest rate environment will ease in the medium to long term and help boost recovery of the bourse. The IAEF is still positioned to provide competitive returns above its benchmark (alpha), and in the Fund Manager's address our approach towards achieving this will be highlighted.

Thank you once again, our Valued Shareholders, for keeping your relationship with the Fund. I assure you that the IAEF will continue to work with you towards achieving your long-term investment goals.

Thank you all.



.....
Matilda Asante-Asiedu
Chairperson

FUND MANAGER'S REPORT

Portfolio and Market Review

The stock market remained bearish during the year as investor appetite for fixed-income securities drove huge exits from the market. Interest rates and monetary policy hikes led to a dampened economic growth outlook. The bearish market was also affected by significant capital flight from both the stock and bond markets following multiple downgrades of Ghana's sovereign issuer ratings by Rating Agencies on debt sustainability concerns. Although the announcement of the DDEP stirred worries about the health of the financial sector, the impact on the GSE-FSI was fairly contained. The Ghana Stock Exchange Composite Index closed 2022 with a year-to-date (YTD) return of -12.38%.



The economic uncertainty generally hurt the stock market, however, investors' interest in seeking for a safe haven, led to a significant increase in the price of the NewGold ETF from the year-open price of GHS 108.9 per share to GHS 217.80 per share, representing a YTD return of 100.5% at the end of 2022. Additionally, Asante Gold Corporation (ASG) listed on the Ghana Stock Exchange in 2022, after demonstrating impressive growth on the Canadian Securities Exchange, boasting of a valuation exceeding US\$400 million.

The IAEF posted a YTD return of -6.98%, a sharp contrast to the previous year's YTD return of 51.75%. Despite the market's challenges, some equities in the portfolio outperformed the GSE-CI substantially. BOPP, EGL, SCB, and GOIL recorded YTD returns of 15.04%, 14.70%, -0.69% and -5.49% respectively. The Fund recorded a decline in Assets under Management (AUM), from GHS 215,929 in 2021 to GHS 200,611 in 2022, representing a decline of 7.09%.

The portfolio was made up of listed equities (87.78%) and Fixed Income (12.22%). The Fund's equity exposure was held in ICT (51.68%), Finance (32.23%), Insurance (7.97%), Distribution (5.16%) and Agriculture (2.69%). To ensure a healthy risk-return profile, the Investment Committee of the Fund Manager will continue to review the asset allocation mix and investment strategy, supported by a detailed analysis of the economic environment.

Outlook/Strategy

Given the prevailing uncertainty in the fixed income market, we anticipate a slow recovery of the stock market this year. Market recovery is expected as investors are positioned for a buyback following the significant sell-offs in Q4 2022. Despite the sluggish GDP growth outlook for 2023, there are expectations of an economic rebound to be supported by the conclusion of the IMF's \$3 billion Extended Credit Facility (ECF) program. Investor confidence is expected to gradually improve in 2023 and this should result in increased buying activity on the stock market during the year. While demand for Treasury bills remains high, investors are likely to maintain caution on the government's ability to fulfil its obligations.

The positive prospects of the equity market are also supported by an expected robust recovery in the banking sector. The Bank of Ghana's suspension of dividend payments by commercial banks, effective December 31, 2022 is therefore, likely to be rescinded. The GSE's partnership with the Minerals Income Investment Fund (MIIF) to augment the listing of mining companies may present attractive investment opportunities.

Expected global recession fears imply that some commodities have witnessed significant lows so far, and should improve modestly in 2023. Gold is expected to rise 11% in the second half of 2023, subject to a halt in US Fed hikes and possible cuts.

While we intend to maintain some exposure to the ICT, Finance, Insurance and Distribution sectors, the Fund's exposures may be reviewed downward. The Fund may take advantage of opportunities in the Agriculture and Food & Beverage sector (in manufacturing) as some identified stocks have shown

FUND MANAGER'S REPORT (CONT'D)

prospects of good performance, subject to market conditions.

Closing Remarks

There are signs of imminent economic recovery, albeit gradual. Coupled with the lessons gleaned from the DDEP and the fixed-income market, the potential shift toward the equities market is high. Current low price levels present an opportunity for competitive total returns on new investments into strategic sectors.

We will continue to engage you through webinars and also directly, on changes to our strategy or portfolio mix as and when we make them. It is our desire and expectation that you will support us through new investments to enable us take advantage of opportunities that provide the competitive total returns stated. We look forward to continuous engagement in 2023.

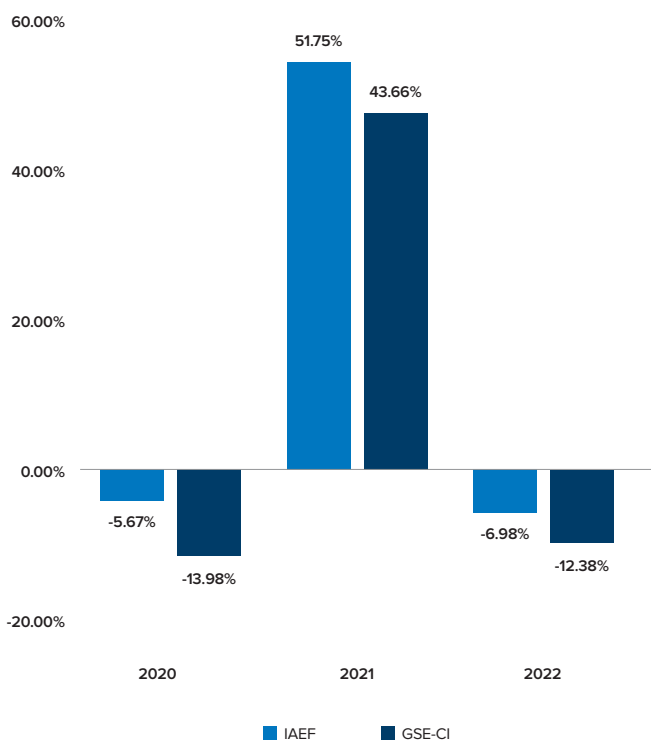
Leticia Opoku

Fund Manager

PERFORMANCE SUMMARY AS AT DECEMBER 2022

Year	Assets under Management (AUM)	YTD Return	Benchmark	Spread
2020	182,601	-5.67%	-13.98%	8.31%
2021	215,929	51.75%	43.66%	8.09%
2022	200,611	-6.98%	-12.38%	5.40%

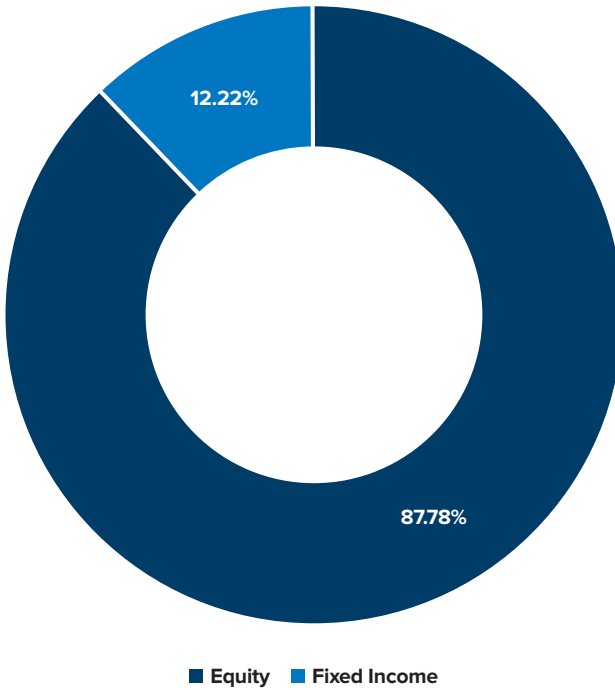
COMPARATIVE PERFORMANCE



PERFORMANCE SUMMARY AS AT DECEMBER 2022 (CONT'D)

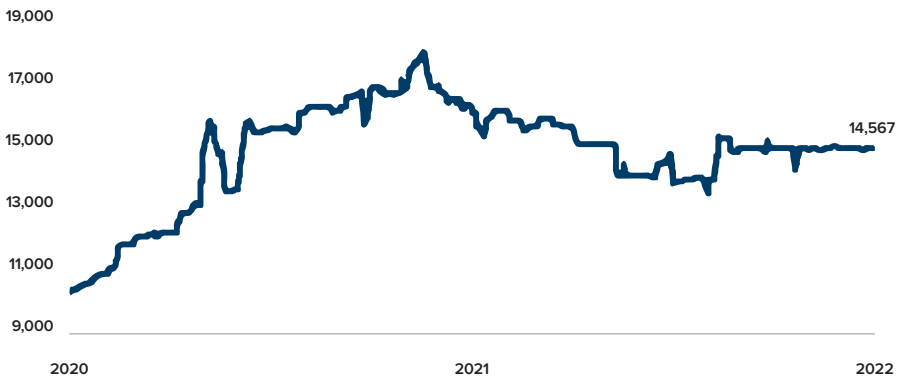
INVESTMENT ALLOCATION

The investment allocation of the Fund as at December 31, 2022:



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

GROWTH OF GHS 10,000 IN THE FUND SINCE INCEPTION



PERFORMANCE SUMMARY AS AT DECEMBER 2022 (CONT'D)

EQUITY ALLOCATIONS

51.82%



MTN GH

7.99%



Enterprise Group

6.70%



Ecobank
Ghana

6.35%



Standard
Chartered

3.36%



Société
General

3.09%



GOIL

2.70%



Benso
Oil Palm

2.09%



Total
Ghana

1.92%



GCB Bank

1.78%



Republic
Bank

REPORT OF THE BOARD OF 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 2022.

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 2022, 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:

	2022 GH¢	2021 GH¢
Equity Investments	186,896	219,465
Collective Investment Scheme	3,104	3,711
Cocoa bill	7,260	-
Government Bonds	15,629	-
Cash and cash equivalents	2,698	7,729
Total Investment	215,587	230,905

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¢ 11,800 exclusive of NHIL, GETFund, 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 on27th April..... and are signed on its behalf by:

Signature

Mark Kofi Amoako
Name of Director

Signature

Henry Sunkwa-Mills
Name of Director

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 2022, 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 22-30.

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 2022 and the Fund's financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) 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 2022. 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.
- 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.

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



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 2022 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.
- 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

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



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 Adjetey Lomofio (ICAG/P/1417)**



STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 2022


	MARKET VALUE GH¢	PERCENTAGE OF NET ASSETS %
Quoted Equities		
BOPP	5,911	2.95
EGH	14,243	7.10
EGL	17,005	8.48
GCB	4,090	2.04
GOIL	6,567	3.27
HFC	3,780	1.88
SCB	13,500	6.73
SOGEGH	7,140	3.56
TOTAL	4,440	2.21
MTNGH	110,220	54.94
	186,896	93.16
Collective Investment schemes		
IMMF	3,104	1.55
Government Bonds		
3 Year GoG Bond	15,629	7.79
Local Government and Statutory Agencies Securities		
182 Day Cocoa Bill	7,260	3.62
Cash and cash equivalent	2,698	1.35
Total Assets	215,587	107.47
Total Liability	(14,976)	(7.47)
Net Assets	200,611	100

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	2022 GH¢	2021 GH¢
Assets			
Cash and cash equivalents	9	2,698	7,729
Investment at FVTOCI	10	212,889	-
Investment at FVTPL	11	-	223,176
Total Assets		215,587	230,905
Liabilities			
Account payables	13	14,976	14,976
Total Net Asset		200,611	215,929
Represented By:			
Capital Account	12	162,525	162,541
Retained Earnings	16	55,439	53,388
Investment Revaluation Reserve	17	(17,353)	-
Total Equity		200,611	215,929

The notes on pages 22 to 30 form an integral part of these financial statements.

The Financial Statements of InvestCorp Active Equity Fund PLC were approved by the Board of Directors on27th April..... 2023 and signed on their behalf by:



Signature

Mark Kofi Amoako
Name of Director



Signature

Henry Sunkwa-Mills
Name of Director

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 GH¢	2021 GH¢
Investment Income			
Interest Income	8	2,426	1,430
Dividend Income	8	21,740	14,464
Total Revenue		24,166	15,894
Expenses			
General Expenses	14	(22,115)	(22,311)
Net investment income		2,051	(6,417)
Net Gain/(Loss) on Investments	15	-	88,167
Other Comprehensive Income			
Net Gain/(Loss) on Investments	17	(17,353)	-
Total other comprehensive Income		(17,353)	-
Total Comprehensive Income		(15,302)	81,750

ACCUMULATED NET INVESTMENT INCOME

	2022 GH¢	2021 GH¢
Balance at 1 January	53,388	(28,362)
Net Investment Income	2,051	81,750
Balance at 31 December	55,439	53,388

The notes on pages 22 to 30 form an integral part of these financial statements.

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

	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

	Capital Transactions GH¢	Investment Income GH¢	Valuation Reserve GH¢	Total GH¢
2021				
At 1 January	210,963	(28,362)	-	182,601
Net Investment Income	-	81,750	-	81,750
Share Issue	270,940	-	-	270,940
Share Redemption	(319,362)	-	-	(319,362)
At 31 December	162,541	53,388	-	215,929

The notes on pages 22 to 30 form an integral part of these financial statements.

STATEMENT OF MOVEMENTS IN NET ASSETS FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 GH¢	2021 GH¢
Changes in net assets from operations			
Comprehensive Income		(15,302)	81,750
Net change in net assets from operations		(15,302)	81,750
Change in net assets from capital transactions			
Proceeds from Issue of Shares	12	13,220	270,940
Share Redemption	12	(13,236)	(319,362)
Net change in net assets from capital transactions		(16)	(48,422)
Net additions to net assets		(15,318)	33,328
Analysis of changes in movements in net assets for the year			
At 1 January		215,929	182,601
Net additions to net assets		(15,318)	33,328
At 31 December		200,611	215,929

The notes on pages 22 to 30 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 GH¢	2021 GH¢
Cash Flows from Operating Activities			
Comprehensive Income		(15,302)	81,750
Adjustment for:			
Fair Value Gain/(Loss)	17	17,353	(88,167)
Change In:			
Account Payable	13	-	14,280
Net cash from operating activities		2,051	7,863
Cash Flows from Investing Activities			
Net movement in assets		(7,066)	38,183
Net cash used in investing activities		(7,066)	38,183
Cash Flow from Financing Activities			
Proceeds from issue of redeemable shares	12	13,220	270,940
Payments on redemption of redeemable shares	12	(13,236)	(319,362)
Net cash from financing activities		(16)	(48,422)
Net Increase/ (Decrease) in cash and cash equivalents		(5,031)	(2,376)
Cash and cash equivalents at 1 January		7,729	10,105
Cash and cash equivalents at 31 December	9	2,698	7,729

The notes on pages 22 to 30 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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) 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 2022 (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 2022 (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

Disclosure of Accounting Policies (Amendments to IAS 1, Presentation of Financial Statements, and IFRS Practice Statement 2, Making Materiality Judgments)

The amendment continues the IASB's clarifications on applying the concept of materiality. These amendments help companies provide useful accounting policy disclosures, and they include:

- requiring companies to disclose their material accounting policies instead of their significant accounting policies;
- clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and do not need to be disclosed; and
- clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material.

The IASB also amended IFRS Practice Statement 2 to include guidance and examples on applying materiality to accounting policy disclosures.

This is effective for periods beginning on or after 1 January 2023.

Definition of Accounting Estimates (Amendments to IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors)

This amendment clarifies how companies distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates. The distinction between the two is important because changes in accounting policies are applied retrospectively, whereas changes in accounting estimates are applied prospectively.

The amendments clarify that accounting estimates are monetary amounts in the financial statements subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a fund develops an accounting estimate to achieve the objective set out by an accounting policy.

This is effective for periods beginning on or after 1 January 2023.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONT'D)

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 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¢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

	2022 GH¢	2021 GH¢
Dividend Income	21,740	14,464
Interest Income:		
Money Market	-	1,430
Cocoa Bill	784	-
Government Bonds	1,642	-
	24,166	15,894

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONT'D)

9. CASH AND CASH EQUIVALENTS

	2022 GH¢	2021 GH¢
Absa Bank	2,160	6,830
Standard Chartered Bank	538	899
	2,698	7,729

10. FINANCIAL ASSETS AT FVTOCI

	2022 GH¢	2021 GH¢
Equity Investments	186,896	-
Collective Investment Scheme	3,104	-
Cocoa bill	7,260	-
Government Bonds	15,629	-
	212,889	-

11. FINANCIAL ASSETS AT FVTPL

	2022 GH¢	2021 GH¢
Investment at FVTPL		
Equity Investments	-	219,465
Collective Investment Scheme	-	3,711
	-	223,176

Per Directive Number SEC/DIR/002/10/2022 issued on 20 October 2022, the Securities and Exchange Commission (SEC) directed fund managers, custodians, and trustees to use fair value through other comprehensive income (FVTOCI) in valuing portfolios of collective investment schemes (Unit Trusts and Mutual Funds). As such, the Fund's assets which were previously valued at fair value through profit or loss (FVTPL) have been valued at FVTOCI in compliance with this directive.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONT'D)

12. CAPITAL ACCOUNT

	2022 No. of shares	2022 GH¢	2021 No. of shares	2021 GH¢
Balance at 1/1	132,277	162,541	158,318	210,963
Contributions	8,212	13,220	182,106	270,940
	140,489	175,761	340,424	481,903
Redemption	(8,243)	(13,236)	(208,147)	(319,362)
Balance at 31/12	132,246	162,525	132,277	162,541

13. ACCOUNTS PAYABLE

	2022 GH¢	2021 GH¢
Accrued Expenses	592	665
Audit Fees	14,384	14,311
	14,976	14,976

14. GENERAL EXPENSES

	2022 GH¢	2021 GH¢
Management fees	5,524	5,670
Administration fees	2,207	2,330
Audit fees	11,800	12,000
VAT on audit fees	2,584	2,311
	22,115	22,311

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONT'D)

15. NET GAIN/(LOSS) ON INVESTMENTS

	2022 GH¢	2021 GH¢
Unrealized Gains/(loss)	-	88,167
	-	88,167

16. RETAINED EARNINGS

	2022 GH¢	2021 GH¢
Balance at 1 January	53,388	(28,362)
Net Investment Income	2,051	(6,417)
Unrealized Gain/(loss)	-	88,167
Balance at 31 December	55,439	53,388

17. INVESTMENT REVALUATION RESERVE

	2022 GH¢	2021 GH¢
Balance at 1 January	-	-
Unrealized Gain/(Loss)	(17,353)	-
Balanced at 31 December	(17,353)	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONT'D)

18. 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.

19. TRANSACTIONS THROUGH STOCK BROKERS

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

20. 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 2022

Financial Liabilities	3 Months or less (GH¢)
Administrative Expenses Payable	14,976
Total	14,976

(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 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONT'D)

(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.

21. EVENTS AFTER THE REPORTING PERIOD

The Government of Ghana launched Ghana's Domestic Debt Exchange Programme (DDEP) on 5 December 2022 with an invitation for the voluntary exchange of domestic notes and bonds of the Republic, including E.S.L.A and Daakye bonds for a package of new bonds to be issued by the Republic. The Fund has bonds with a face value of GHS16,302, which have been exchanged under the Domestic Debt Exchange Program (DDEP).

CORPORATE INFORMATION

BOARD OF DIRECTORS

Matilda Asante-Asiedu (Chairperson)
Adelaide Benneh Prempeh (Director)
Mark Kofi Amoako (Director)
Henry Sunkwa-Mills (Director)
Kwabena Ofori Apeageyi (Director)

FUND MANAGER

InvestCorp Asset Management Ltd.
No.15, Wawa Drive
North Dzorwulu
Accra

REGISTERED OFFICE

No.15, Wawa Drive
North Dzorwulu
Accra

CUSTODIAN

Standard Chartered Bank Ghana Ltd.
Head Office
87 Independence Avenue
Accra

COMPANY SECRETARY

JLD & MB Legal Consultancy
No. 18 Quartey Papafio Avenue
Airport Residential Area
P.O. Box 410
Accra

AUDITOR

John Kay & Co.
7th Floor Trust Towers
Farrar Avenue Adabraka
P.O Box KIA 16088
Airport, Accra

BANKERS

Absa Bank Ghana Ltd.
Independence Avenue
Accra

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



 standard
 chartered

July 06, 2023

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, 2022

Standard Chartered Bank Ghana PLC confirms the investment holding for InvestCorp Active Equity Fund as of December 31, 2022 as follows:

<i>COLLECTIVE INVESTMENT SCHEME</i>				
Security Name	Nominal	Mkt Price	Valuation	
InvestCorp Money Market Fund	743.41	GHS 4.1752	3,103.89	
Classification Total	743.41		3,103.89	
<i>COCOA BILL</i>				
Security Name	Nominal	Mkt Price	Valuation	
CMB-BL-07/02/23-A5984-6157-0	7,491.00	0	7,289.53	
Classification Total	7,491.00		7,289.53	
<i>EQUITIES</i>				
Security Code	Security Name	Nominal	Mkt Price	Valuation
TOTAL	Total Petroleum Ghana Limited	1,110.00	GHS 4.00	4,440.00
SOGEGH	Societe Generale Ghana Limited	7,140.00	GHS 1.00	7,140.00
MTNGH	MTN Ghana	125,250.00	GHS 0.88	110,220.00
SCB	Standard Chartered Bank Ghana Ltd	670	GHS 20.16	13,507.20
EGH	Ecobank Ghana Limited	2,145.00	GHS 6.64	14,242.80
EGL	Enterprise Group Limited	5,314.00	GHS 3.20	17,004.80
BOPP	Benso Oil Palm Plantation Limited	750	GHS 7.65	5,737.50
HFC	Republic Bank (Ghana) Ltd	7,000.00	GHS 0.54	3,780.00
GCB	GCB Bank Limited	1,038.00	GHS 3.94	4,089.72
GOIL	Ghana Oil Company Limited	3,818.00	GHS 1.72	6,566.96
Classification Total		154,235.00		186,728.98
<i>GOVERNMENT BOND</i>				
Security Name	Nominal	Mkt Price	Valuation	
GOG-BD-17/04/23-A5300-1690-19.00	16,302.00	0	16,153.22	
Classification Total	16,302.00		16,153.22	
<i>SUMMARY</i>				
Description	Market Value		PCT of Total	
EQUITIES	186,728.98		87.33	
GOVERNMENT BOND	16,153.22		7.55	
COCOA BILL	7,289.53		3.41	

Standard Chartered Bank Ghana PLC

Head Office,
 87 Independence Avenue,
 P O Box 768, Accra – Ghana
 SC.com/gh

Tel 0302 610750 / 0302 633366

Ebenezer Twum Asante (Chairman) · Mansa Netley (Managing Director) · Sheikh Jobe · Prof. Akua Kuenyehia · Kwabena Nifa Aning · George Akello · Albert Asante

CUSTODIAN'S REPORT

INTERNAL



standard chartered

COLLECTIVE INVESTMENT SCHEME	3,103.89	1.45
CASH BALANCE	537.57	0.25
GRAND TOTAL (GHS)	213,813.19	100.00

Yours faithfully



Beverly Frimpong
 Head, Financing and Securities Services, Ghana

Standard Chartered Bank Ghana PLC
 Head Office,
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 P O Box 768, Accra – Ghana
 SC.com/gh

Tel 0302 610750 / 0302 633366

Ebenezer Twum Asante (Chairman) · Mansa Nettey (Managing Director) · Sheikh Jobe · Prof. Akua Kuenyehia · Kwabena Nifa Aning · George Akello · Albert Asante

**PROXY FORM
INVESTCORP ACTIVE EQUITY FUND PLC**

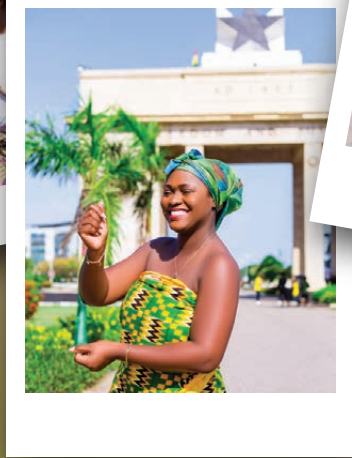
I/We.....of.....
being a member/members of InvestCorp Active
 Equity Fund PLC hereby appoint or,
 failing him/her, the duly appointed Chairman of the meeting, as my/our proxy to vote for me/us on my/
 our behalf at the 3rd Annual General Meeting of the Company to be held **virtually and streamed live via
 Zoom on Thursday, 24th August, 2023 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 31 December, 2022 together with the reports of the Directors and external Auditors thereon		
2. To authorize the Directors to fix the remuneration of the Auditors		
3. To approve Directors' remuneration		

Signed this.....day.....2023

Shareholder's Signature



**May we strive to achieve
personal financial freedom**



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Corporate Social Responsibility (CSR)

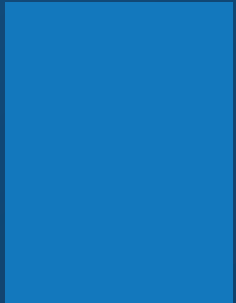
As part of our Corporate Social Responsibility, InvestCorp partnered "The Literacy Challenge 2022" a nationwide contest for students in Junior High Schools (JHS), to support inclusive education in Ghana



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Images from last year's AGM





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Dial *789*710#

15 Wawa Drive, North Dzorwulu, Accra
+233 (0) 302 50 90 45 | +233 (0) 303 93 75 84
info@investcorpgh.com | www.investcorpgh.com

@investcorpgh +233 (0) 501 55 68 70

Connect with us
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