



*InvestCorp Treasury Securities
Fund PLC.*

**ANNUAL
REPORT
2023**



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NOTICE OF 4TH ANNUAL GENERAL MEETING OF INVESTCORP TREASURY SECURITIES FUND PLC

NOTICE IS HEREBY GIVEN THAT the 4th Annual General Meeting of InvestCorp Treasury Securities Fund PLC (the “Company”) will be held **VIRTUALLY and streamed live via Zoom on 29th August, 2024 at 11:00 am**, 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 11:00 am 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 Board Members and 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 10:45 am and the AGM will officially begin at 11:00am 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

CHAIRMAN'S STATEMENT TO SHAREHOLDERS OF THE INVESTCORP TREASURY SECURITIES FUND PLC

INTRODUCTION

Dear Valued Shareholders,

It is my pleasure to warmly welcome you all, on behalf of the Board of Directors, to the fourth (4th) Annual General Meeting (AGM) of the InvestCorp Treasury Securities Fund PLC (ITSF), for the year ended December 31, 2023.

Since its inception, the ITSF has remained the preferred mutual fund for pension schemes, institutional investors as well as retirees and other conservative individual investors. However, the Fund, witnessed one of its toughest years during the period under review. We resolved to diligently manage your funds and to fulfil our fiduciary duty to you, and with our collective efforts, the Fund continues to deliver the value it should. I would like to extend my profound appreciation to you all for your patience through times like these and I am especially pleased to welcome our new shareholders to our community.



Before I review the performance of the ITSF, I will provide an overview of the global economic landscape, followed by an analysis of the Ghanaian economy's performance over the past year and conclude with our economic 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

CHAIRMAN'S STATEMENT TO SHAREHOLDERS OF THE INVESTCORP TREASURY SECURITIES FUND PLC (CONT'D)

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 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.

Fund Performance in 2023

At the end of 2023, Assets under Management (AUM) stood at GHS 29,780,644, compared to GHS 28,980,709 in 2022. The marginal increase in AUM was primarily due to the improvement in bond prices, leading to market-to-market gains at the close of the year. The Year-to-Date (YTD) return of the Fund improved significantly to 21.85% from the previous year's negative return of 20.28%.

CHAIRMAN'S STATEMENT TO SHAREHOLDERS OF THE INVESTCORP TREASURY SECURITIES FUND PLC (CONT'D)

The Fund suffered high redemptions as it lost value on mark-to-market basis due to sharp bond price declines and overall wide swings in volatility. It is however positioned to gradually reduce its exposure to the new Government of Ghana (GoG) bonds to allow more room for manoeuvre with an active investment approach. The ITSF will also take advantage of high yields on short-term fixed income instruments and repurchase agreements (repos) to improve portfolio returns while strategically managing liquidity positions to meet redemption requests. We are confident that by continuing an active fund management strategy, the value to investors will exceed that which was recorded in 2023.

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.

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.

CHAIRMAN'S STATEMENT TO SHAREHOLDERS OF THE INVESTCORP TREASURY SECURITIES FUND PLC (CONT'D)

Closing Remarks

We will remain cautious while we invest strategically to generate positive returns on your investments. The Fund has demonstrated consistency in providing highly competitive growth but 2023 put this consistency to the test. Despite the liquidity squeeze, the Fund was able to meet the pressing liquidity needs of clients and still produce strong return.

We have not lost sight of your investment objectives and your reasons for partnering the ITSF. Our resolve to help you meet your investment goals has not changed. Thank you once again for your confidence in the ITSF to help you achieve these goals. I would like to thank the members of Board and the Fund Manager for its dedication to delivering value to shareholders, despite the challenging environment. Let us look forward to improved growth and Fund performance in 2024.



Anthony Ebow Spio
Chairman

FUND MANAGER'S REPORT

Portfolio & Market Review

The Domestic Debt Exchange Programme (DDEP) continued to exert significant influence over the market in 2023. Originally slated for completion in December 2022, the programme was temporarily halted to allow for extended negotiations with stakeholders. It ultimately concluded in 2023, with participation from Collective Investment Schemes (CIS), banks, insurance companies, and other financial institutions in February, followed by pension schemes finalizing their exchange in August 2023.

As highlighted in the 2022 annual report, the DDEP helped partially restore shareholder investment values. This led to a substantial recovery for the InvestCorp Treasury Securities Fund (ITSF), which rebounded from a negative return of 29.28% in 2022 to achieve a full-year return of 21.85% in 2023.

However, the newly issued treasury bonds encountered considerable challenges. The volatility in end-of-day Ghana Fixed Income Market (GFIM) prices introduced significant instability in shareholder investment values and the overall Assets under Management (AUM). Consequently, AUM experienced only marginal growth, increasing from GHS 28,980,709 in 2022 to GHS 29,780,644 in 2023.

Following the DDEP, the portfolio was exclusively composed of treasury bonds with tenors of 4.5 and 5.5 years, offering a 10% coupon rate. The reclassification of ESLA and Daakye bonds as treasury bonds further complicated the asset allocation, as these new bonds witnessed limited trading activity. This lack of market liquidity and price discovery hindered the fund manager's ability to effectively rebalance and realign the portfolio. Despite these obstacles, the Fund secured repurchase agreements (repos) and sell/buy-backs to ensure sufficient liquidity to meet client redemption demands.

Outlook / Strategy

The global economy is expected to maintain stable growth, with the IMF's January 2024 World Economic Outlook (WEO) report projecting a 3.1% increase in global GDP for 2024 and 3.2% for 2025. This outlook is underpinned by resilient economic performance in the United States, China, and several Emerging Markets and Developing Economies (EMDEs). Key factors contributing to this growth include declining inflation rates, lower interest rates, and the implementation of regulations governing the use of artificial intelligence to enhance productivity.

Central banks are expected to pause rate hikes in the first half of 2024, with potential rate cuts unlikely until the latter half of the year. Consequently, interest rates are anticipated to remain elevated throughout 2024 until there is more definitive evidence of inflation converging towards the targets set by central banks. The continuation of global disinflation is forecasted for 2024, approaching central banks' targets by 2025. This trend is bolstered by the aggressive monetary policy measures undertaken by various policymakers to combat inflation, which are expected to support the ongoing disinflationary process.

The International Monetary Fund (IMF) projects a 2.7% economic growth for Ghana in 2024, largely driven by a pause in the tightening of monetary policy. This moderation in policy is anticipated to further reduce inflation, provided that monetary measures remain restrictive and continue to mitigate price pressures. However, the Ghanaian cedi may experience depreciation pressures in the first quarter of 2024 due to increased demand, particularly for profit repatriation.

Additionally, external debt servicing obligations could exert further pressure if debt restructuring concludes without an extension or moratorium on payments. Election-related uncertainties may also trigger capital outflows as offshore investors potentially reduce their exposure. Nonetheless, an improvement in Ghana's Gross International Reserves is expected, supported by inflows from the IMF's Extended Credit Facility (ECF) and Development Policy Financing from the World Bank, which should help alleviate the projected pressures on the local currency.

FUND MANAGER'S REPORT (CONT'D)

We anticipate that Treasury bills will dominate the Fixed Income market, given their status as the government's primary funding instrument. We expect heightened interest from local investors in these money market instruments due to the limited availability of viable alternatives. In 2023, newly issued bonds saw minimal activity, characterized by low liquidity and high price volatility, which adversely affected investment values. While a realignment of the yield curve was anticipated in 2023, driven by anticipated declines in Treasury bill rates, this process has progressed more slowly than expected. Looking ahead, we forecast a further decline in Treasury bill rates in 2024, supported by the disinflationary outlook, which should help stimulate the bond market.

To optimize short-term yield and manage liquidity, we will employ repurchase agreements (repos). Additionally, we will strategically divest from bond positions when market conditions become favourable.

To mitigate the volatility shareholders experience due to GFIM price fluctuations, the Fund's Board, in collaboration with the Fund manager, has decided to create a new sub-class within the Fund. This new sub-class (Series B which will invest in both local and foreign currency denominated treasury securities) will be used for new investment inflows, allowing for better liquidity and returns while insulating the Fund from price swings. This is however subject to approval by the Securities and Exchange Commission (SEC).

Fund Manager

PERFORMANCE SUMMARY AS AT DECEMBER 2023

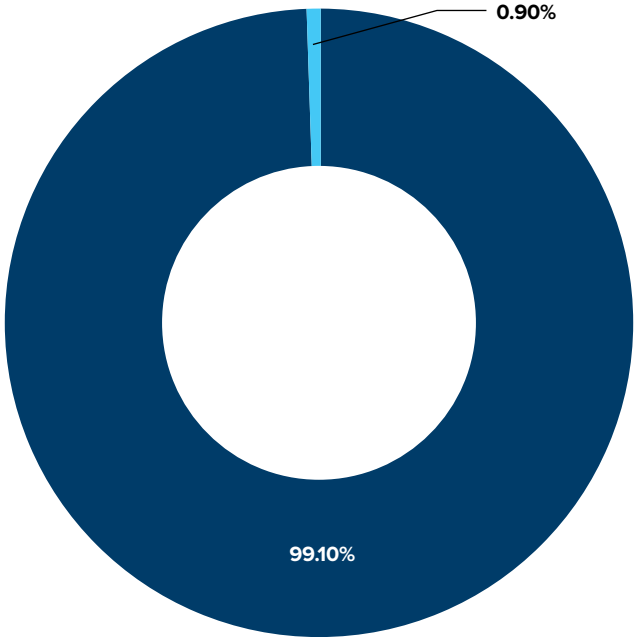
Year	Assets Under Management (AUM)	Annualized Yield
2020	14,499,150	19.81%
2021	62,490,383	18.42%
2022	28,980,709*	-29.28%*
2023	29,780,644	21.85%

*The sudden fall in the AUM and performance of the Fund is due to the change in valuation methodology from Amortization (HTM) to Mark-to-Market (MTM) methodology as prescribed by the SEC.

Fund Information

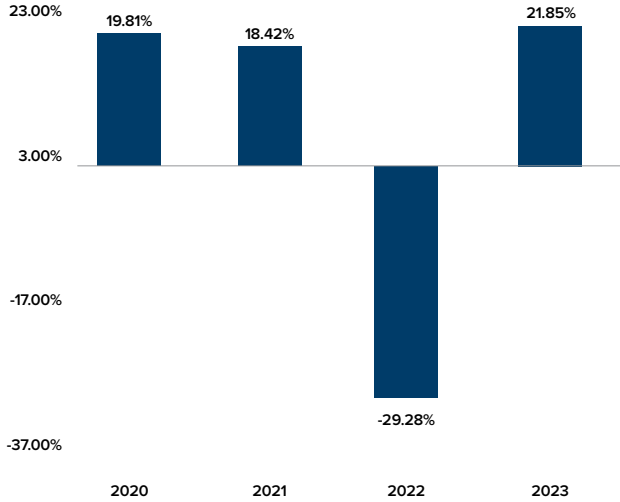
Weighted Average Maturity (Yrs.)	4.02
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INVESTMENT ALLOCATION



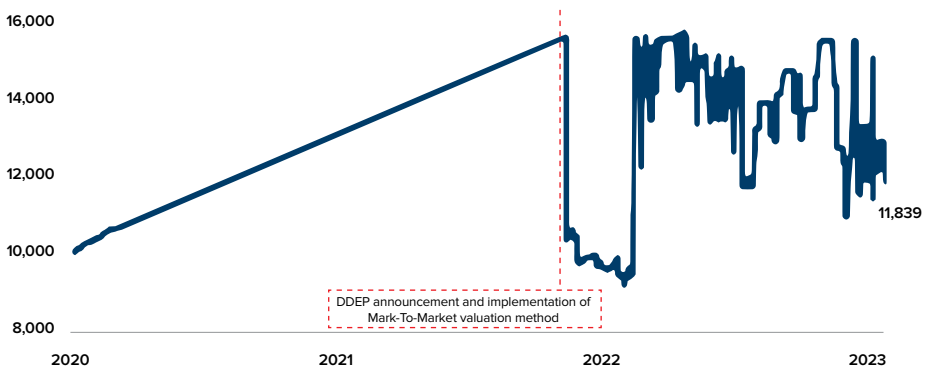
PERFORMANCE SUMMARY AS AT DECEMBER 2023 (CONT'D)

FUND PERFORMANCE (%)



The sudden fall in the AUM and performance of the Fund is due to the change in valuation methodology from Amortization (HTM) to Mark-to-Market (MTM) methodology as prescribed by the SEC.

GROWTH OF GHS 10,000 IN THE FUND SINCE INCEPTION



The sudden fall in the value of the Fund is due to the change in valuation methodology from Amortization (HTM) to Mark-to-market (MTM) methodology as prescribed by the SEC and DDEP.

REPORT OF THE BOARD OF DIRECTORS TO THE MEMBERS OF INVESTCORP TREASURY SECURITIES FUND PLC

The Directors present their report and the 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 Treasury Securities 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

The Fund is registered to carry on the business of mobilising funds for investment in government bills and bonds, or treasury-backed securities. The fund is designed for conservative investors, organisations and high net worth individuals who want to invest in risk-free assets with competitive returns. There was no change in the nature of business of the Fund during the year.

DIVIDEND DISTRIBUTION POLICY

The fund does not distribute dividend. 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.

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

	2023 GH¢	2022 GH¢
Government notes and bonds	29,524,811	19,768,988
Local government securities	-	6,390,939
Corporate bonds	-	1,240,254
Cash and cash equivalents	304,417	1,699,945
Total Investment	29,829,228	29,100,126

REPORT OF THE BOARD OF DIRECTORS TO THE MEMBERS OF INVESTCORP TREASURY SECURITIES FUND PLC (CONT'D)

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 gain in-depth knowledge about the Fund's business, the risks and challenges faced and the economic knowledge, 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 auditors of the fund, John Kay & Co. agreed with the directors and charged a fee of GH¢ 32,500 exclusive of NHIL, GET Fund, COVID 19 Levy and VAT.

APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements of InvestCorp Treasury Securities Fund PLC as identified in the first paragraph, were approved by the Board of Directors on 30th May, 2024 and signed on their behalf by:


.....
Signature

Name: Anthony Ebow Spio


.....
Signature

Name: Henry Sunkwa-Mills

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVESTCORP TREASURY SECURITIES FUND PLC

Opinion

We have audited the accompanying financial statements of InvestCorp Treasury Securities 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 21-29.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of InvestCorp Treasury Securities 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) 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 judgement, 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 assets of the fund are invested in government securities and government-backed securities as well as local government securities. In many respects, the custody of these investments is by third-party entities specifically authorized or nominated for such holding purposes. Based on the business model of the fund, these investments can either be valued at amortized cost or at fair value and the returns on these investments depend on the face value/cost, interest rates, and the tenor.

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 THE MEMBERS OF INVESTCORP TREASURY SECURITIES FUND PLC (CONT'D)



2. Income Recognition

The investment asset of the fund yields interest income based on the rates of interest, face value/cost, and the tenor related to each investment type of asset. Interest income is recognized in the financial statements on an accrual basis on the basis that it is probable that economic benefits associated with the assets will flow to the fund.

How the matter was addressed in our audit

- We reviewed the design and implementation of controls over the fund's income recognition.
- 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 are not recognized as interest income for the current year.
- We evaluated the adequacy of disclosures of interest income recognized in the fund's income and distribution 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) with the IAS 29 directive issued by the Institute of Chartered Accountants Ghana (ICAG) 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 judgement 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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVESTCORP TREASURY SECURITIES FUND PLC (CONT'D)



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 achieves 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)**


 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

	2023 MARKET VALUE GH¢	2023 PERCENTAGE OF NET ASSETS%	2022 MARKET VALUE GH¢	2022 PERCENTAGE OF NET ASSETS%
Government Bonds				
2 Year GoG Bond	-	-	374,230	1.29
3 Year GoG Bond	-	-	756,591	2.61
4.5 Year GoG Bond	16,976,704	57.00	-	-
5 Year GoG Bond	-	-	6,694,401	23.10
5.5 Year GoG Bond	12,548,107	42.14	-	-
6 Year GoG Bond	-	-	2,046,523	7.06
7 Year GoG Bond	-	-	1,927,527	6.65
10 Year GoG Bond	-	-	3,960,490	13.67
15 Year GoG Bond	-	-	4,009,226	13.83
	29,524,811	99.14	19,768,988	68.21
Corporate Bonds				
10 Year Daakye Bond	-	-	1,240,254	4.28
Local Gov. & Statutory Agencies Securities				
12 Year ESLA Bond	-	-	6,390,939	22.05
Cash and Bank				
Cash and Cash Equivalent	304,417	1.02	1,699,945	5.87
Total Assets	29,829,228	100.16	29,100,126	100.41
Total Liability	(48,584)	(0.16)	(42,003)	(0.14)
ECL Allowance	-	-	(77,414)	(0.27)
Net Assets	29,780,644	100.00	28,980,709	100.00

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

		2023 GH¢	2022 GH¢
	Note		
Assets			
Financial assets at FVTOCI	8	29,524,811	27,322,767
Cash and cash equivalents	9	304,417	1,699,945
Total Assets		29,829,228	29,022,712
Liabilities			
Accounts payable	10	48,584	42,003
Total Net Assets		48,584	42,003
Net Assets		29,780,644	28,980,709
Equity			
Capital Account	11	26,090,879	32,874,741
Retained Earnings	12	16,936,538	13,724,683
Investment Valuation Reserve	17	(13,246,773)	(17,618,715)
Total Equity		29,780,644	28,980,709

Approval of the financial statements

The notes on pages 21 to 29 form an integral part of these financial statements.

The financial statements of InvestCorp Treasury Securities Fund PLC were approved by the Board of Directors on 30th May, 2024 and signed on their behalf by:



Signature

Name: Anthony Ebow Spio



Signature

Name: Henry Sunkwa-Mills

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

		2023 GH¢	2022 GH¢
	Note		
Investment income			
Interest income	13	3,750,966	8,319,744
Total Revenue		3,750,966	8,319,744
Expenses			
Administrative expenses	15	616,525	882,714
Expected credit loss allowance	16	(77,414)	(23,527)
Total expenses		539,111	859,187
Net Investment Income		3,211,855	7,460,557
Other comprehensive Income			
Net gain/(loss) on investments	14	(13,246,773)	(17,618,715)
Total other Comprehensive Income		(13,246,773)	(17,618,715)
Total Comprehensive Income		(10,034,918)	(10,158,158)

ACCUMULATED NET INVESTMENT INCOME

	2023 GH¢	2022 GH¢
Balance at 1 January	13,724,683	6,264,126
Net Investment Income	3,211,855	7,460,557
Balance at 31 December	16,936,538	13,724,683

The notes on pages 21 to 29 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	32,874,741	13,724,683	(17,618,715)	28,980,709
Net Investment Income	-	3,211,855	-	3,211,855
Reversal of Valuation Loss	-	-	17,618,715	17,618,715
Other Comprehensive Income	-	-	(13,246,773)	(13,246,773)
Share Issue	1,834,858	-	-	1,834,858
Share Redemption	(8,618,720)	-	-	(8,618,720)
At 31 December	26,090,879	16,936,538	(13,246,773)	29,780,644

	Capital Transactions GH¢	Investment Income GH¢	Valuation Reserve GH¢	Total GH¢
2022				
At 1 January	56,226,257	6,264,126	-	62,490,383
Net Investment Income	-	7,460,557	-	7,460,557
Other Comprehensive Income	-	-	(17,618,715)	(17,618,715)
Share Issue	21,531,732	-	-	21,531,732
Share Redemption	(44,883,248)	-	-	(44,883,248)
At 31 December	32,874,741	13,724,683	(17,618,715)	28,980,709

The notes on pages 21 to 29 form an integral part of these financial statements.

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

		2023 GH¢	2022 GH¢
	Note		
Net Income from operations			
Increase in net assets		3,211,855	7,460,557
Net Gain/(loss) on investment	17	(13,246,773)	(17,618,715)
Reversal of Valuation Loss	17	17,618,715	
		7,583,797	(10,158,158)
Change in net assets from capital transactions			
Proceeds from Issue of Shares	11	1,834,858	21,531,732
Share Redemption	11	(8,618,720)	(44,883,248)
Net change in net assets from capital transactions		(6,783,862)	(23,351,516)
Net additions to net assets		799,935	(33,509,674)
Analysis of changes in movements in net assets For the year			
At 1 January		28,980,709	62,490,383
Net additions to net assets		799,935	(33,509,674)
At 31 December		29,780,644	28,980,709

The notes on pages 21 to 29 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			
Profit for the year		(10,034,918)	(10,158,158)
Adjustment for:			
Interest income accrued		(1,487,498)	(2,025,002)
Net Gain/(loss) on investment		13,246,773	17,618,715
Reversal of valuation loss		17,618,715	-
Expected credit loss allowance	16	(77,414)	(23,527)
		19,265,658	5,412,028
Change in			
Accounts Payable	10	6,581	(25,263)
Net cash flow from operating activities		19,272,239	5,386,765
Cash Flows from Investing Activities			
Purchase of financial assets		(46,757,814)	(10,307,601)
Proceeds from financial assets maturity & disposals		32,873,909	29,765,114
Net cash flow from investing activities		(13,883,905)	19,457,513
Cash Flows from Financing Activities			
Proceeds from issuance of shares	12	1,834,858	21,531,732
Amount paid on redemption of shares	12	(8,618,720)	(44,883,248)
Net cash flow from financing activities		(6,783,862)	(23,351,516)
Net increase/(decrease) in cash and cash equivalents		(1,395,528)	1,492,762
At 1 January		1,699,945	207,183
At 31 December		304,417	1,699,945

The notes on pages 21 to 29 form an integral part of these financial statements.

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

1. REPORTING ENTITY

InvestCorp Treasury Securities Fund PLC is a public limited liability company incorporated and domiciled in Ghana. The principal activity of the Fund is to create a pool of funds and invest these funds in a range of securities.

The Fund is registered to carry on the business of mobilising funds for investment in government bills and bonds, or treasury-backed securities. The fund is designed for conservative investors, organisations and high net worth individuals who want to invest in risk-free assets with competitive returns.

The investment activities of the Fund are managed and administered by InvestCorp Asset Management Limited (IAML), the Fund Manager with Standard Chartered Bank Ghana Limited as the Custodian of the Fund.

2. BASIS OF ACCOUNTING

(a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) with the IAS 29 directive issued by the Institute of Chartered Accountants Ghana (ICAG). Additional information required under the Companies Act, 2019 (Act 179), the Securities and Exchange Commission Regulations, 2003 (LI 1728), the Securities Industry Act 2016 (Act 929) and the Unit Trust and Mutual Fund Regulations, 2001 (L.I. 1695), have been included, where appropriate.

(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 judgement

In preparing these financial statements, the Mutual fund's management has made judgements, 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

(a) Investment income recognition

(i) Interest Income

Interest income on financial assets at fair value through other comprehensive income (FVTOCI) and amortised cost, 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.

(ii) 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

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

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 recognises 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 recognise 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.

(c) Cash and Cash equivalents

Cash and cash equivalents comprise deposits with banks and highly liquid financial assets with 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.

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

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 JUDGEMENTS 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 judgements, 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 recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

7. RELATED PARTIES AND KEY CONTRACTORS

a. Fund Managers

The Directors of the fund appointed InvestCorp Asset Management Limited, an investment management company, incorporated in Ghana, to implement the investment strategy as specified in its prospectus. Under the investment management agreement, the Investment Manager receives a management fee at an annual rate of 1% of the net asset value attributable to holders of redeemable share as defined in the prospectus. The investment management fees incurred during the year amounted to GH¢ 368,948 (2022: GH¢ 441,357)

b. Fund Custodians

The Directors of the fund appointed Standard Chartered Bank Ghana PLC, a limited liability company incorporated in Ghana and duly licensed by 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 payables within 30 days of the date of the custodian's invoice.

8. FINANCIAL ASSET AT FVTOCI

	2023 GH¢	2022 GH¢
Government notes and bonds	29,524,811	19,768,988
Local government securities	-	6,390,939
Government-backed bonds	-	1,240,254
Expected credit loss allowance at 31 December	-	(77,414)
	29,524,811	27,322,767

9. CASH AND CASH EQUIVALENTS

	2023 GH¢	2022 GH¢
Absa Bank	23,672	1,131,807
Standard Chartered Bank	280,745	568,138
	304,417	1,699,945

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

10. ACCOUNTS PAYABLE

	2023 GH¢	2022 GH¢
Administrative expenses accrual	48,584	42,003
	48,584	42,003

11. CAPITAL ACCOUNT

	2023 No. of shares	2023 GH¢	2022 No. of shares	2022 GH¢
Balance at 1/1	29,402,386	32,874,741	45,489,229	56,226,257
Contributions	1,346,368	1,834,858	14,777,425	21,531,732
	30,748,754	34,709,599	60,266,654	77,757,989
Redemption	(391,007)	(8,618,720)	(30,864,268)	(44,883,248)
Balance at 31/12	30,357,747	26,090,879	29,402,386	32,874,741

12. RETAINED EARNINGS

	2023 GH¢	2022 GH¢
Balance at 1 January	13,724,683	6,264,126
Net income for the year	3,211,855	7,460,557
Balance at 31 December	16,936,538	13,724,683

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

13. INTEREST INCOME

	2023 GH¢	2022 GH¢
Corporate Bonds	-	245,025
Local government bonds	-	1,228,354
Gov. of Ghana bonds	3,743,202	6,846,365
Interest on Call	7,764	-
	3,750,966	8,319,744

14. NET GAIN/ (LOSS) ON INVESTMENTS

	2023 GH¢	2022 GH¢
Unrealised loss Govt bonds	(13,246,773)	(17,618,715)
	(13,246,773)	(17,618,715)

15. ADMINISTRATIVE EXPENSES

	2023 GH¢	2022 GH¢
Management fees	368,948	441,357
Administration fee	247,577	441,357
	616,525	882,714

16. EXPECTED CREDIT LOSS ALLOWANCE

	2023 GH¢	2022 GH¢
Opening balance	77,414	100,941
Allowance for the year	(77,414)	(23,527)
Closing balance	-	77,414

The expected credit loss allowance for the period reflects a reversal of provisions related to ESLA Bonds, which were exchanged under the Domestic Debt Exchange Programme (DDEP).

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

17. INVESTMENT VALUATION RESERVE

	2023 GH¢	2022 GH¢
Bal 1/1	(17,618,715)	-
Reversal of valuation loss	17,618,715	
Net Gain/(Loss) during the year	(13,246,773)	(17,618,715)
Bal 31/12	(13,246,773)	(17,618,715)

18. FINANCIAL RISK MANAGEMENT

(a) 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.

(b) Liquidity risk

Liquidity risk is the risk that the fund either 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 will maintain adequate liquidity in the form of cash and very liquid instruments to meet its liabilities when due.

The following are contractual maturities of financial assets

31 December 2023

Financial Assets	3 Months or less (GH¢)	4-6 Months (GH¢)	7 Months or more (GH¢)
Government notes and bonds	-	-	29,524,811
Local Government Securities	-	-	-
Corporate bonds	-	-	-
Cash and cash equivalents	304,417	-	-
Total	304,417	-	29,524,811

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

The following are contractual maturities of financial Liabilities

31 December 2023

Financial Liabilities	3 Months or less (GH¢)
Accounts Payable	48,584
Total	48,584

(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 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 optimising the return. This systematic risk cannot be mitigated through diversification.

(e) 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. The fund uses duration targeting as a means of mitigating the effects of the risk. The target duration is regularly reviewed by the board of directors.

(f) 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 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.

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

19. EVENTS AFTER THE REPORTING PERIOD

Events subsequent to the balance sheet date are reflected in the financial statements only to the extent that they relate to the year under consideration and the effect is material. As at the end of the reporting period, there were no events after the reporting period that relate to the year under consideration.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Anthony Ebow Spio (Chairman)
 Henry Sunkwa-Mills (Director)
 Kwabena Apeageyi (Director)
 Mark Kofi Amoako (Director)
 Waltrude Adzoavi Aboagye (Director)

REGISTERED OFFICE

Hno. 15 Wawa Drive
 North Dzorwulu
 P. O. Box GP 22493
 Accra, Ghana
 Tel: (+233) 0302 50 90 45

SECRETARY

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

INVESTMENT MANAGER

InvestCorp Asset Management Limited
 Hno. 15 Wawa Drive
 North Dzorwulu
 P. O. Box GP 22493
 Accra, Ghana

CUSTODIAN

Standard Chartered Bank (Ghana) PLC
 87 Independence Avenue,
 Accra
 P.O. Box 768
 Accra

BANKER

ABSA Bank (Ghana) Limited
 ABSA House,
 High Street
 Accra

AUDITOR

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

DIRECTORS' PROFILE

NAME

ANTHONY EBOW SPIO

OCCUPATION

CORPORATE EXECUTIVE



POSITION

BOARD CHAIRMAN

Mr. Anthony Ebow Spio is a Senior Lecturer and Head of the Business Administration Department of Ashesi University College where he is responsible for providing strategic and academic leadership. Before joining Ashesi University, Mr. Spio was the General Manager of DiscoveryTel Ghana Limited where he developed a business plan to raise USD 1million to launch new internet service/technology with the potential of generating USD 10million. He was also the President and Managing Director of Spio & Spio Consulting Limited. Mr. Spio also held various top-level positions at Unilever Ghana and Nigeria as a Brands and Marketing Manager. His professional skills center on strategy development, competitor analysis, enterprise development, marketing and brand development.

He earned a Diploma in Sustainable Local Economic Development from Erasmus University, Rotterdam, an MSc in International Marketing from the University of Strathclyde, Scotland and an Advanced Marketing Diploma from the Institute of Marketing Management, South Africa. Mr. Spio also possesses a B.A. (Hons) Economics from the University of Ghana. He is a fellow of the Chartered Institute of Marketing U.K. 2013.

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

WALTRUDE ADZOAVI ABOAGYE

OCCUPATION

LAWYER



POSITION

DIRECTOR

Waltrude is a junior associate at Beyuo & Co. and is heavily involved in arbitration and mediation. She assists the managing partner of the firm in the conduct of all arbitration proceedings, as well as conducting research and writing opinions. Waltrude has attended a number of arbitration conferences including 17th Annual IBA international Arbitration Day, held in Paris, France and the LCIA MIAC International Arbitration Lunch Symposium, held in Accra, Ghana. She also took part in a one day Sensitization Program on Court Connected Alternative Dispute Resolution (CCADR), held in Accra, Ghana. She is also involved civil litigation and manages the portfolios of clients for which the firm acts as company secretary, including attending board meetings on behalf of the firm.

She is fluent in French and holds a B.A in French and Law from KNUST and a certificate d'étude française from the Université de Caen Basse-Normandie. She studied law at the University of Ghana from 2008-2010 and obtained her professional certificate from the Ghana School of law in 2012. She is a member of the Chartered institute of Arbitrators and a member of the Ghana Bar Association.

DIRECTORS' PROFILE

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.

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 Treasury Securities Fund
 15 Wawa Drive, North Dzorwulu
 P.O.BOX 22493
 Accra

REPORT OF THE CUSTODIAN TO THE INVESTORS OF INVESTCORP TREASURY SECURITIES FUND – DECEMBER 31, 2023

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

<i>GOVERNMENT BONDS</i>		
Security Name	Position	Valuation
REPUBLIC OF GHANA - 10 PCT SNR BDS 15/08/2028 GHS1 '2023-A-2'	19,295,370.00	12,548,107.34
REPUBLIC OF GHANA - 10 PCT SNR BDS 17/08/2027 GHS1 '2023-A-1'	22,036,649.00	16,976,704.08
Classification Total	41,332,019.00	29,524,811.43
<i>SUMMARY</i>		
Description	Market Value	PCT of Total
Government Bond	29,524,811.43	99.06
Cash Balance	280,745.32	0.94
GRAND TOTAL (GHS)	29,805,556.75	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
 SC.com/gh

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 TREASURY SECURITIES FUND PLC

I/We.....of.....
being a member/members of InvestCorp Treasury Securities 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 11:00 am 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



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on your loved ones later



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Hurray! We are

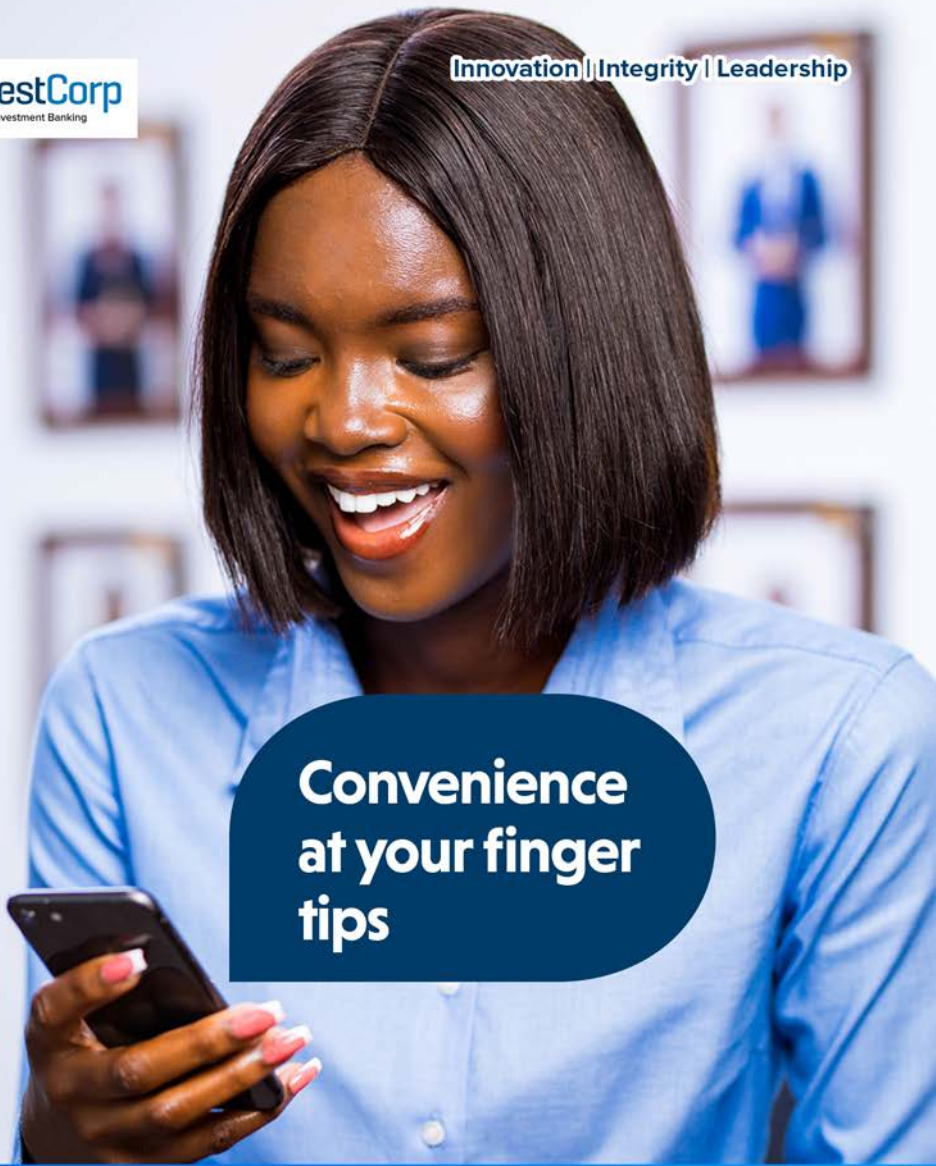
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#CelebrateX

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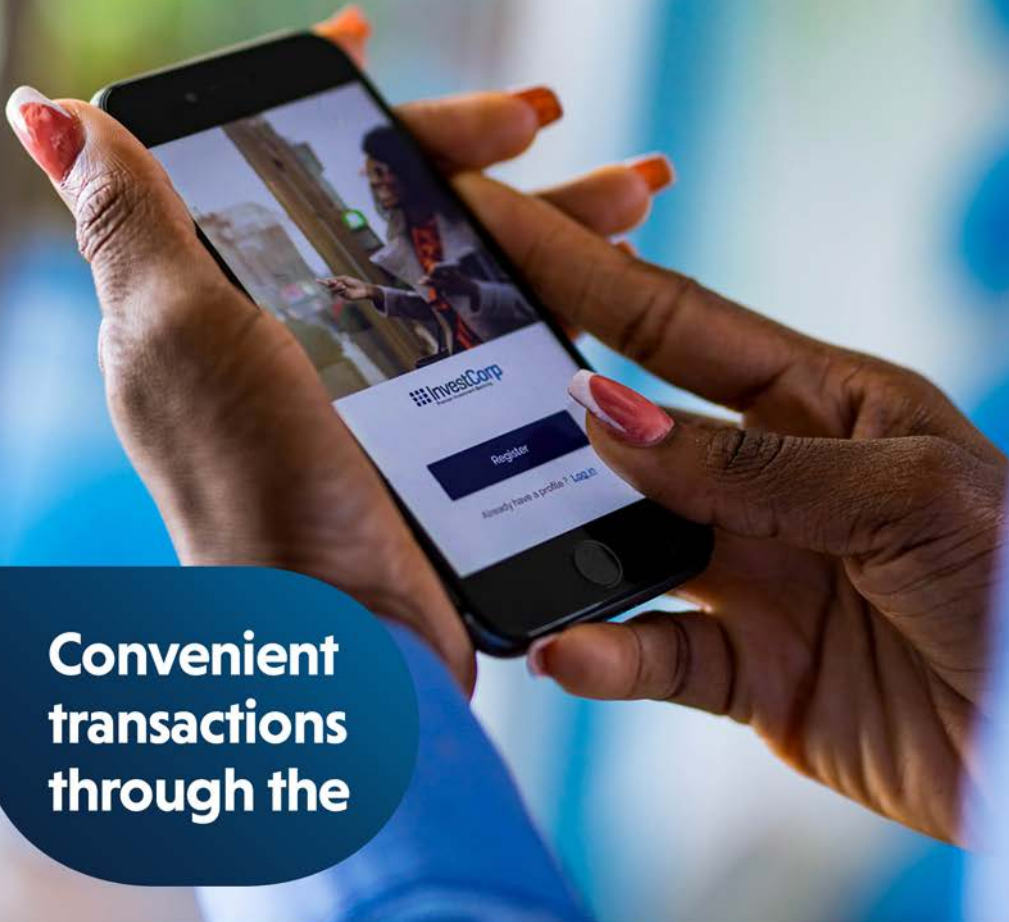
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- Money Market Fund
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- Active Equity Fund

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Images from last year's AGM





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



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