



Premier Investment Banking

# INVESTCORP MONEY MARKET FUND PLC.

A background graphic showing a financial data screen with various numbers, percentages, and market indicators in white and yellow text on a dark blue background.

# ANNUAL REPORT 2021



# EMERGENCY FUND!

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## NOTICE OF VIRTUAL ANNUAL GENERAL MEETING OF INVESTCORP MONEY MARKET FUND PLC

**NOTICE IS HEREBY GIVEN THAT** the 2nd Annual General Meeting of InvestCorp Money Market Fund PLC (the “**Company**”) will be held virtually and **streamed live via Zoom** on **Thursday August 25, 2021 at 1:00 pm**, to transact the following business:

### AGENDA

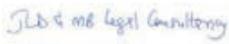
#### ORDINARY BUSINESS

1. To receive and adopt the Financial Statements of the Company for the year ended December 31, 2021, 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 re-appoint the Non-Executive Directors for a two (2) year term effective 27th December, 2022

#### ANY OTHER MATTERS

Dated this 12<sup>th</sup> day of July, 2022

#### BY ORDER OF THE BOARD


**JLD & MB LEGAL CONSULTANCY**  
 (COMPANY SECRETARY)

#### NOTE

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. Completed proxy forms should be lodged with the Company Secretary, JLD & MB Legal Consultancy, No. 1B Quartey Papafio Avenue, Airport Residential Area, Accra or sent via email to [info@jldmblaw.net](mailto:info@jldmblaw.net) not less than 48 hours before the appointed time for meeting (that is, no later than 1:00pm on 23rd August, 2022). 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 the 15<sup>th</sup> of August 2022 via email and/or SMS together with other details of participation
- Shareholders who do not receive the access details should contact Jeanette Andrews Darko at [j.darko@investcorpgh.com](mailto:j.darko@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 12:30pm and the AGM will officially begin at 1:00 pm
- Participants can raise their hands to either second a motion or ask a question during the meeting
- At the time of voting, the poll will appear on your screen. Select your preferred option (For / Against) to vote on a motion

## CHAIRMAN'S STATEMENT TO SHAREHOLDERS OF THE INVESTCORP MONEY MARKET FUND

### Dear Valued Shareholder,

On behalf of the Board of Directors, I welcome you all to the second Annual General Meeting (AGM) of the InvestCorp Money Market Fund, for the year ended December 31, 2021. I highly appreciate your continuous trust in the Money Market Fund as a strategic way to meet your recurring financial needs. A special warm welcome goes to all new shareholders for choosing the Fund, to join on your journey to achieving your goals.

The InvestCorp Money Market Fund is established for the purpose of creating a vehicle that allows investors to participate fully in the short-term debt market of Ghana. The Fund is modeled to balance the risk associated with earning competitive returns with capital protection through a rigorous investment approach. This is to ensure that you benefit from the current growth and opportunities within this investment universe while keeping investment risk to the barest minimum.

In this address, I will give a general overview of the global and Ghanaian economies in the year 2021 and talk about the performance of the Fund. The Fund Manager's report will provide the details of the Fund's performance and will answer many of your questions. I will conclude with our economic outlook and expectations of the Fund in the coming year, 2022.

### ECONOMIC REVIEW

#### Global

The global economic recovery gradually began in 2021 even as the pandemic resurged (spread of the Omicron variant) in some parts of China, the UK, amongst others. Global growth for 2021 was estimated at 5.9%, a sharp 9.0% increase from the previous year's slowdown of -3.1%. The growth was primarily supported by the global vaccine rollout program and early policy measures by governments to curtail the spread of the virus, sustain livelihoods and bolster their economies. The rate of inflation trended upwards in advanced and developed economies alike, resulting from rising commodity prices and supply bottlenecks juxtaposed to recovery in global demand.

#### Ghana

Ghana's economy remained resilient amid dire COVID-induced challenges, with overall GDP growth for 2021 estimated at 4.4%. The positive economic outlook was premised on improved business confidence stemming mainly from sound economic policies implemented during the heights of the pandemic, a stable political environment and the implementation of the Covid-19 vaccine roll-out plan. Overall GDP growth was recorded at 5.4% for the year.

In line with real GDP growth, the Ghana Stock Exchange showed strong recovery in 2021, as investor sentiments on the economy and the prospects of listed companies significantly improved. The GSE-CI ended the year with YTD return of 43.66% compared to the -13.98% recorded the previous year.

The Central government's fiscal deficit target of 9.4% was missed due to COVID-related expenditure, while revenue underperformance deepened. Debt sustainability remained a key concern to investors, as debt to GDP.



## CHAIRMAN'S STATEMENT TO SHAREHOLDERS OF THE INVESTCORP MONEY MARKET FUND (CONT'D)

### Highlights of Key Economic Indicators

#### Exchange Rate

The Ghana Cedi (GHS) ended 2021 weaker against some major trading currencies in spite of the regular FX liquidity support by the Central Bank. It is important to note however, that exchange rate volatility was low during the year. The strengthening US dollar, combined with the increased exits from the local bond market, following U.S. interest rate hikes towards the end of the year put pressure on the cedi. The local currency depreciated by 4.1% and 3.1% against the USD and GBP respectively, but recorded a YTD appreciation of 3.5% against the EUR.

#### Inflation

Headline inflation for the first half of 2021 generally trended downwards from the 2020-year end figure of 10.4% to 7.5% in May 2021 (similar to pre-pandemic levels and close to the lower limit of the medium-term band of  $8\pm 2\%$ ), before ticking up to 7.8% in June 2021. The decline in inflation was largely due to a decline in food prices. The second half of the year saw inflation shooting up from 7.8% in June to 10.6% in September 2021 and closed the year at 12.6% (a 4.6% upside deviation from the 2021 year-end inflation target of 8%). At the root of this surge was the sharp increase in the prices of food items over the period.

#### Interest Rates

Yields on the primary market generally saw a downward trend for the period under review as it ended the year lower compared to yields for the same period in 2020. At the close of the year, the yields on the 91-Day, 182-Day and 364-Day Treasury bills stood at 12.51%, 13.19% and 16.57% respectively, indicating a decline by 157, 93 and 43 basis points from the previous year yields. The decline resulted from the increased demand for GoG securities from commercial banks as they continued to increase investments (from their expanded liquidity room) in government securities to improve their earnings and reduce credit to the private sector.

#### Fund Performance

The InvestCorp Money Market Fund achieved an annualized yield of 14.94% against its benchmark of 14.51% (91-day T-bill + 2%), hence outperforming the benchmark by 43 basis points.

The Fund recorded a growth of 21.3% as the Assets under Management (AUM) grew from GHS 4,956,108.22 in the previous year to GHS 6,011,382.00 in 2021. The significant growth in the Fund's size was driven by the competitive return and the safe haven investment it offers to investors.

To enable you, cherished shareholders to gain remote access to your accounts 24/7 and interact conveniently with the fund manager, an electronic self-service platform was launched during the year. This included an online platform, a mobile application to enable smart phone users (android and iOS) gain real-time access to their accounts as well as mobile money USSD short codes (in partnership with Emergent & Zepay) to allow clients without smart phones or internet service have access to their accounts.

We remain confident that the Money Market Fund will continue to outperform its benchmark by significant margins in 2022 and will experience significant growth in AUM.

#### Economic Outlook

The on-going geopolitical violence between Russia and Ukraine has worsened the global economic growth outlook, resulting from massive supply chain disruptions and sharp hikes in global inflation. In April 2022, the IMF revised downward the 2022 global growth estimate to 3.6% from the January growth estimate of 4.4%. The European Union's sanctions on Russia has raised the prospects of tighter oil supply and continuous sharp fuel price increases. Saudi Arabia's readiness to increase oil production may however provide some relief if implemented. There are fears of a global food crisis

## CHAIRMAN'S STATEMENT TO SHAREHOLDERS OF THE INVESTCORP MONEY MARKET FUND (CONT'D)

as the pace of increase in food inflation mirrors the levels recorded in 2008 and 2011 which led to a global food crisis.

In Ghana, growth prospects remain positive. Government's YouStart initiative under the Ghana CARES (Obaatanpa) Programme is expected to support the SME sector, contribute to growth and further narrow the output gap. Economic growth is however expected to moderate as a result of high production costs from supply bottlenecks and high petroleum prices. Tight monetary conditions, to tame inflationary pressures, may further hamper real sector activities.

Our outlook on inflation is one of sustained elevation, as uncertainty around the on-going geopolitical violence between Russia and Ukraine remains. The central government's fiscal deficit target of 7.4% for 2022 may be missed due to the reduction of the E-Levy (a major revenue source) to 1.5% and the delay in its implementation, leaving room for revenue underperformance.

The expenditure controls put in place by government including the announced 30% cut in salaries of Government appointees and the 20% cut in government expenditure are laudable although we expect some challenges with the implementation of the latter. Despite an expected low external financing, the risk to debt sustainability remains heightened, affected by existing high debt levels and the impact of projected high interest rates on the current domestic interest cost (currently ~80% of total interest payments).

Reliance on domestic financing should soften the impact of external debt financing on the country's reserves and currency depreciation. Rising oil price may however lead to sustained pressure on the cedi to close the year. With the tight financing space and government's reliance on the domestic market for budget financing (by over 70%), coupled with the steady rise in headline inflation, we expect to see interest rates continue to move northwards to close the year.

### Closing Remarks

Ladies and Gentlemen, we live in times marked with high levels of uncertainty - globally, and we must continue to remind ourselves of the need to build our investments and plan for our various dreams and life goals. The InvestCorp Money Market Fund is well positioned and our proactive approach to managing the Fund will continue to provide value and highly attractive risk-adjusted returns to shareholders. We will continue to work with you to preserve your capital and help you achieve your financial goals with additional income.

On this note I would like to express my profound gratitude to the Fund Manager and staff of InvestCorp for their hard work towards creating a rewarding investment opportunity for shareholders.

Thank you all, once again.



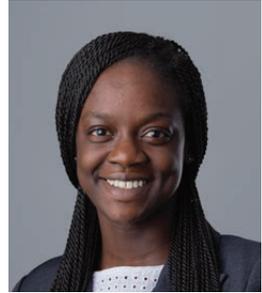
.....  
**Mr. Kofi Boateng**  
 Chairman

## FUND MANAGER'S REPORT

### Portfolio Review

The InvestCorp Money Market Fund achieved an annualized yield of 14.94% against its benchmark of 14.51% (91-day T-bill + 2%) hence outperforming the benchmark by 43 basis points.

The Fund recorded a growth of 21.3% as the Asset under Management (AUM) grew from GHS 4,956,108.22 in the previous year to GHS 6,011,382.00 in 2021. The Fund is designed for safety conscious investors who want to invest in low risk investments which are predominantly high quality short term securities with a maximum of one year to maturity and provides the necessary liquidity for investors. The portfolio mix combines short term treasury securities, certificates of deposit, cocoa bills, repurchase/reverse agreements and commercial papers.



The current portfolio exposures are as follows: Government of Ghana Treasury bills (34.5%), Local Government and Statutory Agency securities (18.3%), Non-bank Financial Institutions (21.0%), Banks (7.1%) and collective investment schemes (19.1%).

### Strategy / Recommendations

We expect yields to remain elevated in 2022 on the back of debt sustainability concerns and anticipated interest rate hikes in the US which is likely to fuel further exits from local currency bond markets. Hence, we will take advantage of the upward shift in the secondary market curve to lock-in good yields whiles exiting profitable positions (if any).

Additionally, we have observed upticks in rate cards of money market credit issuers as they have adjusted rates to compensate for higher inflation. We will invest in this asset class for liquidity management and portfolio balancing purposes and will target high quality credit issuers that meet our credit assessment criteria.

Elevated yields present an opportunity to increase holdings in high discount Cocoa papers as well. We will ramp up our holdings when the opportunities are available.

We will dial back on investments in Collective Investments Schemes (CIS) with less attractive yields and reinvest in potentially high yielding short term treasury securities.

Our Investment Committee reviews the asset allocation mix and investment strategy, supported by detailed analysis of the economic environment to ensure a healthy risk-return profile as well as ensuring the needed liquidity for our investors.

To our shareholders, we thank you for your continuous show of confidence and support by investing in the Fund and as managers of the Fund we are committed to ensuring that the Fund continues to meet your expectations.

### Abena Sam-Asmah

Fund Manager

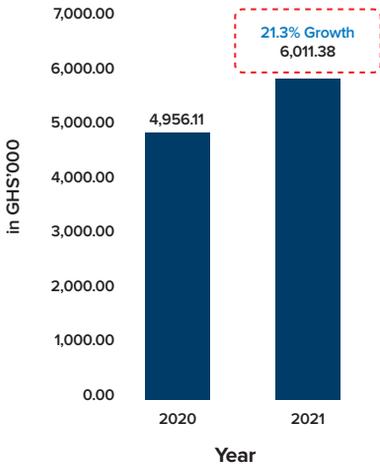
# PORTFOLIO SUMMARY AS AT DECEMBER 2021

Year	Assets under Management (AUM)	Annualized Yield	Benchmark	Spread
2020	4,956,108.22	15.10%	16.09%	-0.99%
2021	6,011,382.00	14.94%	14.51%	+0.43%

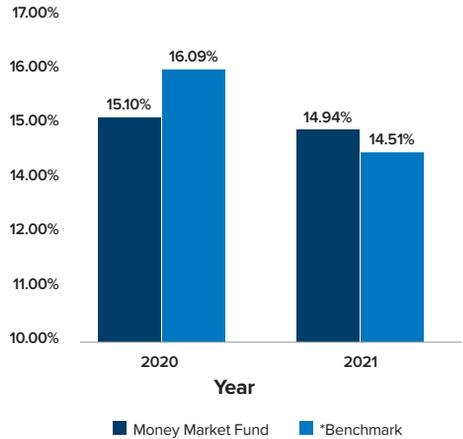
**Fund Information**

Weighted Average Maturity (Yrs.)	0.85
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## ASSETS UNDER MANAGEMENT AUM (GHS'000)



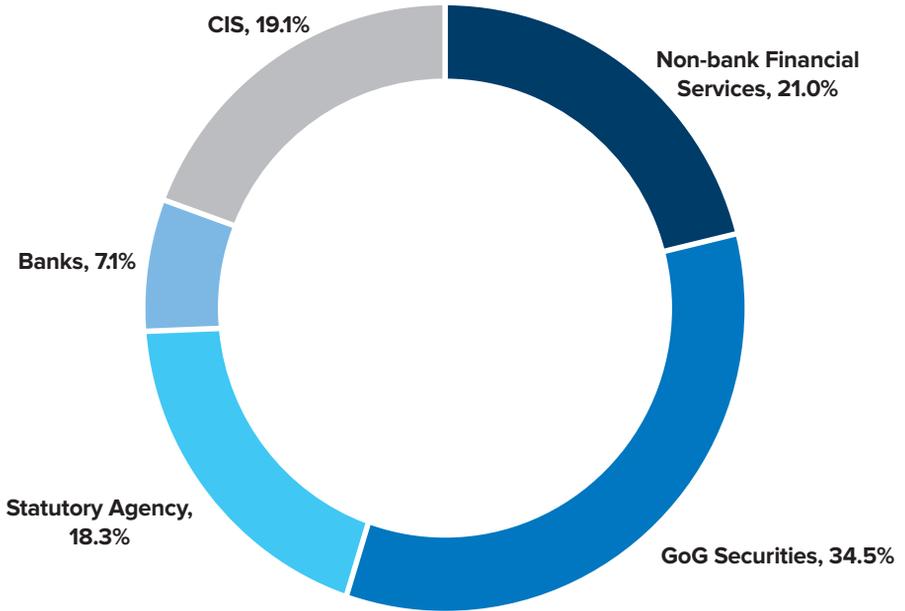
## FUND PERFORMANCE (%)



\* 91-Day T-Bill Rate + 200 bps

**PORTFOLIO SUMMARY AS AT DECEMBER 2021 (CONT'D)**

**ASSET ALLOCATION (%)**



## REPORT OF THE DIRECTORS TO MEMBERS OF INVESTCORP MONEY MARKET FUND PLC

The Directors present their report and the financial statements of the Fund for the year ended 31 December, 2021.

### DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible for the preparation of financial statements that give a true and fair view of InvestCorp Money Market Fund Plc, comprising the statement of financial position at 31 December, 2021, and the statements of profit or loss, 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 mobilizing funds for investment in predominantly high quality short-term securities, with the aim of generating competitive current income consistent with preservation of capital and liquidity. 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 are 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:

	<b>2021</b>	<b>2020</b>
	<b>GH¢</b>	<b>GH¢</b>
Collective Investment Schemes	1,217,109	263,375
Investments at Amortised Cost	4,677,665	4,121,649
Cash and cash equivalents	130,586	491,932
<b>Total Investment</b>	<b>6,025,360</b>	<b>4,876,956</b>

## REPORT OF THE DIRECTORS TO MEMBERS OF INVESTCORP MONEY MARKET 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¢ 12,000 exclusive of NHIL, GET Fund, COVID 19 Levy and VAT.

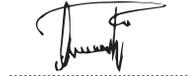
### APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements of InvestCorp Money Market Fund Plc as identified in the first paragraph, were approved by the Board of Directors on April 21<sup>st</sup> 2022 and signed on their behalf by:



Signature

Henry Sunkwa-Mills  
**Name of Director**



Signature

Rev. Ferguson Kcofie  
**Name of Director**

## INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF INVESTCORP MONEY MARKET FUND PLC



### **Opinion**

We have audited the accompanying financial statements of InvestCorp Money Market Fund Plc, which comprise the statement of financial position as at 31 December 2021, the statement of profit or loss for the year ended, statement of movements in net assets for the year ended, 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 17 to 31.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of InvestCorp Money Market Fund Plc as at 31 December 2021 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.

### **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 is 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.

## INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF INVESTCORP MONEY MARKET FUND PLC (CON'TD)



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 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 represents 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.

### **Key Audit Matters**

In accordance with ISAs, this part of our report is intended to describe the matters communicated with those charged with governance that we have determined, in our professional judgement, were most significant in the audit of the financial statements. We have determined that, there are no matters to report under key audit matters.

**INDEPENDENT AUDITOR'S REPORT TO MEMBERS  
OF INVESTCORP MONEY MARKET FUND PLC (CON'TD)**



**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's Administrator 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 Adjetejy Lomofio (ICAG/P/1417)**

For and on behalf of John Kay & Co. (ICAG/F/2022/128)  
Chartered Accountants  
Accra.



For and on behalf of John Kay & Co. (ICAG/F/2022/128)  
Chartered Accountants John Kay & Co  
Accra. P. O. Box 16088, Airport, Accra  
21/04/2022

## INVESTCORP MONEY MARKET FUND PLC STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Note	2021 GH¢	2020 GH¢
<b>Assets</b>			
Financial assets at amortised cost	8	4,677,665	4,121,649
Financial assets at fair value through profit or loss	9	1,217,109	263,375
Cash and cash equivalents	10	130,586	491,932
<b>Total Assets</b>		<b>6,025,360</b>	<b>4,876,956</b>
<b>Liabilities</b>			
Accounts payable	11	(13,978)	(10,429)
<b>Total Net Assets</b>		<b>6,011,382</b>	<b>4,866,527</b>
<b>Equity</b>			
Shareholders' fund	12	3,409,873	3,019,364
Retained earnings	13	2,601,509	1,847,163
<b>Total Equity</b>		<b>6,011,382</b>	<b>4,866,527</b>

### Approval of the financial statements

The financial statements of InvestCorp Money Market Fund Plc, were approved by the Board of Directors on April 21<sup>st</sup> 2022 and signed on their behalf by:



.....  
Signature

Henry Sunkwa-Mills  
**Name of Director**



.....  
Signature

Rev. Ferguson Kcofie  
**Name of Director**

The notes on pages 17 to 31 form an integral part of these financial statements.

## INVESTCORP MONEY MARKET FUND PLC STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2021

		2021	2020
	Note	GH¢	GH¢
<b>Revenue</b>			
Investment income	14	822,666	559,478
Realised & unrealised gains	15	108,815	53,600
<b>Total Revenue</b>		<b>931,481</b>	<b>613,078</b>
<b>Expenses</b>			
Administrative expenses	16	(124,569)	(97,266)
Expected credit loss allowance	17	(52,566)	(1,584)
Total expenses		(177,135)	(98,850)
<b>Profit for the year</b>		<b>754,346</b>	<b>514,228</b>

## ACCUMULATED NET INVESTMENT INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	GH¢	GH¢
Balance at 1 January	1,847,163	1,253,877
Restatement	-	79,058
Restated balance	1,847,163	1,332,935
Profit for the year	754,346	514,228
Balance at 31 December	2,601,509	1,847,163

The notes on pages 17 to 31 form an integral part of these financial statements.

## INVESTCORP MONEY MARKET FUND PLC STATEMENT OF MOVEMENTS IN NET ASSETS FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 GH¢	2020 GH¢
<b>Net Income from operations</b>			
Profit for the year		754,346	514,228
		<b>754,346</b>	<b>514,228</b>
<b>Change in net assets from capital transactions</b>			
Proceeds from Issue of Shares	12	3,203,259	3,191,997
Share Redemption	12	(2,812,750)	(3,046,582)
Net change in net assets from capital transactions		390,509	145,415
<b>Net additions to net assets</b>		<b>1,144,855</b>	<b>659,643</b>
<b>Analysis of changes in movements in net assets for the year</b>			
At 1 January		4,866,527	4,206,884
Net additions to net assets		1,144,855	659,643
<b>At 31 December</b>		<b>6,011,382</b>	<b>4,866,527</b>

The notes on pages 17 to 31 form an integral part of these financial statements.

## INVESTCORP MONEY MARKET FUND PLC STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 GH¢	2020 GH¢
<b>Cash flows from operating activities</b>			
Profit for the year		754,346	682,867
<b>Adjustment for:</b>			
Interest income receivable		(235,904)	(781,718)
Unrealised & realised gain		(108,815)	-
Expected credit loss allowance	17	52,566	1,584
		462,193	(97,267)
<b>Change in</b>			
Accounts Payable	11	3,550	3,028
		465,743	(94,239)
Interest received		-	401,725
<b>Net cash flow from operating activities</b>		<b>465,743</b>	<b>307,486</b>
<b>Cash Flows from Investing Activities</b>			
Purchase of financial assets		(9,967,994)	(8,812,729)
Proceeds from financial assets maturity & disposals		8,750,395	8,452,564
<b>Net cash flow from investing activities</b>		<b>(1,217,599)</b>	<b>(360,165)</b>
<b>Cash Flows from Financing Activities</b>			
Proceeds from issuance of shares	12	3,203,259	3,191,997
Amount paid on redemption of shares	12	(2,812,750)	(3,046,582)
<b>Net cash flow from financing activities</b>		<b>390,509</b>	<b>145,415</b>
Net increase/(decrease) in cash and cash equivalents		(361,347)	92,736
At 1 January		491,933	399,197
At 31 December		<b>130,586</b>	<b>491,933</b>

The notes on pages 17 to 31 form an integral part of these financial statements.

# INVESTCORP MONEY MARKET FUND PLC NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 1. REPORTING ENTITY

InvestCorp Money Market Fund Plc is a 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 InvestCorp Money Market Fund Plc is an open-ended mutual fund designed for safety conscious investors who want to invest in low risk instruments such as Treasury bills and notes, certificates of deposits and cocoa bills through a collective investment scheme. The objective of the Fund is to generate competitive current income consistent with preservation of capital and liquidity.

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

These financial statements comprise the individual financial statements of the Fund as at and for the year ended 31 December, 2021.

## 2. BASIS OF ACCOUNTING

### (a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). 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

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

### (i) Purchase of Share Units

Applicants complete standard application forms which are sent to the office of the Manager. Telephone or electronic requests must be confirmed in writing. Application for units is at the discretion of the Board of Directors of the Fund Manager. Cheques are cleared first before the processing of applications by the Manager. Payments for shares shall be made in Ghana Cedis; however, applicants can settle their payments with easily convertible currencies but bear the foreign exchange transaction cost.

## INVESTCORP MONEY MARKET FUND PLC NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### *(ii) Investment income recognition*

Interest income, including interest income from non-derivative financial assets at Fair value through profit or loss (FVTPL), are recognised in profit or loss, using effective interest method. 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 interest paid or payable are recognised in the profit or loss as interest income or interest expense, respectively.

### *(iii) Financial Instruments*

#### **a. Non-derivative financial instruments**

Non-derivative financial instruments comprise loans and receivables, held-to-maturity and available-for-sale. The Fund Manager determines the appropriate classification of its financial assets and liabilities at initial recognition.

Non-derivative financial instruments are recognised initially at fair value plus, for instrument not at fair value through profit and loss, any directly attributable transaction cost. Subsequent to initial recognition non-derivative financial instruments are measured at amortised cost using the effective interest rate method, less impairment losses, if any.

Non-derivative financial instruments are derecognised when the rights to receive cash flows from the financial assets have expired or where the Mutual fund has transferred substantially all risks and rewards of ownership.

Non-derivative financial instruments are categorised as follows:

- Loans, advances and receivables – these are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than (a) those classified as held for trading and those that the Mutual fund on initial recognition designates at fair value through profit and loss; (b) those that the Mutual fund upon initial recognition designates as available-for-sale; or (c) those for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration.

Loans and receivables are carried at amortised cost using effective interest rate method less appropriate allowances for doubtful receivables. Allowances for doubtful receivables represents the Mutual fund's estimate of incurred losses arising from the failure or inability of customers to make payments when due. These estimates are based on aging of customer's balances, specific credit circumstances, and the fund's receivables historical experience. Regular way purchases and sales of loans and receivables are recognised on contractual settlement.

Available-for-sale – these are intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates, or equity prices. Investment securities and treasury bills with a maturity of 182 days or less are classified as available-for-sale.

Available-for-sale financial assets are carried at fair value. Gains and losses arising from changes in the fair value of available-for-sale financial assets are recognised directly in equity until the financial asset is derecognised or impaired, at which time the cumulative gain or loss previously recognised in equity is recognised in the profit or loss account.

## INVESTCORP MONEY MARKET FUND PLC NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

However, interest calculated using the effective interest method is recognised in the profit and loss account. Dividends on available-for-sale equity instruments are recognised in the profit and loss account when the Mutual fund's right to receive payment is established.

Regular way purchases and sales of available-for-sale financial assets are recognised on trade-date, i.e. the date on which the Mutual fund commits to purchase or sell the asset.

Held-to-maturity assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that management has the positive intention and ability to hold to maturity.

Were the Mutual fund to sell more than an insignificant amount of held-to-maturity assets, the entire category would have to be reclassified as available-for-sale. Treasury bills with an original maturity of more than 182 days, treasury notes and other government bonds are classified as held-to-maturity.

Held-to-maturity assets are carried at amortised cost using effective interest rate method. Regular way purchases and sales of financial assets held-to-maturity are recognised on trade-date, i.e. the date on which the Mutual fund commits to purchase or sell the asset.

### **b. Derivative financial instruments**

A derivative is a financial instrument that changes its values in response to changes in the underlying variable, requires no or little net initial investment and is settled at a future date. Derivatives are mainly used to manage exposures to foreign exchange, interest rate and commodity price risk. The classification of derivatives is determined upon initial recognition and is monitored on a regular basis.

Derivatives are initially recognised at fair value plus directly attributable transaction costs. These are subsequently measured at fair value on a regular basis and at each reporting date as a minimum. The fair values of exchange-traded derivatives are based on respective market prices, while the fair value of the over-the-counter derivatives are determined using accepted mathematical models based on market data and assumptions. Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative. Any gains or losses arising from changes in fair values of derivatives that do not qualify for hedge accounting are recognised directly in the income statement.

### **c. Financial Liabilities**

Financial liabilities, other than trading liabilities and financial liabilities designated at fair value, are carried at amortised cost using the effective interest method. Financial liabilities are initially recognised at fair value plus transaction costs and subsequently measured at amortised cost. Financial liabilities are derecognised when they are redeemed or otherwise extinguished.

### **d. Off Setting**

Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, and only when, the Mutual fund has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions.

### **e. Amortisation cost measurement**

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method, of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

## INVESTCORP MONEY MARKET FUND PLC NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### **f. Hedge Accounting**

Hedge accounting is the method that recognises the proportionate offsetting effects of a hedging instrument on the changes in value of the hedged item. Hedge accounting applies only when a hedging relationship can be demonstrated between a hedged item and a hedging instrument. Such method generally applies for transactions that are carried out to eliminate or mitigate risks. The effectiveness of such hedges is demonstrated at inception and verified at regular intervals and at least on a quarterly basis, using prospective and retrospective testing.

Recognition of hedged transactions depends on the hedged categories.

#### ***i. Fair value hedges***

Fair value hedges are used to mitigate foreign currency and interest rate risks of recognised assets and liabilities. The changes in fair values of hedging instruments are recognised in the income statement. Hedged items are also stated at fair value in respect of the risk being hedged, with any gain or loss being recognised in the income statement.

The fair values of financial instruments are determined using market prices for quoted instruments and widely accepted valuation techniques for other instruments. Valuation techniques include discounted cash flows, standard valuation models based on market parameters and dealer quotes for similar instruments. When fair values of unquoted instruments cannot be measured with sufficient reliability, such instruments are carried at cost less impairments, if applicable.

#### ***ii. Cash flow hedges***

Cash flow hedges are used to mitigate foreign currency risks of highly probable forecast transactions, such as anticipated future export sales, purchases of equipment and raw materials, as well as the variability of expected interest payments and receipts. The effective part of the changes in fair value of hedging instruments is recognised against equity, while any ineffective part is recognised immediately in the income statement. When the hedged item results in the recognition of a non-financial asset or liability, the gains or losses previously recognised against equity are included in the measurement cost of the asset or the liability. Otherwise the gains or losses previously recognised against equity are removed from equity and recognised in the income statement at the same time as the hedged transaction.

### **(g) Effective Interest Rate**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

### **(h) Determining fair value**

Where the classification of a financial instrument requires it to be stated at fair value, this is determined by reference to the quoted bid price or asking price (as appropriate) in an active market wherever possible. Where no such active market exists for the particular asset, the Group uses a valuation technique to arrive at the fair value, including the use of prices obtained in recent arms' length transactions, discounted cash flow analysis, option pricing models or other valuation techniques commonly used by market participants.

## INVESTCORP MONEY MARKET FUND PLC NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### (i) Impairment of financial assets

The Mutual fund assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Objective evidence that a financial asset or group of assets is impaired includes observable data that comes to the attention of the Mutual fund about the following loss events:

- I. Significant financial difficulty of the borrower;
- II. A breach of contract, such as default or delinquency in interest or principal repayments;
- III. The Mutual fund granting to the borrower, for economic or legal reasons relating to the borrower's financial difficulty, a concession that The Mutual fund would not otherwise consider;
- IV. It becoming probable that the borrower will enter bankruptcy or other financial reorganization;
- V. The disappearance of an active market for that financial asset because of financial difficulties; or
- VI. Observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets including:
  - Adverse changes in the payment status of borrowers; or
  - National or local economic conditions that correlate with defaults on the assets of The Mutual fund.

The estimated period between losses occurring and its identification is determined by management for each identified portfolio. In general, the periods used vary between three months and twelve months. In exceptional cases, longer periods are warranted.

### (j) Foreign Currency

Transactions in foreign currencies during the period are converted into cedis at exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into cedis at exchange rates ruling at the financial year-end. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into cedis at the exchange rates at the date on which the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss as net foreign exchange losses, except for those arising on financial instruments at FVTPL, which are recognised as a component of net gains from financial instruments at FVTPL.

### (k) Transfer values

Transfer values represent the capital sums paid to and from the Mutual funds on the basis of when the member liability is accepted or discharged.

### (l) 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 so an insignificant risk of changes in their value and are used by the Mutual fund in the management of short term commitment, other than cash collateral provided in respect of derivatives and security borrowing transactions.

## INVESTCORP MONEY MARKET FUND PLC NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### (m) Fees and commission

Fees and commissions expenses are recognised in profit or loss as the related services are performed.

## 4. NEW AND AMENDED STANDARDS EFFECTIVE FOR THE CURRENT PERIOD

### (a) IFRS 16 Leases

#### ***Impact of the initial application of COVID-19-Related Rent Concessions beyond 30 June 2021—Amendment to IFRS 16***

The Covid-19-Related Rent Concessions (Amendment to IFRS 16) provided practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to IFRS 16. This practical expedient was available to rent concessions for which any reduction in lease payments affected payments originally due on or before 30 June 2021

## 5. NEW AND REVISED STANDARDS IN ISSUE NOT YET EFFECTIVE

### ***IFRS 17 Insurance Contracts***

In June 2020, the Board issued Amendments to IFRS 17 to address concerns and implementation challenges that were identified after IFRS 17 was published. The amendments defer the date of initial application of IFRS 17 (incorporating the amendments) to annual reporting periods beginning on or after 1 January 2023. At the same time, the Board issued Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) that extends the fixed expiry date of the temporary exemption from applying IFRS 9 in IFRS 4 to annual reporting periods beginning on or after 1 January 2023

### ***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 are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

### ***Amendments to IFRS 3 Business Combinations—Reference to the Conceptual Framework***

The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events

The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022

### ***Amendments to IAS 16 Property, Plant and Equipment—Proceeds before Intended Use***

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

## INVESTCORP MONEY MARKET FUND PLC NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### ***Annual Improvements to IFRS Standards 2018-2020—Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture***

The Annual Improvements include amendments to four Standards:

#### ***IFRS 1 First-time Adoption of International Financial Reporting Standards***

The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16(a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1:D16(a).

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

#### ***IFRS 9 Financial Instruments***

The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf. The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment. The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

#### ***IFRS 16 Leases***

The amendment removes the illustration of the reimbursement of leasehold improvements. As the amendment to IFRS 16 only regards an illustrative example, no effective date is stated.

### ***Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements—Disclosure of Accounting Policies***

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2023, with earlier application permitted and are applied prospectively. The amendments to IFRS Practice Statement 2 do not contain an effective date or transition requirements.

### ***Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors—Definition of Accounting Estimates***

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in

## INVESTCORP MONEY MARKET FUND PLC NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

financial statements that are subject to measurement uncertainty”.

The definition of a change in accounting estimates was deleted. However, the Board retained the concept of changes in accounting estimates in the Standard with the following clarifications:

- A change in accounting estimate that results from new information or new developments is not the correction of an error
- The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors

The Board added two examples (Examples 4-5) to the Guidance on implementing IAS 8, which accompanies the Standard. The Board has deleted one example (Example 3) as it could cause confusion in light of the amendments.

The amendments are effective for annual periods beginning on or after 1 January 2023 to changes in accounting policies and changes in accounting estimates that occur on or after the beginning of that period, with earlier application permitted.

### ***Amendments to IAS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction***

The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. The amendments are effective for annual reporting periods beginning on or after 1 January 2023, with earlier application 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 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 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.

## **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 1.25% 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¢68,267 (2020: GH¢48,633)

## INVESTCORP MONEY MARKET FUND PLC NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 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 ASSETS AT AMORTISED COST

	2021	2020
	GH¢	GH¢
Government notes and bonds	2,096,868	1,303,035
Local government securities	723,007	1,116,088
Fixed deposits	2,003,647	1,852,280
Expected credit loss allowance at 31 December	(145,857)	(93,291)
	<b>4,677,665</b>	<b>4,178,112</b>
*Adjustment of the value of Fixed deposits	-	(56,463)
Adjusted balance	<b>4,677,665</b>	<b>4,121,649</b>

\* The adjustment relates to a restatement of the value of fixed deposits as at 31 December 2020 due to an overstatement of GH¢56,463 in its value.

### 9. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

	2021	2020
	GH¢	GH¢
Collective investment schemes	1,217,109	296,493
*Adjustment of investment in CIS	-	(33,118)
Adjusted balance	<b>1,217,109</b>	<b>263,375</b>

\* The adjustment relates to a restatement of value of investments in InvestCorp Mid-tier fund as at 31 December 2020 due to an overstatement of GH¢33,118 in its value.

## INVESTCORP MONEY MARKET FUND PLC NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 10. CASH AND CASH EQUIVALENTS

	2021	2020
	GH¢	GH¢
Absa Bank	124,178	56,715
Stanchart Bank	6,408	435,217
	<b>130,586</b>	<b>491,932</b>

### 11. ACCOUNTS PAYABLE

	2021	2020
	GH¢	GH¢
Administrative expenses accrual	13,978	10,429
	<b>13,978</b>	<b>10,429</b>

### 12. SHAREHOLDERS' FUNDS

	2021	2021	2020	2020
	No. of shares	GH¢	No. of shares	GH¢
Balance at 1/1	1,682,973	3,019,364	1,514,289	2,873,949
Contributions	905,131	3,203,259	1,029,619	3,191,997
	2,588,104	6,222,623	2,543,908	6,065,946
Redemption	(774,071)	(2,812,750)	(860,935)	(3,046,582)
Balance at 31/12	<b>1,814,033</b>	<b>3,409,873</b>	<b>1,682,973</b>	<b>3,019,364</b>

## INVESTCORP MONEY MARKET FUND PLC

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

#### 13. RETAINED EARNINGS

	2021	2020
	GH¢	GH¢
Balance at 1 January	1,847,163	1,253,877
*Adjustment of opening balance	-	79,058
Restated balance	1,847,163	1,332,935
Net income for the year	754,346	514,228
Balance at 31 December	<b>2,601,509</b>	<b>1,847,163</b>

\* The adjustment is to restate the retained earnings balance as at 1 January 2020 to include gains for prior periods which were included in the gains for the current period (2021) in error.

#### 14. INTEREST INCOME

	2021	2020
	GH¢	GH¢
Fixed deposit	295,405	431,558
Local government bonds	263,847	99,089
Gov. of Ghana bonds	263,414	85,294
	<b>822,666</b>	<b>615,941</b>
*Adjustment of interest income from FD's	-	(56,463)
<b>Restated amount</b>	<b>822,666</b>	<b>559,478</b>

\* The interest income from fixed deposits in 2020 was overstated by GH¢56,463. The adjustment is to restate the amount in order to rectify the error.

## INVESTCORP MONEY MARKET FUND PLC NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 15. REALISED & UNREALISED GAINS

	2021	2020
	GH¢	GH¢
Gains from investment in CIS	108,815	165,777
*Adjustment of 2020 gains	-	(112,177)
<b>Restated amount</b>	<b>108,815</b>	<b>53,600</b>

\* The gains from the Fund's investments in InvestCorp Mid-tier fund was overstated by GH¢112,177 in 2020. The adjustment is to restate the amount in order to rectify the error.

### 16. ADMINISTRATIVE EXPENSES

	2021	2020
	GH¢	GH¢
Management fees	68,267	48,633
Administration fee	56,302	48,633
	<b>124,569</b>	<b>97,266</b>

### 17. EXPECTED CREDIT LOSS ALLOWANCE

	2021	2020
	GH¢	GH¢
Opening balance	93,291	91,707
Allowance for the year	52,566	1,584
Closing balance	<b>145,857</b>	<b>93,291</b>

## INVESTCORP MONEY MARKET FUND PLC

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

#### 19. 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 Scheme's policy over credit risk is to minimise its exposure to counterparties with perceived higher risk of default by dealing only with counterparties that meets 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 (including benefits) when due.

The following are contractual maturities of financial assets

31 December 2021

Financial Assets	3 Months or less (GH¢)	4-6 Months (GH¢)	7 Months or more (GH¢)
Government notes and bonds	-	-	1,951,010
Local Government Securities	-	-	723,008
Fixed Deposits	-	2,003,647	-
Investments in CIS	-	-	1,217,109
Cash and cash equivalents	130,586	-	-
<b>Total</b>	<b>130,586</b>	<b>2,003,647</b>	<b>3,891,127</b>

The following are contractual maturities of financial Liabilities

31 December 2021

Financial Liabilities	3 Months or less (GH¢)
Accounts Payable	13,978
<b>Total</b>	<b>13,978</b>

##### (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.

## INVESTCORP MONEY MARKET FUND PLC NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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 which use inputs which 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 approximates 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) Equity Price risk**

Listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Scheme's policy over equity price risk is to minimise its exposure to equities and only deal with equities that meets the standards set out in the SEC guidelines and the Scheme's investment policy statement. Keen attention is paid to the equity market to realize capital gains on equity securities.

### **(f) Interest Rate risk**

Interest 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 Trustees on the appropriate balance of the portfolio between equity, fixed rate interest, and variable rate interest investments. The scheme uses duration targeting as a means of mitigating the effects of the risk. The target duration is regularly reviewed by the Trust Board. For some of the bonds with issuers other than the Government of Ghana, investments are placed with a floating rate to hedge against this risk.

### **(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 all pension schemes.

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

The primary responsibility for the development and implementation of controls to address operational risk is assigned to the administrator. This responsibility is supported by the development of following policies and standards;

- governing rules and trust deed;
- investment policy statement;
- requirements for the reporting of non-compliance with regulatory and other legal requirements;
- training and professional development;

## INVESTCORP MONEY MARKET FUND PLC NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

- ethical and business standards;
- risk mitigation, including insurance where this is effective.

Compliance with the Fund governing rules is supported by a programme of annual reviews undertaken by the external auditor. The results of these reviews are discussed with Directors of the fund.

### **20. EVENTS AFTER REPORTING PERIOD**

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

### **21. APPROVAL OF THE FINANCIAL STATEMENTS**

The financial statements were approved by the directors of the fund and Authorized for issue on April 21<sup>st</sup> 2022

## CORPORATE INFORMATION

### INVESTCORP MONEY MARKET FUND PLC

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**BOARD OF DIRECTORS**

Kofi Boateng (Chairman)  
Grace Ofori-Abebrese (Director)  
Ferguson Kcofie (Director)  
Henry Sunkwa-Mills (Director)  
Kwabena Ofori Apeageyi (Director)

---

**FUND MANAGER**

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

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**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 Quarthey 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

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## DIRECTORS' PROFILE

### NAME

KOFI BOATENG

### OCCUPATION

CHARTERED ACCOUNTANT

### POSITION

BOARD CHAIRMAN



Kofi Boateng is the immediate past Managing Director of the Vlisco Ghana Group comprising of TexStyles Ghana Limited; manufacturers of the nation's leading fashion brands; GTP and Woodin. He was again in charge of Premium African Textiles, the distribution, sales and marketing company of the Vlisco Group in Ghana. In this role, he also served as a member of the Vlisco BV's International Executive Committee. Prior to his appointment as the Managing Director, he was the Finance Director, and in that function had the added responsibility for the financial management of the Vlisco Group's retail operations in Africa. Kofi has played other roles in his career at Vlisco. This included the responsibility of a Sales Director and was again as the Financial Director when Vlisco was managing the Juapong Textiles Limited (now Volta Star Textiles Limited) from 1998 to 2005.

Starting as a Management Trainee at Kumasi Brewery Limited in 1979, where he became the Management Accountant/Project Manager, he moved to UAC Textiles Division of Unilever Ghana and then to Ghana Textiles Printing Company (now Tex Styles Ghana Ltd) as the Finance Director and later as the Managing Director until his retirement in July 2016.

He currently serves as the Board Chairman of the Ghana Netherlands Business and Cultural Council; a position he has held since June 2016. With his over thirty-five years' experience in finance, manufacturing, sales and general management, he is well equipped to make significant contributions to the successful operation of InvestCorp Money Market.

Kofi is a Chartered Accountant and product of the University of Ghana's Business School.

### NAME

FERGUSON KCOFIE

### OCCUPATION

CLERGYMAN

### POSITION

DIRECTOR



Pastor Ferguson Kcofie, is a Reformed Baptist clergyman, preaching the gospel of the Lord Jesus Christ for over 34 years. He has been the Senior Pastor of Truth Missionary Baptist Church, Dansoman Estates, Accra since 1996. He is also the Director of the Reformed Baptist Bible Institute – a church based Bible training institute in Dansoman, Accra.

Between 1988-1993, he was called to train for the Christian ministry at Baptist Bible Institute, now the West Africa Bible College in Wa, Upper West Region of Ghana (a theological college established by the Baptist Mid-Missions, USA). He undertook further theological studies at the London Reformed Baptist Seminary, The Metropolitan Tabernacle, Elephant & Castle, in London from 1993 – 1995. Prior to his calling and training in 1988, he studied Economics and Business Commerce, among other subjects, for the Ordinary and Advanced Levels. His training in London as a clergyman, offered him other training opportunities in Business Management, Management Practices, and Human Resource Management.

He has a rich background of over 25 years of social and developmental work, providentially guided by God to travel all across the length and breadth of Ghana, some parts of Africa, and Europe. He speaks no less than six Ghanaian local languages. He is a preacher, teacher, counselor, conference speaker, and a freelance broadcast journalist; having also trained at the Radio & TV Training School of the Ghana Broadcasting Corporation, Accra in 2009.

## DIRECTORS' PROFILE

### NAME

GRACE OFORI-ABEBRESE

### OCCUPATION

ECONOMICS LECTURER

### POSITION

DIRECTOR



Mrs. Grace Ofori-Abebrese is a Senior Lecturer at the Kwame Nkrumah University of Science and Technology where she teaches Elements of Economics, Economy of Ghana and Economic Policy and Analysis. She holds a Master of Arts degree in Economic Policy Management from the University of Ghana and a Bachelor of Arts degree in Economics and French at Kwame Nkrumah University of Science and Technology.

Her publications include a Co-Integration Analysis of Growth in Government Expenditure in Ghana and The ECO and the Development of West African Countries. Her areas of specialization are Economic Policy Analysis and Monetary Economics.

### 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.

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 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**

March 10, 2022

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

## REPORT OF THE CUSTODIAN TO THE INVESTORS OF INVESTCORP MONEY MARKET FUND – DECEMBER 31, 2021

Standard Chartered Bank Ghana PLC confirms the investment holding for InvestCorp Money Market Fund as of December 31, 2021 as follows:

<i>FIXED DEPOSITS</i>			
Security Name	Position		Valuation
365 DAY FNB FD AT 16.34 PCT FM 12.06.2021 TO 12.06.2022	165,436.81		180,471.25
365 DAY BAYPORT FD AT 20.00 PCT FM 22.09.2021 TO 22.09.2022	275,000.00		290,068.49
365 DAY BAYPORT FD AT 21.00 PCT FM 25.05.2021 TO 25.05.2022	400,000.00		450,860.27
1 YEAR FNB FD AT 16.35 PCT FM 07.10.2021 TO 07.10.2022	234,338.30		243,366.23
182 DAY IZWE FD AT 19.50 PCT FM 06.10.2021 TO 06.10.2022	488,133.35		509,076.28
<b>Classification Total</b>	<b>1,562,908.46</b>		<b>1,673,842.52</b>
<i>GOVERNMENT BONDS</i>			
Security Name	Position		Valuation
REPUBLIC OF GHANA - 18.25 PCT SNR BDS 25.07.2022 GHS1000	612,248.00		662,478.36
<b>Classification Total</b>	<b>612,248.00</b>		<b>662,478.36</b>
<i>CIS</i>			
Security Name	Nominal	Mkt Price	Valuation
INVESTCORP MID TIER FUND	105,183.22	4.0408	425,024.34
INVESTCORP TREASURY SECURITIES FUND	518,537.70	1.3761	713,559.73
<b>Classification Total</b>	<b>623,720.91</b>		<b>1,138,584.07</b>
<i>TREASURY BILLS</i>			
Security Name	Position		Valuation
REPUBLIC OF GHANA - 0 PCT T-BILL 03.10.2022 GHS1000	1,359,465.00		1,216,177.16
GOG-BL-27.06.22-A5645-1752-0	136,884.00		127,538.99
REPUBLIC OF GHANA - 0 PCT T-BILL 05.09.2022 GHS1000	55,681.00		50,441.75
<b>Classification Total</b>	<b>1,552,030.00</b>		<b>1,394,157.90</b>
<i>COCOA BILLS</i>			
Security Name	Position		Valuation
CMB-BL-15.03.22-A5712-6137-0	635,430.00		615,359.38
CMB-BL-08.02.22-A5685-6136-0	325,909.00		320,499.41

### Standard Chartered Bank Ghana PLC

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

Tel 0302 610750 / 0302 633366

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

# CUSTODIAN'S REPORT

INTERNAL


 standard  
 chartered

CMB-BL-20.01.22-A5667-6135-0	154,873.00	153,583.61
<b>Classification Total</b>	<b>1,116,212.00</b>	<b>1,089,442.40</b>

<i>SUMMARY</i>		
Description	Market Value	PCT of Total
COCOA BILL	1,089,442.40	18.26
FIXED DEPOSIT	1,673,842.52	28.06
GOVERNMENT BOND	662,478.36	11.11
CIS	1,138,584.07	19.09
TREASURY BILL	1,394,157.90	23.37
CASH BALANCE	6,407.92	0.11
<b>GRAND TOTAL (GHS)</b>	<b>5,964,913.17</b>	<b>100.00</b>

Yours faithfully



 Beverly Frimpong  
 Head, Securities Services Ghana

**Standard Chartered Bank Ghana PLC**

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

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 Ebenezer Twum Asante · Kwabena Nifa Aning · George Akello

# PROXY FORM INVESTCORP MONEY MARKET FUND PLC

I/We.....of.....  
 .....being a member/members of InvestCorp Money  
 Market 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 Annual General Meeting of the Company to be held **virtually and streamed live via  
 Zoom on Thursday, August 25, 2022 at 1:00 noon 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, 2021 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 re-appoint the Non-Executive Directors for two (2) year term effective 27th December, 2022		

Signed this.....day.....2022

Shareholder's Signature .....



# Investing now for a rainy day is a wise decision

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**InvestCorp Money  
Market Fund account  
Today**



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- Active Equity Fund



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