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Settlement Guarantee Fund

Report and Financial Statements
31 December 2024

Settlement Guarantee Fund

Report and financial statements

For the year ended 31 December 2024

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Corporate information

For the year ended 31 December 2024

Board of Trustees:	Melvina A.A Amoafo	Chairperson
	Dornu Narnor	Member
	Brigid Yankah	Member
Administrator:	Central Securities Depository (GH) LTD Fourth Floor Cedi House PMB CT465 Accra, Ghana	
Registered office:	Central Securities Depository (GH) LTD Fourth Floor Cedi House PMB CT 465 Accra, Ghana	
Auditors:	Deloitte & Touché Chartered Accountants The Deloitte Place Plot No. 71, Off George Walker Bush Highway North Dzorwulu Box GP 453 Accra, Ghana	
Bankers:	Bank of Ghana	

Report of the Trustees

For the year ended 31 December 2024

Report of the trustees

The Trustees submit their report together with the 31 December audited financial statements for the year ended 2024.

Establishment, nature and status of the Fund

The Settlement Guarantee Fund is a guarantee fund established and maintained by the Central Securities Depository (GH) LTD for the purpose of providing an indemnity against default in respect of payments for or delivery of securities by a depository participant towards the central securities depository as stipulated under the Central Securities Act, 2007 (Act 733).

The assets of the Fund consist of monies accruing to the Fund and contributions specified in the Act.

Central Securities Depository (GH) LTD, acting for administration through the Trustees, is ultimately responsible of the Fund and their responsibility to the Fund is established by the guidelines on the Settlement Guarantee Fund approved by the Securities and Exchange guidelines are subject to Act 733 which forms the basis Commission. The guidelines are subject to Act 733 which forms the basis of establishing the Fund.

Membership statistics	**Members 2024**	Members 2023
At 1 January	**76**	75
Joiners	**1**	1
Withdrawals	**-**	-
At 31 December	**77**	76

Investment report

The Board of Trustees submit the investment report of the Settlement Guarantee Fund for the year ended 31 December 2024.

i. Statement of investment principles

We, the Board of Trustees attest that funds have been invested with the objective of obtaining safe and fair returns. The primary objective of the Fund is to achieve inflation at minimal credit risk, while maintaining a highly liquid portfolio. As such, the investments of the Fund are all made in Government of Ghana treasury bills.

Report of the Trustees
For the year ended 31 December 2024

i. Statement of investment principles (continued)

The table below shows the Fund's investment portfolio statistics as at 31 December 2024:

2024	Closing Interest Rate (%)	Investment Income earned (GH¢)	Year-end Value of Investment (GH¢)
Government Securities (Treasury Bills)	**28.2**	**1,775,495**	**7,783,793**

2023	Closing Interest Rate (%)	Investment Income earned (GH¢)	Year-end Value of Investment (GH¢)
Government Securities (Treasury bills)	23.2	1,425,891	6,024,615

ii. Financial results

The statement of changes in members funds as presented on page 12 shows an increase in the net assets of the Fund for the year by GH¢ 2,177,412 (2023: GH¢ 1,439,341). The statement of net assets available to members on page 8 shows the Fund's net assets as at 31 December 2024 GH¢ 8,149,752 of (2023: GH¢ 6,129,942).

iii. Expenses

All expenses of the Fund are charged to the Administrator of the Fund. Details of fee payable by the Administrator on behalf of the Fund is as follows:

	2024 GH¢	2023 GH¢
Audit fees	**44,665**	44,665

Auditors

Deloitte & Touche has expressed their willingness to continue in office as Auditors of the Fund.

Report of the Trustees

For the year ended 31 December 2024

Statement of trustees' responsibilities

The guidelines of the Settlement Guarantee Fund require the Trustees to apportion interests accrued from investments of the Fund to its members at the end of each financial year after the financial statements have been audited by an external auditor. The Trustees are also to ensure that the Fund keeps proper accounting records of its income, expenditure, liabilities and assets.

The Trustees accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards. The Trustees further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement.

The Trustees certify that to the best of their knowledge and belief, the information furnished to the auditor for the purposes of the audit is correct and complete in every respect.

On behalf of the Board of Trustees of Trustee:

Dorny S. Narnor

Name of Trustee:

Signature: .....

Brigid Yenkah

Name of Trustee:

Signature: .....

Deloitte.

P. O. Box GP 453
Accra
Ghana

Deloitte & Touche
Chartered Accountants
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Independent auditor's report
To the members of Settlement Guarantee Fund

Report on the audit of the financial statements

Opinion
We have audited the accompanying financial statements of Settlement Guarantee Fund, set out on pages 10 to 24, which comprise the statement of financial position as at 31 December 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, the notes to the financial statements including a summary of material accounting policies and other explanatory disclosures.

In our opinion, the financial statements give a true and fair view of the financial position of Settlement Guarantee Fund as at 31 December 2024 and the financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board, and the requirements of the Companies Act, 2019 (Act 992).

Basis of opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the requirements of the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) and other independence requirements applicable to performing audits of financial statements in Ghana. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements that are relevant to our audit of financial statements in Ghana. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information
The Trustees are responsible for the other information. The other information comprises the Report of the Trustees which we obtained prior to the date of this report. The other information 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.

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Independent auditor's report
To the members of Settlement Guarantee Fund

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 on the other information that we obtained prior to the date of this auditor's report, 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.

Responsibilities of the Trustees for the financial statements
The Trustees are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and the requirements of the Companies Act, 2019 (Act 992) and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees 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 the trustees either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

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Independent auditor's report
To the members of Settlement Guarantee Fund

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- 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 the audit committee and the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Report on Other Legal and Regulatory Requirements
In accordance with the Seventh Schedule of the Companies Act, 2019 (Act 992) we expressly state that:

1. We have obtained the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the audit.

2. In our opinion:

    - proper books of accounts have been kept by the Fund, so far as appears from our examination of those books.
    - the information and explanations given to us, is in the manner required by Act 992 and give a true and fair view of the:

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Independent auditor's report
To the members of Settlement Guarantee Fund

a. statement of financial position of the Fund at the end of the financial year, and
b. statement of profit or loss and other comprehensive income for the financial year.

3. The Fund's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the accounting records and returns.

4. We are independent of the Fund, pursuant to section 143 of Companies Act, 2019 (Act 992).

The engagement partner on the audit resulting in this independent auditor's report is **Daniel Kwadwo Owusu (ICAG/P/1327).**

Deloitte & Touche

For and on behalf of Deloitte & Touche (ICAG/F/2025/129)
Chartered Accountants
The Deloitte Place
Plot No. 71
Off George Walker Bush Highway
North Dzorwulu
Accra - Ghana

18th December 2025

Partners and Chartered Accountants: D Owusu • G Ankomah • C Forson-Abbey • A Biney • G Boye-Doku • E Martey • K Situ • Y Lartey • G Ayi-Owoo • S Dzogbenuku • D Sekum •Wisdom Kpano •Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

Statement of comprehensive income

For the year ended 31 December 2024

	Notes	2024 GH₵	2023 GH₵
Interest income on investment	3	**1,775,495**	1,425,891
Contribution of depository Participants	8	**35,959**	86,533
Total Income		**1,811,455**	1,512,424
Net impairment loss on financial assets	6b	**-**	(73,083)
Surplus before tax		**1,811,455**	1,439,341
Income tax expense		**-**	-
Surplus for the year		**1,811,455**	1,439,341
Other comprehensive income		**-**	-
Total comprehensive income for the year		**1,811,455**	1,439,341

The notes on pages 14 to 24 form an integral part of these financial statements

Statement of financial position
As at 31 December 2024

Assets	Notes	2024 GH¢	2023 GH¢
Current assets			
Cash and bank balances	4	**145,657**	109,476
Accounts receivable	5	**25,000**	25,000
Investment in securities	6	**7,783,794**	6,024,616
Total assets		**7,954,451**	6,159,092
Liabilities			
Current liabilities			
Accounts payable and accruals	7	**13,055**	29,150
Total Liabilities		**13,055**	29,150
Equity			
Contributions/Members Fund		**7,941,396**	6,129,942
Total equity		**7,941,396**	6,129,942
Total liabilities and equity		**7,955,451**	6,159,092

Name of Trustee: .....

Signature: .....

Name of Trustee: .....

Signature: .....

The notes on pages 14 to 24 form an integral part of these financial statements

Statement of changes in equity

For the year ended 31 December 2024

	Contribution/ members fund (GH₵)	Total (GH₵)
Year ended 31 December 2024		
At 1 January	**6,129,942**	**6,129,942**
Surplus for the year	**1,811,455**	**1,812,009**
At 31 December	**7,941,396**	**7,941,950**

Year ended 31 December 2023	Contribution/ members fund (GH₵)	Total (GH₵)
At 1 January	4,690,601	4,690,601
Surplus for the year	1,439,341	1,439,341
At 31 December	6,129,942	6,129,942

The notes on pages 14 to 24 form an integral part of these financial statements

Statement of cash flows

For the year ended 31 December 2024

Cash flows from operating activities	Note	2024 GH¢	2023 GH¢
Changes in working capital:			
Change in payable		**(16,095)**	-
Net cash flows from operating activities		**(16,095)**	-
Cash flows from investing activities			
Purchase of investments	6	**(15,473,533)**	(9,313,505)
Proceeds from maturities of financial assets	6	**15,489,850**	9,302,750
Net cash used in investing activities		**16,317**	(10,755)
Cash flows from financing activities			
Contribution from members	8	**35,959**	103,183
Net cash used in financing activities		**35,959**	103,183
Movement in cash and cash equivalent		**36,182**	92,428
Balance at the beginning of the year		**109,476**	17,048
Cash and cash equivalent at the end of the quarter		**146,657**	109,476

The notes on pages 14 to 24 form an integral part of these financial statements

Notes to the financial statements
For the year ended 31 December 2024

1) Fund information

The Settlement Guarantee Fund is a guarantee fund Securities established and maintained by the Central Depository (GH) LTD for the purpose of providing an indemnity against default in respect of payments for or delivery of securities by a depository and of obligations of participant towards the central securities depository as stipulated under the Central Depository Act, 2007 (Act 733). The address of Securities its registered office is Cedi House, Accra.

As at 31 December 2024, the number of members of the Fund was seventy-seven (77), (2023: seventy-six (76)).

2) Summary of material accounting policy information

The principal accounting policies adopted in the preparation financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

a) Basis of preparation

The financial statements are prepared in accordance with IFRS Accounting standards as issued by the International Accounting Standards Board and other relevant laws in Ghana. The financial statements summarise the transactions of net assets at the disposal of the Fund and deal with the Trustees.

The financial statements are presented in Ghana Cedis (GH¢). The financial statements have been prepared under the historical cost convention, except as modified by the assets at fair value through profit revaluation of financial or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Governing Board of Trustees process of applying to exercise judgement in the entity's accounting policies. The areas involving a higher degree or complexity, or where assumptions of judgement and estimates are significant to the financial statements, disclosed in Note 3.

b) Changes in accounting policy and disclosures

i. New and amended standards adopted by the Fund

The Fund has applied the following standards and interpretations for the first time to financial reporting periods commencing on or after 1 January 2023:

- Property, Plant and Equipment: Proceeds before Intended Use - Amendments to IAS 16 Contracts
- Onerous Cost of Fulfilling a Contract - Amendments to IAS Reference to 37

Notes to the financial statements
For the year ended 31 December 2024

2. Summary of material accounting policy information (continued)

(b) Changes in accounting policy and disclosures (continued)

- Reference to the Conceptual Framework - Amendments to IFRS 3
- Annual Improvements to IFRS Standards 2018-2020

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

ii. New and amended standards not yet adopted by the Fund

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2023 reporting periods and have not been early adopted by the Fund. These standards are not expected to have a material impact on the Fund in the current or future reporting periods and on foreseeable future transactions.

c) Contributions

Contributions from members are accounted for in the period in which they fall due.

d) Settlement

Settlements payable to seceding members are recognised as liabilities in the period in which they fall due.

e) Income from investments

Interest income is recognised for all interest-bearing instruments using the effective interest method. Interest income includes coupons earned on fixed income investments and accrued discount and premium on treasury bills and other discounted instruments.

f) Financial assets and liabilities

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Fund becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Fund commits to purchase or sell the asset.

At initial recognition, the Fund measures a financial asset or financial liability at its fair value plus or minus transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the Fund recognises the difference as follows:

Notes to the financial statements

For the year ended 31 December 2024

2. Summary of material accounting policy information (continued)

Financial assets and liabilities (continued)

- When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.

- In all other cases, the differences are deferred, and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

Classification and subsequent measurement

- **Financial assets**

The Fund applies IFRS 9 and classifies its financial assets at amortised cost.
The classification depends on the Fund's business model for managing the financial assets and the contractual terms of the cash flows.

The Fund classifies its financial assets at amortised cost only if the asset is held within a business model whose objective is to collect the contractual cash flows, and the contractual terms cash flows give rise to that are solely payments of principal and interest.

The business model reflects how the Fund manages the assets in order to generate cash flows. Factors considered by the Fund in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance evaluated and reported is to the Board of Trustees, how risks are assessed and managed.

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Fund assesses whether the financial instruments' cash flows represent payments of principal and interest solely (the SPPI test').

- **Impairment**

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Fund uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Fund's past history, existing market conditions as forward looking well as estimates at the end of each reporting period.

- **Financial liabilities**

The funds held in financial liabilities mainly represent advance payment of contributions. Such financial liabilities are initially recognised at fair value and subsequently measured at amortised cost.

Notes to the financial statements
For the year ended 31 December 2024

2. Summary of material accounting policy information (continued)

Classification and subsequent measurement (continued)

- **Derecognition**

The Fund derecognises a financial asset when the contractual rights to the cash flows from these assets expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or which the Fund neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any interest in transferred financial assets that is created or retained by the Fund is recognised as a separate asset or liability.

The Fund derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

- **Offsetting financial instruments**

Financial assets and liabilities are set off and the net amount presented in the net assets available for settlement when, and only when, the Fund has a legal right to set off the amounts to settle on a net and intends either basis, or to realise the asset and settle the liability simultaneously.

- **Fair value measurement**

The determination of fair values of financial assets and financial liabilities is based on quoted market prices or dealer price quotations for financial instruments traded in active markets. financial instruments fair for all other value is determined using valuation techniques.

g) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other liquid investments short term highly with original maturities of three months or less and bank overdrafts.

h) Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation events; it is more as a result of past likely than not that an outflow of resources will be required to

Notes to the financial statements
For the year ended 31 December 2024

2. Summary of material accounting policy information (continued)

Classification and subsequent measurement (continued)

i) Provisions- Continued

settle the obligation and the amount can be reliably estimated. Where the obligation is expected to be settled over years, the provision is a period of discounted using a discount rate appropriate to the nature of the provision.

j) The Fund's financial statements and its financial results are influenced by accounting policies, assumptions, estimates and management judgement, which preparation of the financial necessarily have to be made in the course of statements.

The Fund makes estimates and assumptions that affect the reported amounts of assets and liabilities. All estimates and assumptions required in conformity with all accordance with IFRS are best estimates undertaken in accordance with the applicable standard. Estimates and judgements are evaluated on a continuous basis, and are based on past experience and other factor, including expectations with regard to future events.

Financial assets and liabilities classification

The Fund's accounting policies provide scope for assets and liabilities to be designated at inception into accounting categories in certain circumstances. In classifying financial assets as hold to collect, the Fund has determined that it has both the positive intention and ability to hold the assets until their maturity date as required by accounting policy.

This classification requires significant judgement. If the Fund were to fail to keep these investments maturity other than for the specific circumstances - for example, selling an insignificant amount close to maturity - the Fund is required to reclassify the entire category as hold to collect and sell. Accordingly, the investments would be measured at fair value instead of amortised cost.

Determining fair values

The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of valuation models as described in Note 2.f.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument. The Fund's accounting policy on fair value measurements is discussed in Note 2.f.

Notes to the financial statements

For the year ended 31 December 2024

3. Interest income on investment	2024 GH¢	2023 GH¢
Interest earned on treasury bill & bonds	**1,775,495**	1,425,891
	1,775,495	1,425,891

4. Cash & cash equivalents	2024 GH¢	2023 GH¢
Cash at bank	**145,657**	109,476

5. Contribution receivables	2024 GH¢	2023 GH¢
Outstanding contribution from DP's	**25,000**	25,000

6. Investment securities	2024 GH¢	2023 GH¢
Treasury Bill maturing after 91 days of purchase	**7,783,794**	6,390,477
The movement in financial assets is as follows;		
Treasury Bills	**6,024,616**	4,953,832
Purchase at cost	**15,473,533**	9,313,505
Redeemed upon maturity	**(15,490,404)**	(9,302,750)
Interest income for the year	**1,775,495**	1,425,890
	7,783,794	6,390,477
Impairment allowance	**-**	(365,861)
At end of year	**7,783,794**	6,024,616

Notes to the financial statements

For the year ended 31 December 2024

	2024 GH¢	2023 GH¢
6.b Impairment		
At start of the year	**365,861**	292,779
Impairment on investment/write back	**(365,861)**	73,082
At the end of the year	**-**	365,861

	2024 GH¢	2023 GH¢
7. Account payable		
Advance payment of contributions	**12,500**	12,500
Funds payable to ABSA Ghana LTD	**555**	16,650
	13,055	29,150

8. Contributions from Depository Participants

Members' account comprises contributions received and receivable from depository participants operating in the Securities Market. Contributions represent funding from depository participants in accordance with the guidelines of the Settlement Guarantee Fund as approved by the Securities and Exchange Commission of Ghana.

	2024 GH¢	2023 GH¢
Contribution from members		
Dealing with members	**1,000**	16,650
	1,000	16,650
Contribution from New Depository Participants		
Members contribution	**34,959**	86,533
	34,958	86,533
Total Contribution	**36,959**	103,184

9. Income tax

The tax liability of income accruing to the Fund is payable by members of the Fund based on the allocation by Central Securities Depository (GH)LTD.

Notes to the financial statements
For the year ended 31 December 2024

10. Related party transactions

Related parties comprise the Trustees and Central Securities Depository (GH) LTD.

All expenses of the Fund are charged to Central Securities Depository (GH) LTD the Administrator of the Fund. Fees payable by the Administrator on behalf of the Fund for the year ended 31 December 2024 is audit fee of GH¢ 44,665 (2023: GH¢ 44,665).

No transaction was carried out with Central Securities Depository (GH) LTD, during the year (2023: Nil).

No amount has been paid or is payable to the Trustees of the Fund.

11. Financial risk management objectives and policies

The Trustees have overall responsibility for the establishment and oversight of the Fund's risk management framework. The Fund's risk management policies are established to identify and analyses the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to these limits.

The Trustees, through standards and procedures, aim to develop a disciplined and constructive control environment, in which all Trustees understand their roles and obligations. The Trustees are responsible for monitoring compliance with risk management policies and procedures, and for monitoring reviewing the adequacy of the risk management framework in relation to risks faced by the Fund.

Market risk

Interest rate risk

The Fund's investments in bank deposits and fixed rate government bills and bonds expose it to cash flow interest rate risk. The investment managers advise the Trustees on the appropriate balance of the portfolio between these fixed interest rate investments. The Fund has no interest-bearing liabilities.

At 31 December 2024, an increase/decrease in interest rate of 1% with all other variable held constant would have resulted in an increase/decrease in net assets available for settlement of GH¢ 77,843 (2023: GH¢ 63,904) arising substantially from cash flow on these investment securities.

Price risk

The exposure to equity securities price risk arises from investments held by the Fund at fair value through profit or loss. The fund has no exposures to price risk.

Notes to the financial statements
For the year ended 31 December 2024

11. Financial risk management objectives and policies (continued)

Credit risk

The Fund invests in treasury bills. Financial assets exposed to credit risk are as follows:

	2024 GH¢	2023 GH¢
Cash and cash equivalents	**145,657**	109,476
Treasury Bills	**7,783,794**	6,024,615
Contribution receivable	**25,000**	25,000
	7,954,451	6,159,091

The Fund adopts a three-stage approach for impairment assessment based on changes in credit quality since initial recognition.

- Stage 1 - Where there has not been a significant increase in credit risk (SICR) since initial recognition of a financial instrument, an amount equal to 12 months expected credit loss is recorded. The expected credit loss is computed using a probability of default occurring over the 12 months. For those instruments with a remaining maturity of less than 12 months, a probability of default corresponding to remaining term is used.
- Stage 2 - When a financial instrument experiences a SICR subsequent to origination but is not considered to be in default, it is included in stage 2. This requires the computation of expected credit loss based on the probability of default over the remaining estimated life of the financial instrument.
- Stage 3 - Financial instruments that are considered to be in default are included in this stage. Similar to Stage 2, the allowance for credit losses captures the lifetime expected credit losses.

The stages of the scheme's financial instruments are as follows:

At 31 December 2024	**Stage 1 GH¢**	**Stage 2 GH¢**	**Stage 3 GH¢**	**Total GH¢**
Cash and cash equivalents	145,657	-	-	145,657
Treasury Bills	-	7,783,794	-	7,783,794
Contribution receivable	25,000	-	-	25,000
Gross carrying amount	**170,657**	**7,783,794**	**-**	**7,954,451**
Loss allowance	-	-	-	-
Carrying amounts	**170,657**	**7,783,794**	**-**	**7,954,451**
At 31 December 2023				
Cash and cash equivalents	109,476	-	-	109,476
Treasury Bills	-	6,390,477	-	6,390,477
Contribution receivable	25,000	-	-	25,000
Gross carrying amount	134,476	6,390,477	-	6,524,953
Loss allowance	-	(365,862)	-	(365,862)
Carrying amounts	134,476	6,024,615	-	6,159,091

Notes to the financial statements
For the year ended 31 December 2024

11. Financial risk management objectives and policies (continued)

Liquidity risk
Prudent liquidity risk management includes maintaining sufficient cash balances to cover anticipated settlement payments. Financial liabilities are due no later than one year.

At 31 December 2024	**Up to 3months**	**Up to 1 year**	**Over year**	**Total**
Financial liabilities				
	GH¢	**GH¢**	**GH¢**	**GH¢**
Account payable	13,055	-	-	**13,055**
	13,055	-	-	**13,055**
Financial assets				
Cash and cash equivalents	145,657	-	-	**145,657**
Treasury Bills	-	7,783,794	-	**7,783,794**
Contribution and other receivable	25,000	-	-	**25,000**
Total	**170,657**	**7,783,794**	-	**7,954,451**
Liquidity gap	**157,602**	**7,783,794**	-	**7,941,396**
At 31 December 2023				
Financial liabilities				
Account payable	29,150	-	-	29,150
Total	29,150	-	-	29,150
Financial assets				
Cash and cash equivalents	109,476	-	-	109,476
Treasury bills	-	6,390,477	-	6,390,477
Contribution and other receivable	25,000	-	-	25,000
Total	134,476	6,390,477	-	6,524,953
Liquidity Gap	105,326	6,390,477	-	6,495,803

Fair value

All financial assets of the Fund are classified as hold to collect and measured at amortised cost and their carrying amounts aggregate GH¢ 7,954,451 (2023: GH¢ 6,159,091). Their carrying amount their approximate their fair value due to their short term nature.

At 31 December 2024	Financial Assets at amortised cost
	GH¢
Financial assets at amortised cost	**7,783,794**
Contribution receivable	**25,000**
Cash and cash equivalents	**145,657**
	7,954,451
At 31 December 2023	
Financial assets at amortised cost	6,024,615
Contribution receivable	25,000
Cash and cash equivalents	109,476
	6,159,091

Notes to the financial statements
For the year ended 31 December 2024

11. Financial risk management objectives and policies (continued)

Financial Liabilities

Financial liabilities (account payable) are classified as financial liability at amortised cost and its' carrying amounts total GH¢ 13,055 (2023: GH¢ 29,150). Their carrying amounts approximate their fair value due to their short-term nature.

12. Capital risk management

The capital is represented by the net assets available for settlement. The amount of net of assets available for settlement can change significantly on a monthly basis, as the fund is subjected to monthly contributions and redemptions at the discretion of the trustees. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide settlement for members and maintain a strong capital base to support the development of the investment activities of the Fund. In order to maintain or adjust capital structure, the Fund's policy is to monitor the level of monthly contributions and redemptions relative to the assets it expects to be able to liquidate.

The Trustees monitor capital on the basis of the value of net assets attributable to members.

13. Commitments and contingencies

There were no outstanding commitments or contingencies as at 31 December 2024

14 Event after the reporting period

The Trustees are not aware of any material events that have occurred between the date of the statement of net assets available to members and the date of the financial statement approved.