

2023 ANNUAL REPORT



EDC GHANA MONEY MARKET UNIT TRUST

EDC GHANA MONEY MARKET UNIT TRUST ANNUAL REPORT

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Notice of Virtual Annual General Meeting (AGM)

NOTICE IS HEREBY GIVEN THAT the **7th Annual General Meeting** of the Unit Holders of **EDC Ghana Money Market Unit Trust** will be held virtually and streamed live on <https://www.edcghanaagm.com> on **Wednesday, August 28, 2024, at 1:30 p.m.** for the following purposes:

ORDINARY BUSINESS:

1. TO RECEIVE THE REPORT of the Fund Manager for the year ended December 31, 2023;
2. TO RECEIVE AND ADOPT the Audited Financial Statements together with the reports of the Trustees and Auditors for the year ended December 31, 2023; and
3. TO AUTHORIZE THE DIRECTORS of EDC Investments Limited (EIL) to determine the fees of the Auditors for the year 2024.

Dated this 1st August, 2024
 BY ORDER OF THE BOARD

Lawfields
 CONSULTING

Lawfields Consulting
 Secretar

NOTES: GENERAL

1. The attendance and participation by Unit Holders or their proxies in this year's AGM shall be strictly virtual (by online participation).
2. A Unit Holder is entitled to attend and vote or may appoint a proxy to attend (via online participation) and vote on his or her behalf either online or by post. Such proxy need not be a Unit Holder. For a proxy to be valid for the AGM, it must be completed and submitted via trust@umbcapital.com or deposited at **Universal Merchant Bank**, SSNIT Emporium Building, Airport, 2nd Floor Corporate Banking – Custody Service not less than 48 hours before the meeting.
3. A copy of the Proxy Form can be downloaded from <https://www.edcghanaagm.com> and may be filled and sent via email to trust@umbcapital.com not less than forty-eight (48) hours before the commencement of the meeting.
4. The appointment of the proxy will not prevent a Unit Holder from subsequently attending and voting at the meeting (via online participation). Where a Unit Holder attends the meeting in person (participates online), the proxy appointment shall be deemed to be revoked.

Notice of Virtual Annual General Meeting (AGM) (cont.)

5. An electronic version of the Unit Trust's Annual Report consisting of the Financial Statement, Fund Manager, Trustees' and Auditor's Reports for the year ended December 31, 2023, may be accessed at the company's dedicated AGM website at **<https://www.edcgghanaagm.com>**.
6. Unit Holders are also encouraged to send in any questions in advance of the AGM by mailing them to **trust@umbcapital.com**. Answers to the questions will be provided at the AGM.

ACCESSING AND VOTING AT THE VIRTUAL AGM

7. To access and vote at the Virtual AGM, a unique token number will be sent to Unit Holders by email and/or SMS from EDC to give access to the meeting. Unit Holders who do not receive this token can contact our client care team on: **edc-clientservice@ecobank.com** or call **0302634165/0302634150** to be sent the unique token any time before the date of the AGM.
8. To gain access to the Virtual AGM, Unit Holders must visit **<https://www.edcgghanaagm.com>** and input their unique token number on the portal to join in and vote electronically during the meeting.
9. Further assistance on accessing the meeting and voting electronically can be found on **<https://www.edcgghanaagm.com>**.

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CORPORATE INFORMATION

DIRECTORS OF FUND MANAGER

Mr. Paul Kofi Mante
Mr. David Oforu-Dorte
Mr. Henry Ampong

TRUSTEE

Universal Merchant Bank
SSNIT Emporium Building
Airport
2nd Floor Corporate Banking-
Custody Service

FUND MANAGER

EDC Investments Limited
2 Morocco Lane
Off Independence Avenue
2nd floor
P. O. Box AN 16746
Accra
Ghana

AUDITORS

Baker Tilly Andah + Andah
Chartered Accountants
18 Nyanyo Lane, Asylum Down
P. O. Box CT 5443 Cantonments,
Accra

BANKERS

Ecobank Ghana Limited
Ring Road Central
Accra

REPORT OF THE FUND MANAGER TO THE UNIT HOLDERS OF EDC GHANA MONEY MARKET UNIT TRUST

The Fund Manager of EDC Investment Limited presents the report and audited financial statements of EDC Ghana Money Market Unit Trust for the year ended 31st December 2023.

NATURE OF THE FUND

The EDC Ghana Money Market Unit Trust is registered in Ghana. It is licensed by the Securities and Exchange Commission Ghana and authorized to operate as a unit Trust, in line with the Unit Trusts and Mutual Funds Regulations, 2001 (L.I. 1695).

INVESTMENT POLICY AND OBJECTIVES

EDC Ghana Money Market Unit Trust is an open-ended unit trust that is offered to investors who are seeking current income on a steady basis while preserving capital. The Unit Trust's objective is to outperform short term interest offered on Government securities. The Unit Trust shall be wholly invested in money market securities.

THE MANAGER'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Manager is responsible for the preparation and fair presentation of the financial statements, comprising the statement of net assets and liabilities as at 31 December 2023, statements of financial position, statements of changes in equity, statements of comprehensive income and statement of movement in issued units for the year then ended, and notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes in accordance with the International Financial Reporting Standards and in the manner required by the Securities Industry Act, 2016, Act 929 as amended in Securities Industry Amendment Act 590, the Unit Trusts and Mutual Funds Regulations, 2001 (L.I. 1695) and the Trust Deed dated 29th May, 2015.

These responsibilities include designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of these financial statements that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, making accounting estimates that are reasonable in the circumstances.

The Manager is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund and ensure that the financial statements comply with the Securities Industry Act, 2016, Act 929, as amended in Securities Industry Amendment Act 590, the Unit Trusts and Mutual Funds Regulations, 2001 (L.I.1695) and the Trust Deed dated 29th May, 2015. The Manager is responsible for safeguarding the assets of the Fund and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Manager has assessed the Fund's ability to continue as a going concern and has no reason to believe the Fund will not operate into the foreseeable future. The results for the year are as set out on page 18 of this report.

The Manager considers the state of affairs of the fund to be satisfactory.

The statement should be read in conjunction with the statement of the auditor's responsibilities as set out on page 6 to 8, the respective responsibilities of the Manager and the auditor in relation to the financial statements.

REPORT OF THE FUND MANAGER TO THE UNIT HOLDERS OF EDC GHANA MONEY MARKET UNIT TRUST

DIVIDEND DISTRIBUTION POLICY

The Unit Trust does not distribute income. All income earned is reinvested.

Total investment in financial assets is as follows:

ASSETS	2023	2022
	GH¢	GH¢
Treasury Notes and Bonds	87,491,844	136,178,573
Treasury Bills	2,609,576	27,417,692
Corporate Bonds	6,772,505	-
Certificate of Deposit	10,132,514	-
Cash and Cash Equivalent	2,434,991	4,217,846
	109,441,430	167,814,111

The Assets value for the GoG instruments for 2022 are marked to market to reflect the current tradeable values in line with Securities and Exchange Commission (SEC) requirements on classifications and presentation

Below are the asset allocation percentages for the year ended:

ASSETS	2023	2022
	%	%
Treasury Notes Bonds	80	81
Treasury Bills	2.3	16
Corporate Bonds	6.2	-
Certificate of Deposit	9.3	-
Cash	2.2	3
	100	100

Approval of the Financial Statements

The financial statements set out on pages 17 to 32, which have been prepared on the going concern basis, were approved by the Directors on 30th April, 2024 and were signed on its behalf by:



PAUL KOFI MANTE
Director



DAVID OFOSU-DORTE
Director

REPORT OF THE TRUSTEES TO THE UNITHOLDERS OF EDC GHANA MONEY MARKET UNIT TRUST

In our opinion, according to the information made available to us and the explanations provided, we confirm that in all material respects, the Manager has managed the Scheme during the period covered by these financial statements in accordance with the Trust Deed and all regulations for the time being in force under the Securities Industry Act, 2016, Act 929 as amended in Securities Industry Amendment Act 590 and the Unit Trusts and Mutual Funds Regulations, 2001 (L.I. 1695).

Signed by authorised representative of **Universal Merchant Bank (Ghana)**



30th April 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDC MONEY MARKET UNIT TRUST

BAKER TILLY ANDAH + ANDAH

OPINION

We have audited the financial statements of EDC Ghana Money Market Fund Unit Trust, which comprise the statement of comprehensive income and distribution, accumulated net investment income, statements of financial position, statements of changes in equity, statement of movement in units issued and statement of financial assets, statement of cash flows for the year then 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 32.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at 31st December 2023 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Securities Industry Act, 2016 (Act 929) as amended in Securities Industry Amendment Act 590 the Unit Trusts and Mutual Funds Regulations, 2001 (L.I. 1695) and the Trust Deed dated 29th May 2015.

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 we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. They are matters to be addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on those matters.

We have determined that there are no key audit matters to communicate in our report.

OTHER INFORMATION

The Manager is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work that we have performed, we conclude that there is a material misstatement of this other information, then we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE MANAGER FOR THE FINANCIAL STATEMENTS

The Fund Manager 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 Trusts and Mutual Funds Regulations, 2001(L.I 1695), Securities Industry Act, 2016 (Act 929) as amended in Securities Industry Amendment Act 590 and for such internal

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDC MONEY MARKET UNIT TRUST

BAKER TILLY ANDAH + ANDAH

control as the Board of EDC Investments Limited determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud and error. The fund manager is also responsible for overseeing the Unit Trust's financial reporting process.

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

The Fund Manager is responsible for overseeing the Fund's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

The objectives of our audit 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 skepticism throughout the planning and performance of 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern.
- If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDC MONEY MARKET UNIT TRUST

BAKER TILLY ANDAH + ANDAH

- We are required to communicate with the Manager 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Compliance with the requirements of Part 9 of Schedule 8 of the Unit Trusts and Mutual Funds Regulations, 2001 (L.I. 1695), we confirm that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the audit;
- in our opinion, proper books of account have been kept by the Fund, so far as appears from the examination of those books;
- the Fund's financial statements are in agreement with the books of account.

In our opinion, the Fund generally complied with the relevant provisions of the Securities Industry Act, 2016 (Act 929) as amended in Securities Industry Amendment Act 590.

The engagement partner on the audit resulting in this independent auditor's report is SAMUEL ABIAW (ICAG/P/1454)



.....30th April, 024

Baker Tilly Andah + Andah (ICAG/F/2024/122)

Chartered Accountants

18 Nyanyo Lane, Asylum Down

Accra

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THE PORTFOLIO
MANAGER'S
REPORT





PORTFOLIO MANAGER'S REPORT

Michael OWUSU

Portfolio Manager



The recent illiquidity challenges, due to the shift in the asset policy mix of the Money Market Fund (i.e., short term investments exchanged for long term) led to unitholders and prospective clients seeking out alternative investment opportunities that met their short term investment needs. As such we introduced the Money Market Sub Account which has realized a steady growth since its inception.



GLOBAL DEVELOPMENT

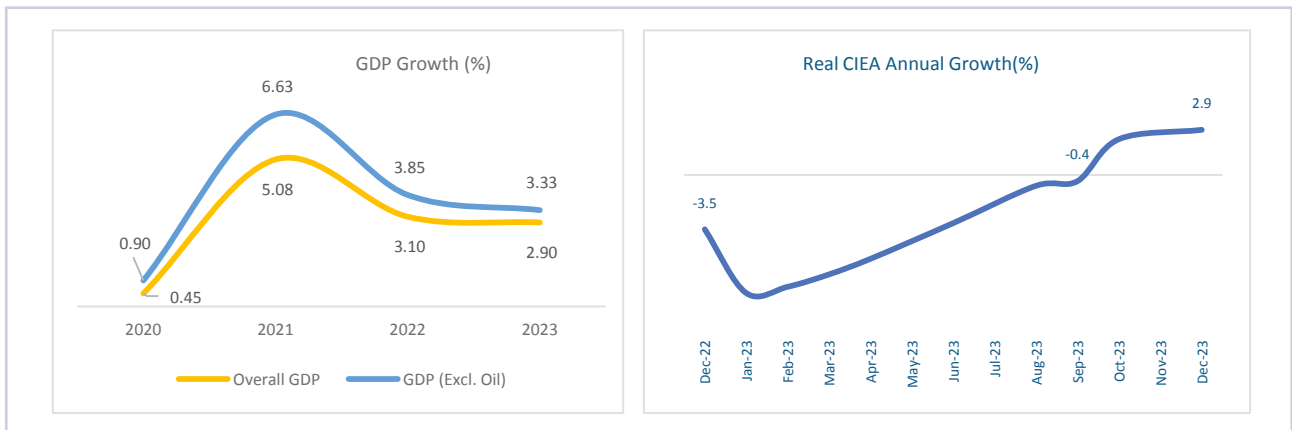
In 2023 the global economy experienced significant uncertainties during the first half of 2023. Nevertheless, economic activity worldwide saw a strong rebound in the latter half, driven by robust demand and resilient labor markets. Although global inflationary pressures eased, headline inflation remained above target in many countries. The slowdown in inflation was attributed to declines in energy and food prices. Consequently, several central banks paused their policy rate hikes. However, the earlier increases still kept global financing conditions tight in the near term.

DOMESTIC GROWTH

At the beginning of the year 2023, the domestic economy was buoyed by optimism following the Staff Level Agreement with the IMF in December 2022. Key prior actions were implemented, such as the signing of a Memorandum of Understanding between the central bank and the Ministry of Finance on zero budget financing as well as the nouvelle but challenging Domestic Debt Exchange Programme (DDEP) which led to the swapping of old bonds for new bonds, with averagely longer maturities and lower interest. These steps facilitated the approval of a US\$3.0 billion IMF Extended Credit Facility over three years.

PORTFOLIO MANAGER'S REPORT

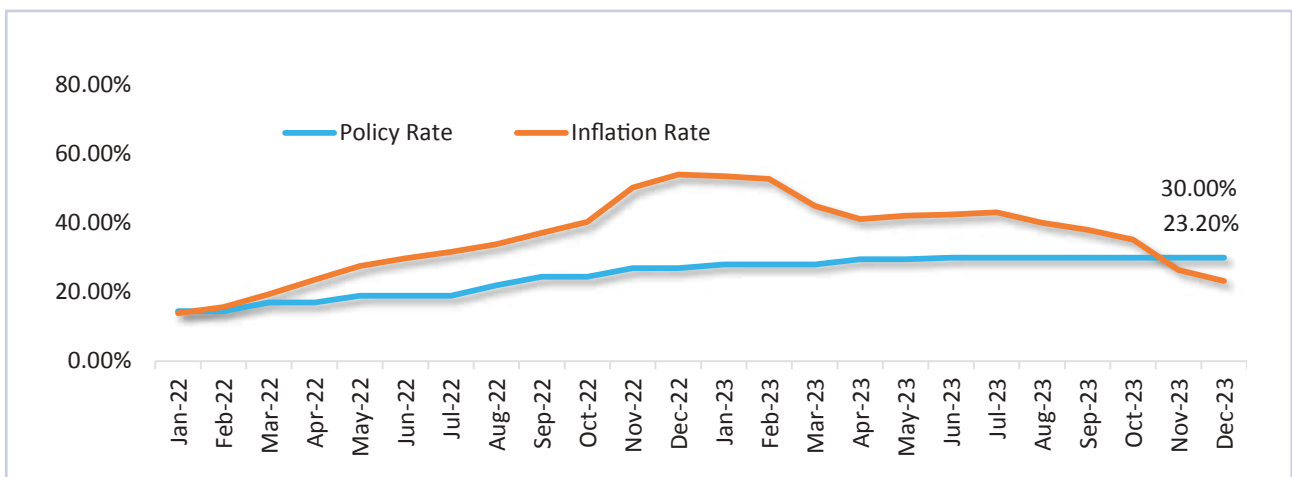
By the end of the year, the overall domestic economy had maintained a positive growth of 2.9% (non-oil GDP of 3.33%) albeit the lowest growth since the pandemic ridden year of 2020. Growth was supported by the agriculture (4.43%) and Services (5.53%) sectors while the industry closed with a contraction of 1.23%. The central bank's high frequency real sector indicators also confirmed the slowed growth. The Composite index of Economic Activity (CIEA) averaged a year-on-year growth of -1.8% within the year, again the lowest average growth since 2020.



PRICE AND INTEREST RATE DEVELOPMENT.

On price development, inflation having peaked at 54.1% in December 2022 sharply decelerated to 23.2% by December 2023. Food inflation declined to 28.7% from 59.7% while non-food inflation also fell to 18.7% from 49.9% over year.

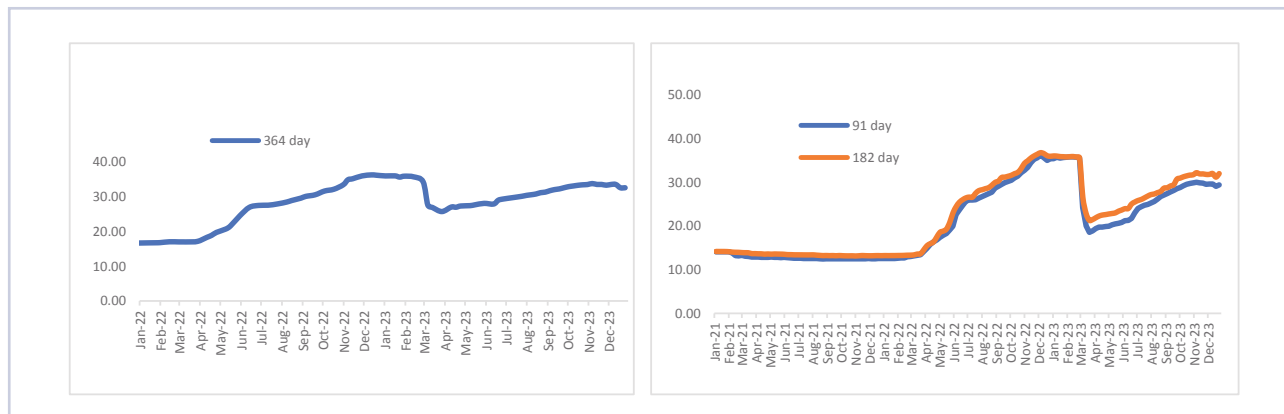
The decline in inflation, driven by both easing food and nonfood prices, was also underpinned by the hawkish policy stance from the central bank. The central bank in order to rein in the elevated price pressures, continued its rate hikes in 2023 with a 300bps raise to close the year at 30%, despite the disinflationary process.



The tight monetary policy stance fed into money market rates to keep them elevated. Nevertheless, in line with the downward inflationary trend, yields on the government Tbill broadly trended downward. The 91-day and 182-day Treasury bill rates decreased to 29.49% and 31.70%, in December 2023, from 35.48% and 36.23% respectively, in the corresponding period of 2022. Similarly, the rate on the 364-day instrument decreased to 32.97% in December 2023 from 36.06% in December 2022. There were however no bond

PORTFOLIO MANAGER'S REPORT

issuances on the back of restrictions from the IMF ECF agreement though new bonds together with old bonds traded at steep discounts as a result of favorable alternative yields on money market instruments.



On the interbank market, however, average rate remained well-aligned with the policy rate. The weighted average rate increased to 30.19% in December 2023 from 25.51% in December 2022, in line with the monetary policy rate and supported by adjustments made in the cash reserve ratio. The average lending rates of banks eased marginally to 33.75% in December 2023 from 35.58% a year earlier.

EXTERNAL SECTOR DEVELOPMENT AND FISCAL OPERATIONS

External sector development indicated a Balance of Payment Surplus of 0.46 bn USD compared to the deficit of 3.41 bn USD in 2022. This was driven by a 2.6 bn USD trade surplus, higher remittances, and most importantly lower outflows due to the external Debt Standstill.

Consequently, the stock of Gross International Reserves ended the year at US\$5.9 billion, enough to cover 2.7 months of imports of goods and services, from the stock position of US\$6.3 billion (2.7 months of import cover) at the end of December 2022. However, Gross International Reserves, excluding pledged assets and petroleum funds stood at 3.13 Bn USD at the end of December 2023 compared to 2.7 Bn USD at the end of 2022.

The above development provided some level of respite for the currency against the USD within the year. Despite the steep depreciation of 20.6% realized in January, the currency ended the year with a depreciation of 27.8% compared to a depreciation of 30% for the previous year.

THE DOMESTIC DEBT EXCHANGE PROGRAM (DDEP)

Owing to the enduring impact of the Covid pandemic, the Russia-Ukraine war, and the tightening of global conditions, Ghana grappled with significant financing limitations. Rising fiscal deficit and public debt levels raised debt sustainability concerns which led to a series of credit rating downgrades. With external financing options closed and worsening balance of payment deficit, Government in July 2022, requested for financial assistance from the IMF, primarily aimed at macroeconomic stability and debt sustainability.

In December 2022, a staff-level Agreement was reached with the IMF for a 3-year extended credit facility amounting to \$3 billion USD. During the initial negotiations to establish the program, a Debt Sustainability Analysis (DSA) was conducted to evaluate Ghana's overall debt burden. The DSA findings confirmed a public debt burden surpassing 100% of GDP, necessitating a debt treatment plan to reduce it to around 55% of GDP in present value terms by 2028.

PORTFOLIO MANAGER'S REPORT

A comprehensive strategy to reinstate debt and fiscal sustainability encompassed a Domestic Debt Exchange Programme (DDEP) and external debt restructuring. The DDEP was initiated on December 5, 2022, inviting eligible bondholders to exchange existing bonds for new bonds with differing coupon rates and maturities.

PARTICIPATION IN THE DOMESTIC DEBT EXCHANGE PROGRAM

Regarding the DDEP, after careful deliberation, management in consultation with the Trustees, opted to engage in the program. The decision was made due to the potential dire consequences, as evidenced by the current delays in coupon and maturity payments from the Government.

Our participation in the program led to the conversion of all Government investments into long-term GOG bonds while cocoa bills were also exchanged for cocoa bonds. It is essential to recall that this fund's asset mandate involves investing in money market securities with a maximum tenor of 13 months. At the time of tendering in February 2023, the longest tenor in the fund was a September 2023 GOG bond. However, the DDEP resulted in a transition to bonds with maturities set for 2027 and 2028, along with coupons of 10%.

The most notable impact, apart from the extended maturities and reduced coupon rates, was the introduced illiquidity within the portfolio. Previously, the securities were carefully staggered across the year to ensure cash inflow. This structure was transformed into a portfolio with only two securities, with coupon payments occurring solely in August and February. The situation has been further compounded by the elevated interest rates in Treasury bills, rendering the sales options for the new bonds unattractive due to their current depressed prices.

Our primary objective is to safeguard the value of your investment, and opting for a sale at a loss is not deemed a prudent option. Management has however diligently pursued a range of alternatives throughout this period to enhance the fund's liquidity. We continue to actively engage with the SEC to communicate the fund's challenges and present concerns to the Ministry of Finance.

FUND ACTIVITIES

As indicated in last year's meeting, the recent challenges, and the consequent shift in the asset policy mix of the Money Market Fund (i.e., short term investments exchanged for long term) led to unitholders and prospective clients seeking out alternative investment opportunities that met their short term investment needs. As such we introduced the Money Market Sub Account which has realized a steady growth since its inception. With the introduction of the sub account, the old fund was closed to new contributions while coupon inflow from the new Government bonds were paid out as redemptions.

At the end of 2023, total AUM (comprised of the two funds) stood at about GHS 109 M, a 35% drop from GHS 167 M at the end of 2022. The huge drop was driven by marked to market price drops on the back of the newly introduced valuation method directed the by Securities and Exchange Commission.

Over the period about GHS 20.3 M was recognized as contributions into the new fund while about GHS 52.6 M was reported as redemption, from the old fund.

Interest income for the period was registered at about GHS 14 M as against GHS 27 M in 2022. This huge drop was caused by the low interest rates on the new bonds received from the Government.

Year end performance for the sub account which commenced in August was recorded as 5.4% representing a 13.45% annualized return while the old money market fund recorded loss of 14.70% in 2023 due to price drops of the new Government Bonds.

PORTFOLIO MANAGER'S REPORT

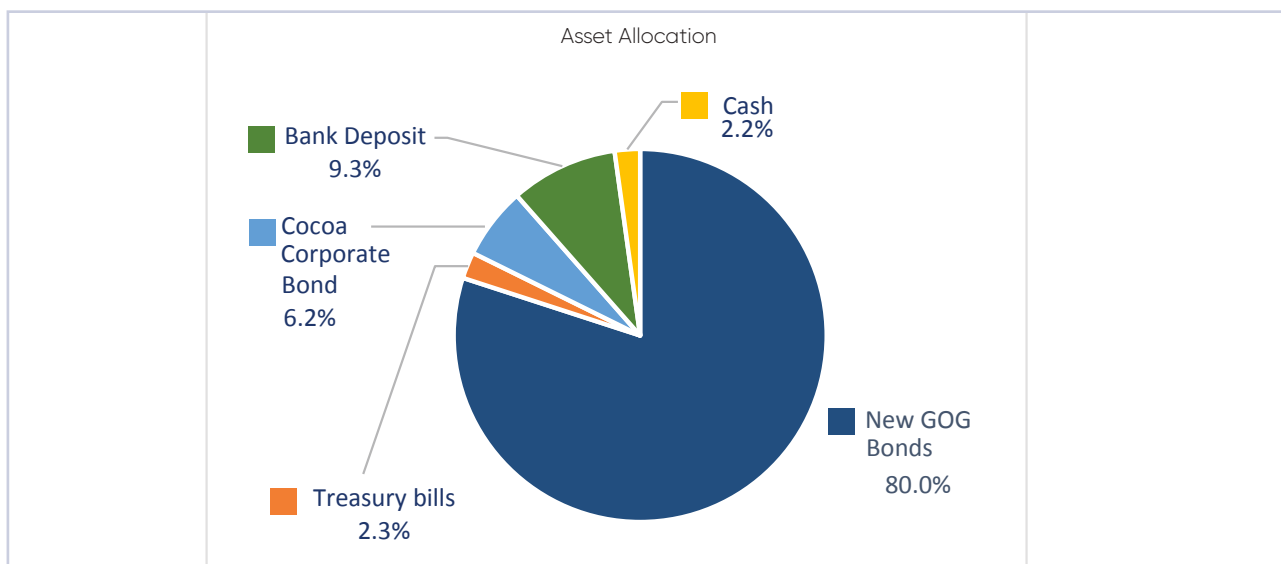
EDC Ghana Money Market Sub account (New Fund)

Period	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Since Inception
2023	-	-	-	-	-	-	-	0.46	1.05	1.17	1.26	1.4	5.4

EDC Ghana Money Market Fund (Old Fund)

Performance Summary %	1 Month	3 Months	6 Months	YTD	3 Years	5 Years	Since Inception
Money Market Fund Performance at Amortized Cost	0.35	1.65	4.61	19.21	68.43	123.80	248.46
** Benchmark	1.04	3.27	6.55	13.09	39.35	68.91	94.57
Money Market Fund Performance at Marked-to-Market	-11.39	-14.37	-20.07	-14.70	20.62	60.27	149.54

Consolidating the two funds, the asset allocation was as follows:



Looking ahead, we expect the new sub account to provide the needed liquidity and capital preservation for unitholders, while we continue to explore more options, aside the coupon payment, to enhance the liquidity on the old account to meet withdrawal needs. Beyond this, we expect the old money market to continue to experience fluctuation on investors funds since these bonds continue to trade at discounted values.

OUTLOOK

As indicated earlier, global growth has been quite resilient despite the sustained monetary policy tightening largely reflecting stronger consumptions and policy support from the US and China and other larger Emerging Markets and Developing Economies. In the outlook, IMF growth projections point to global growth remaining resilient with a growth of 3.2% in 2024 and 2025. However, the downside risks to the growth outlook include the observed slowdown in the disinflation process, geopolitical uncertainty, and elevated debt burdens. Global Inflation is expected to decline further but increasing geopolitical tensions and potential supply constraints associated with developments in the Red Sea could pose some major risks to the outlook.

On the local front, economic growth for 2023 of 2.9% surpassed growth expectations of 1.5% and 2.3% from the Government and IMF, respectively. In 2024, IMF projections point to a 2.8% growth while the

PORTFOLIO MANAGER'S REPORT

Government expects economic activity to record a growth of 4.3% supported by the easing of global financing condition and consequent capital flow return as well as recovery in the economic sectors, particularly the industry sectors.

Not all is rosy as the funding squeeze continues, though positive development on the final external leg of the debt restructuring exercise provides some positive sentiments. Inflation also remains elevated despite the government projecting a year end target of 15% well above the medium term target upper band of 10%. Currency volatilities have also bitten harder in 2024 with depreciations surpassing levels recorded same period last year. We however expect the currency to stabilize on the back of monetary and fiscal interventions such as the periodic injection of USD, BDC auctions, Reserves enhancement and conclusion of the debt restructuring.

Lastly, we expect the new bonds in the Old Money Market Fund to trade at discounted prices since short term Tbill rates remain elevated and serve as a better incentive to investors on the market. Nevertheless, we expect Tbill rates to trend downwards as observed from January 2024 to now, albeit elevated and in line with inflation levels, policy decisions and Government's financing needs. In our management of the new sub account, we will continue to pursue high credit quality money market investments for the sub account to meet the liquidity and capital preservation needs of our unitholders.

CONCLUSION

In conclusion, we wish to convey our sincere gratitude for your patience and ongoing support throughout these demanding circumstances. The prevailing macroeconomic environment has introduced numerous hurdles, and your understanding and unwavering loyalty are deeply valued.

We wish to assure our esteemed clients of our commitment to facilitating the essential liquidity for the Trust and encourage you to maintain investment confidence in EDC.

We wholeheartedly appreciate your continued patronage.



Michael Owusu
Portfolio Manager

EDC Investments Limited
(A member of the Ecobank Group)

INVEST CONVENIENTLY VIA THE ECOBANK MOBILE APP

- Log-in to the **Ecobank Mobile App**
- Click **Pay Bill**
- Select **EDC Investment** under the **Investment** option
- Select **Account** and **Product**
- Fill details (EDC account number, amount and email)
- Click **Pay** and input **PIN** to validate transaction

Terms and Conditions apply

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FINANCIAL
STATEMENTS



STATEMENT OF COMPREHENSIVE INCOME AND DISTRIBUTION FOR THE YEAR ENDED 31ST DECEMBER 2023

	NOTE (\$)	2023	2022
		GH¢	GH¢
REVENUE			
Interest Income	7	14,672,554	28,235,992
Realized Gain on Debt Securities	10	-	(1,149,055)
TOTAL INCOME		14,672,554	27,086,937
EXPENSES			
Investment management fees		1,464,048	1,119,807
Trustee Fees		236,499	191,787
Audit Fees		60,950	47,665
General and Administrative Expenses	8	40,067	290,656
TOTAL EXPENSES		1,801,564	1,649,915
OPERATING PROFIT		12,870,990	25,437,022
INCREASE IN NET ASSETS		12,870,990	25,437,022
OTHER COMPREHENSIVE INCOME			
Unrealised (Loss)/ Gain on Debt Securities	9	(39,525,889)	4,120,091
TOTAL COMPREHENSIVE INCOME		(26,654,899)	29,557,113

ACCUMULATED NET INVESTMENT INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022
	GH¢	GH¢
Balance as at 1 January	28,603,514	3,166,492
Transfer Statement of comprehensive Income and Distribution	12,870,990	25,437,022
Balance at the end of the year	41,474,504	28,603,514

The notes on pages 25 to 32 are an integral part of the financial statements.

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2023

FINANCIAL ASSETS	NOTE (S)	2023 GH¢	2022 GH¢
Cash and cash equivalents	12	2,434,991	4,217,846
Non-pledged financial assets at Fair Value Through Other Comprehensive Income	11	107,006,440	163,596,265
		109,441,431	167,814,111
<hr/>			
REPRESENTED BY:			
Members' Fund	15	108,469,750	167,393,066
<hr/>			
FINANCIAL & OTHER LIABILITIES			
Accounts payable	13	971,681	421,045
Total Members' Fund and Financial & Other Liabilities		109,441,431	167,814,111

The financial statement on pages 18 to 32 were approved by EDC Investment Limited and signed on its behalf by:


.....
Paul Kofi Mante (Director)


.....
David Oforu-Dorte (Director)

The notes on pages 25 to 32 are an integral part of the financial statements.

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

2023	CAPITAL TRANSACTIONS	ACCUMULATED NET INVESTMENT	VALUATION RESERVE	TOTAL
	GH¢	GH¢	GH¢	GH¢
Balance as at 1 January	134,669,461	28,603,514	4,120,091	167,393,066
Net income from operations	-	12,870,990	-	12,870,990
Other Comprehensive Income	-	-	(39,525,889)	(39,525,889)
Units Issue	20,316,920	-	-	20,316,920
Units Redemption	(52,585,337)	-	-	(52,585,337)
At 31 December	102,401,044	41,474,504	(35,405,798)	108,469,750

2022	CAPITAL TRANSACTIONS	ACCUMULATED NET INVESTMENT	VALUATION RESERVE	TOTAL
	GH¢	GH¢	GH¢	GH¢
Balance as at 1 January	4,680,412	3,166,492	-	7,846,904
Net income from operations	-	25,437,022	-	25,437,022
Other Comprehensive Income	-	-	4,120,091	4,120,091
Units Issued	297,596,970	-	-	297,596,970
Units Redemption	(167,607,921)	-	-	(167,607,921)
At 31 December	134,669,461	28,603,514	4,120,091	167,393,066

STATEMENT OF MOVEMENT IN UNITS ISSUED FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022
	NO. OF UNITS	NO. OF UNITS
Balance as at 1 January	122,047,266	7,168,979
Issued during the year	17,079,855	249,695,981
Redemption during the year	(41,789,835)	(134,817,694)
Balance at 31 December	97,337,286	122,047,266

STATEMENT OF FINANCIAL ASSETS AND LIABILITIES FOR THE YEAR ENDED 31 DECEMBER 2023

FIXED INTEREST SECURITIES	2023		2022	
	Market Value GH¢	Percentage of Net Asset (%)	Market Value GH¢	Percentage of Net Asset (%)
TREASURY BILLS				
182- Day Treasury Bills	-	-	7,404,903	4.42
364- Day Treasury Bills	-	-	4,985,660	2.98
91- Day Treasury Bills	2,609,576	2.41	15,027,129	8.98
	2,609,576	2.41	27,417,692	16.38
CORPORATE BONDS				
1-Year Ghana Cocoa Bond	338,625	0.31	-	-
2-Year Ghana Cocoa Bond	1,354,502	1.25	-	-
3-Year Ghana Cocoa Bond	1,693,126	1.56	-	-
4-Year Ghana Cocoa Bond	1,693,126	1.56	-	-
5-Year Ghana Cocoa Bond	1,693,126	1.56	-	-
	6,772,505	6.24	-	-
TREASURY NOTES & BONDS				
2- Year GOG Note	-	-	90,629,695	54.14
3-Year GOG Note	-	-	39,896,675	23.83
5-Year GOG Note	87,491,845	80.66	5,652,203	3.38
	87,491,845	80.66	136,178,573	81.35
CERTIFICATES OF DEPOSITS				
91- Day Fixed Deposit	9,599,115	8.85	-	-
182- Day Fixed Deposit	533,399	0.49	-	-
	10,132,514	9.34	-	-
FUNDS ON CALL				
Cash	2,434,991	2.24	4,217,846	2.52
TOTAL FINANCIAL ASSETS	109,441,431	100.89	167,814,111	100.25
Total Financial & Other Liabilities	(971,681)	(0.89)	(421,045)	(0.25)
TOTAL NET ASSET	108,469,750	100	167,393,066	100

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022
	GH¢	GH¢
CASH FLOW FROM OPERATING ACTIVITIES		
Total Comprehensive Income	(26,654,899)	29,557,113
Adjusted for:		
Interest Receivable	(4,911,345)	(7,177,465)
Unrealized gain/(loss)	39,525,889	(4,120,091)
Interest income	(9,761,209)	(21,058,527)
Changes in working capital:		
Change in liabilities	550,636	338,467
Change in Other Receivables	-	8,359
Net Cashflows from Operating Activities	(1,250,928)	(2,452,144)
Cash Flows from Investing Activities		
Net Sale/(Purchase) of Financial Assets	21,975,281	(144,540,064)
Interest Income	9,761,209	21,058,527
Net Cash Generated from / (Used In) Investing Activities	31,736,490	(123,481,537)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Sale of Units	20,316,920	297,596,970
Redemption of Clients' Investment	(52,585,337)	(167,607,921)
Net Cash (Used In)/ Generated from Financing Activities	(32,268,417)	129,989,049
Net (Decrease)/Increase in Cash and Cash Equivalents	(1,782,855)	4,055,368
Balance at 1st January	4,217,846	162,478
Cash and Cash Equivalents at 31st December	2,434,991	4,217,846

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NOTES

TO THE FINANCIAL STATEMENTS



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

1. EDC GHANA MONEY MARKET FUND UNIT TRUST INFORMATION

EDC Ghana Money Market Unit Trust is a unit trust investment whose primary objective is to obtain contributions from members and invest the same for their benefit. EDC Ghana Money Market Unit Trust is a Unit Trust registered and operating in the Republic of Ghana. The address and registered office of the promoters can be found on page (ii) of the financial statements.

The Unit Trust is an open-ended investment Unit Trust primarily involved in investing members contribution in investment-grade debt securities and derivatives, with the objective of providing members with above-average returns over medium to long term. The Investment activities of the Unit Trust are managed by EDC Investments Limited and the trustee services of the Unit Trust are delegated to Universal Merchant Bank (Ghana) Limited.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The financial statements have been prepared in accordance with the Unit Trusts and Mutual Funds Regulations, 2001 (L.I. 1695) and comply with the International Financial Reporting Standards (IFRS).

2.2 Basis of Measurement

The financial statements have been prepared on historical cost basis except for financial instruments that are measured at fair values. The financial statements have been prepared and presented in Ghana Cedis (GHS) which is the Fund's functional currency. All amounts have been stated in full.

2.3 Use of estimates and judgement

The preparation of financial statements in conformity with IFRSs requires the Manager to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. There are no areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently in these financial statements by the Fund.

i. Purchase of 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 applicants by the Manager. Payments for units shall be in Ghana Cedis; however, applicants can settle their payments with easily convertible currencies but bear the foreign exchange transaction cost.

ii. Investment income recognition

a. Interest Income

Interest income, including interest income from non-derivative financial assets at Fair value through profit or loss (FVTPL), are recognized 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

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

of future credit losses, over the expected life of the financial instrument or through to the next market-based re-pricing relate 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.

i. Financial Instruments

Financial assets and financial liabilities are recognised in the trust's statement of financial position when the trust becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Categorisation of Financial Assets:

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit and loss (FVTPL). Despite the foregoing, the Trust may make the following irrevocable election/ designation at initial recognition of asset:

- the Trust may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Trust may irrevocably designate a debt investment that meets the amortised cost or Fair Value Through Other Comprehensive Income criteria as measured as at Fair Value Through Profit or Loss if doing so eliminates or significantly reduces an accounting mismatch.

a. Equity instruments designated as at Fair Value Through Other Comprehensive Income.

On initial recognition, the Fund may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at Fair Value Through Other Comprehensive Income. Designation as at Fair Value Through Other Comprehensive Income is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Fund manages

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

- together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

b. Financial assets at Fair Value Through Other Comprehensive Income.

Financial assets that do not meet the criteria for being measured at amortised cost or Fair Value Through Other Comprehensive Income are measured at Fair Value Through Profit or Loss. Specifically:

- Investments in equity instruments are classified as at or Fair Value Through Other Comprehensive Income, unless the Trust designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at or Fair Value Through Other Comprehensive Income on initial recognition.
- Debt instruments that do not meet the amortised cost criteria or the or Fair Value Through Other Comprehensive Income criteria are classified as at Fair Value Through Profit or Loss.

In addition, debt instruments that meet either the amortised cost criteria or the Fair Value Through Other Comprehensive Income criteria may be designated as at Fair Value Through Profit or Loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Trust has designated all debt and equity instruments as at Fair Value Through Profit or Loss.

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 Unit Trust 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. Amortised 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.

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.

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

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

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.

CASH FLOW HEDGE

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 arm's length transactions, discounted cash flow analysis, option pricing models or other valuation techniques commonly used by market participants.

i. Impairment of Financial Assets

The Unit Trust 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 Unit Trust about the following loss events:

- Significant financial difficulty of the borrower.
- A breach of contract, such as default or delinquency in interest or principal repayments.
- The Unit Trust granting to the borrower, for economic or legal reasons relating to the borrower's financial difficulty, a concession that The Unit Trust would not otherwise consider.
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization.
- The disappearance of an active market for that financial asset because of financial difficulties or
- 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

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

- National or local economic conditions that correlate with defaults on the assets of The Unit Trust.

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 Fair Value Through Profit or Loss, which are recognised as a component of net gains from financial instruments at Fair Value Through Profit or Loss.

k. Transfer Values

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

l. Cash and Cash Equivalents

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

m. Fees and commission

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

4. NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS YET TO BE ADOPTED BY THE FUND

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2023, where applicable. The Fund has not adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Interest Rate Benchmark Reform Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

In August 2020, the IASB made amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 to address the issues that arise during the reform of an interest rate benchmark rate, including the replacement of one benchmark with an alternative one.

The Phase 2 amendments provide the following reliefs:

When changing the basis for determining contractual cash flows for financial assets and liabilities (including lease liabilities), the reliefs have the effect that the changes, that are necessary as a direct consequence of Interbank offered rates (IBOR) reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement.

The hedge accounting reliefs will allow most IAS 39 or IFRS 9 hedge relationships that are directly affected by (IBOR) reform to continue. However, additional ineffectiveness might need to be recorded.

Affected entities need to disclose information about the nature and extent of risks arising from IBOR reform to which the entity is exposed, how the entity manages those risks, and the entity's progress in completing the transition to alternative benchmark rates and how it is managing that transition. Given the pervasive nature of IBOR-based contracts, the reliefs could affect companies in all industries.

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

These amendments had no impact on the financial statements of the Fund.

5. STANDARDS ISSUED BUT NOT YET EFFECTIVE

Certain new accounting standards and amendments to standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted; however, except as stated, the Fund has not adopted the new and amended standards in preparing these financial statements. The following new and amended standards are not expected to have a significant impact on the Fund's financial statements.

- IFRS 17 Insurance Contracts
- Classifications of Liabilities as Current or Non-current – Amendments to IAS 1
-

Lease liability in a Sale and Leaseback – Amendments to IFRS 16

- Non-current Liabilities with Covenants – Amendments to IAS 1
- Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7
- International Tax Reform–Pillar Two Model Rules – Amendments to IAS 12
- Lack of Exchangeability – Amendments to IAS 21

6. RELATED PARTIES AND KEY CONTRACTORS

a) Transaction with Trustee

The Trustee of the Unit Trust is Universal Merchant Bank Limited, a Bank incorporated in Ghana and duly licensed by the Security and Exchange Commission of Ghana as a unit trust fund trustee. Under the investment management agreement, the trustee receive a fee at an annual rate of 0.40% of the net asset value attributable to members of the Unit Trust. The total Trustees fees charged during the year amounted to GHS 236,499. Included in payable is an amount of GHS 236,499

b) Managers Fund

EDC Investments Limited, an investment management company incorporated in Ghana and duly licensed by the Security and Exchange Commission of Ghana is the fund manager of the Unit Trust. It has the responsibility of implementing the investment strategy and objectives as stated in the Unit Trusts' investment management policy manual. Under the unit trust management agreement, the fund managers receive a management fee at an annual rate of 1% and 1.25% of the net asset value attributable to institutional and retail members of the Unit Trust respectively. The management fees incurred during the year amounted to GHS 1,464,048. Included in payable is an amount of GHS 599,674.

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

7 CONTRIBUTION	2023	2022
	GH¢	GH¢
Cash and Bank	282,514	675,074
GoG Notes and Bonds	13,166,012	22,544,732
Treasury Bills	1,224,028	5,016,186
	14,672,554	28,235,992
8. GENERAL AND ADMINISTRATIVE EXPENSES	2023	2022
	GH¢	GH¢
AGM Expenses	31,601	22,061
Printing and Stationery	2,981	6,775
Bank Charges	248	809
Postage and Telephone	-	1,240
Broker Commissions	5,237	254,912
Legal Charges	-	2,552
Other Expenses	-	2,307
	40,067	290,656
9. UNREALIZED GAIN/(LOSS)	2023	2022
	GH¢	GH¢
Unrealized (Loss)/Gain on GoG Notes and Bonds	(39,525,889)	3,340,984
Unrealized Gain on Treasury Bills	-	779,107
Unrealized (Loss) /Gain on Debt Securities	(39,525,889)	4,120,091
10. REALIZED LOSS	2023	2022
	GH¢	GH¢
	-	(1,149,055)

11. FINANCIAL INSTRUMENTS

Analysis of Changes in Fair Value of Financial Instruments through OCI

2023	Balance 1/1/2023	Purchase/ sales at Cost	Accrued Interest	Change in Fair Value	Value 31/12/2023
	GH¢	GH¢	GH¢	GH¢	GH¢
GoG Notes and Bonds	136,178,573	(7,005,131)	4,616,797	(39,525,889)	94,264,350
Treasury Bills	27,417,692	(24,820,150)	12,034	-	2,609,576
Certificate of Deposit	-	9,850,000	282,514	-	10,132,514
Balance at 31st	163,596,265	(21,975,281)	4,911,345	(39,525,889)	107,006,440

Analysis of Changes in Fair Value of Financial Instruments through OCI

2022	Balance 1/1/2022	Purchase/ sales at Cost	Accrued Interest	Change in Fair Value	Value 31/12/2022
	GH¢	GH¢	GH¢	GH¢	GH¢
GoG T' Notes and Bonds	2,287,656	123,372,468	7,177,465	3,340,984	136,178,573
Treasury Bills	5,470,989	21,167,596	-	779,107	27,417,692
Balance at 31st	7,758,645	144,540,064	7,177,465	4,120,091	163,596,265

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

Domestic Debt Exchange Programme (DDEP)

In November 2022 the Government of Ghana announced Domestic Debt Exchange Programme (DDEP) where existing eligible bonds as of balance sheet date would be exchanged with new bonds. The Domestic Debt Exchange Programme became necessary because the government debt levels were unsustainable and servicing such debts in line with existing contractual terms imposed huge challenge to the Treasury. Various amendments were made to the initial exchange memorandum. The latest was issued on February 3, which stated ending date for the Domestic Debt Exchange Programme offer period as 14th February and settlement date being 21st February 2023.

The fund participated in the Domestic Debt Exchange Programme by surrendering its existing bonds on 21st February 2023 because the fund invested in Government of Ghana treasury bills and bonds and thus they qualify as eligible bonds for exchange. A total of GHS 122,481,382 existing bonds were exchanged with new bonds maturing each year, beginning in 2027 and ending in 2028.

12. CASH AND CASH EQUIVALENTS	2023	2022
	GH¢	GH¢
Cash and Bank Balance	2,434,991	4,217,846
13. ACCOUNTS PAYABLE		
Investment Management Fees	599,674	176,959
Trustee Fees	236,499	171,064
Audit fees and VAT	110,151	47,665
Due to EDC	25,357	25,357
	971,681	421,045

14. TAXATION

Income of approved Unit Trust scheme or Mutual Fund is exempt from tax under the Income Tax Act, 2015 (Act 896) as amended by Act, 2017 (Act 941).

The Fund is currently withholding taxes on payment made to Directors and other service providers.

15. MEMBERS' FUND	2023	2022
	GH¢	GH¢
Accumulated Net Investment Income	6,068,706	4,217,846
Stated Capital	100,000	100,000
Movement on Units Issued	102,301,044	134,569,461
	108,469,750	167,393,066

16. TRANSACTIONS THROUGH STOCKBROKERS

The Unit Trust's transactions were through EDC Stockbrokers Limited.

EDC Investments Limited
(A member of the Ecobank Group)

Resolve your concerns quickly and effectively

Kindly reach out to us using the below channels for timely and appropriate responses to your concerns.

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PROXY FORM

I/WE.....of.....being a member of **EDC Ghana Money Market Unit Trust (the "Unit Trust")** hereby appoint..... of.....

as my/our proxy to attend on my/our behalf, the **7 th Annual General Meeting** of the **Trust**, to be held at **https://www.edcghanaagm.com** on **Wednesday, August 28, 2024**, at **1:30 p.m.** for the following purposes and to vote on my/our behalf on matters as directed below:

I/We direct that my/ our vote(s) be cast on the specified resolution as indicated by an 'X' in the appropriate space.

	RESOLUTION	FOR	AGAINST	ABSTAIN
1.	To receive and consider the Reports of the Fund Manager for the year ended December 31, 2023;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	To receive and consider the Reports of the Trustees, Auditors and the Audited Financial Statements for the year ended December 31, 2023;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	To authorize the Directors of EDC Investments Limited (EIL) to fix the Auditors for the year 2024;;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Unitholder's Signature Date2024

NOTES

1. A proxy need not be a Unit Holder of the Unit Trust.
2. Unless otherwise instructed, the proxy will vote as he sees fit.
3. To be valid, this form must be signed and sent via email to trust@umbcapital.com not less than forty-eight (48) hours before the commencement of the meeting.
4. In the case of joint holders, the signature of only one of the joint holders is required.
5. In the case of a body corporate, the form must be under seal or under the hand of a duly authorized officer.
6. The completion of and return of a proxy form does not prevent a Unit Holder from attending the meeting and voting thereat.

