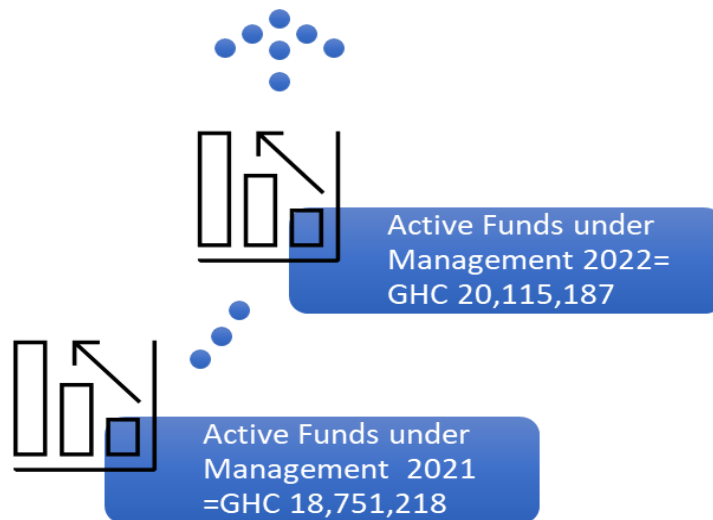
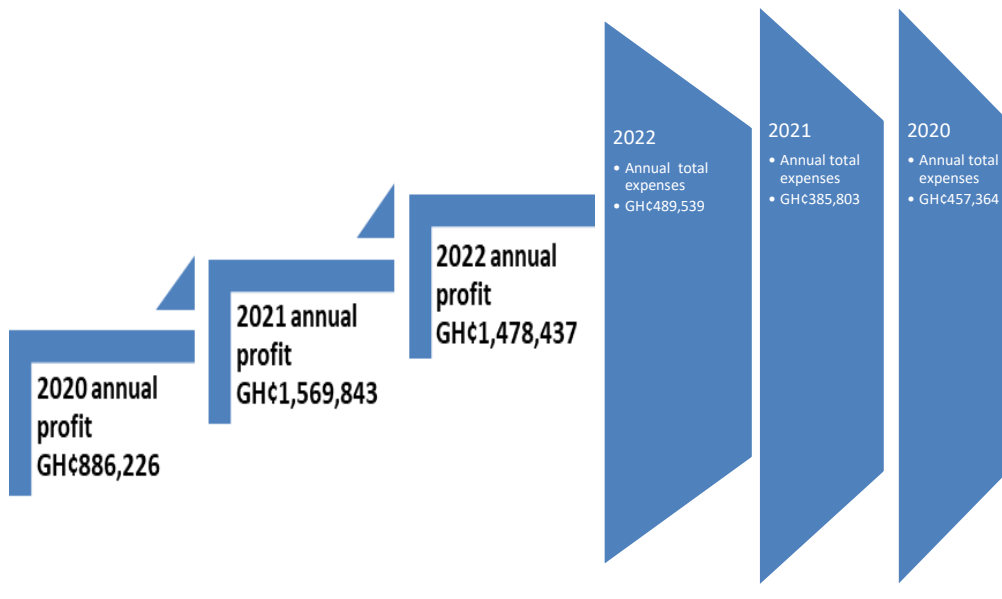
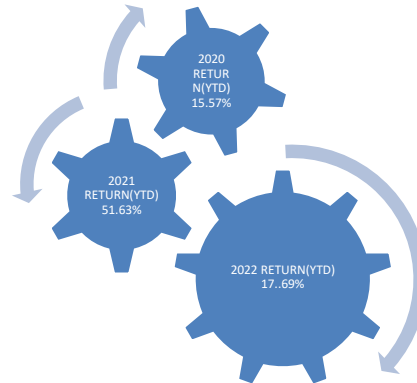
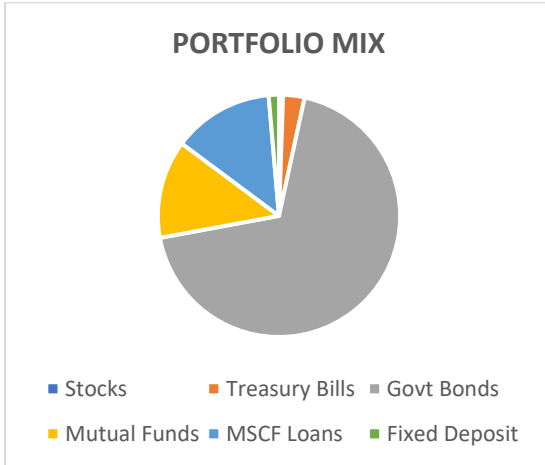


MUTUAL SAVINGS AND CREDIT FUND						
FIVE YEARS STATEMENT OF FINANCIAL POSITION						
AS AT 31 DECEMBER						
	2022	2021	2020	2019	2018	
	GH¢	GH¢	GH¢	GH¢	GH¢	
ASSETS						
Cash	951,355	579,172	533,575	430,541	889,847	
Account Receivables	384,192	-	2,031	9	381,112	
Amount due from CAGD	710,283	1,059,263	983,621	897,837	323,474	
Loans and Advances	2,705,872	2,053,967	1,679,721	1,466,903	1,634,402	
Fixed Income Securities	17,300,783	16,651,125	14,413,974	8,803,849	9,359,178	
Available for Sale Investment	108,533	46,126	46,126	54,266	31,203	
Other Assets	3,866,904	4,506,057	5,015,878	9,600,259.00	-	
Intangible Asset	6,408	8,544	10,680	10,680	10,680	
Property and Equipment	5,364	12,587	18,409	1,313	1,788	
Notes Receivables	-	-	-		5,707,364	
TOTAL ASSETS	26,039,694	24,916,841	22,704,015	21,265,657	18,339,048	
LIABILITIES AND EQUITIES						
		-	-	-	-	
LIABILITIES						
Account Payables	41,261	22,611	32,314.00	32,314	24,977	
TOTAL LIABILITIES	41,261.00	22,611.00	32,314.00	32,314	24,977	
EQUITY						
Accumulated Fund	26,008,607	22,471,314	22,226,983	22,226,983.00	18,123,412	
Retained Earnings	-	-	215,756	215,756.00	215,757	
Fair Value Reserve	(10,174)	(10,174)	10,174	(10,174.00)	(25,097)	
Special Reserve	-	433,090	239,137	239,137.00	-	
TOTAL Equity	25,998,433	22,894,230	22,671,702	22,671,702.00	18,314,071	
TOTAL LIABILITIES AND EQUITY	26,039,694	22,916,841	22,704,015	22,704,016	18,339,048	
					-	

PERFORMANCE HIGHLIGHTS



CHAIRMAN'S REPORT

Ladies and Gentlemen, I welcome you once again to the Biennial General Meeting (BGM) of the Mutual Savings and Credit Fund (MSCF), now the Highway Mutual Savings Association (HMSA) Limited by Guarantee (LBG). I wish to extend my gratitude to you all for your unwavering support to the MSCF(HMSA). At the conclusion of this BGM, members are kindly requested to duly ratify this new name to signify the end of the transitional phase from the previous name called Mutual Savings and Credit Fund to the new name called Highway Mutual Savings Association LBG). This formalization process is a bold step forward towards establishing the Association's identity.

THE DOMESTIC ECONOMIC ENVIRONMENT

The Ghanaian economy witnessed tremendous challenges in the year 2022. The economy recorded high inflation, currency volatility and elevated debt levels resulting in a 3.1 percent growth in 2022 compared with a 5.1 percent growth rate in 2021. Ghana's debt to GDP increased to 94.3 percent as of November 2022 up from 74.1 percent in the same month in 2021. The high increase in the debt levels saw the Ghana sovereign credit ratings downgraded by rating Agencies.

THE DOMESTIC DEBT EXCHANGE PROGRAM (DDEP)

Fellow Members, In December 2022 the Government of Ghana embarked on a Domestic Debt Exchange Programme. The programme was an invitation for the voluntary exchange of about GHC 130 billion of the domestic bonds of the Republic for the package of new bonds with lower coupons and longer bond durations. The programme was an overall comprehensive plan of the Government of Ghana to restore public debt to a sustainable level and to unlock the financial assistance from the International Monetary Fund.

The MSCF (HMSA) exchanged a total amount of about **GHC13.8 million** being the value of eligible bonds under the DDEP. Under International Financial Reporting Standards, shortfall in the recoverable amounts of financial assets is required to be reflected in the income statement as an impairment charge. Accordingly, the MSCF's (HMSA) participation in the DDEP is expected to create an impairment charge in the income statements for the 2023 final accounts. The full impairment charge is expected to have a negative impact on profitability in the year 2023. However, with the MSCF's (HMSA) strong fundamentals and growth potential we expect the impact from DDEP on members should only be felt in 2023.

The DDEP, again, impacted adversely on the MSCF's (HMSA) liquidity position. The participation of the DDEP led to a cash coupon decline of about 81 percent from a high expected coupon pre-DDEP of **GHC 2,773,229** million to a low cash coupon post-DDEP of **GHC 518,595**. The decline in cash coupons is again expected to impact negatively on our future activities.

MARKET DEVELOPMENT.

In October 2022, the Securities and Exchange Commission (SEC) Ghana issued a directive for market operators to use the "Fair Value through Other Comprehensive Income" (Mark to Market) valuation method to value clients' investments securities so that these securities would reflect their current market values. These new directives were necessitated due to the high interest rate environment that impacted bond prices negatively. As a consequence of this directive, our investment securities recorded a total fair value loss of **GHS103,265**.

INTEREST RATE

During the year interest rates significantly went up closing the year with a rate of 35.4 percent for 91- day Treasury bill, 35.9 percent for the 182-day bill and 36.1 percent for the 364-day bill. The cause of the rise in these interest rates was on account of the Bank of Ghana's inflation taming policy which aimed at bringing down rising inflation. At the end of the year 2022, the BOG's Monetary Policy rate recorded 27 percent.

FINANCIAL PERFORMANCE

During the year 2022, an amount of GHC 639,152 was used to set off as a provision against the Special Reserve Account to reduce an amount of GHC 2,062,016 (other Assets) which has become an irrecoverable claim on defunct Money Link Microfinance Ltd. The set off led to a decline in **“other assets account”** to about 14 percent This move by the Board is aimed at cleaning the balance sheet and preserving the value of contributors' wealth.

Again, the impact of mark to market valuation by market operators also adversely affected our investment securities, thus, contributing to a yearly decline in net profit by about 2 percent to GHC 1,444,939 in 2022(2021: GHC 1,468,233). Operating expenses went up by 27 percent in the year 2022 to GHC 489,539(2021: GHC 385,803). The growth was mainly driven by rising costs for doing business generally in the country which affected our operations. Notable among them are increases in allowances and other related expenses. The growth in operating expenses resulted in a cost to income ratio of 25.0 percent in 2022 as against 20.0 percent in 2021. The year also saw our total active assets grow by about 7 percent.

ANNUAL INTEREST

Fellow Members, as part of measures to mitigate the impact of DDEP, the Board of Trustees have proposed that only 50 percent of 'the total interest credited to members' account in the year 2021 should be distributed to members who wish to withdraw cash for their needs. Total Interest for 2022, which has also been credited to members' accounts would be rolled over for future growth and would not be distributed. The suspension of interest payment is to ensure the MSCF(HMSA) is well capitalized and resourced for future growth. It is also to protect the MSCF (HMSA) against deteriorating liquidity challenges and to promote the long-term sustainability of the MSCF(HMSA).

UPDATE ON RECOVERY OF FUNDS

Out of the total claim of GHC3,624,711.95 which was filed to the official liquidator of 53 Fund Management Companies for payment during the collapse of banks and Fund Management companies, an amount of GHC 1,812,355.98 had so far been recovered, representing about 50 percent of funds paid to the MSCF by the Official Liquidator through GCB Capital Ltd.

All the remaining funds are in the Amalgamated mutual funds managed by GCB Capital Ltd. The Government of Ghana through GCB Capital is yet to make the payment on the outstanding 50 percent in the sum of GHC 1,812,355.98.

CLOSING REMARKS

Fellow members, the current economic environment has been very challenging. However, the Board of Trustees remained focused and assured all members of the MSCF's (HMSA) ability to overcome these challenges and emerge stronger to meet your expectations.

Thank you.

FREDERICK ADUAGYEI
CHAIRMAN, BOARD OF TRUSTEES

FUND MANAGER’S REPORT

In the year, 2022, amid the background that rocked the economy with record levels of inflation, high interest rates and unprecedented Domestic Debt Exchange Programme, the MSCF(HMSA) remained resolute and viable to deliver value and growth to members.

DEVELOPMENT IN THE LOCAL ECONOMY

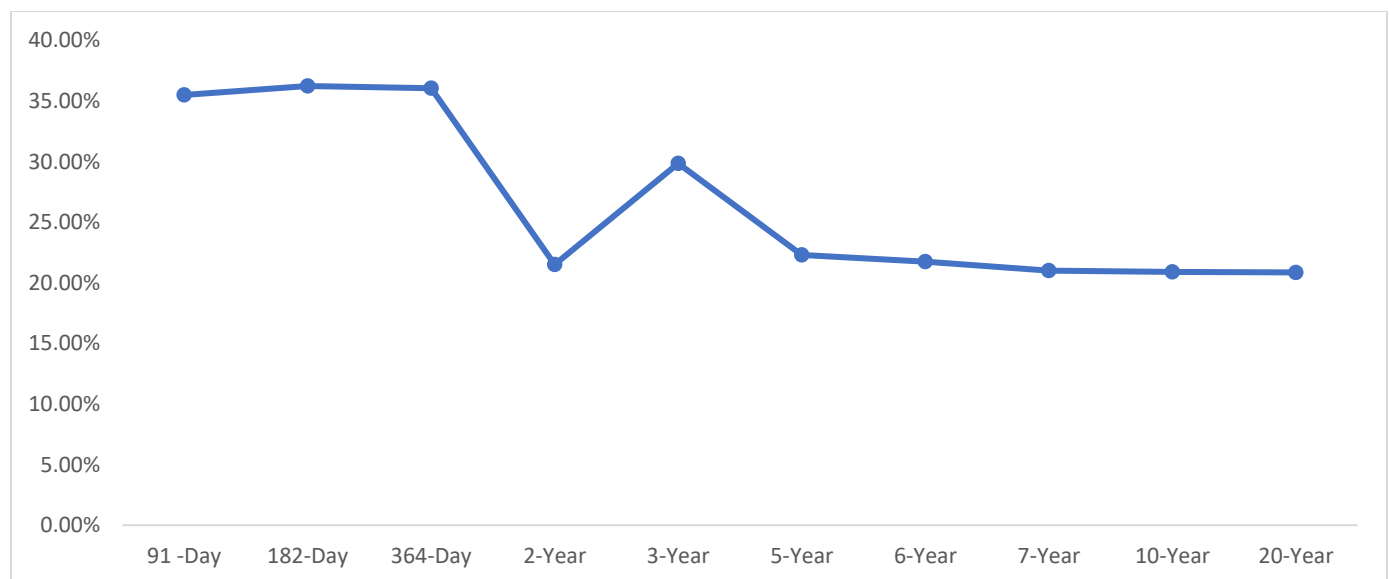
In the year 2022, the data released by the Ghana Statistical Service (GSS) in April 2023 indicated that provisional real GDP growth was 3.1 percent in 2022, compared to 5.1 percent in 2021. The decline in growth was attributed to supply chain constraints and rising inputs costs leading to rising consumer price inflation of 54.1 percent in December 2022 from 12.6 percent in December 2021.

INTEREST RATES -FINANCIAL MARKET

On the interbank market the weighted average interest rate went up reaching 25.51 percent at the end of December 2022. The average lending rate also closed the year by 35.58 percent in December 2022, widening the spread between borrowing and lending rates by 13.04 percentage points on a year-on year basis to 21.58 percent in December 2022 from 8.54 percent in December 2021.

Interest rates in the country were generally mixed. The Bank of Ghana’s Monetary Policy rate ended the year 2022 at 27.1 percent. The 91-day, 182-day and 364-day Treasury bill rates increased to 35.48 percent, 36.23 percent, and 36.06 percent respectively. The rate on the 2-year Fixed Note was 21.50 percent in December 2022 compared to 19.75 percent in December 2021. On the secondary market, the rate on the 3-year bond was 29.85 percent, 5-year bond was 22.30 percent, 6-year Bond was 21.75 percent up from 20.81 percent in December 2021. Furthermore, the rate of the 7-year, 10-year and 20-year bonds remained the same as compared to the previous year 2021. The 7-year bond closed at 21.01 percent; the 10-year bond was 20.85% and 20-year bond also closed at 27.0 percent (See Graph 1.0)

Graph 1.0 **THE YIELD CURVE AS AT DECEMBER 2022**

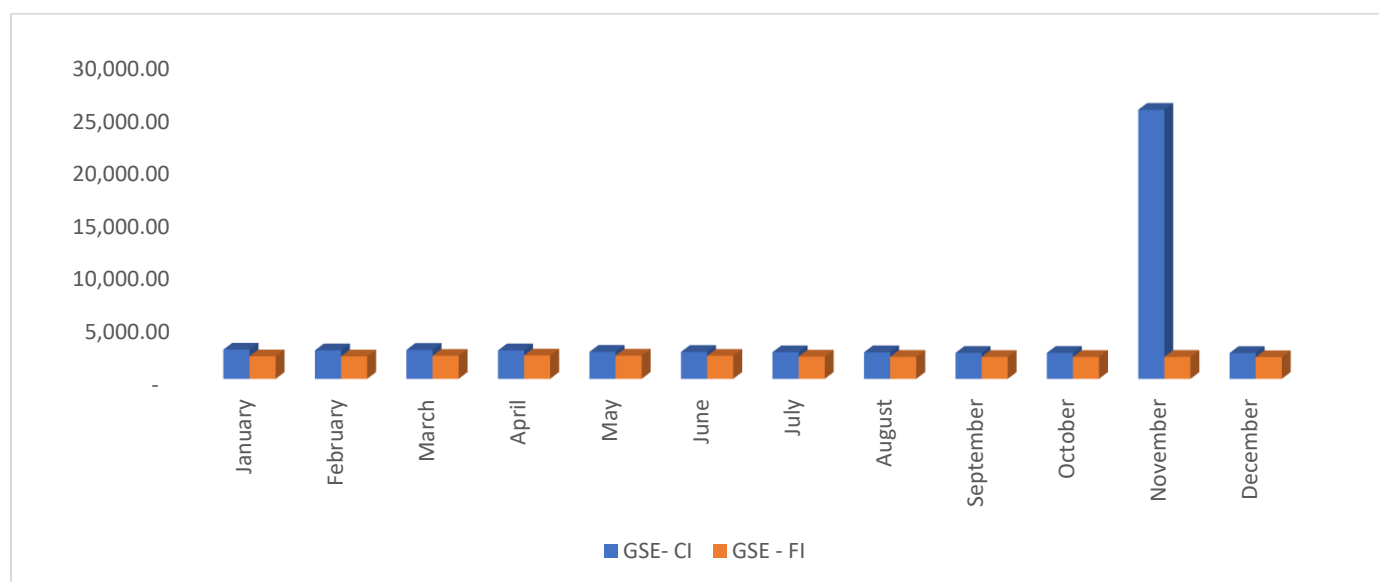


THE EQUITY MARKET

The Ghana Stock Exchange composite index (GSI-CI) declined by 12.4 percent during the year under review from 2,789.34 points at end of December 2021 to 2,443.91 points at end of December 2022. The GSE Financial index (GSE-FI) also declined by 4.61 percent at end of December 2022, to 2,052.59 points from 2,151.85 points in 2021. These declines were brought about as a result of challenges and slowdown in the domestic economy. Market Capitalization went up by 0.02 percent year -on-year to GHC64.51 billion.

	December 2022	Year to Date Change	December 2021	Year to Date change
GSE CI	2,443.91	-12.38%	2,789.34	-43.66%
GSE Financial Index	2,052.59	-4.61%	2,151.85	20.70%
Market Capitalization (GHC Billion)	64,507.32	0.02%	64,495.20	18.61%

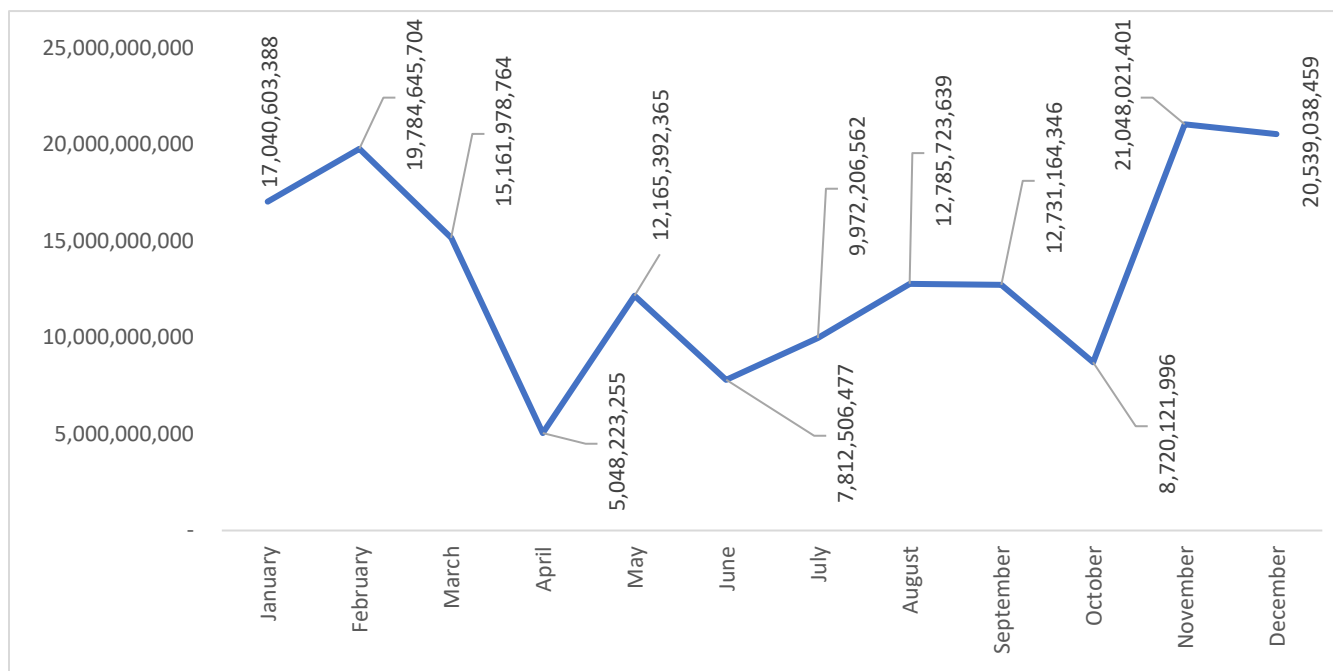
GRAPH 2.0 GSE COMPOSITE AND FINANCIAL INDEX -2022



BOND MARKET

The total face value of debt securities issued and admitted into CSD systems annually recorded a decrease of 19.2 percent from GHC 201,556.7 million in 2021 to GHC 162,809.6 million in 2022. total distribution of securities by issuer as at 2022 was as follows: Govt of Ghana GHC 81,048,638,788, Bank of Ghana GHC58,334,826,933, Cocobod GHC22,166,857,402 and Corporate GHC 1,259,303,733. The total monthly issues by GOG, BOG, Corporate and Cocobod are shown in Graph 3.0. The cumulative volume of trade on the Ghana Fixed Income market in 2022 stood at 230.32 billion with a value of GHC 220.76 billion and the number trades at 528,188.

GRAPH 3.0 MONTHLY DISTRIBUTION OF SECURITIES ISSUED BY GOVT, BOG, COCOBOD AND CORPORATE



OPERATING AND FINANCIAL RESULTS

I am also pleased to inform you that despite the economic challenges faced by the country, the MSCF (HMSA) recorded a net profit of GHC1,444,939 in 2022. This represented a decline of about 2 percent over the same period last year (2021: GHC1,468,233). The decline in profit is on account of Increases in operational expenses and other market and regulatory-induced investment losses of about 27 percent despite a marginal growth in interest income of about 0.8 percent.

- income for the year was GHC1,967,537 an increase of about 0.8 percent (2021: GHC1,951,857)
- Total assets increased by about 5 percent to GHC 26,039,694 (2021: GHC 24,916,841). This is supported by growth in interest in earning assets by about 7 percent.
- Total equity of the Fund increased by about 5 percent to GHC26,998,433.00(2021 GHC 24,873,586)

MANAGEMENT OF INVESTMENT RISK

The MSCF(HMSA) manages risks by ensuring that investments products purchased remain aligned within risk tolerance levels in the investment portfolio. The MSCF(HMSA) activities assure that investments remain aligned within defined risk tolerances of portfolio quality, duration, and liquidity levels. Our investment returns are influenced by the performance of the market. This means that our investments can be affected by things like changes in interest rates, investor sentiments and global events. This risk profile

gives us the flexibility to seize opportunities that may be created by future market volatilities. The MSCF(HMSA) also adopts regular maturity redemptions to test levels of counterparty risk.

INVESTMENT STRATEGY

Our investment strategy is to provide a regular income stream while maintaining and potentially increasing the value of our investments over the short to medium term.

The MSCF investment strategy fundamentally supports the Fund's ability to deliver lifelong financial security to GHA staff. That is:

- Identification of assets that have characteristics similar to the liabilities (Refund of contributions)
- Selection of asset class which best suits the needs of the liabilities.
- Provision of sufficient diversification to eliminate unnecessary risk.

MSCF ASSET CLASS CHARACTERISTICS

Asset classes are defined by differences in the expected response to the economic conditions, such as the country's economic growth, the debt management strategy, price inflation or changes in interest rates. These assets are then weighted in the MSCF(HMSA) portfolio.

The MSCF(HMSA) combines the asset classes in such a way as to provide the highest expected return for a given level of risk, subject to fundamental diversification and liquidity constraints.

Fixed income assets generate stable flows of income, providing more certain nominal cash flow than any other equity in the MSCF(HMSA) asset class. The bond portfolio exhibits a low covariance with other asset classes and serves as a hedge against financial accidents or periods of unanticipated deflation. Prior to the launch of the DDEP, the Government bonds were the preferred securities. Our rebalanced portfolio strategy allocated about 69 percent on fixed income to take advantage of the emerging growth in the fixed income market. However, this changed post DDEP.

Reallocation into Government bills are now heavily weighted to earn income conservatively whilst assuring capital preservation and prioritizing stability. On the MSCF'S (HMSA)'s relative performance, the 91 -day Treasury bills were used as the portfolio benchmark during the period under review.

Generally, equity investments give the MSCF(HMSA) exposure to the economy providing diversification and the opportunity to earn outsized returns. However, allocation to this asset class has been infinitesimal or at most 1 percent. The high exposure risk in these securities does not support the risk profiles of members.

The MSCF(HMSA) continues to pursue income investment strategies with current holdings and aspires to outperform the market benchmarks. The target allocation for combined mutual funds, Government bonds and bills and other cash deposit investment constitutes about 99% of the portfolio.

Cash and Equivalents are the most liquid investment and is viewed as an appropriate strategic investment because of its very short term and less risky in nature. This asset class ensures a stable income to meet retiring obligations such as refund of contributions and interest payment on a periodic basis.

Table 2.0

ACTIVE FUNDS UNDER MANAGEMENT

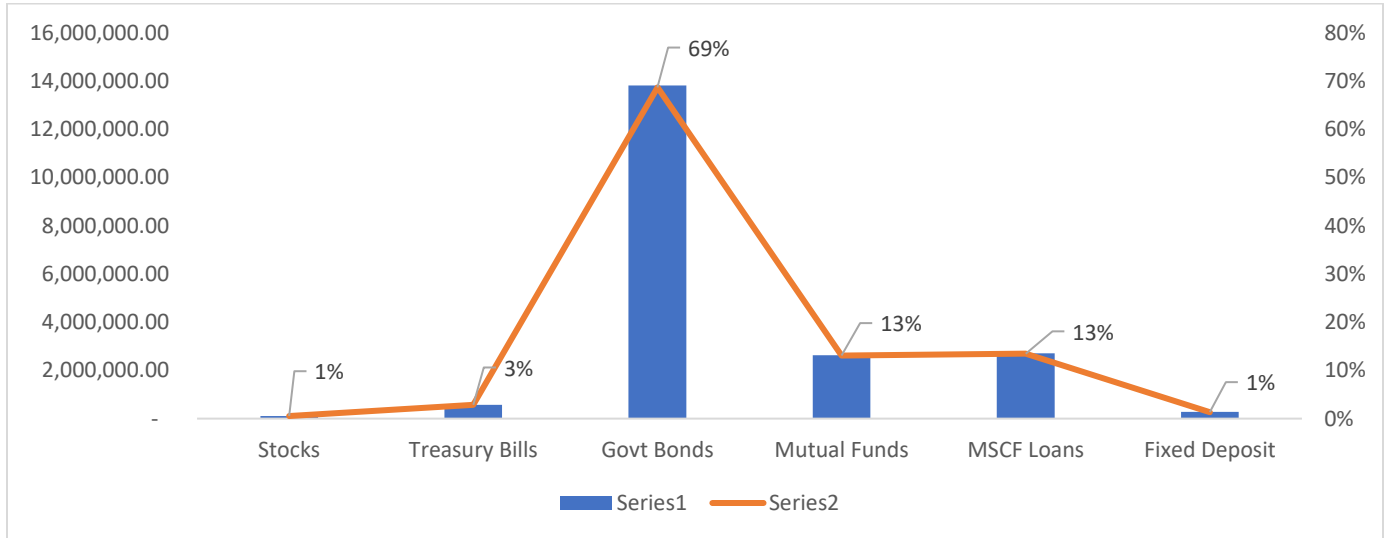
Item	AS AT DEC 31, 2022	AS AT DEC 31, 2021
Fixed Deposits	274,856.00	274,856.00
Mutual Fund	821,877	937,108.00
Available- For -Sale Investment-(Equities)	108,532	46,126.00
Government of Ghana Bond	13,815,920.00	1,776,992.00
Government Bills	575,774	10,747,149.00
Government Notes	-	
MSCF Loans	2,705,872.00	2,053,967.00
Cash-Call account		974,750.00
Amalgamated Fund	1,812,356.00	1,940,270.00
Total Funds under Management	20,115,187.00	18,751,218.00

mutual funds, and fixed income represents the core of the MSCF's (HMSA) investment portfolio providing a stable foundation for the overall portfolio while generating Current income.

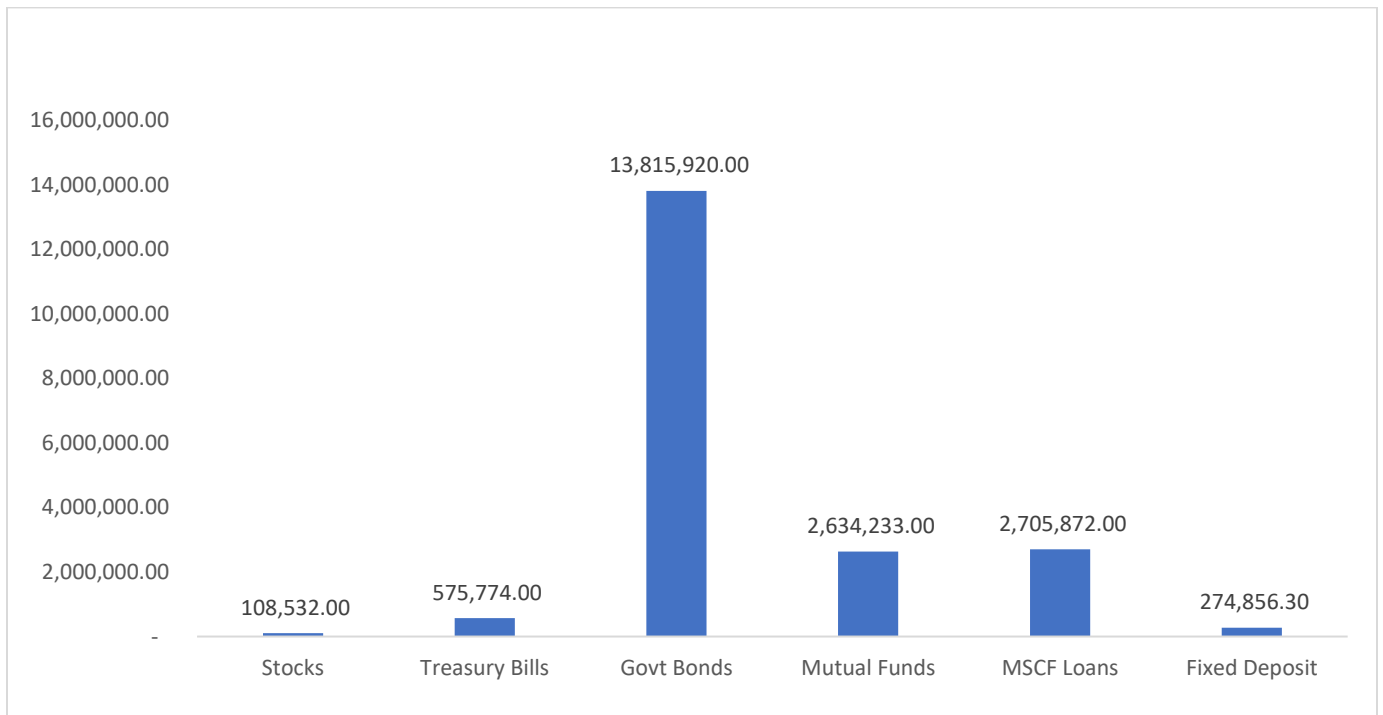
ASSET ALLOCATION AND TOTAL RETURNS

Asset allocation weights for the year were as follows: Stocks, 1 percent, Government Bonds 69 percent, Government bills 3 percent, Mutual funds, 13 percent Mutual loans, 13 percent, Fixed Deposit, 1 percent and (Please see graph 4.0 and 5.0)

Graph 4.0 ASSET HOLDINGS IN THE PORTFOLIO MIX(IN PERCENTAGES)-2022



Graph 5.0 ACTIVE ASSET HOLDINGS IN THE PORTFOLIO MIX (IN GHANA CEDIS)-2022



INVESTMENT PERFORMANCE

During the year under review, the MSC(HMSA) earned a portfolio return of 17.69%. Against the 91-day T-bill the MSCF's (HMSA) relative return was -17.79 percent. The MSCF(HMSA) also achieved a decline in real rate return of about-23.56 percent in view of the high inflation rate environment (See table 4.0 and graph 6.0

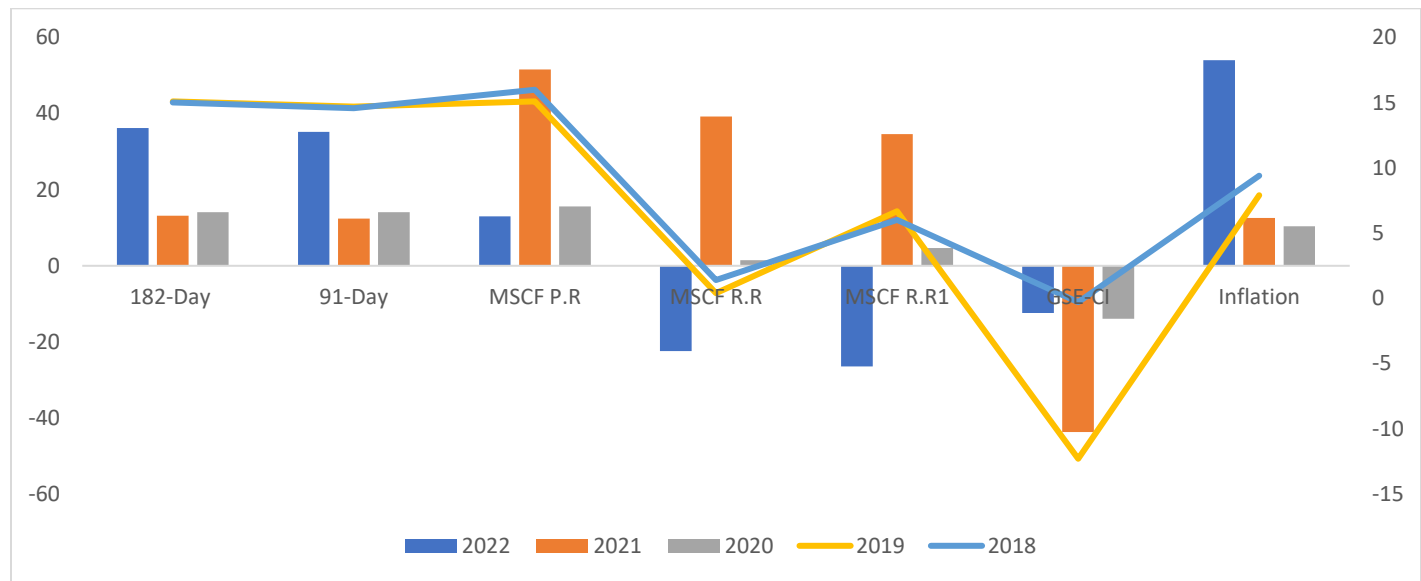
The MSCF's (HMSA) active funds under management increased by about 7 percent in 2022 to GHS20,115,187.00(2021: GHC 18,751,218.00). interest approved and credited to Accumulated Fund for the reviewed year amounted to GHC1,237,770, a decline of about 17 percent over last year (2021: GHC1,491,143). The benchmark comparison for the past five years Compound Annual Growth Rate is shown below in table 4.

Table 3 MSCF(HMSA) PORTFOLIO RETURNS AND BENCHMARK RETURNS

			*CAGR	2022	2021	2020	2019	2018
Benchmark (182 Day TB)			19.00%	36.23%	13.19%	14.13%	15.11%	15.03%
Benchmark (91 Day TB)			19.00%	35.48%	12.40%	14.08%	14.70%	14.59%
MSCF Portfolio Return			2.00%	17.69%	51.63%	15.57%	15.11%	16.00%
MSCF Portfolio Relative Return against 91 Day TB			-266.00%	-17.79%	39.23%	1.49%	0.41%	1.41%
MSCF Real return			-231.00%	-23.56%	34.64%	4.68%	6.68%	6.03%
GSE Composite index			112.00%	-12.40%	-43.70%	-13.90%	-12.30%	-0.29%
Inflation			00.0%	54.1%	12.62%	10.40%	7.90%	9.40%

*CAGR=Compound Annual Growth Rate

Graph 6.0 THE MSCF (HMSA) BENCHMARK COMPARISON-2022



LOANS AND ADVANCES REVIEW

Value of loans outstanding as of December 2022 amounted to GHC2,705,872.00 an increase of about 32 percent over the same time last year(2021:GH¢2,053,967.00). With the appetite for loans growing among members, the value of loans sold for the year under review amounted to GHC 2,140,966.29, an increase of about 55% during the same time last year (2021: GHC 1,377,290.00). The value of loans sold were for the following: Education, GHC549,811.32, Building GHC694,173.41, Personal and domestic issues GHC 600,304.2, Business GHC31,043.16, Land acquisition GHC11,345.40, Medicare GHC 21,441.54, Project GHC 122,103.36, and Accommodation GHC 110,743.92. Total recoveries went up by about 3 percent in 2022 to GHC1,049,557.95(2021: GHC1,022,916.00) on account of growth in loan sales. In total, the number of staff who are still servicing the MSCF loan facility is 503. The figure represented about 50.4 percent of GHA staff population which stood at 998 as at December 2022.

The ages of staff who fell between **41-50** years were the highest group of people who obtained the highest amount of loan totaling the sum of GHC 757,294.54(see table 5 and graph 7.0). That amount represented about 35.4 percent of the total value of the loan amount granted in 2022. The age group that had the lowest amount of loans were the ages between 23-30 years. Loans sold to this category of age group amounted to GHC27,094.90 representing about 1.30 percent of the total loan granted.

Again, during the year 2021 alone, 184 staff accessed the MSCF loan facility. Out of this number, the highest value of loans sold was GH¢324,015.00 and these were Engineers who numbered 16. The lowest value of loans sold was GHC533.16.00 and this was a personnel officer (see table 5).

Table 4

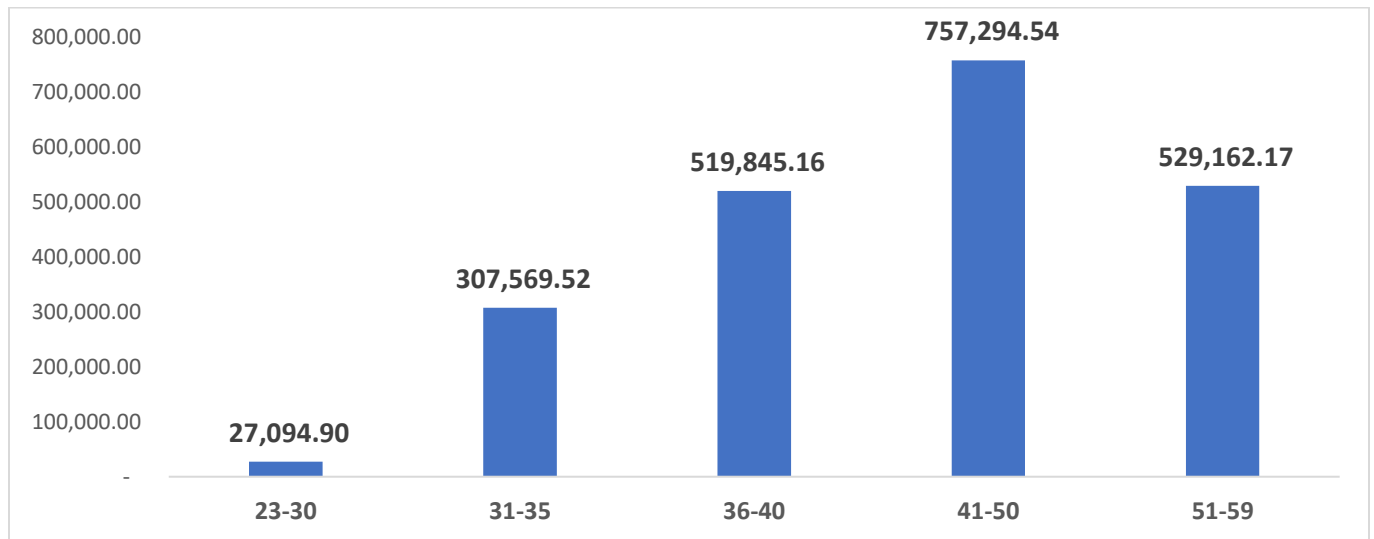
LOAN DISBURSEMENT BY PROFESSION

No	Profession	Number	Total loans applied	Total loan approved	Value of loans and payable	Total loans unapproved (%)
1.	Accountants	9	165,900.00	161,900.00	200,436.00	3
2.	Administrative Officers	4	57,000.00	57,000.00	66,837.12	-
3.	Internal Auditors	4	63,000.00	63,000.00	75,175.32	-
4.	Technical Officers	21	264,700.00	240,700.00	286,669.68	10
5.	Technician Engineers	14	182,700.00	154,950.00	185,888.64	18
6.	Engineers	16	279,400.00	273,450.00	324,015	2
7.	Headmen	17	81,750.00	77,750.00	92,416.98	5
8.	Stores officer	3	40,000.00	39,900.00	49,966.56	0.3
9.	Personnel Officer	11	81,400.00	76,900.00	92,815.02	6
10.	Clerk	1	4,000.00	4,000.00	4,519.20	-
11.	Drivers	31	143,600.00	128,100.00	154,793.82	12
12.	Chargeman					
13.	Security Officer	25	181,900.00	164,900.00	199,175.52	10
14.	Mechanical Superintendents	1	12,000.00	12,000.00	14,348.88	-
15.	Labourer	2	9,500.00	9,000.00	10,612.02	6
16.	Secretaries	3	31,000.00	29,000.00	36,065.88	7
17.	Investigation Officer	2	27,300.00	26,800.00	31,469.94	2
18.	Quantity Surveyors	5	77,300.00	72,300.00	87,962.88	7
19.	Ferry attendant	1	5,300.00	5,300.00	6,699.36	-
20.	Stenographer	2	18,000.00	17,500.00	21,263.88	3
21.	Heavy Equipment operators	4	29,400.00	28,500.00	36,980.10	3
22.	Tradesmen	2	14,500.00	14,500.00	17,171.94	-
23.	Typist					
24.	Light Equipt,opt	1	5,000.00	5,000.00	5,978.88	-

25	Training	1	30,000.00	30,000.00	33,893.04	-
26	DCE-Admin	1	30,800.00	30,800.00	49,568.49	-
27	Valuer	1	30,500.00	30,500.00	36,469.44	-
28	Snr Programmer	1	16,000.00	16,000.00	19,239.48	-
29	Personal	1	500.00	500.00	533.22	-
		184	1,882,450	1,770,250.00	2,140,966.29	

Table 5

	AGE CATEGORY	VALUE OF LOAN AMOUNT	PERCENTAGE OF TOTAL LOAN GRANTED
	23-30	27,094.90	1.30%
	31-35	307,569.52	14.40%
	36-40	519,845.16	24.20%
	41-50	757,294.54	35.40%
	51-59	529,162.17	24.7%
	TOTAL	2,140,966.29	

Graph 7.0**LOANS GRANTED PER AGE GROUP FOR THE YEAR 2022****Table 6 PERCENTAGE OF VALUE LOAN BY PURPOSE**

	LOAN PURPOSE GH¢	VALUE OF LOAN GH¢	% OF TOTAL LOAN VALUE GH¢
1	Education	549,811.32	25.7
2	Building	694,173.41	32.4
3	Personal	558,600.60	26.1
4	Accommodation	110,743.92	5.2
5	Business	31,043.16	1.5
6	Land acquisition	11,345.40	0.5
7	Medicare	21,441.54	1.0
8	Project	122,103.36	5.7
9	Domestic issues	41,703.58	1.9
8	TOTAL	2,140,966.29	

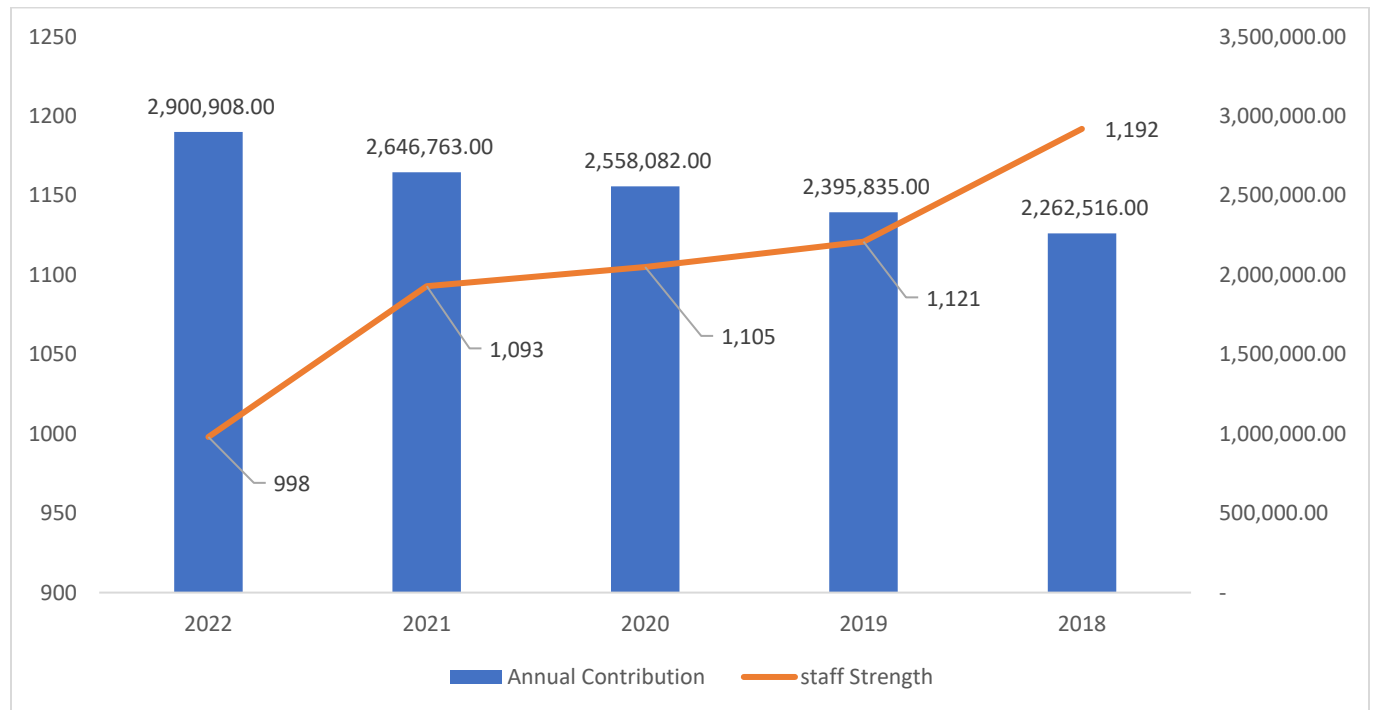
LOAN YEILD

Loan interest yield declined to about 10.00% during the year under review. The decline was about 9% compared to loan yield of 11.00% in 2021. This reduction was on account of slowdown of monthly loan recoveries from Controller and Accountant General's Department despite the 55% growth in value of loans sold in the year 2022.

STAFF CONTRIBUTION

Total Staff contributions for the year 2022 amounted to GHC 2,900,908.00, an increase of about 10% over the previous comparative period (2021: GHC 2,646,763.00). The increase was as a result of staff salary increments even though the same period under review saw a decline in staff strength of about 9% to 998 (2021: 1,093), (See graph 8). Total annual staff contributions also averaged GHS 2,552,820.08 during the past five years. (2018-2022)

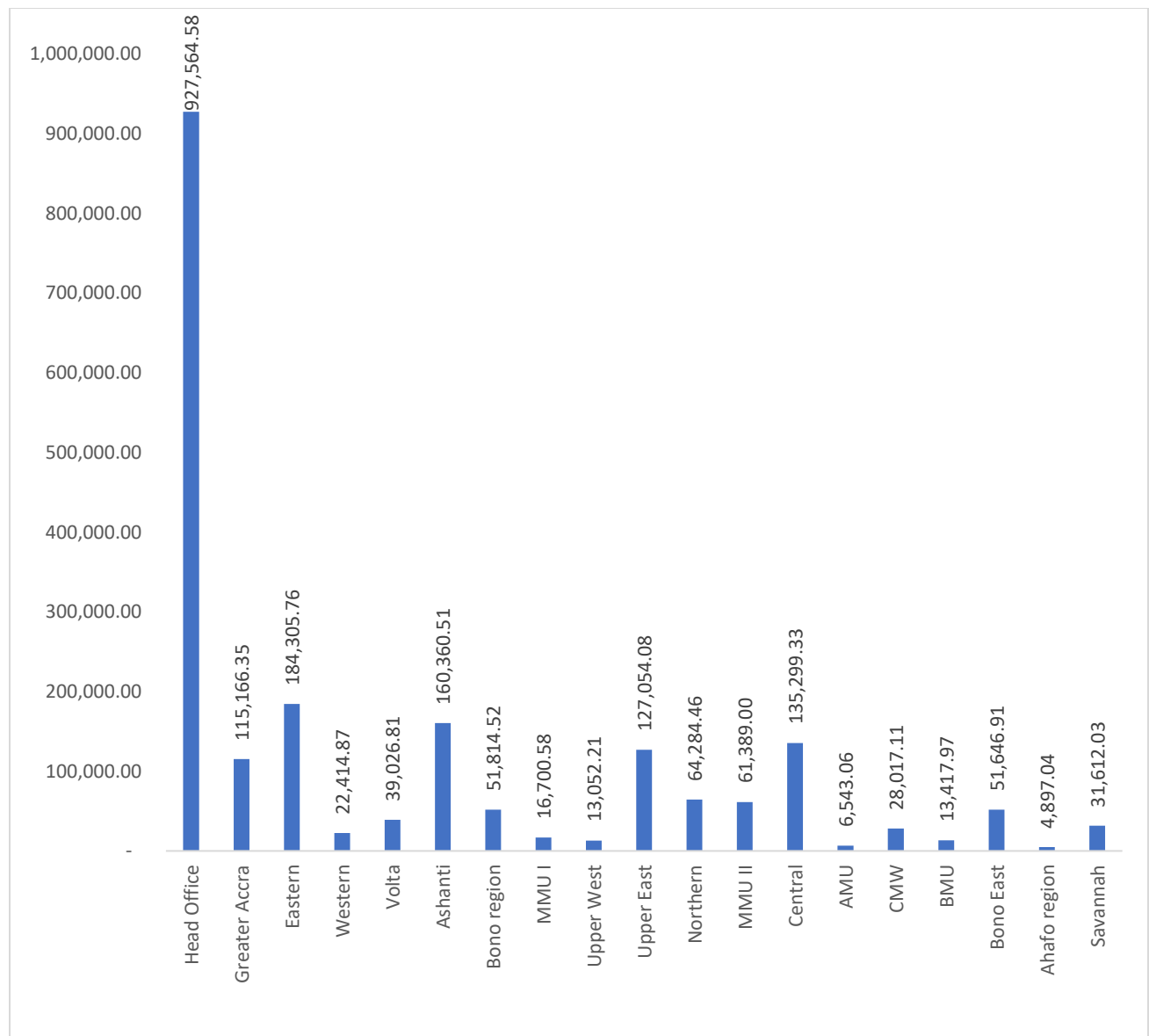
Graph 8.0 ANNUAL CONTRIBUTIONS AND STAFF STRENGTH



REFUND OF CONTRIBUTIONS

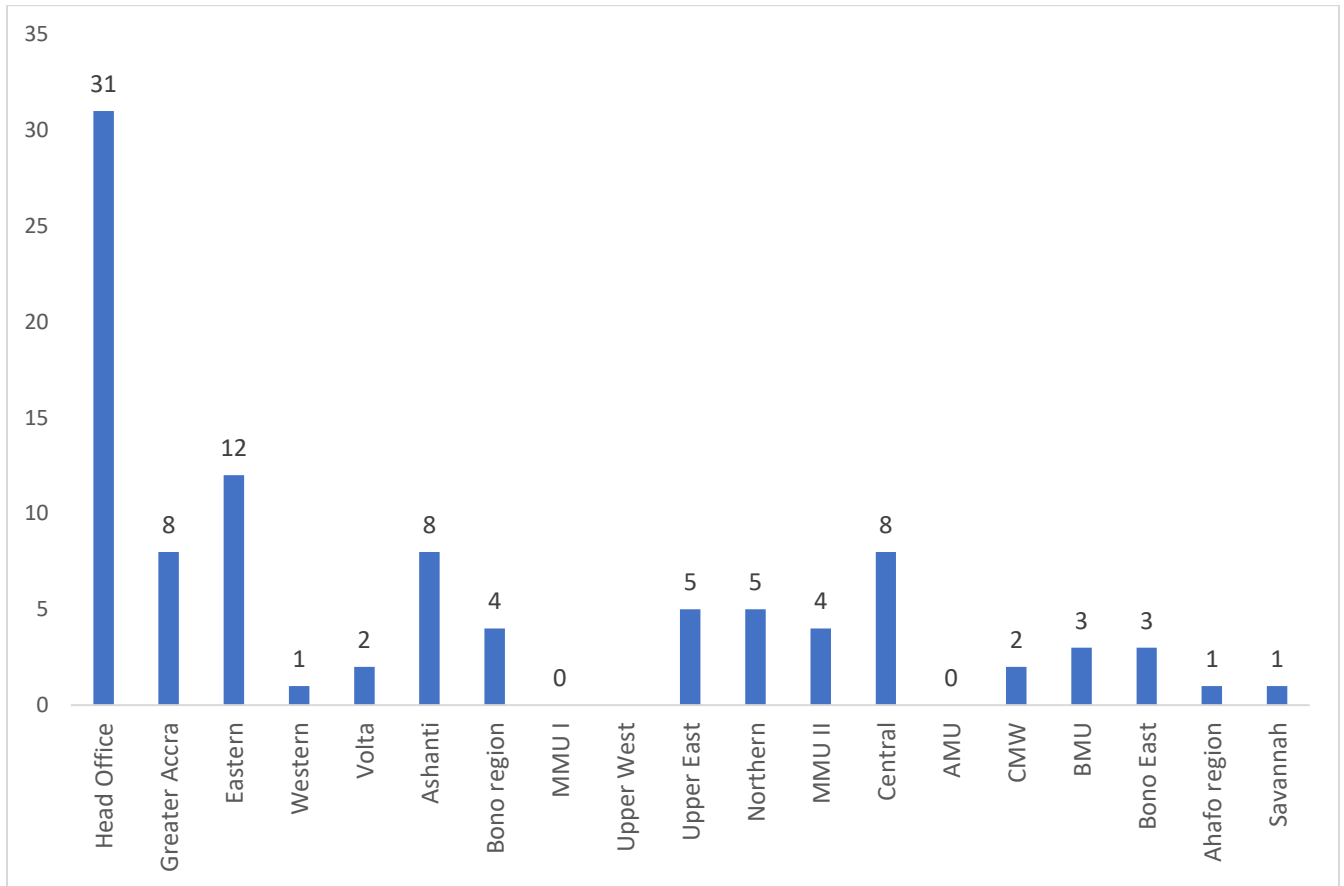
Total Refund of contributions amounted to GHC 2,054,567.18 in the year 2022. This represented an increase of about 75% over the previous year 2021 which was GHC 1,173,946.46. During the past five years (2018-2022), refund of contributions averaged an amount of GHC1,118,278.66. The number of staff who applied for full and partial refund in 2022 was 128(Partial 30, and Full 98). The number represented an increase of about 52% over the same time last year (2021:84). In Regional terms, Head office made the highest refund of contribution totaling GHC927,564.58 with a total retiring staff numbering 31. With respect to the lowest refund of contributions, Ahafo region recorded an amount of GHC 4,897.04 with One retiring staff. (Graph 9 & 10)

Graph 9.0 ANNUAL REFUND OF CONTRIBUTIONS IN GHANA CEDIS



Graph 10.0

NO OF REFUNDS TO RETIREES BY REGIONS



CLOSING REMARKS

The performance for the year has been moderate. The outlook for the year 2023 may look uncertain and even more challenging. However, our unwavering commitment to deliver value is very strong. Thank you all for your continued support. God bless us all!

KENNETH QUAYE
FUND MANAGER

**GHANA HIGHWAY AUTHORITY MUTUAL SAVINGS AND CREDIT FUND
FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022**

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**GHANA HIGHWAY AUTHORITY MUTUAL SAVINGS AND CREDIT FUND
FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022**

GENERAL INFORMATION

MEMBERS OF BOARD OF TRUSTEES

Mr. Frederick Aduagyei	Board Chairman
Mr. Noble Yasroku	Member
Mr. Eric Ofori Amanfo	Member
Mr. Kenneth Quaye	Member
Mr. Emmanuel Asina	Member
Mr. Oswald K. O. Amanfu	Member
Mrs. Vivian Ghansah	Member
Ms. Ophelia Ayiku	Member (Appointed August, 2020)
Miss Hannah Bennin	Member

FUND MANAGER

Mr. Kenneth Quaye

FUND SECRETARY

Mrs. Ophelia Ayiku

BANKERS

Ecobank Ghana Limited
GCB Bank Limited

AUDITORS

Lobban Hyde
Chartered Accountants
High Street/2 Bannerman Road
P.O. Box GP 1433
Accra.

**GHANA HIGHWAY AUTHORITY MUTUAL SAVINGS AND CREDIT FUND
FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022**

REPORT OF THE BOARD OF TRUSTEES TO THE MEMBERS

The Board of Trustees has the pleasure of presenting their annual report together with the audited financial statements for the year ended 31st December, 2022.

STATEMENT OF BOARD OF TRUSTEES' RESPONSIBILITIES

The Board of Trustees are responsible for the preparation of the financial statements for each financial year that give a true and fair view of the state of affairs of the Fund and the results and cash flows for the period. In preparing these financial statements, the Board of Trustees has selected suitable accounting policies and then applied them consistently, made judgements and estimates that are reasonable and prudent and followed International Financial Reporting Standards (IFRS) for SMEs.

The Board of Trustees are responsible for ensuring that the Fund keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the Fund. The Board of Trustees are also responsible for safeguarding the assets of the Fund and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Result of Operations

Details of Excess of Income over Expenditure of GH¢1,444,939 are shown in the attached financial statements.

Legal Status

The Fund is regulated by its Rules and Regulations which is subject to amendment at each Annual General Meeting.

Post Balance Sheet Registration with Registrar of Companies

The name of the Fund has been amended/registered with Register of Companies as Highway Mutual Savings Association LBG with effect from March 3, 2023

Nature of Business

The principal activity of the Fund is to provide an avenue for enhanced saving and credit scheme to meet the short term and long term financial needs of the members.

There was no change in the nature of the business of the Fund.

GHANA HIGHWAY AUTHORITY MUTUAL SAVINGS AND CREDIT FUND FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

REPORT OF THE BOARD OF TRUSTEES TO THE MEMBERS

THE BOARD OF TRUSTEES

The members who constituted the Board of Trustees during the period ended on the date of this report were as follows:

- Mr. Frederick Aduagyei
- Mr. Noble Yasroku
- Mr. Eric Ofori Amanfo
- Mr. Kenneth Quaye
- Mr. Emmanuel Asina
- Mr. Oswald K. O. Amanfu
- Mrs. Vivian Ghansah
- Mrs. Ophelia Ayiku
- Miss Hannah Bennin

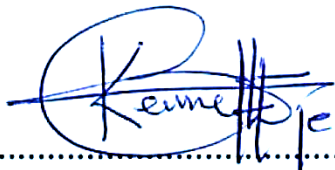
Independent Auditors

Lobban Hyde Chartered Accountants, the Auditors of the Fund for the year ended December 31, 2022 have indicated their willingness to continue in the office.

Approval of the Audited Financial Statements

The audited financial statements were approved by the Board of Trustees and signed on its behalf by:


.....
Board Chairman


.....
Fund Manager

Dated: 19-12-2022

Dated: 19-12-2022

REPORT OF THE INDEPENDENT AUDITOR'S TO THE MEMBERS OF GHANA HIGHWAY AUTHORITY MUTUAL SAVINGS AND CREDIT FUND

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ghana Highway Authority Mutual Savings And Credit Fund, which comprise the Statement of Financial Position as at December 31, 2022, and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, and Notes to the Financial Statements which include a summary of significant accounting other explanatory notes as set out on pages 32 to 38. policies and that

In our opinion, the accompanying financial statements of the Fund present fairly in all material respects the financial position of the Fund as at December 31, 2022 and its financial performance and its cash flow for the year then ended December 31, 2022 in accordance with International Financial Reporting Standards (IFRS) for SMEs.

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 Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA 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. These matters were addressed in the context of our audit of the Fund's financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters

a) Government of Ghana Domestic Debt Exchange Programme (GGDDEP)

A comprehensive agenda to restore debt and fiscal sustainability resulted in a Domestic Debt Exchange Programme (DDEP) being announced by the Government of Ghana on 5th December, 2022. The 2nd Amended and restated Exchange Memorandum was issued by the Republic of Ghana on 30th December, 2022. The programme involved invitation for domestic bondholders as at 21st February, 2023 to exchange their bonds for 2 new bonds maturing in 2027 and 2028 for categories A & B holders with different rates, 12 new bonds for General Category bondholders maturing in 2027, 2028 and 2029 ... 2038. After negotiations, new coupon rates were agreed with bondholders.

The Board of Trustees has not fully assessed the likely impact of the GGDDEP on the Financial Statements and therefore no provision for impairment charge has been made to the Financial Statements.

REPORT OF THE INDEPENDENT AUDITOR'S TO THE MEMBERS OF GHANA HIGHWAY AUTHORITY MUTUAL SAVINGS AND CREDIT FUND

Report on the Audit of the Financial Statements

AUDITOR'S REPORT (Continued)

b) Other Assets GH 2,444,041

Included in Other Assets is an amount of GH¢2,444,041 representing Investment in Golden Trust Microfinance. This is the subject matter of Investigation by Economic and Organised Crime Organisation (EOCO).

No provision has been made for Impairment of Assets in the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

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

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

Responsibilities of The Board of Trustees for the Financial Statements

The Board of Trustees is responsible for the preparation of the financial statements in accordance with International Financial Reporting Standards (IFRS) and for such internal control as the Board of Trustees determines 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 Board of Trustees 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 Board of Trustees either intends to liquidate the Fund or to cease operations or has no realistic alternative but to do so. The Board of Trustees are responsible for overseeing the Fund's financial reporting process.

REPORT OF THE INDEPENDENT AUDITOR'S TO THE MEMBERS OF GHANA HIGHWAY AUTHORITY MUTUAL SAVINGS AND CREDIT FUND

Report on the Audit of the Financial Statements

AUDITOR'S REPORT (Continued)

Auditor's Responsibilities for the Audit of the 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.
- Conclude on the appropriateness of the Board of Trustees' 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.

**REPORT OF THE INDEPENDENT AUDITOR'S TO THE MEMBERS OF FENTAR GHANA
HIGHWAY AUTHORITY MUTUAL SAVINGS AND CREDIT FUNDY**

Report on the Audit of the Financial Statements

AUDITOR'S REPORT (Continued)

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 Board of 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

In carrying out our audit we are required to consider and report on the following matters. We confirm that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii) in our opinion, proper books of account have been kept by the Fund, so far as appears from our examination of those books; and
- iii) the statement of financial position and statement of income are in agreement with the books of account.

The Engagement Partner on the audit resulting in this independent auditors report is Philip Aryee (ICAG/P/1127)

Looban Hyde

LOBBAN HYDE (ICAG/F/2023/118)

Chartered Accountants

2 Bannerman Road/High Street

P.O. Box GP 1433

Accra.

Date: *2nd January*, 2024

GHANA HIGHWAY AUTHORITY MUTUAL SAVINGS AND CREDIT FUND

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

Statement of Profit And Loss	Notes	2022 GH¢	2021 GH¢
Income	(5)	1,967,537	1,951,857
Operating & Admin Expenses	(6)	<u>(489,539)</u>	<u>(385,803)</u>
Net Profit/(Loss) before Tax		1,477,998	1,566,054
Other Income	(7)	<u>439</u>	<u>3,789</u>
Profit for the Year		1,478,437	1,569,843
Other Comprehensive Income:			
Loss on Investment Transferred to Fair Value Reserve / Special Reserve	(14)	(103,265)	(101,610)
(Loss)/Gain arising from changes in fair value of Available for Sale Investment	(15a)	<u>69,767</u>	<u>-</u>
Net Profit After Other Comprehensive Income		<u><u>1,444,939</u></u>	<u><u>1,468,233</u></u>

GHANA HIGHWAY AUTHORITY MUTUAL SAVINGS AND CREDIT FUND

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

2022	Notes	Accumulated Fund GH¢	Retained Earnings GH¢	Fair Value Reserve GH¢	Special Reserve GH¢	Total GH¢
Balance as at January 1,		24,451,778	-	(10,174)	431,982	24,873,586
Profit for the year		-	1,444,939	-	-	1,444,939
Other Comprehensive Income		-	-	-	-	-
Net Contributions of Members	(8)	319,059	-	-	-	319,059
Transfer to Special Reserve	(9)	-	(207,171)	-	207,171	-
Provision for Impairment of Assets	(16)	-	-	-	(639,153)	(639,153)
Transfer to Accumulated Fund		<u>1,237,770</u>	<u>(1,237,770)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance at December 31,		<u>26,008,607</u>	<u>-</u>	<u>(10,174)</u>	<u>-</u>	<u>25,998,431</u>
2021						
Balance as at January 1,		22,226,983	215,756	(10,174)	239,137	22,671,702
Profit for the year		-	1,569,843	-	-	1,569,843
Other Comprehensive Income		-	-	-	(101,610)	(101,610)
Net Contributions of Members		733,652	-	-	-	733,652
Transfer to Special Reserve		-	(294,455)	-	294,455	-
Transfer to Accumulated Fund		<u>1,491,143</u>	<u>(1,491,143)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance at December 31		<u>24,451,778</u>	<u>-</u>	<u>(10,174)</u>	<u>431,982</u>	<u>24,873,587</u>

The notes on pages 32 to 38 form an integral part of these financial statements.

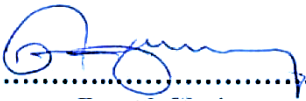
GHANA HIGHWAY AUTHORITY MUTUAL SAVINGS AND CREDIT FUND

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2022

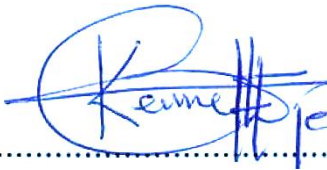
ASSETS	Notes	2022 GH¢	2021 GH¢
Cash & Bank Balance	(10)	951,355	579,172
Accounts Receivable	(11)	384,192	-
Amount due from Controller & Accountant General	(12)	710,283	1,059,263
Loans and Advances	(13)	2,705,872	2,053,967
Fixed Income Securities	(14)	17,300,783	16,651,125
Available for Sale Investment	(15)	108,533	46,126
Other Assets	(16)	3,866,904	4,506,057
Intangible Assets	(17)	6,408	8,544
Property & Equipment	(18)	5,364	12,587
TOTAL ASSETS		26,039,694	24,916,841
 LIABILITIES AND EQUITY			
Liabilities			
Non-Current Liabilities			
Accounts Payables	(19)	41,261	43,255
Equity			
Accumulated Fund		26,008,607	24,451,778
Retained Earnings		-	-
Fair Value Reserve	(20)	(10,174)	(10,174)
Special Reserve	(21)	-	431,982
Total Equity		25,988,433	24,873,586
TOTAL LIABILITIES AND EQUITY		26,039,694	24,916,841

The financial statements on pages 28 to 38 were approved by the Board of Trustees on
and signed on its behalf by:

19th Dec 2023



Board Chairman



Fund Manager

The notes on pages 32 to 38 form an integral part of these financial statements.

GHANA HIGHWAY AUTHORITY MUTUAL SAVINGS AND CREDIT FUND

STATEMENT OF CASH FLOW FOR THE YEAR ENDED DECEMBER 31, 2022

	2022	2021
	GH¢	GH¢
Cash flows from Operating Activities		
Profit for the year	1,478,437	1,569,843
Adjustments for:		
Depreciation	9,359	9,153
Impairment loss on Investment	24,370	-
Net Interest Income	(1,951,857)	(1,951,857)
Changes in Operating Assets and Liabilities:		
Increase/(Decrease) in Account Receivables	(384,192)	2,031
(Increase)/Decrease in Amounts due from Controller and Accountant General	348,981	(75,642)
(Increase)/Decrease in Loan and Advances	(651,905)	(374,246)
Increase/(Decrease) in Account Payables	<u>(1,994)</u>	<u>10,941</u>
Net Cash Outflow from Operating Activities	(1,144,481)	(809,777)
Cash Flows from Investing Activities		
Purchase of Investments	(1,442,213)	(6,807,275)
Proceeds from Financial Investment	792,554	6,164,755
Gain/(Loss) in value of Available for Sale Investment	-	-
Net Proceeds from Loans	-	765,435
Purchase of Property, Plant & Equipment and Intangibles	<u>-</u>	<u>(1,195)</u>
Net Cash Inflow from Investing Activities:	(649,659)	121,720
Cash Flows from Financing Activities		
Net Contribution From Members	<u>2,166,323</u>	<u>733,653</u>
Net Cash Inflow from Financing Activities	2,166,323	733,653
Net Increase/(Decrease) in Cash & Cash Equivalent	<u>372,183</u>	<u>45,596</u>
Analysis of movement in cash and cash equivalent during the year:		
Cash & Cash Equivalent at the beginning of the year	579,172	533,576
Net Increase/(Decrease) in Cash & Cash Equivalent	<u>372,183</u>	<u>45,596</u>
Cash & Cash Equivalent at the end of the year	<u><u>951,355</u></u>	<u><u>579,172</u></u>

GHANA HIGHWAY AUTHORITY MUTUAL SAVINGS AND CREDIT FUND

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

1 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted and applied consistently in the preparation of these financial statements are set out below.

a. Adoption of IFRS for SMEs

These financial statements have been prepared under the historical cost convention and in compliance with International Financial Reporting Standards (IFRS) for Small and Medium-Sized Entities (SMEs) and issued by the International Accounting Standards Board (IASB). The financial statements are presented in Ghana Cedis (GH¢).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the directors of the mutual fund to exercise judgment in the process of applying the funds' accounting policies.

b. Functional and Presentation Currency

The Functional and Presentation Currency is Ghana Cedi (GH¢)

c. Foreign Currency Translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Ghana Cedis ("GH¢") which is the mutual funds' functional currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income. Foreign exchange gains and losses that relate to cash and cash equivalents and borrowings are presented in the statement of comprehensive income within 'finance income or cost'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'other income or expenses'.

d. Revenue recognition

Interest on loans and returns on investments are recognized as revenue in the period in which they are earned and accrued.

Revenue is recognized when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the fund.

GHANA HIGHWAY AUTHORITY MUTUAL SAVINGS AND CREDIT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

Summary of significant accounting policies (Continued)

e. **Property, Plant and Equipment**

Property, Plant and Equipment is stated at historical cost less depreciation. Historical cost includes the expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the mutual fund and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized.

All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation is provided on the straight-line basis on all property, plant and equipment. The rates of depreciation are based upon the following estimated useful lives.

Computer and Accessories	33.33%
Office Equipment	10%

The assets' residual values and useful lives are reviewed and adjusted if appropriate at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within other gains/(losses) in the statement of comprehensive income.

f. **Intangible Assets**

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on a straight line basis over their estimated useful lives of five (5) years.

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the company, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets.

Computer software development costs recognised as assets are amortised over their estimated useful lives (not exceeding five years).

g. **Financial Assets**

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the mutual fund commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the fund has transferred substantially all risks and rewards of ownership.

GHANA HIGHWAY AUTHORITY MUTUAL SAVINGS AND CREDIT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

Summary of significant accounting policies (Continued)

Available for sale securities are initially measured at fair value and changes in fair value at each reporting date are recognized in other comprehensive income.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

h. Inventories

Inventories mainly stationery, are valued at cost when they exist. Cost includes those expenses incurred in bringing each item to its present location and condition.

i. Accounts receivable

Accounts receivable are stated at anticipated realizable value. Provision is made for doubtful receivables on the basis of a review of all outstanding amounts at the end of year. Impairment losses are written off in the year in which they are identified.

j. Accounts payable and accruals

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade payables are recognised at fair value. Gains and Losses are recognised in Statement of Income when the liabilities are derecognised.

k. Cash and cash equivalents

Cash and cash equivalents are defined as cash and bank balance, bank overdraft and investment in marketable securities that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

For the purpose of statements of cash flow, cash and cash equivalents comprise cash in hand and deposits held at call with banks.

l. Provisions

Provisions are recognized when the fund has a present obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and able to be readily measured.

m. Special Reserves

Incomes set aside for designated purposes. These include funds appropriated or set aside to mitigate the risk of decline in the value of investments by either offsetting future investments whose recoverability would become in doubt and also have all the objective evidence for impairment at a particular date. In addition, incomes in the reserves can be distributed only after claims of MSCF funds under receivership have been fully validated, accepted and paid by the Liquidator or the Receiver.

GHANA HIGHWAY AUTHORITY MUTUAL SAVINGS AND CREDIT FUND

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

	2022	2021
	GH¢	GH¢
5 INCOME		
Income Fixed Investment	1,707,513	1,735,640
Interest Loans and Advances (Staff)	260,024	216,217
	<u>1,967,537</u>	<u>1,951,857</u>
6 OPERATING & ADMINISTRATIVE EXPENSES		
Salaries - Secretariat Staff	72,215	34,511
Secretariat GHA Staff Allowance	47,980	26,724
General Expenses	3,862	4,190
Services Charge-Controller and Accountant General	118,514	106,168
Repairs and Maintenance	12,057	17,695
Bank Charges	10,304	4,076
Pension Cost	9,388	5,979
Central Security Depository Fee (CSD)	380	-
Board of Trustees	67,250	26,945
Audit Fees	25,000	20,868
Internal Audit Allowance	7,900	2,400
Loan Committee	12,800	550
AGM Expenses	-	115,069
Investment Committee	19,530	11,475
Depreciation	9,359	9,153
Fuel & Transport	9,730	-
Impairment Loss - Investment	24,370	-
Regional Coordinator's Allowance	38,900	-
	<u>489,539</u>	<u>385,803</u>
7 OTHER INCOME		
Other Income	439	-
Ecobank	-	3,789
AGM Expenses	439	3,789
This represents Ecobank Charges in 2021 refunded in 2022.		
8 NET MEMBER CONTRIBUTION		
Net Contribution	<u>319,059</u>	<u>733,652</u>
9 TRANSFER TO SPECIAL RESERVE		
Transfer to Special Reserve	(207,171)	(295,455)
<i>(See Note 1m)</i>		
10 CASH AND BANK BALANCES		
Cash at Bank	<u>951,355</u>	<u>579,172</u>
11 ACCOUNT RECEIVABLES		
Dividend Income Receivable (TBG)	-	-
Others	384,192	-
Balance as at 31st December	<u>384,192</u>	<u>-</u>

GHANA HIGHWAY AUTHORITY MUTUAL SAVINGS AND CREDIT FUND

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

	2022 GH¢	2021 GH¢
12 AMOUNT DUE FROM CONTROLLER & ACCOUNTANT GENERAL		
Value as at 31st December	<u>710,283</u>	<u>1,059,263</u>
13 LOANS AND ADVANCES		
Balance as at 31st December	<u>2,705,872</u>	<u>2,053,967</u>
14 FIXED INCOME INVESTMENTS		
These are investments in fixed deposits with varying maturity periods. The compositions are as follows:		
GoG Treasury Bill - Omni BSIC Bank	2,219,028	5,750,334
GoG Bonds - Central S. Depository Ltd. /Access Bank	-	1,776,992
GoG Treasury Bill-GCB Bank PLC	-	1,817,400
GoG Treasury Bill-Ecobank Ghana Ltd.	476,769	3,179,415
GoG Bonds - Central S. Depository Ltd. /CHDS	99,005	-
Government Notes -Central S. Depository Ltd. /CHDS	1,421,592	-
GoG (Cocoa) Bill -Central S. Depository Ltd. /	6,249,561	-
Republic Future Plan Trust (Republic Bank)	49,117	47,365
* Fixed Income Fund - EDC	676,614	779,879
Access Bank (GH) PLC	3,925,739	-
Ecobank Call Account	-	974,750
Amalgamated Fund - GCB Capital Ltd.	1,812,356	1,940,270
Mutual Fund - Galaxy Balanced Fund/ Octane DC	36,443	31,400
Fixed Income -SEM Capital Plus	45,659	40,050
Fixed Deposits-Linx Capital Limited	274,856	274,856
First Fund Mutual Fund - TTL Capital	<u>14,044</u>	<u>38,414</u>
Total Investments Value at year end	<u>17,300,783</u>	<u>16,651,125</u>
* Changes in value arising out of mark to market valuation		
Fixed Income Fund – EDC	<u>(103,265)</u>	<u>-</u>
15 AVAILABLE FOR SALE INVESTMENT		
Available for Sale Securities - Trust Bank Limited		
Value as at January 1,	46,126	46,126
Additions	-	-
Change in Fair value (15a)	<u>62,407</u>	<u>-</u>
Value as at December 31,	<u>108,533</u>	<u>46,126</u>
15a Gain arising from changes in fair value of		
Available for Sale Investment	62,407	-
Changes in value arising out of mark to market valuation of:		
Republic Future Plan Trust	1,752	-
Fixed Income Fund - EDC	<u>5,609</u>	<u>-</u>
	<u>69,768</u>	<u>-</u>

GHANA HIGHWAY AUTHORITY MUTUAL SAVINGS AND CREDIT FUND

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

	2022	2021
	GH¢	GH¢
16 OTHER ASSETS		
Total value of funds under receivership		
* Claims on defunct Money Link Microfinance Ltd.	1,422,863	2,062,016
Claims on defunct Golden Trust Microfinance Ltd.	2,444,041	2,444,041
Total Value	<u>3,866,904</u>	<u>4,506,057</u>

* The trustees have approved that an amount of GH¢639,153 be set off as a provision against Special Reserve Fund to reduce the claims on defunct Money link Microfinance Ltd.

	GH¢	GH¢
17 INTANGIBLE ASSETS		
Web Development and Operational Software	8,544	10,680
Depreciation	(2,136)	(2,136)
	<u>6,408</u>	<u>8,544</u>

Intangible Assets are amortised over 5 years.

18 PROPERTY AND EQUIPMENT

	Computer & Accessories	Office Equipment	Total
	GH¢	GH¢	GH¢
(a) 2022			
COST			
At January 1,	18,911	9,200	28,111
Additions	-	-	-
At December 31,	<u>18,911</u>	<u>9,200</u>	<u>28,111</u>
 DEPRECIATION			
At January 1,	12,209	3,315	15,524
Charge for the year	6,304	920	7,223
At December 31,	<u>18,512</u>	<u>4,235</u>	<u>22,274</u>
 Net Book Value 2022	<u>399</u>	<u>4,965</u>	<u>5,364</u>
 (b) 2021			
COST			
At 1st January	17,716	11,150	28,866
Additions	1,195	-	1,195
Disposal	-	(1,950)	(1,950)
At 31st December	<u>18,911</u>	<u>9,200</u>	<u>28,111</u>
 DEPRECIATION			
At 1st January	5,905	4,552	10,457
Charge for the year	6,304	713	7,017
Disposal	-	(1,950)	(1,950)
At 31st December	<u>12,209</u>	<u>3,315</u>	<u>15,524</u>
 Net Book Value 2021	<u>6,702</u>	<u>5,885</u>	<u>12,587</u>

GHANA HIGHWAY AUTHORITY MUTUAL SAVINGS AND CREDIT FUND

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

	2022	2021
	GH¢	GH¢
19 ACCOUNTS PAYABLE		
Income Tax	-	583
Pension Obligation	1,181	1,160
Audit Fees Payable	25,000	20,868
Sundry Payables	15,080	16,729
Investment Committee	-	3,915
Balance as at 31st December	<u><u>41,261</u></u>	<u><u>43,255</u></u>

20 FAIR VALUE RESERVE - reflects changes in the value of Available for Sale Investments.

It is made up of :

Opening Balance	10,174	10,174
Changes in Value of Investments	-	-
Closing Balance	<u><u>10,174</u></u>	<u><u>10,174</u></u>

21 SPECIAL RESERVE

This represents provisions on profit made for designated purposes and includes funds set aside to mitigate the risk of decline in the value of Investment (see Note 1c). It is made up of :

Opening Balance	431,775	239,137
Transfer to Special Reserve	207,584	294,248
Loss of Vanguard Properties Investment	-	(101,610)
Closing Balance	<u><u>639,359</u></u>	<u><u>431,775</u></u>

22 CAPITAL COMMITMENTS

There were no outstanding commitments for capital expenditure as at December 31, 2022. (2021: nil).

23 CONTINGENT LIABILITIES

The Trustees are not aware of any contingent liabilities at the end of the year December 31, 2022. (2021: nil).