



**CENTRAL
SECURITIES
DEPOSITORY (GH) LTD**
You invest, we protect

2021 ANNUAL REPORT

& FINANCIAL STATEMENTS





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& FINANCIAL STATEMENTS



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Mission

To provide a secure, dependable, and efficient clearing, settlement, depository, registrar and other related securities services to satisfy our customers.

Vision

A globally recognized provider of efficient and reliable securities services, contributing to a well-organised and robust financial market in Ghana.

Core Values

Fairness	: Impartial and equitable treatment for all
Accountability	: Be accountable and transparent in all our dealings
Customer Focus	: Highest priority to customer needs
Excellence	: Excellence in provision of service
Integrity	: Adhere to high moral and ethical standards in the delivery of our services
Teamwork	: Collaborative effort to achieve a common goal
Security	: Be security aware and be deliberate about it

Strategic Themes

Service Excellence

Responsive, timely and accurate service delivery that exceeds customer expectations.

Business Diversification

A well-diversified business that delivers revenue growth from new businesses and minimizes risk.

Strategic Alliance

We engage with relevant stakeholders and facilitate beneficial deepening and development of the financial market.

1.0 CORPORATE INFORMATION

Directors

Dr. Maxwell Opoku-Afari	Chairman	
Mr. Michael E. Mensah	Chief Executive Officer	(Appointed on October 01, 2021)
Mr. Yao A. Abalo	Chief Executive Officer	(Retired on September 30, 2021)
Mr. Ekow Afedzie	Member	
Mrs. Caroline Otoo	Member	
Mrs. Angela N. A. Leibel	Member	
Mr. Armah I. J. Akotey	Member	(Resigned on August 20, 2021)
Dr. Mark Assibey-Yeboah	Member	(Appointed on September 10, 2021)
Ms. Abena Amoah	Member	(Appointed on December 01, 2021)

Secretary

Ms. Horlali Bodza-Lumor
Central Securities Depository (GH) Limited
4th Floor, Cedi House, Liberia Road
PMB CT 465, Cantonment, Accra, Ghana

Registered Office

Central Securities Depository (GH) Limited
4th Floor, Cedi House, Liberia Road
PMB CT 465, Cantonments, Accra, Ghana

Auditor

PricewaterhouseCoopers
Chartered Accountants
PwC Tower
A4 Rangoon Lane, Cantonment City
PMB CT 42, Cantonments
Accra, Ghana

Bankers

Bank of Ghana
Ecobank Ghana Limited

2.0 BOARD OF DIRECTORS



Dr. Maxwell Opoku-Afari is the Chairman of the Board of Directors of CSD. He is the First Deputy Governor of the Bank of Ghana. He holds a doctorate degree from the University of Nottingham. Until his appointment as first Deputy Governor of the Bank of Ghana, he was a mission chief, and also a deputy Division Chief at the IMF, working with strategy, policy and review, and African departments. He was with the IMF for over eight years. Before joining the IMF, he served as the special assistant to the Governor of the Bank of Ghana from 2006 to 2009. He also worked in several capacities at the Bank including, Head of Special Studies from 2005 to May 2006 and Senior Economist from 1996 to 2000.



Mr. Michael Ewusi Mensah is the Chief Executive Officer of the Central Securities Depository (GH) Limited. He was appointed to the role in October 2021. He has worked for over 25 years with the Bank of Ghana, rising to Director and Head of ICT Department in October 2017. He has played key roles in various projects in the Bank, including leading in the establishment and certification of the Information Security Management System and the Cybersecurity Management System as well as the implementation of the Ghana Interbank Settlement System for the banking industry in Ghana. He was member of the team that produced the Cyber and Information Security Directives for the banking Industry. He was instrumental in the certification of the ISMS of the Central Securities Depository (GH) Limited. Between 2005 and 2013, Mr. Mensah led teams to the Central Bank of Liberia and Bank of Sierra Leone to implement their banking and accounting systems and provide training. He has facilitated ICT and accounting programmes at the Bank of Ghana Training School, National Banking College and West African Institute for Finance and Economic Management in Nigeria. He holds a BSc. in Computer Science from the Kwame Nkrumah University of Science and Technology, and a Masters Achievement in Business Resilience from the Business Resilience Certification Consortium International (BRCCI). He has a number of IT professional certifications including Certified Business Resilience Manager, Certified Business Resilience IT Professional, Certified Business Resilience Auditor from BRCCI, Canada, Certified Cyber Risk Manager, Learning Tree, UK and Lead Information Security Auditor ISO27001, Lloyds, UK. Mr. Mensah has extensive experience in ICT, risk management and information/cybersecurity systems.



Mrs. Caroline Otoo holds an LLB (Hons), BL from the Ghana School of Law and Advanced Diploma in Legislative Drafting. She held various positions at the Bank of Ghana including the Director of Ethics and Internal Investigations Unit and the Secretary of the Bank of Ghana. She previously served as Head of the Legal Department of the Bank of Ghana. She retired from the services of the Bank of Ghana in January 2022.



Mr. Ekow Afedzie is the Managing Director of the Ghana Stock Exchange and also a member of the Council (Board) of the Exchange. He was the Deputy Managing Director of the Exchange prior to his current appointment. Mr. Afedzie is also the Coordinator of the Secretariat for Integration of West Africa Capital Markets and serves on the Board of a number of institutions and committees. He was educated at the University of Ghana, Legon, Ghana where he obtained a Master's Degree in Business Administration, (MBA) and a Master of Arts degree (MA) in Economic Policy Management. He also holds a Bachelor's degree in Law (LLB) from Mountcrest University College. He joined the Ghana Stock Exchange in 1990 when it was established and has served as the Head of Marketing, Research and Systems, then the General Manager before becoming the Deputy Managing Director of the Exchange and a member of its Council or Board in 2009.



Mrs. Angela N.A. Leibel has over 25 years of management and professional working experience across a wide range of the financial industry in Ghana and other parts of Africa. Her experience in the financial industry spans from consumer and payroll lending, asset-based financing/leasing, asset recovery and corporate restructuring. She also has in-depth experience in consulting and has consulted for institutions including the World Bank and the Asset Management/Corporate Restructuring International Inc., (AMCRII) Virginia, USA. Mrs. Leibel is also a facilitator and has facilitated training programmes for varied institutions both locally and internationally including UNDP. She was the Deputy Managing Director of Bayport Financial Services, a position she held from 2005 until September 2017. She holds a Postgraduate Diploma in Corporate Management and Finance and a BSc. /B.A. in Social Science (Economics and Sociology) from the Kwame Nkrumah University of Science & Technology, Ghana.



Dr. Mark Assibey -Yeboah was appointed to the Board of the CSD on September 10, 2021. Dr Assibey-Yeboah is the Senior Partner of Knox Consulting. He was the Member of Parliament for New Juaben South Constituency in the 6th and 7th Parliaments, as well as the Chairman of the Finance Committee of Parliament from 2017 to 2021. He holds a B.Sc.(Hons) Degree in Agricultural Economics from KNUST, Kumasi, and M.S. in Agricultural and Resource Economics from the University of Delaware, USA. He also holds an M.A and a Ph.D. both in Economics from the University of Tennessee, USA, specializing in International Macroeconomics, Monetary Economics and Econometrics. Before he joined the Legislature, he was a Senior Economist at the Bank of Ghana. Prior to joining the Central Bank of Ghana, he was a lecturer at the Ghana Institute of Management and Public Administration (GIMPA). He also previously worked as a Lecturer at the University of Tennessee and as an Adjunct faculty member at Milligan College in USA. Dr. Assibey-Yeboah has published in reputable journals such as Economic Record, International Journal of Finance and Economics, Journal of International Trade and Economic Development and the North American Journal of Economics and Finance. He is a member of the American Economic Association.



Ms. Abena Amoah is the Deputy Managing Director of the Ghana Stock Exchange. Ms. Amoah is an accomplished investment banker and capital markets expert who has led on many landmark transactions for more than 20 years. Abena's experience covers stock market listings and trading, mergers and acquisitions advisory, investment research, asset management, private placement of equity, debt and hybrid instruments, large infrastructure project development, business start-ups and incubation, public education on investment and financial matters, and capital markets development strategies, across diverse sectors of the Ghanaian environment.

She has served on boards of companies – publicly listed, private and not-for-profit – such as Access Bank PLC, African Women's Development Fund, Ghana Stock Exchange, Ghana Petroleum Funds, Kosmos Energy Ghana HC Advisory Council, The Foschini Group Ghana Ltd, University of Ghana Council, Venture Capital Trust Fund and Wapic Insurance Ghana Ltd. She has been an advisor to the Government of Ghana and financial sector regulators in West Africa on the deepening of financial markets and is highly respected in her industry for her outstanding professionalism and integrity.



Abena is an alumna of the University of Ghana Business School and has also undertaken academic and leadership studies at the Stanford Graduate School of Business, Harvard Business School and the University of Denver's Daniels College of Business, all in the USA. She was a founding executive of the Ghana Securities Industry Association, an Authorised Dealing Officer of the Ghana Stock Exchange and an Assessor (Capital Markets Expert) of the Commercial Division of the High Court of Ghana.

Board Secretary

Miss Horlali Bodza-Lumor holds a BSc (Marketing) from the University of Ghana Business School, a Postgraduate Diploma in Marketing from the Chartered Institute of Marketing (CIM) UK, a LLB (Hons) from the Faculty of Law, University of Ghana and a Qualifying Certificate in Law from the Ghana School of Law, Makola. She was called to the Ghana Bar in October 2012 and joined the CSD in August 2018 as Legal Officer. She was appointed by the Board as Company Secretary in October 2019. Miss Bodza-Lumor previously worked with Zenith Bank Ghana Limited as legal Officer and with the erstwhile Procredit Savings and Loans Company Limited.

3.0 MANAGEMENT



Deputy Chief Executive Officer

Mrs. Melvina Amofo joined the CSD in 2014 as Deputy Chief Executive Officer. She holds an Executive MBA from the Ghana Institute of Management and Public Administration (GIMPA) and a B.A. (Hons) in Economics and Geography, University of Ghana. She joined the Ghana Stock Exchange since its inception and held various managerial positions in various Departments including Listings, Marketing and Administration. She also held the position as Company Secretary before her appointment as the pioneer Executive Director of the GSE Securities Depository Company Ltd which was set up in 2008 until it was eventually merged with the Central Securities Depository (GH) Limited.



Head of Finance and Administration Department

Mr. Dornu D. Narnor joined the CSD in 2013 as Head of Finance and Administration. He is a Fellow of Association of Chartered Certified Accountants and a Member of Institute of Chartered Accountants Ghana (FCCA, ICAG). He holds an MBA in Finance and has vast experience in finance. He is responsible for handling the Finance and Accounting functions, Human Resource Management and the General Administration of the depository.



Head of Operations Department

Ms. Faustina Coleman-Forsen joined the CSD in 2013 as Head of Operations and Surveillance. She holds an MBA in Finance from The John Hopkins University, USA. She is a FINRA registered Financial Advisor Representative. She worked with BB&T Corporation as a Wealth Management Relationship Manager and has tremendous experience in Financial Advisory, as well as Estate and Trust Administration. Her role is to ensure that the ultimate priorities of the Depository are achieved through delivery of efficient services in the area of depository, settlement, and registry services. She is also responsible for surveillance activities of the Depository as well as the statistics and website content management.



Head of Information Technology Department

Mr. Ambrose K. Karikari joined the CSD in April, 2011. He holds an MBA degree with Finance option, BSc. Information and Communication Technology and IT Professional Certifications. He has immense professional experience in Business Intelligence Systems & Networks, Information Security & Business Continuity Management Systems and IT Service Delivery Management over the years. He worked with Ghana Telecom Ltd, Vodafone Ghana Ltd, and Electronic Data Communication Systems. He is in charge of managing the systems and networks, business continuity management system and IT Service Delivery of the Depository.



Internal Auditor

John Damatey Tanihu joined the CSD in 2016 as the Internal Auditor. He is a Chartered Accountant (CPA, CGA, CA and ACCA) and a Certified Internal Auditor (CIA). He holds a B.Sc. Applied Accounting from Oxford Brookes University, UK and an MBA in Financial Services from University of East London, UK. He has over seventeen years working experience in Ghana and United Kingdom. He is responsible for providing among others an independent and objective assurance on whether the Depository's risk management, control and governance processes, as designed and approved by the Board and Management are adequate and functioning effectively.



Head of Economic and Risk Analysis Department

Moses K. Abakah joined the CSD in April 2011 and worked with the Operations Department before taking on his current role in September 2017. Moses holds B.A. (Hons) in Economics, University of Cape Coast and MPhil. Economics, University of Ghana.

4.0 CHAIRMAN'S STATEMENT

AT THE 8TH ANNUAL GENERAL MEETING OF SHAREHOLDERS OF THE CENTRAL SECURITIES DEPOSITORY (GH) LIMITED.



Introduction

Dear Shareholders, Directors, Ladies, and Gentlemen, I warmly welcome you all to the 8th Annual General Meeting (AGM) of the Central Securities Depository (GH) Limited. This year's AGM is being organised under better and improved conditions compared to the past two years when we prayed for improved and better conditions amidst the Covid-19 pandemic. I believe that steadily, our prayers have been answered. With the advancement in science and technology, coupled with the enforcement of several other measures aimed at controlling the Covid-19 pandemic, economies and businesses are expected to rebound in the coming years.

Building on the successes of the prior years, the CSD ended the year under review with another sterling performance. The year-on-year financial performance of the company in 2021 saw a remarkable growth compared to the previous year's performance. Distinguished Shareholders and Directors, as usual, my report for this year's AGM will focus on the overview of the Ghanaian economy, key policy decisions carried out by the Board in 2021, the financial performance, and the outlook of the CSD in 2022.

Overview of the Economy

Ghana, like most economies in the world, continued its recovery efforts from the Covid-19 related economic downturn. Notwithstanding the challenges posed by the pandemic and other economic pressures, the Ghanaian economy made some positive gains in 2021 and this was reflected in the growth rate of the economy.

The provisional average growth rate for the first three quarters of 2021 was 5.2 percent, up from the less than 1 percent growth attained in 2020. Despite the setbacks in the economy, the overall budget deficit in 2021 improved to 9.6 percent from 11.4 percent in 2020. The public debt-to-GDP ratio, fundamentally driven by the financial sector clean-up, energy sector payments, and Covid-19 related expenditures, inched up from 76.1 percent in 2020 to 80.1 percent in 2021.

The headline inflation, driven mainly by rising prices of food and fuel, stood at 12.6 percent in 2021, up from 10.4 percent in 2020. Despite the inflationary pressures, there was general stability in interest rates in 2021. The Monetary Policy Rate which was reduced by the Bank of Ghana from 16.0 percent to 14.5 percent in March 2020 was broadly maintained except from May to September when it was reduced further to 13.5 percent.

4.0 Chairman's Statement Cont'd

Moreover, the inter-bank average interest rate declined from 13.6 percent in 2020 to 12.7 percent in 2021 with a marginal decline in the average lending rate of banks from 21.1 percent in 2020 to 20.0 percent in 2021. The deposit rates for a 1-month deposit, 3-month deposit, 6-month deposit, 12-month deposit, 24-month deposit, and 36-month deposit were all maintained at their 2020 rates in 2021. The interest rate equivalent of government 91-day, 182-day and 364-day securities equally declined downward in 2021 from 14.1, 14.1, and 17.0 to 12.5, 13.2, 16.5 percent respectively. The story was not different in terms of the coupon rate on most of the long-term government securities. The coupon rate on the 3-year bond reduced from 19.3 percent in 2020 to 19.0 percent in 2021; the 6-year bond reduced from 19.5 percent in 2020 to 18.8 percent in 2021; whilst that of the 7-year bond reduced from 20.5 percent in 2020 to 18.1 percent in 2021.

The external sector was not spared from the flare-ups of the Covid-19 pandemic and the lingering bottlenecks in the global supply chain which adversely impacted growth prospects in 2021. The World Bank estimated that output and investments in emerging economies, including Ghana, would remain below pre-pandemic levels, largely due to tighter fiscal and monetary policies. There was however an improvement in the country's gross international reserve in 2021 compared to 2020. The gross international reserve in 2021 stood at US\$ 9.7 billion, equivalent to 4.4 months of import cover, up from US\$ 8.6 billion in 2020, equivalent to 4.1 months of imports cover. Favorable developments, in both the primary deficit and the Balance of Payment position of Ghana, contributed to the performance of the gross international reserve during the year. The country's primary deficit declined by 2.0 percent in 2021, from the 2020 rate of 5.3 percent. Furthermore, relative to 2020, a Balance of Payment (BoP) surplus of US\$510.1 million was recorded in 2021, up from the surplus of US\$377.5 million recorded in 2020.

The performance of the Ghana cedi against some major currencies in 2021 was stable and far better relative to that of 2020. The Ghana cedi depreciated against the dollar and the British Pound but appreciated against the Euro in 2020. In 2021, the Cedi depreciated by a margin of 4.1 percent and 3.1 percent against the USD and the British Pound respectively while it appreciated against the Euro by 3.5 percent over the same period. The 2021 performance of the Cedi was primarily occasioned by the auction of forex, inflows from mining and remittances, and the buildup of reserves, among other factors.

The performance of the banking sector remained strong during the year. The total assets of Deposit Money Banks (DMBs) increased by 19.6 percent from GH¢ 152.55 billion in 2020 to GH¢ 182.41 billion in 2021. Primary reserve of the DMBs improved from GH¢ 11.07 billion in 2020 to GH¢ 17.63 in 2021, with the actual primary reserve ratio increasing from 8.1 percent in 2020 to 11.0 percent in 2021. In terms of financial soundness, there was relative stability as the capital adequacy ratio of the banking sector marginally declined from 19.8 percent in 2020 to 19.6 percent in 2021. The size of non-performing loans in the banking sector however inched up by less than 1 percent from 14.8 percent in 2020 to 15.2 percent in 2021. Core liquid assets to total assets and core liquid assets to short-term liabilities of the sector respectively stood at 20.0 percent and 25.9 percent in 2021.

Membership of the Board of Directors

There were some changes in the Board of Directors during the year. Three new members namely, Mr. Michael Ewusi Mensah, Dr. Mark Assibey-Yeboah, and Ms. Abena Amoah were elected by shareholders to join the Board in 2021. In compliance with the Board Charter, this brought the full complement of the number of Directors to seven. Mr. Yao A. Abalo and Mr. Armah I. J. Akotey ended their terms as Directors of the Board.

4.0 Chairman's Statement Cont'd

Mr. Michael Ewusi Mensah was appointed as Chief Executive Officer to replace Mr. Yao A. Abalo who retired from the services of the CSD after serving his full term as the Chief Executive Officer in September 2021. Mr. Michael E. Mensah, before his appointment to the role of a Chief Executive Officer of the CSD was a Director and Head of ICT of the Bank of Ghana. During the term of Mr. Yao Abalo, he worked diligently to improve the performance of the company and ensured that the CSD provided uninterrupted and stable services to the financial market, especially at the peak of the Covid-19 pandemic. On behalf of my colleague Directors, we extend our appreciation to Mr. Abalo for his astute leadership, dedication, hard work, commitment, and contribution to the exceptional performance and growth of the CSD during his term. We wish him every success in all his future undertakings. I am equally confident that with the wealth of experience, knowledge, and background of Mr. Michael Ewusi Mensah, he would spearhead the development agenda of the CSD to a much greater height.

Dr. Mark Assibey-Yeboah, an economist, joined the Board in September 2021 whilst Ms. Abena Amoah, the Deputy Managing Director of the Ghana Stock Exchange joined the Board in December 2021. I congratulate them and urge them to bring on board, their rich and vast experiences in their respective fields of endeavour to deepen the work of the Board.

Finally, Mr. Armah I. J. Akotey, a representative of the GSE ended his term on the Board in August 2021 because his appointment as a representative of the GSE Council came to an end. We equally thank him for his valuable contributions to the work of the board and wish him success in all his future activities.

Key Policy Decisions of the Board in 2021

Looking at the year under review, the plan was to ensure that the CSD achieved its mandate of providing stable services to the financial market of

Ghana amid the multiplicity of challenges posed by the Covid-19 pandemic and its resultant impact on the entire economy. The adverse effects of the pandemic necessitated the need to place a premium on the business operations of the CSD. As a result, a suitable mix of policies ranging from risk, governance & compliance, information technology & cyber security, and business continuity was therefore enforced to minimize the exposure to the company.

The timely implementation of the new five-year strategic plan geared towards the building of a more robust, resilient, and dynamic CSD afforded CSD the opportunity to address gaps and challenges which hitherto hampered CSD's ability to offer excellent services to stakeholders; pursue business diversification; engage in certain strategic alliances for the long-term development and sustainable growth of the CSD and the securities industry at large. Significant progress has been made since the implementation of the strategy in 2021. Notably, some tools and technology were improved, and a new performance management system was introduced among other initiatives.

To position the CSD on a competitive edge as part of the implementation of the strategic plan and efforts to improve tools and technology, CSD started work on developing a Request for Proposal (RFP) for the acquisition of state-of-the-art market infrastructure for execution in the ensuing year. In the medium to long term, the infrastructural change will support the organisation to remain competitive in the securities custody, clearing, and settlement business whilst providing excellent services to the satisfaction of its customers. This development was informed by the recommendation of the Technical Committee set up to assess the current infrastructure of the CSD in 2020. One of the key recommendations by the Technical Committee was to upgrade the core infrastructure of the CSD for efficient and effective service delivery in the coming years.

4.0 Chairman's Statement Cont'd

The Board as part of its mandates provided leadership support, monitored, and evaluated the performance of the ongoing implementation of the strategic plan by ensuring that the vision and the strategic objectives outlined by the strategy become attainable in the coming years, the result of which we have begun witnessing today from the 2021 performance results.

Financial Performance

The company recorded an impressive financial performance in 2021 against that of 2020. During the period under review, the company's operating income significantly increased by 25.6 percent from GH¢ 61.3 million in 2020 to GH¢ 76.9 million. On the expenditure side, the operating expenses increased by 30.2 percent from GH¢ 25.3 million in 2020 to GH¢ 33.0 million in 2021. At the end of the 2021 financial year, the net profit recorded by CSD increased by 26.3 percent to GH¢ 33.0 million in 2021, up from GH¢ 26.1 million in 2020. The impressive financial performance in 2021, contributed to the strengthening of the assets base of the company. The assets value increased by 24.6 percent from GH¢ 100.0 million in 2020 to GH¢ 124.5 million in 2021. At the end of the period, the shareholder funds also increased by 32.0 percent from GH¢ 86.7 million in 2020 to GH¢ 114.4 million in 2021.

The consistent improvement in the company's financial performance is a critical factor for the long-term sustainable growth of the CSD and as custodians of the company, we assure Shareholders that we will adopt and enforce policies structured to optimise shareholder value of the organisation whilst achieving the medium to long term strategic goals of the organisation.

Declaration of Dividend

In accordance with the dividend policy and the sterling financial performance of the CSD in 2021,

the Board recommends, a dividend payment of GH¢1.65 per share amounting to GH¢ 5.8 million for the year ended 31 December 2021 to shareholders. The dividend once approved will constitute 17.5 percent of the net profit earned by CSD in 2021. The recommendation was determined after considering the potential exposures likely to be posed to the company from the prevailing economic conditions and pressures from the global market.

Outlook of CSD in 2022

There is a high level of positive expectations for 2022, especially, with the lifting of the Covid-19 restrictions. Prospects are high and we are looking forward to business operations to rebound to pre-pandemic levels. For the CSD, we will not rest on our oars but continue to remain resolute by pursuing policies targeted at strengthening business operations to minimise the risks confronting the CSD. The implementation of the strategic plan which began in 2021 will be continued in 2022. Efforts will be made to enhance and project a positive brand image that inspires confidence and loyalty among our customers and the public by putting in place mechanisms to enable the CSD to measure its brand image on an annual basis.

To grow the CSD on a sustainable trajectory, we will put in place measures to harness the opportunities of the rapid technological advancement in its business operations. The CSD will strive to deploy appropriate and up-to-date tools and technology to augment the development of new products, enhance user accessibility and data reliability, and improve information sharing with stakeholders. In pursuant to this, the current core infrastructure being used for registrar, depository, clearing, and settlement services will be enhanced to keep pace with the advancement and trends in the technological space. Enhancement of user experience and self-digital services will form an integral element of the new infrastructure. This will be accompanied by an



4.0 Chairman's Statement Cont'd

investor portal and enhanced surveillance systems to promote market transparency.

The infrastructure upgrade and many other initiatives are eminent because talks on the integration of the West African Capital Market Infrastructure are at an advanced stage, hence these developments will afford the CSD the opportunity to be well-positioned to rub shoulders with the other depositories operating in the West African Region when the integration is finally completed. We need to start asking ourselves what we can do differently to position ourselves competitively in the African region.

The new infrastructure will also pave way for the CSD to be future-ready for cross-border settlement in the securities market ecosystem among others. In terms of the cross-border settlement, we do not have to limit ourselves to only the boundaries of the West African Capital market region.

Last year, the Securities and Exchange Commission launched the 10 Year Capital Market Master Plan (CMMP) with the core objective of developing the capital market ecosystem of the country. This is the first time such a plan has been developed for the Ghanaian market and the CSD being a key stakeholder in the drive for the growth of the capital market is a key player in the implementation of the master plan.

In view of this, the CSD will be collaborating with the relevant stakeholders to support the implementation of the CMMP in the coming year.

The Board will support Management to pursue its business mandate whilst complying with market regulations and best market practices. Finally, programs aimed at developing the capacity of the Board will also be pursued to enable them to be abreast with trends in their role and to execute their work as expected.

Acknowledgment

The successes achieved by the CSD in 2021 were mainly through the support and advice of the Shareholders, and the Board of Directors. I, therefore, extend my appreciation to you both, not forgetting the Depository Participants, Management & Staff, and the Regulator, Securities and Exchange Commission, for their diverse roles towards the outstanding performance of the CSD in 2021. Again, I say thank you and urge you all to continue to support the business of the CSD for a prosperous future.

Dr. Maxwell Opoku-Afari

Chairman



5.0 CHIEF EXECUTIVE OFFICER'S STATEMENT

AT THE 8TH ANNUAL GENERAL MEETING OF SHAREHOLDERS OF THE CENTRAL SECURITIES DEPOSITORY (GH) LIMITED.



Introduction

The Chairman and Members of the Board of Directors of the Central Securities Depository (GH) Limited, Distinguished Shareholders, I welcome you to the 8th Annual General Meeting (AGM) of the CSD which also marks my first AGM following my assumption of the role of the Chief Executive Officer of the CSD in October 2021. I would like to thank you all for my appointment. I equally extend my special thanks to the previous Chief Executive Officers of the company for the good work done over the years, especially to my immediate predecessor Mr. Yao A. Abalo who retired from the services of the CSD in September 2021.

After my assumption into office in October 2022, I have taken the time to go through and familiarise myself with the history and the milestones of the CSD, and indeed the achievements since its establishment have been phenomenal. This challenges me to build on the successes of the CSD. I, therefore assure stakeholders here present that together with Management and Staff, we will continue to grow the CSD brand for it to become a beacon of excellence in Ghana's financial market.

Distinguished Shareholders, permit me at this stage to provide a brief overview of the Ghanaian economy in which the CSD operated in 2021, outline the

financial and operational performances of the CSD in 2021, and finally highlight some key strategic and developmental activities earmarked for the company in 2022.

Overview of the Economy

Fiscal measures were undertaken by the government to recover the economy from the effect of the Covid-19 pandemic which reversed the hard-won economic gains of the country before its onset in 2020. Even though the measures introduced by the government to control the pandemic have been effective at mitigating the spread of the Covid-19 virus in the country, the pandemic had severe economic consequences on the economy. According to the African Development Bank, about 30 million Africans were pushed into extreme poverty in 2020 because of the pandemic and it was estimated further that about 39 million Africans could fall into extreme poverty in 2021. To reduce the adverse economic impact on lives and livelihoods in the country, the government during the year under review pursued fiscal stimulus packages, putting pressure on the public finances, hence resulting in the higher-than-projected budget deficit and public debt levels. For instance, the government among other measures implemented a COVID-19 Alleviation and Revitalisation of Enterprises Support (CARES) program totaling GH¢100,000.0 million, designed to

5.0 Chief Executive Officer's Statement Cont'd

mitigate the impact of the pandemic on the Ghanaian economy and ensure a stronger and a more resilient economy.

In terms of Government fiscal operations, the public debt-to-GDP ratio of the country increased from 76.1 percent in 2020, to 80.1 percent in 2021. The provisional figure also shows that the year-end total expenditure-to-GDP ratio reduced marginally from 26.1 percent in 2020 to 25.1 percent in 2021 with the total revenue & grant-to-GDP ratio also increasing from 14.3 percent in 2020 to 15.4 percent in 2021.

In the face of the difficult macroeconomic environment, the Bank of Ghana maintained the year-end monetary policy rate at 14.5 percent equivalent to the year-end rate recorded in 2020. Other interest rates generally followed a similar trend, but the disinflationary process was adversely affected causing the year-on-year inflation rate to rise from 10.9 percent in 2020 to 12.6 percent. Results from the Consumer Confidence Index (CCI) and Business Confidence Index (BCI) by the Bank of Ghana showed a negative outcome in 2021 compared to that of 2020. The CCI in 2021 was 88.1 percent, down from 102.8 in 2020. Over the period, the BCI improved from 101.1 in 2020 to 95.5 in 2021.

The country's capital market performed relatively better than that of the previous year. As of the end of December 2021, the year-to-date market capitalization on the GSE was GH¢ 64.5 billion representing an 18.6 percent increase from GH¢ 54.4 billion in 2020. Also, the year-to-date GSE composite index was 43.7 percent in 2021 compared to a fall of 14.0 percent in 2020. At the same time, the year-to-date GSE Financial Index inched up by 18.6 percent in 2021 compared to the fall of 11.7 percent in 2020. The Ghana Stock Exchange embarked on several policy initiatives to improve listing on the Ghana bourse. To this end, the GSE is in engagement with the State Interests and Government Authority

to promote the listing of state-owned enterprises. It is expected that with the initiatives to increase the number of listed companies on the Ghana bourse, there would be much growth in the country's capital market in the near to medium term period.

The 2021 Financial Performance

In terms of financial performance, the CSD performed outstandingly well in 2021 compared to that of the previous year's performance.

The CSD ended the year 2021 with a gross profit of GH¢ 43.6 million representing a 22.5 percent increase over the gross profit of GH¢ 35.6 million recorded in 2020. The increase in the gross profit was mainly because of an increase in secondary market transactions, increase in investment income, and recovery of written-off investments which contributed to the high level of revenues accrued to CSD in 2021. The year-on-year revenue of the CSD thus saw an increase of 25.6 percent from GH¢ 61.3 million in 2020 to GH¢ 76.9 million in 2021. Over the same period, the annual expenditure of the CSD in 2021 stood at GH¢ 33.0 million, up by 30.2 percent from GH¢ 25.3 million in 2020.

The CSD continued its efforts to protect shareholder funds by sustaining a strong asset base, the asset base of the company at the end of the year under review increased by 24.6 percent from GH¢ 99.9 million percent in 2020 to GH¢ 124.5 million in 2021. Also, the equity position increased by 32.0 percent to GH¢ 114.45 million in 2021 from GH¢ 86.7 million in 2020. In compliance with the tax obligation of the country, the company accrued total income tax expense of GH¢ 10.7 million in 2021, up from GH¢ 9.5 million corporate tax paid in 2020. The CSD's net profit at the end of 2021 therefore, stood at about GH¢ 33.0 million representing a 26.4 percent increase compared to GH¢ 26.1 million of the net profit posted in 2020.

5.0 Chief Executive Officer's Statement Cont'd

2021 Operational Performance of the CSD

Like the improvement in the financial performance of the company in 2021, the operational performance equally experienced remarkable growth during the year under review.

Three new Depository Participants (DPs) were appointed by the CSD increasing the number of DPs to sixty-nine in 2021 from sixty-six in 2020. The number of new securities accounts registered with the CSD by investors increased by 13.6 percent from 68,345 in 2020 to 77,630 in 2021. At the end of 2021, the total number of securities accounts registered with the CSD stood at 1.3 million.

The face value of issued debt securities admitted reduced slightly by 3.1 percent from GH¢ 207,907.9 million in 2020 to GH¢ 201,556.7 million in 2021. Additionally, a face value of GH¢ 23,707.7 million of government securities was admitted through tap-ins in 2021 as against GH¢ 19,760.9 million tap-ins admitted in 2020.

In terms of the size of the outstanding debt stocks held with the CSD; the face value increased by 24.8 percent to GH¢ 181,686.8 million in 2021 from GH¢ 145,582.5 million in 2020. Of the GH¢ 181,686.8 million outstanding debt stocks, domestic investors and foreign investors owned GH¢ 150,018.6 million (82.6 percent) and GH¢ 31,668.3 million (17.4 percent) respectively. The face value of securities owned by domestic investors increased by 28.5 percent from GH¢ 116,738.2 million in 2020 to GH¢ 150,018.6 million in 2021 whilst that of foreign investors increased by 9.8 percent from GH¢ 28,844.3 million in 2020 to GH¢ 31,668.3 million in 2021.

The annual amount of corporate action entitlements processed by the CSD for payments by the issuers declined from GH¢ 221,512.3 million in 2020 to GH¢ 217,319.1 million in 2021. Of GH¢ 217,319.1 million

corporate action entitlements proceeds processed in 2021, interest and maturity proceeds accounted for GH¢ 22,692.5 (10.4 percent) and GH¢ 194,626.6 million (89.6 percent) respectively.

There was a boom in the settlement activities performed for debt transactions executed in the secondary market. The number of debt trades settled in the secondary market increased by 90.9 percent from 181,650 in 2020 to 346,730 in 2021. The monetary amount settled for these transactions also increased by 96.8 percent from GH¢ 109,522.1 million in 2020 to GH¢ 215,527.3 million in 2021.

There was however a reduction in the settlement activities of transactions involving government dollar-denominated bonds. The annual monetary amount of dollar transactions settled by the CSD was reduced by 35.5 percent from US\$ 328.6 million in 2020 to US\$ 242.6 million in 2021. Similarly, the number of dollar-denominated bond transactions reduced by 1.5 percent from 336 in 2020 to 331 in 2021.

Settlement activities in the repo market had an upward growth during the year. A total of GH¢253,752.8 million repo transactions representing an 83.5 percent increase from GH¢ 138,285.5 million in 2020 were settled by the CSD in 2021. A large proportion of the REPO transactions were mainly on collateralised lending and borrowing as against GMRA-based repo. Of the GH¢253,752.8 million repo transactions settled by CSD in 2021, collateralised repo and Classic Repo (GMRA) accounted for GH¢ 245,215.2 million and GH¢ 8,537.6 million respectively. Efforts are therefore needed by stakeholders to improve the level of participation in GMRA-based repo so that the objective for its introduction would be fully achieved for the mutual benefit of the Ghana market. In total, 6,632 repo transactions were settled on the CSD platform in 2021 as against 4,311 transactions in 2020.

5.0 Chief Executive Officer's Statement Cont'd

The number of pledge transactions undertaken on the CSD platform also increased by 45.1 percent from 634 in 2020 to 920 in 2021. Also, the face value of the underlying securities used for these transactions increased by 21.1 percent from GH¢ 12,413.7 million in 2020 to GH¢ 15,033.6 million in 2021.

Finally, in terms of the operational performance in 2021, there was an upturn in the settlement activities undertaken by the CSD for the equity market in 2021 compared to 2020. The number of equity transactions settled by CSD in 2021 was 15,318, up by 46 percent from 10,474 equity transactions settled in 2020. Also, the monetary amount of these transactions increased by 16.0 percent from GH¢ 448.5 million in 2020 to GH¢ 520.2 million in 2021.

Outlook for 2022

A great relief is expected to be felt by the business community in 2022 largely due to the gradual slowdown of the multiplicity of challenges from the Covid-19 pandemic, and its impact on the business community globally, from which the CSD equally stands to benefit.

At the CSD, our commitment is to focus on the implementation of the five-year strategic plan. Given that 2022 marks the second year of the implementation of the strategic plan, pertinent steps will be pursued to build on the successes achieved during the first year of its implementation. In the end, we aim to position the CSD as a beacon of excellence in the registrar, depository, clearing & settlement business in the country and the sub-region at large. Initiatives such as the adoption of best market practices, implementation of modern technologies, attainment of 100 percent dematerialization, enhanced market education, the introduction of new products, capacity development of staff, and deepening of risk management, compliance & governance will be some of the main drivers of the company's operations in 2022.

The securities market of Ghana is currently characterised as a frontier market; however, efforts are underway by various stakeholders to improve the current state of the market to an emerging one. For instance, the regulator, Securities and Exchange Commission in a bid to deepen the performance of the market launched the 10 Year Capital Market Master Plan in 2021, strategically designed to position Ghana's domestic market as the preferred choice for investors and issuers by improving the diversity of investment products and liquidity, increasing investor base, strengthening infrastructure, and improving regulations, enforcement, and market confidence. Institutions such as the Ghana Stock Exchange, and the Ghana Commodity Exchange among others are pursuing similar policy agendas to support the development of the Ghana market. The CSD, a critical market infrastructure in the securities market space of the country, is equally poised to support this objective of the development of the domestic market. Particularly, the CSD will strive to adopt the best global market practices as well as regulatory compliance for the provision of depository, clearing & settlement services that are competitive with the services offered by other well-established CSDs. Towards this end, the CSD will review its processes and procedures by reducing the bottlenecks in its current operations for the good of market development.

In 2022 an enhanced CSD system will be acquired and implemented. The dynamic nature of technology coupled with the rapid rate of innovation in the technological space, demands that as a company that heavily relies on technology for the provision of its services, we must constantly innovate and align our infrastructure to the best technologies in the market space to always improve user experience. The last time the core infrastructure of the CSD system was fully enhanced was in March 2016, this was done to satisfy the demand of the market at the time. Since then, there has been advancement in

5.0 Chief Executive Officer's Statement Cont'd

technology and massive expansion of the domestic market. As a result, to enable the CSD to serve the market efficiently and become a beacon of excellence, it is expedient that, the core infrastructure is changed to facilitate the adoption of state-of-the-art technology. A new system will also address most of the operational challenges currently being faced by the company in its service delivery to the market. The impact of the Covid-19 has proven that companies such as the CSD can leverage technology to deliver uninterrupted services to the market hence the company must focus on introducing enhanced digital solutions aimed at reducing the manual-based processes of its operations. It is therefore expected that, with the acquisition of the new infrastructure, the CSD will offer improved and excellent services to the market.

Unlike other countries in the sub-region which have attained 100 percent dematerialisation in the equity market, Ghana is yet to achieve that. One of the direct benefits of 100 percent dematerialisation will be the elimination of unclaimed dividends. The CSD will therefore collaborate with the Regulator, Securities and Exchange Commission, the GSE, and the Registrars to work towards the attainment of this all-important objective because of the associated benefits to the development and growth of the equity market in Ghana.

In line with the introduction and enforcement of the use of the National Identification Card (ID Card) as the primary source of identification in the country by the government, it is beneficial on the part of the CSD to work around the clock to adopt the National ID card as the prima facie evidence for identification anytime an investor opens a securities account with the CSD. Currently, the CSD system accepts multiple national identification cards ranging from passports, voter ID, driver licenses, etc. The current arrangement, thus, permits an investor to open multiple securities accounts using different IDs which could have been

prevented. But with the introduction of the National ID card as the primary source of identification in the country, it is imperative that the CSD harmonizes the ID cards accepted by the CSD system during securities account opening procedures. The CSD will engage the NIA to assess the feasibility of interfacing its system directly with that of the NIA for ease of identification of investors when opening securities accounts. A framework for the use of the National ID is therefore being developed and would be rolled out to ensure that, the CSD system is aligned or integrated with the NIA system to facilitate smoother and efficient verification of ID cards. This will also enhance the level of efficiency in the management of securities accounts on the CSD platform.

The Bank of Ghana in collaboration with the CSD and other stakeholders, is in the process of introducing Intraday Liquidity Fund (ILF) to support liquidity management of the Commercial Banks. According to the Bank of Ghana, the framework for the implementation of the ILF is near completion hence for our part, the CSD will make the necessary changes needed on its platform to facilitate the implementation of the ILF for smooth settlement between counterparties.

To support the development of the market, the CSD will partner with relevant stakeholders to undertake market education. To the CSD, market education is a journey and therefore as a company, we believe that the investment we make now towards market education will yield a future dividend for the entire market.

Capacity development of staff will also be a key focus area in 2022. A well-equipped and resourced staff is central to the growth agenda of the CSD. Also, the attainment of the medium to long-term objectives of the CSD can only be achieved through a well-educated and knowledgeable staff having the relevant skills and work ethics. Staff development



5.0 Chief Executive Officer's Statement Cont'd

and welfare, therefore, will for a long time form a focus area of the activities of the CSD.

All these developments and initiatives earmarked for 2022 have their attendance risks on the organisation. Consequently, through our risk management, compliance and governance arrangements, controls will always be enforced to minimise the exposure of the organisation whilst optimising the intended outcomes.

Appreciation

In conclusion, I am grateful to our shareholders who have over the years contributed to the growth and development of the CSD. Chairman, Board of Directors, and Distinguish Shareholders, I also extend a special thank you to you all for your support and guidance during the year which have contributed

immensely to the outstanding performance of the company in 2021.

I equally thank the regulator, Securities and Exchange Commission for their support. My final appreciation goes to all the staff of the CSD as well as the market participants for their support. Following my assumption into office, staff have demonstrated discipline, commitment, and hard work towards the attainment of the vision and strategic objectives of the CSD. I, therefore, urge them to continue with the good work.

A handwritten signature in black ink, appearing to read 'Michael Ewusi Mensah', written over a dotted line.

Mr. Michael Ewusi Mensah

CEO

6.0 CORPORATE GOVERNANCE

Introduction

Central Securities Depository (GH) Limited. (CSD) is a Financial Market Infrastructure (FMI) established to provide a secure, dependable and efficient clearing, settlement, depository, registrar and other related securities services to satisfy customers in Ghana's financial market. The activities of CSD are governed by the Central Securities Depository Act, 2007 (Act 733), the Securities Industry Act, 2016 (Act 929), the Securities and Exchange Commission Regulations, 2007 (LI 1728), the Companies Act, 2019 (Act 992), the Data Protection Act 2012, (Act 843) and other applicable laws. The CSD is regulated by the Securities and Exchange Commission of Ghana.

The operations of CSD are also guided by the Principles of Financial Market Infrastructures (FMIs) developed by the International Organisation of Securities Commissions (IOSCO) and the Bank for International Settlements (BIS). The goal of the Principles of FMIs is to promote efficiency, transparency, soundness, and fairness in all undertakings of FMIs globally.

The CSD is the main institution providing securities depository, clearing and settlement services in Ghana's financial market. This follows the merger of the two Depositories; CSD and GSE Securities Depository Company Ltd (GSD), which previously operated in the country until December, 2013. Prior to the merger, CSD was responsible for the custody or safekeeping of debt securities issued by Government of Ghana, Cocobod and Bank of Ghana while GSD handled equities. As at the end of December 2021, CSD was 70% and 30% owned by the Bank of Ghana and the Ghana Stock Exchange respectively. Among the objectives of the merger was to improve market efficiency, reduce transactional costs in the market and to realize economies of scale.

Considering the fundamental role of the CSD as a key strategic FMI established to improve investors' confidence in the securities market of Ghana, the CSD is ardent to operate on the ethics of good corporate governance as specified in the Securities and Exchange Commission's Code of Conduct on corporate governance, the Companies Act, 2019 (Act 992) and other best corporate governance standards and risk management practices.

In pursuing the agenda of good corporate governance, the Board of Directors of the Depository provide policy guidelines for implementation by the Management of the company. The Board is responsible for the Enterprise Risk Management objectives of the company. It is also responsible for providing strategic leadership to the organization. The Board consistently evaluates the operations of the CSD and continuously carries out an impartial appraisal of the performance of Management.

In line with the good corporate governance objectives of the CSD, the two shareholders of the CSD; the Bank of Ghana and the Ghana Stock Exchange are adequately and reliably informed vis-à-vis the operations of the CSD on regular basis.

Board of Directors

The Board has a charter to guide its activities. Areas covered in the charter include composition and size of the Board; responsibilities and duties of the Board; relationship between the Board and Management; tenure and conditions for replacement of directors; risk management, compliance, internal controls etc.

The Board Charter prescribes a seven-member Board of Directors. This comprises six Non-Executive Directors and one Executive Director. The Chairman of the Board is a Non-Executive Director. The Directors on the Board hold qualifications and

6.0 Corporate Governance Cont'd

skills in areas spanning from accounting, finance and banking, law, economics and capital market operations amongst others.

Capacity Building of Board Directors

The CSD recognizes the importance of developing the capacity of its directors on a continuous basis. The aim is to deepen their knowledge and exposure on matters relating to good corporate governance, enterprise risk management, business continuity, market trends and the general operations of the CSD, so that the Directors can effectively and efficiently perform their roles. Newly appointed Board members are also taken through a standard orientation programme. In 2021 Directors had training on enhancing board effectiveness. Some of the areas covered included the role of the board and the practice of directorship in the global context,

corporate governance in the current environment, organisational leadership, value creation & the board, guiding strategic direction and risks, strategic leadership & organisational transformation, strategic thinking & decision making, scenario planning (leading through uncertainty), evaluating board performance, monitoring corporate governance, compliance, strategy, risks & disclosure, and keys to board effectiveness.

Board Meetings

Four meetings were organised in 2021 by the Board. This was in compliance with the Board Charter which requires that a Board meeting is organised at least once every quarter. In addition, the Board may hold an extraordinary meeting when the need arises. Below is information on the participation of Board of Directors to meetings in 2021.

Directors	Feb 24, 2021	May 06, 2021	Aug 13, 2021	Dec 01, 2021
Dr. Maxwell Opoku-Afari	✓	✓	✓	✓
Mr. Yao Abalo	✓	✓	✓	End of Appointment
Mr. Michael E. Mensah	Not a Member			✓
Mrs. Caroline Otoo	✓	✓	✓	✓
Mr. Ekow Afedzie	✓	✓	✓	✓
Mr. Armah Akotey	✓	✓	✓	✓
Mrs. Angela Leibel	✓	✓	✓	End of Appointment
Dr. Mark Assibey-Yeboah	Not a Member			✓
Ms. Abena Amoah	Not a Member			✓

6.0 Corporate Governance Cont'd

Board Committees

Four committees exist to support the Board, each with its own charter. The committees are structured to support the Board in the delivery of its corporate governance mandate. The four committees report directly to the overall Board. These are the Business Conduct Committee, Finance & Audit Committee, Risk Committee, and Human Resource, Legal & Remuneration Committee (HRLRC).

of the CSD by Depository Participants, and to exercise powers dispensed to it by the Board of Directors in relation with disciplinary actions. Additionally, it is the responsibility of the BCC to develop and implement the Settlement Guarantee Fund for efficient functioning of the Clearing and Settlement activities of the CSD, and also make recommendations to the Board on the appointment of Depository Participants.

Business Conduct Committee (BCC)

The role of the BCC is to handle complaints relating to violation of applicable rules and procedures

Two meetings were held by the Business Conduct Committee in 2021. Below is the meeting attendance.

Members	May 23, 2021	June 08, 2021
Mr. Ekow Afedzie	✓	✓
Mr. Winston Nelson	✓	✓
Mr. Alexander Williams	✓	✓
Ms. Carol Annang	✓	x
Mrs. Truedy Osae	✓	✓

Finance and Audit Committee

The role of the Finance and Audit Committee is to ensure that, there is existence of quality, transparency and integrity in the financial operations of the company. The Committee also ensures that the company's financial reporting standard complies with applicable international financial reporting standards, tax laws and other financial regulations.

The external and internal auditing of the company's financials and business operations are also overseen by the Finance and Audit Committee.

Four meetings were held by the Finance and Audit Committee in 2021. Below is the meeting attendance.

Members	Feb 18, 2021	Aug 03, 2021	Nov 12, 2021	Nov 16, 2021
Mrs. Angela Leibel	✓	✓	✓	✓
Mr. Ekow Afedzie	✓	✓	✓	✓
Mrs. Caroline Otoo	✓	✓	✓	✓
Mr. Armah Akotey	✓	✓	End of Appointment	



6.0 Corporate Governance Cont'd

Risk Committee

The Risk Committee oversees the enterprise-wide risk management practices of the CSD and among other purposes provides risk assurance to the Board.

Two meetings were held by the Risk Committee in 2021 including a three-day residential retreat on enterprise risk management. Below is the meetings attendance including the retreat.

Members	Mar 16, 2021	Apr 30 - May 02, 2021	Nov 17, 2021
Mr. Ekow Afedzie	✓	✓	✓
Mrs. Angela Leibel	✓	✓	✓
Mr. Armah Akotey	✓	✓	End of Appointment

Human Resource, Legal and Remuneration Committee (HRLRC)

The Human Resource, Legal and Remuneration Committee reviews, monitors, evaluates and proffers recommendation to the Board on matters relating to staff remuneration, recruitment and retirement. It is the duty of the Committee to develop and maintain highly skilled workforce and also provide legal advice on issues that border on the Depository's operations.

The Committee also provides oversight responsibility on the relevant laws binding on the operations of the depository including but not limited to the Data Protection Act 2012, (Act 843), Securities and Exchange Commission Regulations (LI 1728), the CSD Act, 2007 (Act 733), Securities and Exchange Act, 2016 (Act 929), the Labour Act, 2002 (Act 651), the Rules and Procedures of the CSD.

Three meetings were held by the HRLRC in 2021. Below is the meeting attendance.

Members	April 21, 2021	July 19, 2021	Nov 09, 2021
Mrs. Caroline Otoo	✓	✓	✓
Mrs. Angela Leibel	✓	✓	✓
Mr. Armah Akotey	✓	✓	End of Appointment

SCENES FROM A SEND OFF DINNER ORGANISED FOR THE OUTGOING CEO, MR. YAO A. ABALO



Deputy CEO, Mrs. Melvina Amofo in a tête-à-tête with the incoming CEO Mr. Michael Ewusi Mensah.



Outgoing CEO, Mr. Yao Abalo (in blue) on the dancing floor with the Deputy CEO, Mrs. Melvina Amofo



A section of staff dancing to some local Ghanaian tunes.



Staff poses with the Outgoing CEO, Incoming CEO & Deputy CEO.



Mr. Dornu Narnor, Head of Finance & Administration (right) presenting a gift to Mr. Yao. Abalo (outgoing CEO) on behalf of Staff.



Mr. Yao Abalo ceases the opportunity to advise & thank Staff, urging them to support the incoming CEO.



7.0 Highlights of 2021 Key Activities

7.1 Staff Matters and Capacity Development

The number of full-time staff employed remained at thirty-two in 2021. The CSD is an equal opportunity employer.

To improve the knowledge, the skills, the values and the motivation of staff for excellent service delivery, the CSD has in place a well-established capacity development programme for all levels of staff. In 2021, the capacity development programme for staff including training, seminars and conferences were carried out mostly through online programmes organised by both local and international training providers. Some of the programmes participated in by staff included setting of risk appetites, business continuity management, data protection, operations certificate programme, securities lending and borrowing, repo, SWIFT and among others.

Additionally, a three-day residential staff retreat was organised from 17th to 19th September 2021. During the retreat, staff were taken through behavioural descriptors for performance management and emotional intelligence. Also, as part of the implementation of the company's strategic plan, a one-day non-residential retreat was carried out for all the staff on Saturday 22nd May 2022 to educate and enhance their knowledge and understanding on performance management system to motivate them to improve on their performance by supporting the CSD to achieve its corporate objectives.

7.2 Implementation of the CSD Strategic Plan (2021-2025)

The new strategic plan developed by CSD was launched for implementation. Execution of some of the key initiatives outlined in the strategy to improve certain bottlenecks that have been identified in the organisation commenced during the year. The initiatives embarked on in 2021 included brand

measurement, a customer satisfaction survey, enhanced competency management framework & baseline competency management assessment, investor education programmes among others.

7.3 Training of Depository Participants

The online programme introduced for the training of DPs during the previous year continued in 2021. A total of two hundred and seventy-seven users from thirty-two participating institutions benefited from the training programme in 2021 compared to a total of twenty users who benefited from the training programme in 2020.

7.8 User Group Meetings

An online user group meeting was organised in August, 2021 to discuss with the market participants the high-level functional requirements for the acquisition of a new CSD systems upgrade. The meeting was also used as a platform to collate ideas from the market participants for inclusion to the functional requirements of the anticipated new systems. The user group meeting is one of the important forums the CSD employs to engage the market participants for feedback on market related issues.

In addition to the User Group meetings, the CSD maintains strong communication with stakeholders through various forms of engagements. Depository Participants also have the option to discuss any issues of concern with the CSD either individually or on a class basis. The Business Conduct Committee of the Board is also available to handle any issue presented to it by the Depository Participants and other stakeholders.

7.9 International Affiliations

The CSD maintained its membership with the following international associations



7.0 Highlights Of 2021 Key Activities Cont'd

- Society for Worldwide Interbank Financial Transactions (SWIFT)
- International Capital Market Association (ICMA)).
- International Securities Services Association (ISSA), Switzerland,
- the Africa and Middle East Depositories Associations (AMEDA),

CSD also maintained its membership of the Ghana Securities Industry Association (GSIA).

The CSD participated in the Association of Global Custodians' Annual Depository Information-Gathering Project for 2021 to 2022, the 2021 WFC Fact book by World Forum of CSDs, and the 2021 Central Securities Depository Risk Assessments exercise conducted on CSDs by Thomas Murray, which maintained the CSD's "A-" rating.

7.10 Outlook for 2022

7.10.1 Acquisition and Implementation of New System (s)

A principal activity earmarked for 2022 is the acquisition and implementation of a state-of-the-art technologies to replace the existing registrar, depository, clearing and settlement systems. As part of the project, an investor portal will also be

implemented to enable electronic/online access to securities accounts by the retail investors as a way of deepening transparency in the market. The overarching goal is to improve user experience in their dealings with the CSD and improve self-digital services for our customers.

7.10.2 Strategic Plan Implementation

The execution of the strategic plan which commenced in 2021 will be continued in 2022. Specifically, the CSD has planned to improve investor knowledge & participation, improve customer satisfaction, expand market development & product options, improve communication, facilitate new business planning & development, improve service delivery, strengthen internal collaboration, improve enterprise risk management, enhance tools and technology, improve capacity of staff, strengthen frameworks, and improve financial performance.

7.10.2 Implementation of ISO 20022 Standard Initiative with SWIFT

The initiative to introduce ISO messaging standards in the securities market of Ghana will be continued in 2022. The project timeline will be realigned to match the planned acquisition of the new system (s) for greater efficiency and economies of scale.

SCENES FROM THE LAUNCH OF THE NEW CSD STRATEGIC PLAN (2021-2025)



Mr. Yao Abalo (Left-outgoing CEO) & Mr. Michael E. Mensah (Right-incoming CEO) jointly launch the strategic plan



Mr. Michael E. Mensah (incoming CEO) making a contribution at the launch of the Strategic plan.



The Deputy CEO, Mrs. Melvina Amofo making a presentation at the launch



A section of staff taking it easy after the launch of the strategic plan.



Staff in celebration after the launch of the strategic plan.



The Head of Finance & Administration, Mr. Dornu Narnor (Left) and the Head of Operations, Ms. Faustina Coleman-Forsen (Right) gazing into the future of the Strategic plan

8.0 MARKET PERFORMANCE

8.1 Depository Participants (DPs)

The number of new depository participants admitted to the CSD in 2021 was three increasing the number of DPs appointed to the CSD to sixty-nine. The new DPs are Consolidated Bank Custody Services, Savvy Securities Limited and Sarpong Capital Limited.

The sixty-nine DPs are made up of twenty-three Commercial Banks, seventeen Custodian Banks, twenty-four Brokerage Firms, two Investment Advisory Firms, ARB Apex Bank, the Social Security and the National Insurance Trust, and the Bank of Ghana.

8.2 Number of Registered Securities' Accounts

The number of new securities accounts opened in 2021 was 77,630, up by 13.6 percent from the 68,345 new securities accounts opened in 2020. This increased the number of securities accounts at the CSD by 6.5 percent from 1.2 million in 2020 to 1.3 million in 2021. Out of the 77,630 new securities accounts opened in 2021, local individuals accounted for 75,031; local companies accounted for 596; foreign individuals accounted for 456; foreign companies accounted for 251 with pension funds accounting for 15.

Table 1a: Distribution of New Securities Accounts Opened by Account Type (2020 & 2021)

Account Type	2020	2021	% of change
Local Minor	1,028	1,159	12.7
Local Individual	65,912	75,031	13.8
Local Company	757	596	(21.3)
Foreign Minor	18	12	(33.3)
Foreign Individual	307	456	48.5
Resident Foreigner	103	110	6.8
Foreign Company	185	251	35.7
Pension Funds	35	15	(57.1)
Total	68,345	77,630	13.6

Table 1b: Annual Distribution of New Securities Accounts' Opened (2011-2021)

Year	No. of New Accounts Opened	Total No. of Accounts Opened	Annual Growth Rate (%)
2021	77,630	1,268,753	6.5
2020	68,345	1,191,123	6.1
2019	151,375	1,122,778	15.6
2018	72,660	971,403	8.1
2017	47,208	898,743	5.5
2016	95,007	851,535	12.6
2015	109,316	756,528	16.9
2014	90,375	647,212	16.2
2013	89,692	556,837	19.2
2012	70,563	467,145	17.8
2011	40,536	396,682	-

8.3 Primary Market Activities

8.3.1 Debt Securities Issued in 2021

A total of GH¢ 201,556.7 million newly issued securities was admitted by CSD in 2021, a decline of 3.1 percent from GH¢ 207,907.9 million new securities issued in 2020. The Bank of Ghana, Government of Ghana, and Cocobod remained the major issuers for the year. Out of the GH¢ 201, 556.7 million newly issued securities in 2021, Bank of Ghana securities accounted for GH¢ 88,271.5 million (43.8percent); Government of Ghana securities accounted for GH¢ 83,435.0 million (41.4 percent); Cocobod securities accounted for GH¢ 27,341.8 million (13.6 percent) and seven other corporate organisations accounting for GH¢ 2,202.1 million (1.2 percent).

In terms of year-on-year comparison, the face value of new securities issued by Government of Ghana, Cocobod and seven other corporate organisations increased by 32.9 percent, 47.0 percent, and 13.9 percent respectively from 2020 to 2021 whilst that of Bank of Ghana dropped by 29.0 percent. Table 2 below provides additional information on issued debt securities admitted by the CSD in 2020 and 2021.

Table 2 : Distribution Newly Issued Debt Securities Admitted by Issuer (2020 & 2021)

Name of Issuer	Face Value (GH¢'m)			No. of Times Issued		
	2020	2021	% Change	2020	2021	% Change
Bank of Ghana	124,318.8	88,271.5	(29.0)	89	81	(9.0)
Corporate Firms	2,202.1	2,508.4	13.9	81	17	(79.0)
Cocobod	18,600.3	27,341.8	47.0	23	14	(39.1)
Government of Ghana	62,786.8	83,435.0	32.9	152	146	(3.9)
Total	207,907.9	201,556.7	(3.1)	345	258	(25.2)

8.3.1.1 Additional Debt Securities Issued by Government

A total of GH¢ 23,707.7 million additional face value of securities issued by the government in 2021 was admitted by the CSD. This represents a 20.0 percent increase over the GH¢ 19,760.9 million face value of additional securities issued by the government in 2020. The additional securities are issued periodically through tap-ins or re-opening mechanisms and forms part of existing securities that have already been issued in the primary market.

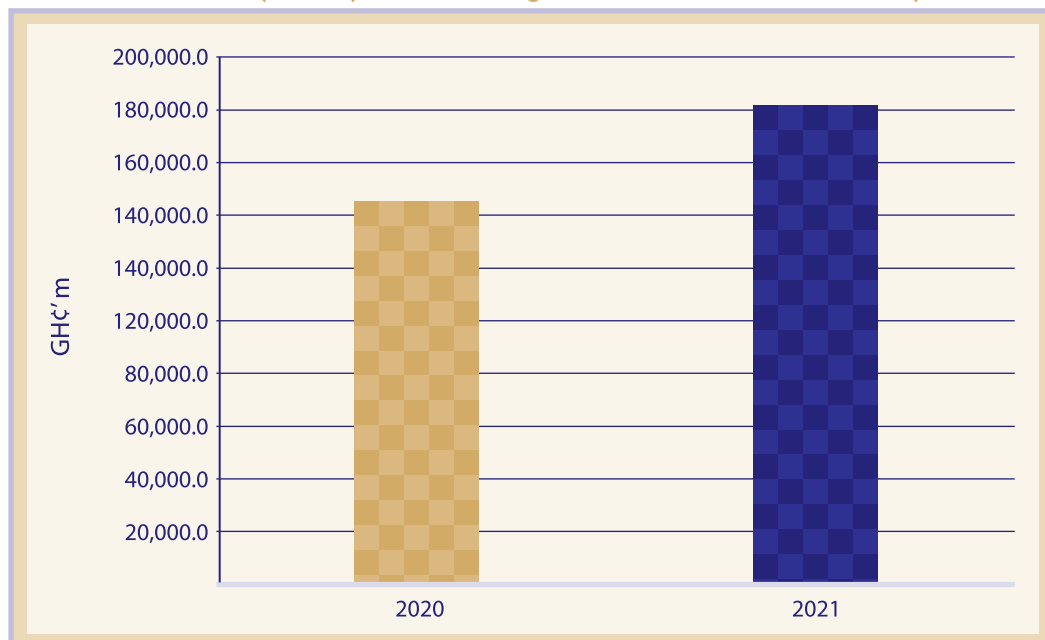
8.3.2 Value of Outstanding Debt Stocks by Issuers

The face value of outstanding debt stock in the CSD at the end of 2021 was GH¢ 181,686.8 million, an increase of 24.8 percent over the GH¢ 145,582.5 million outstanding stocks in 2020. In terms of the distribution of the outstanding debt stocks among issuers in 2021, GH¢ 151,246.6 million (83.3 percent) was made up of government securities; GH¢ 5,693.4 million (3.1 percent) was made up of Bank of Ghana securities; GH¢ 12,919.8 million (7.1 percent) was made up of Cocobod securities and GH¢ 11,827.1 million (6.5 percent) being securities issued by ten other corporate organisations. Table 3 below provides more information on the value of outstanding debt stocks by the issuers.

Table 3 : Distribution of Outstanding Debt Stocks by Issuers (2020 & 2021)

Name of Issuer	2020		2021		% of change in stock (2020-2021)
	Face Value in GH¢'m	% of total	Face Value in GH¢'m	% of total	
AFB Loans Ltd	229.3	0.2	289.7	0.2	26.3
ABSA Bank of Ghana	102.5	0.1	18.8	0.0	(81.6)
Bank of Ghana	5,539.7	3.8	5,693.4	3.1	2.8
Bond Savings and Loans	57.1	0.0	5.1	-	(91.1)
Bayport Financial Services	222.8	0.2	188.1	0.1	(15.6)
Cocobod	9,600.9	6.6	12,919.8	7.1	34.6
Daakye Trust PLC (DTP)	1,392.6	1.0	2,453.2	1.4	76.2
Dalex Finance & Leasing Company Plc	17.5	0.0	17.5	0.0	(0.3)
Edendale Properties Plc.	8.0	0.0	-	-	(100.0)
Energy Sector Petroleum Levy Act	7,629.5	5.2	8,700.6	0.0	14.0
Ezwe Loans Ltd	56.0	0.0	72.0	4.8	28.6
Fidelity Bank Ghana Limited			47.2	0.0	-
Government of Ghana	120,686.6	82.9	151,246.6	83.3	25.3
Quantum Terminal Limited	40.0	0.0	35.0	0.0	(12.5)
Total	145,582.5	100.0	181,686.8	100.0	24.8

Chart 1 : Face Value (GH¢' m) of Outstanding Debt Stocks held with the CSD (2020 & 2021)



8.3.3 Distribution of Outstanding Debt Stock under the Type of DPs

The distribution of the outstanding stock held under the various category of DPs are, Commercial banks held GH¢ 106,130.6 million (58.4percent); custodian banks held GH¢ 57,911.5 million (31.9

percent); Bank of Ghana held GH¢ 11,210.7 million (6.2 percent); Brokerage Firms held GH¢ 4,822.7 million (2.7percent); SSNIT GH¢ 1,225.1 million (0.7 percent); and Investor Account Service (IAS) holders had GH¢ 386.2 million (0.2 percent).

Chart 2 Distribution of Outstanding Debt Stocks (GH¢'m) by Type of DPs (2020&2021)

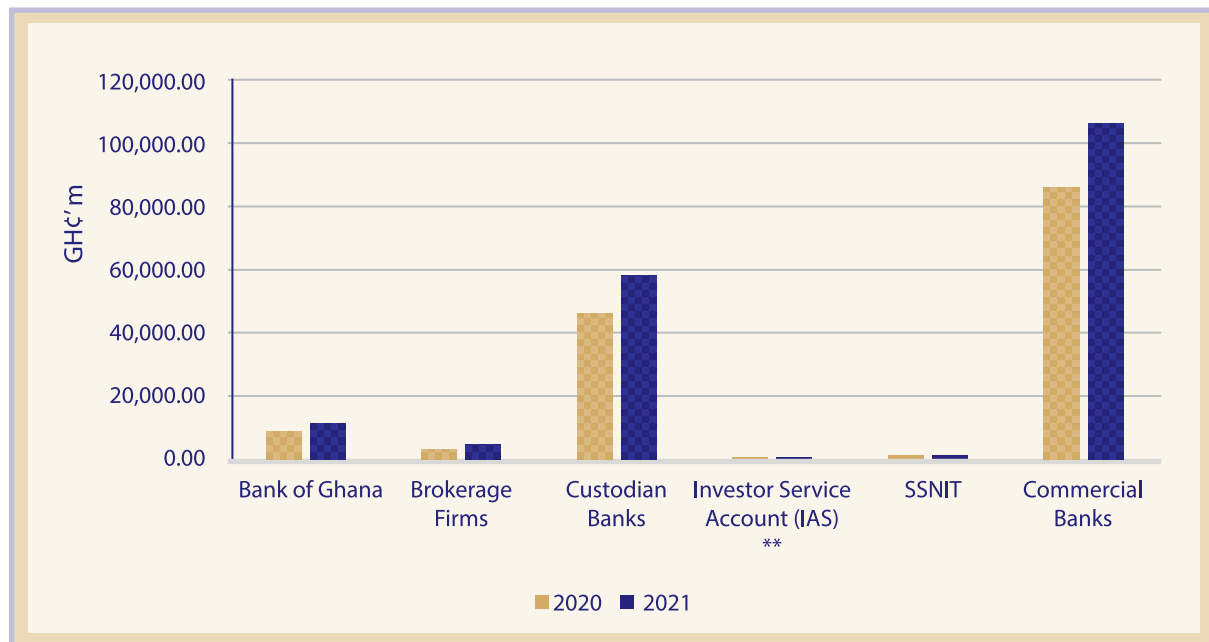


Chart 3: Distribution of Outstanding Debt Stocks (GH¢'m) under Type of DPs (2020 & 2021)

DP Type	2020		2021		% of change (2020-2021)
	Face Value	% of total	Face Value	% of total	
Bank of Ghana	8,694.2	6	11,210.7	6.2	28.9
Brokerage Firms	3,141.90	2.2	4,822.7	2.7	53.5
Custodian Banks	46,221.10	31.8	57,911.5	31.9	25.3
Investor Service Account (IAS)	390.2	0.3	386.2	0.2	(1.0)
SSNIT	1156.2	0.8	1,225.1	0.7	6.0
Commercial Banks	85,978.90	59.1	106,130.6	58.4	23.4
Total	145,582.50	100	181,686.8	100.0	24.8

8.3.4 Distribution of Outstanding Debt Stocks by Tenor

The outstanding debt stock at the end of 2021 was largely made up of securities with tenors of 3 years and beyond (long term stocks) as compared to securities having tenors of 2 years and below (short term). Out of the GH¢ 181,686.8 million outstanding debt stock in 2021, long term securities and short-term securities accounted for GH¢ 120,245.3 million (66.2 percent) and GH¢ 61,441.5 million (33.8 percent) respectively.

Comparative to 2020, the face value of both the long term and short-term outstanding debt stocks increased in 2021. The size of the long-term outstanding debt stock increased by 24.3 percent from GH¢ 96,728.9 million in 2020 to GH¢ 120,245.3 million in 2021. Equally, the face value of short-term outstanding debt stock increased by 25.8 percent from GH¢ 48,853.7 million to GH¢ 61,441.5 million.

Chart 4: Distribution of Outstanding Debt Stocks (GH¢'m) by Tenor (2020 & 2021)

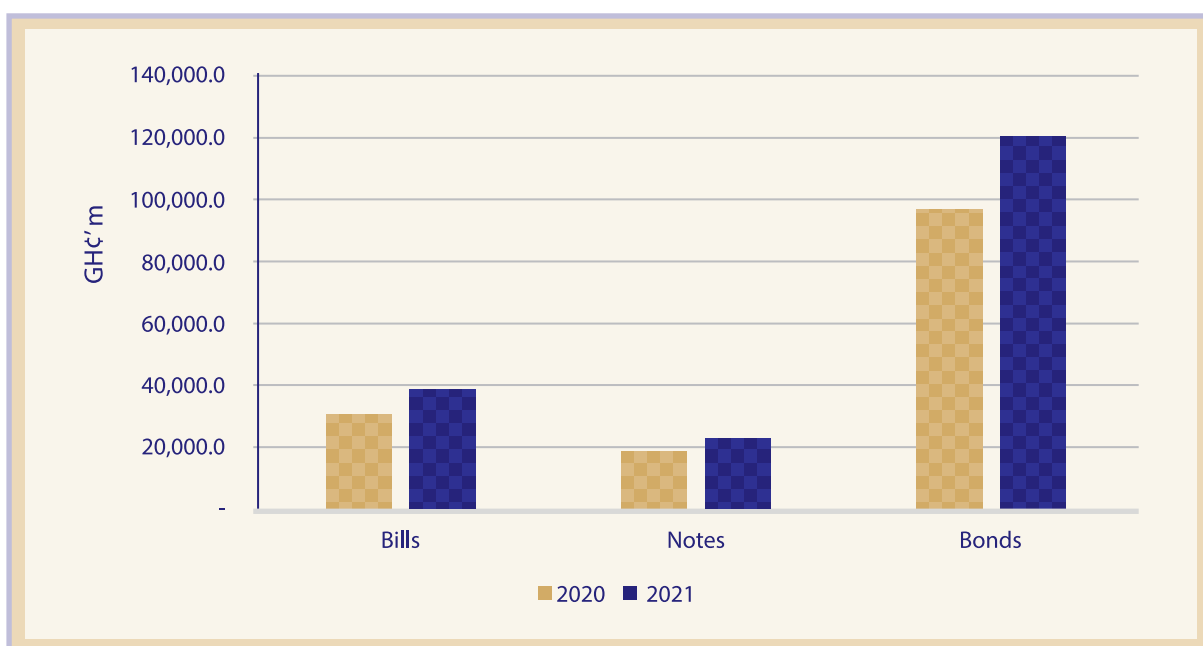


Table 4 : Distribution of Outstanding Debt Stocks by Tenor (2020 & 2021)

Tenor	2020		2021		% change (2019-2020)
	Face Value in GH¢'m	% of total	Face Value in GH¢'m	% of total	
91 Day – 364 Day Bills	30,349.1	20.8	38,601.1	21.2	27.2
1 Year – 2 Year Notes	18,504.5	12.7	22,840.4	12.6	23.4
3 Year and above Bonds	96,728.9	66.4	120,245.3	66.2	24.3
Total	145,583.0	100	181,686.8	100.0	24.8

8.3.5 Distribution of Outstanding Debt Stocks by Tenor and Investor Types

In terms of the ownership of outstanding debt stock at the end of 2021 by investors, domestic investors accounted for a large proportion as against foreign investors. Out of the GH¢ 181,686.8 million outstanding debt stocks in 2021, domestic and foreign investors owned GH¢ 150,018.6 (82.6 percent) and GH¢ 31,668.3 million (17.4 percent) respectively.

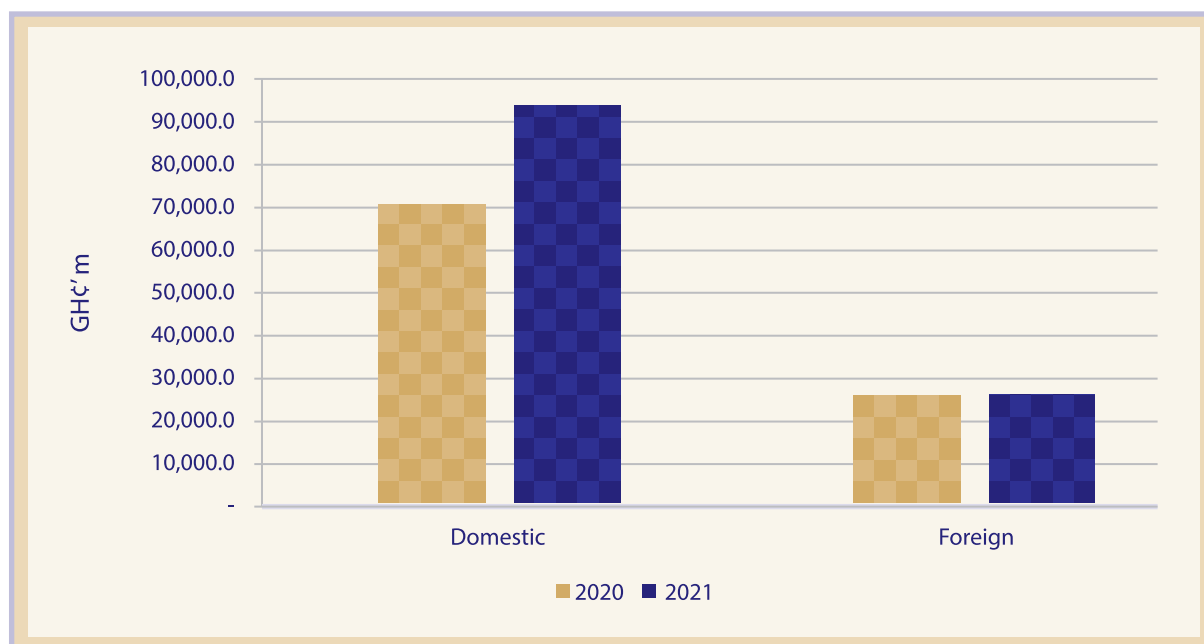
The annual face value of outstanding debt stock owned by domestic investors increased by 28.5 percent from GH¢ 116,738.2 million in 2020 to GH¢ 150,018.6 million in 2021. Also, the annual face value of outstanding debt stocks owned by foreign investors remained relatively stable with an increase of 9.8 percent from GH¢ 28,844.3 million in 2020 to GH¢ 31,668.3 million in 2021.

Table 5 : Distribution of Outstanding Debt Stocks by Tenor and Investor Types (2020 & 2021)

Tenor	Domestic Investors (GH¢)			Foreign Investors (GH¢)		
	2020	2021	% Change	2020	2021	% of Change
14 Day – 364 Day Bills*	30,253.7	38,186.6	26.2	95.5	414.5	334.07
1 Year – 2 Year Notes	15,912.3	17,975.4	13.0	2,592.3	4,865.0	87.67
3 Year and above Bonds	70,572.3	93,856.7	33.0	26,156.6	26,388.7	0.89
Total	116,738.2	150,018.6	28.5	28,844.3	31,668.3	9.79

*These are securities held by foreign investors that are resident in Ghana. Non-Foreign resident investors are not allowed to hold debt securities with tenors of less than 2 Years.

Chart 5 : Distribution of Outstanding Debt Stocks by Investor Types (GH¢'m) (2020 & 2021)



8.4 SECONDARY MARKET ACTIVITIES

8.4.1 Value of Interest and Maturity Proceeds Generated by CSD

A total amount of GH¢ 217,319.1 million was processed as interest and maturity proceeds in 2021 by the CSD as against GH¢ 221, 512.3 million in 2020 for payments to investors by four issuers that is Government of Ghana, Bank of Ghana, Cocobod and ABSA Bank Ghana Limited.

Of the GH¢ 217, 319.1 million interest and maturity proceeds in 2021, interest and maturity proceeds accounted for GH¢ 22, 692.5 (10.4 percent) and GH¢ 194,626.6 million (89.6 percent) respectively. The amount of maturity proceeds generated by CSD on annual basis reduced by 5.3 percent to GH¢ 194,626.6 percent in 2021 from GH¢ 206,452.9 million in 2020. However, the interest proceeds processed for the same period increased by 50.7 percent from GH¢ 15,059.4 million in 2020 to GH¢ 22,692.6 million in 2021.

Table 6 : Interest and Maturity Proceeds (GH¢) Generated by CSD per Issuer (2020 & 2021)

Name of Issuer	2020			2021		
	IP*	MP**	total	IP	MP	total
ABSA Bank Ltd	41.3	5,569.10	5,610.40	.4	56 6.3	575.8
Bank of Ghana	323.6	120,714.00	121,037.60	539.4	90,942.9	91,482.3
Cocobod	-	16,168.40	16,168.40	-	24,022.9	24,022.9
Government of Ghana	14,694.50	64,001.40	78,695.90	22,143.7	79,094.4	101,238.1
Total	15,059.40	206,452.90	221,512.30	22,692.5	194,626.6	217,319.1

* Interest Payment (IP); **Maturity Payment (MP)

Chart 6 : Interest and Maturity Proceeds (GH¢'m) Generated by CSD (2020 & 2021)

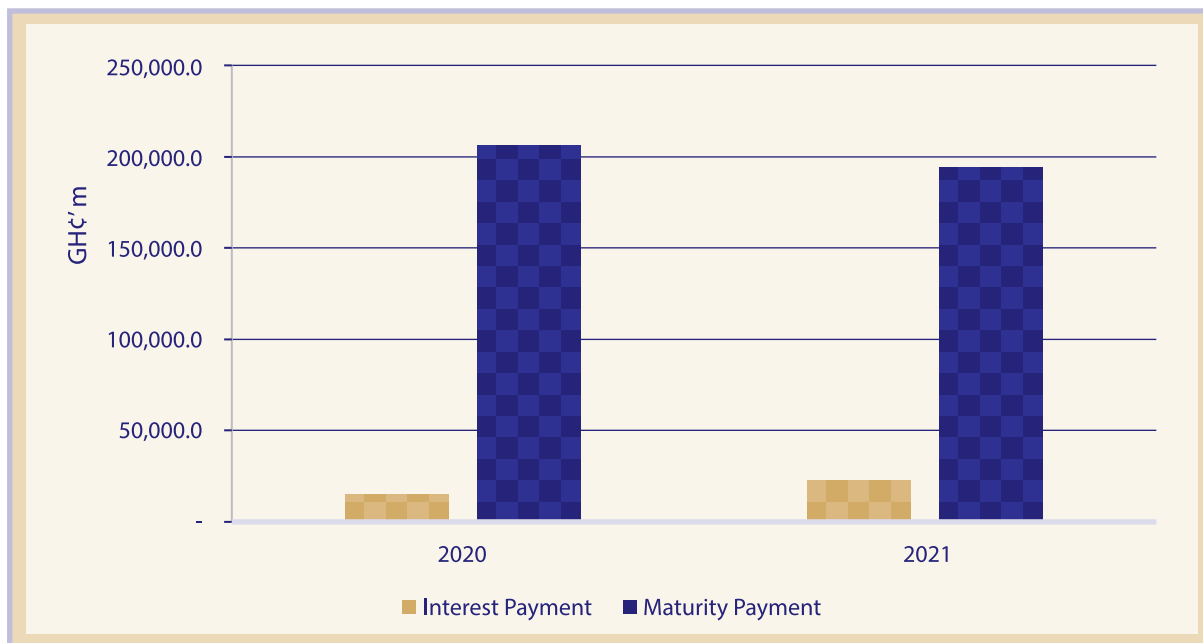


Chart 7 : Maturity Proceeds (GH¢'m) Generated by CSD per Issuer (2020 & 2021)

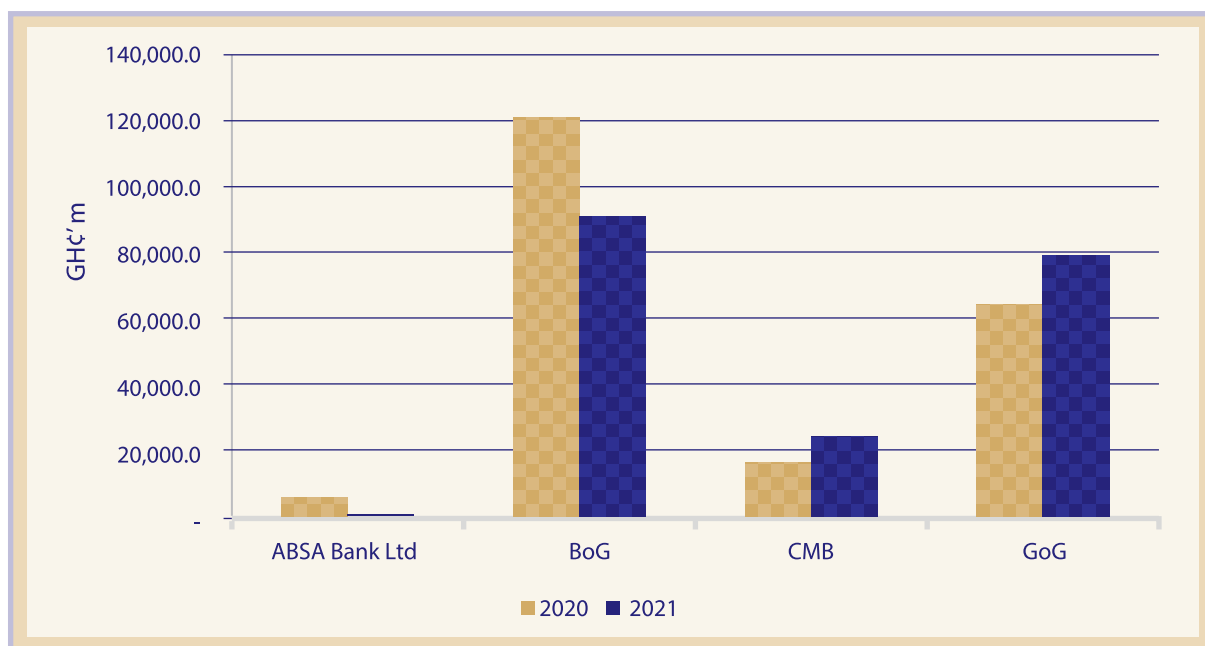
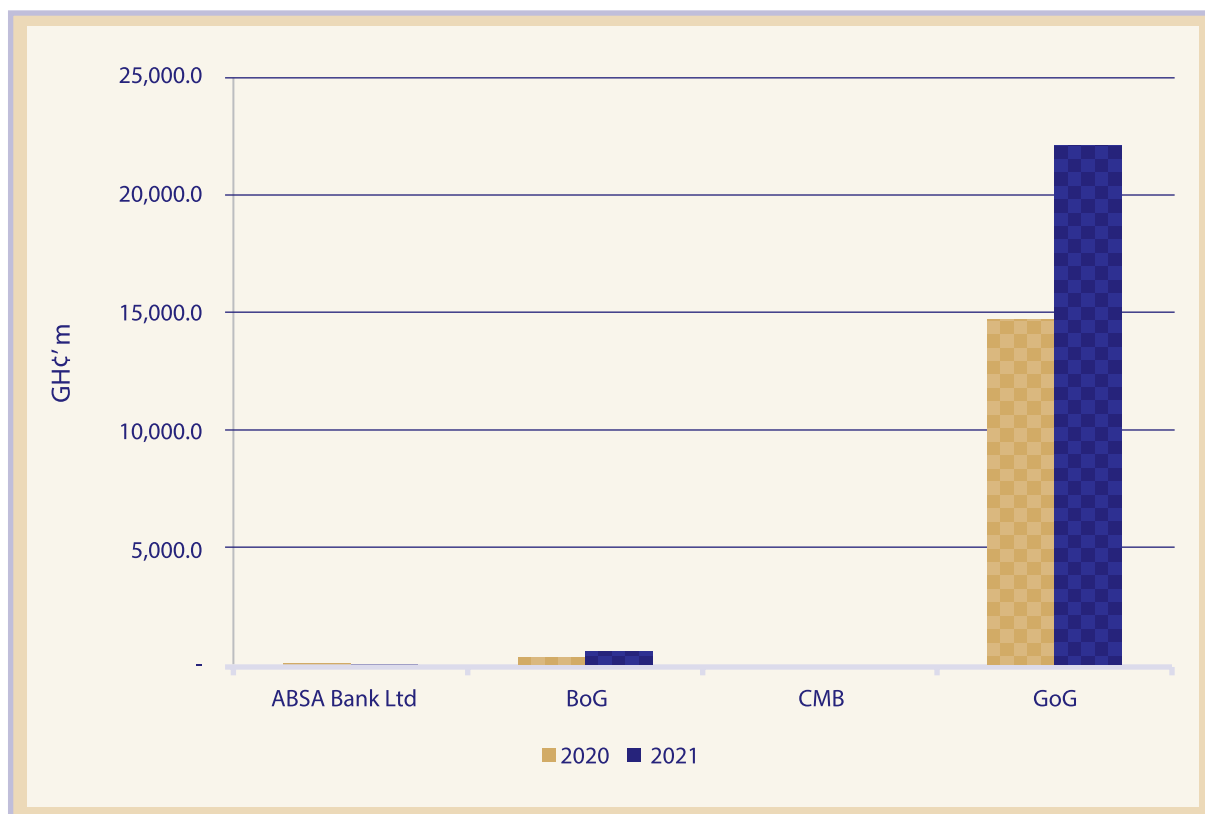


Chart 8 : Interest Proceeds (GH¢'m) Generated by the CSD per Issuer (2020 & 2021)



8.4.2 Settlement of Secondary Market Trades for Debt Securities

Settlement activities in the secondary market for the debt market witnessed a tremendous growth in 2021 relative to that of 2020.

The number of transactions cleared and settled by CSD in 2021 was 346,730, up by 90.9 percent from 181,650 in 2020. Also, the monetary value of these trades cleared and settled through the CSD increased by 96.8 percent from GH¢ 109,522.1 million in 2020 to GH¢ 215,527.3 million in 2021.

Table 7 : Face Value & Settlement Value (GH¢'m) of Debt Trades Cleared and Settled by CSD (2020 & 2021)

	2020	2021	% Change (2020-2021)
Face Value in GH¢'M	107,261.8	208,321.9	94.2
Settlement Value in GH¢'M	109,522.1	215,527.3	96.8
No. of Transactions	181,650.0	346,730.0	90.9

Chart 9: Settlement Value (GH¢'m) of Debt trades cleared and Settled by CSD (2020 & 2021)

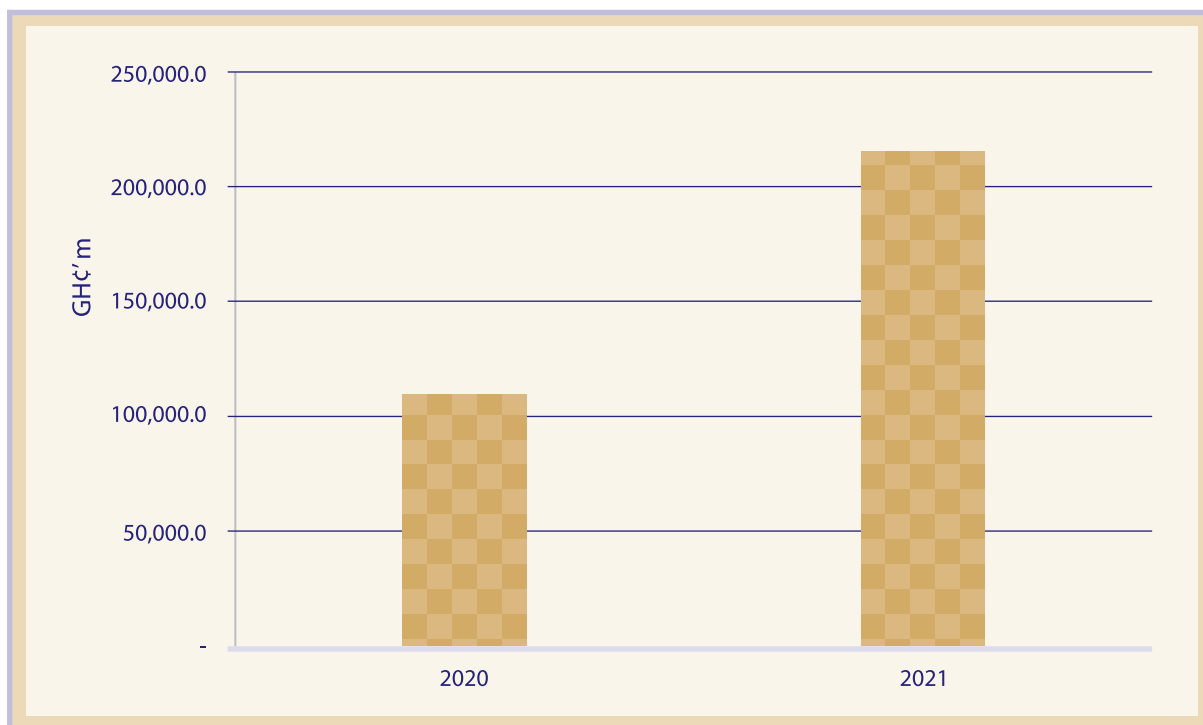
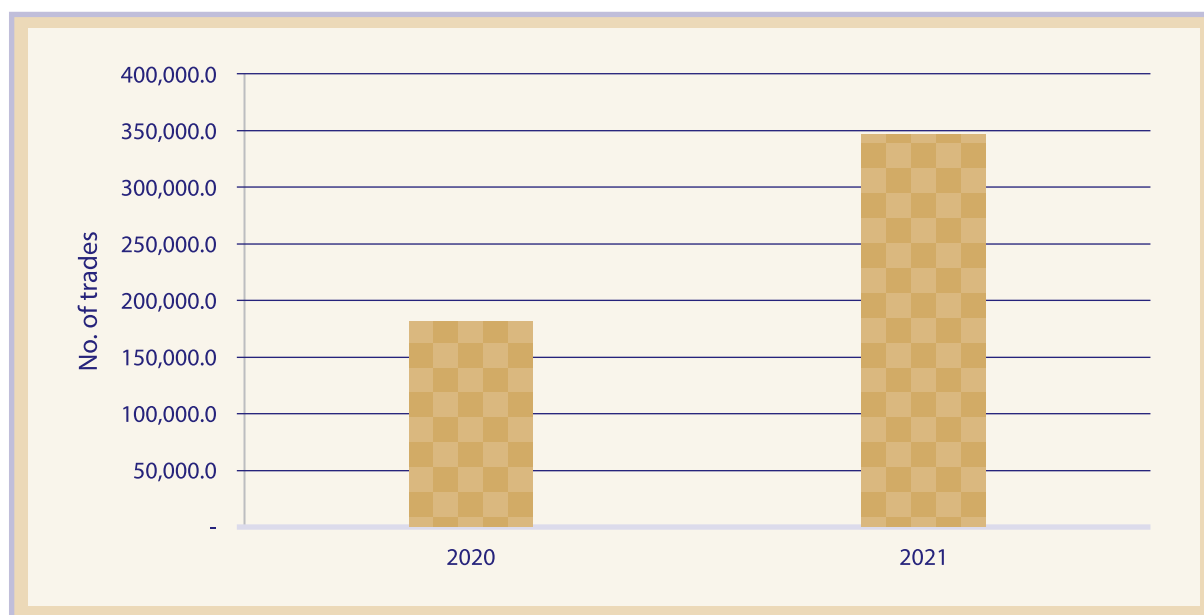


Chart 10: Number of Debt Trades Cleared and Settled by CSD (2020 & 2021)

8.4.3 Distribution of Cleared and Settled Debt Trades by Domestic and Foreign Investors

The participation of domestic and foreign investors in the clearing and settlement activities of the CSD recorded an upward growth in 2021 compared to that of 2020.

On the buy side of the market, domestic investors accounted for GH¢ 165,094.1 million (76.6 percent) of the GH¢ 215,527.3 million trades cleared and settled in 2021 with foreign investors accounting for GH¢ 50,433.2 million (23.4 percent). On-year-on-year basis, the monetary value of purchased securities cleared and settled on the accounts of domestic investors in the secondary market increased by 84.8 percent from GH¢ 89,329.6 million in 2020 to GH¢

165,094.1 million in 2021. Also purchased securities cleared and settled by foreign investors increased by 149.8 percent from GH¢ 20,192.5 million in 2020 to GH¢ 50,433.2 million in 2021.

On the sell side of the market, domestic investors accounted for GH¢ 168,381.1 million (78.1 percent) of the GH¢ 215,527.3 million trades cleared and settled in 2021, with foreign investors accounting for GH¢ 47,144.3 million (21.9 percent). The monetary value of securities sold by domestic investors increased by 88.6 percent from GH¢ 89,298.3 million in 2020 to GH¢ 168,383.1 million in 2021 with that of foreign investors increasing by 133.1 percent from GH¢ 20,223.8 million in 2020 to GH¢ 47,144.3 million in 2021.

Table 8 : Distribution of Debt Trades Purchased and Settled by Domestic and Foreign Investors (2020 & 2021).

Investor Types	2020	2021	% Change	2020	2021	% Change
	Settlement Value in GH¢'m			No. of Trades		
Domestic Investors	89,329.6	165,094.1	84.8	179,182.0	341,419.0	90.5
Foreign Investors	20,192.5	50,433.2	149.8	2,468.0	5,311.0	115.2
Total	109,522.1	215,527.3	96.8	181,650.0	346,730.0	90.9

Chart 11 : Distribution of Debt Trades Purchased and Settled (GH¢ 'm) by Investors (2020 & 2021).

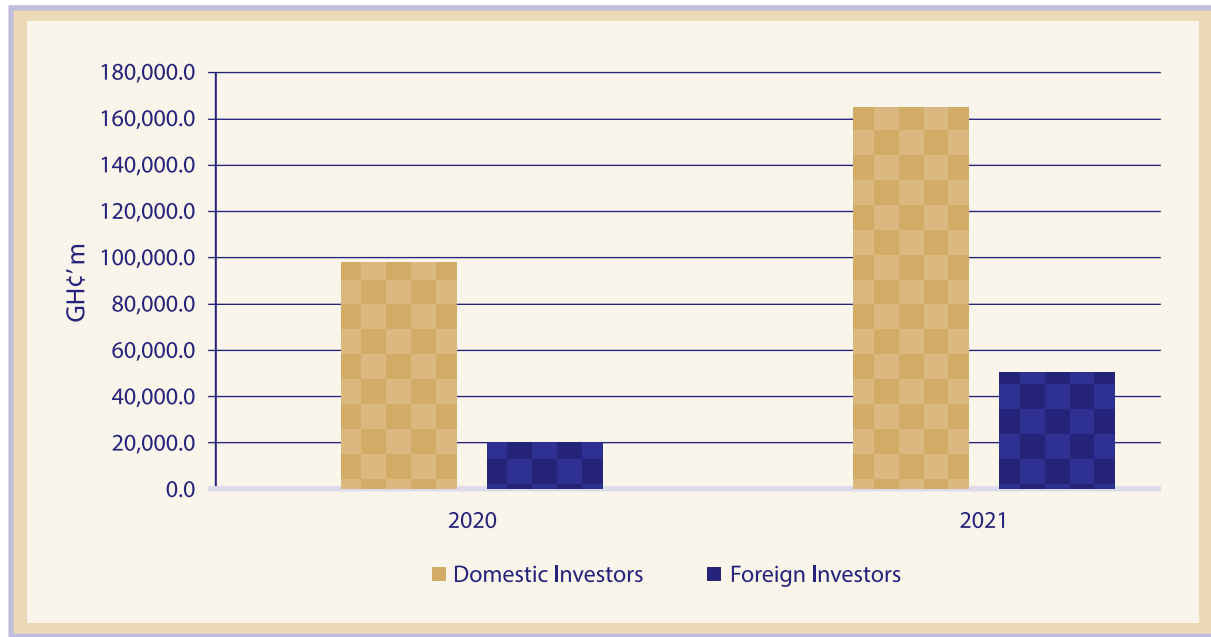
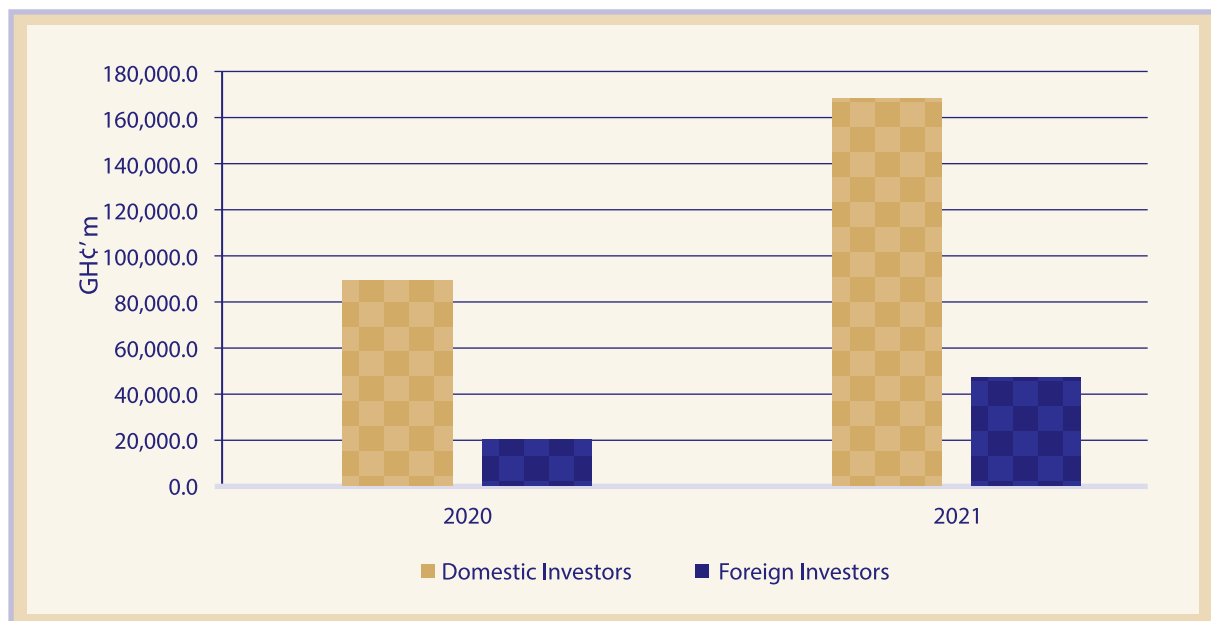


Table 9 : Distribution of Debt Trades Sold and Settled by Domestic and Foreign Investors (2020 & 2021)

Investor Type	2020	2021	% Change	2020	2021	% Change
	Settlement Value in GH¢'m			No. of Trades		
Domestic Investors	89,298.3	168,383.1	88.6	179,162.0	342,745.0	91.3
Foreign Investors	20,223.8	47,144.3	133.1	2,488.0	3,985.0	60.2
Total	109,522.1	215,527.3	96.8	181,650.0	346,730.0	90.9

Chart 12 : Distribution of Debt Trades Sold (GH¢ 'm) by Domestic and Foreign Investors (2020 - 2021)



8.4.4 Settlement activities undertaken by types of Depository Participants (DPs)

The banks dominated settlement activities in the secondary market as compared to the custodians and the brokerage firms in 2021.

On the buy side of the secondary market, an amount of GH¢ 149,063.3 million worth of securities was settled directly on the accounts of the banks; GH¢ 3,256.1 million of securities was settled by the

brokerage firms with GH¢ 63,207.9 million worth of securities being settled by the custodian banks.

On the sell side of the secondary market, an amount of GH¢ 158,391.9 million securities was sold and settled directly on the accounts of the banks, brokerage firms settled an amount of GH¢ 2,545.4 million securities with an amount of GH¢ 54,590.0 million being securities settled directly by the custodian banks.

Chart 13 : Distribution of Debt Trades Purchased and Settled by DP Types (2020 & 2021)

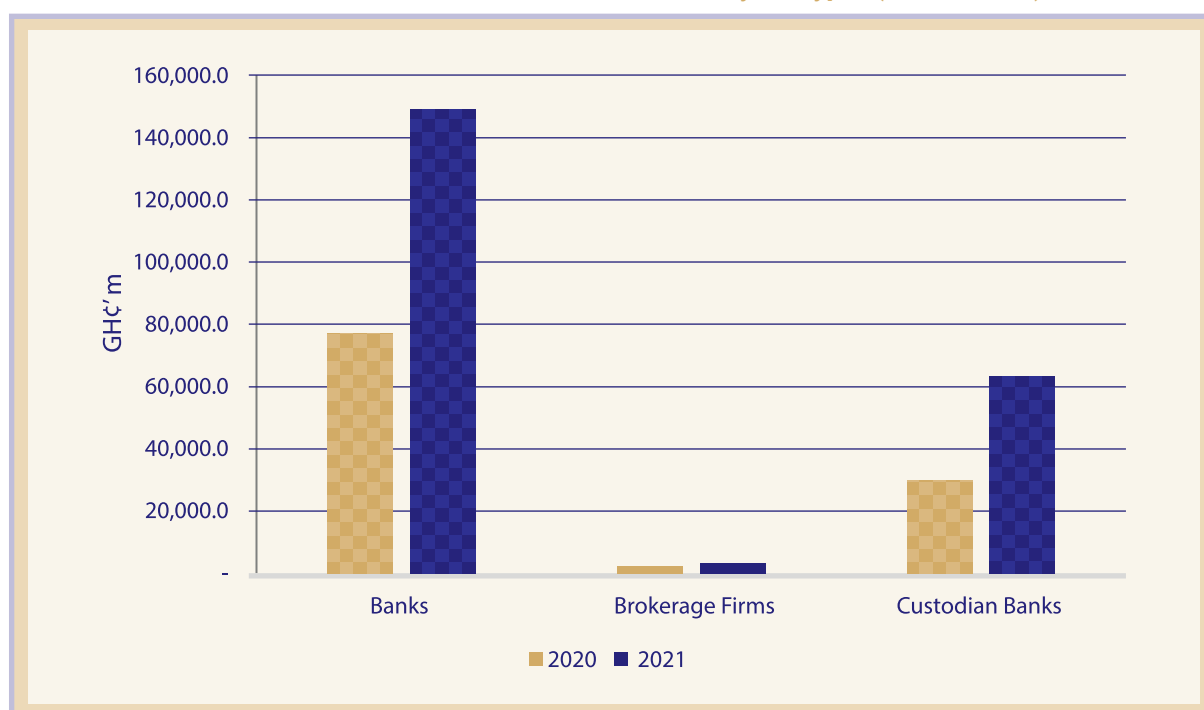


Table 10 : Distribution of Debt Trades Purchased and Settled by DP Types (2020 - 2021)

DP Type	2020		2021		% of change (2019-2020)
	GH¢'m		GH¢'m		
	Face Value	Settlement Value	Face Value	Settlement Value	
Commercial Banks	75,595.50	77,170.9	144,984.9	149,063.3	93.2
Brokerage Firms	2,428.70	2,473.3	3,216.6	3,256.1	31.7
Custodian Banks	29,237.70	29,877.9	60,120.4	63,207.9	111.6
Total	107,261.80	109,522.1	208,321.9	215,527.3	96.8

Chart 14: Distribution of Debt Trades Sold and Settled by DP Types (2020 & 2021)

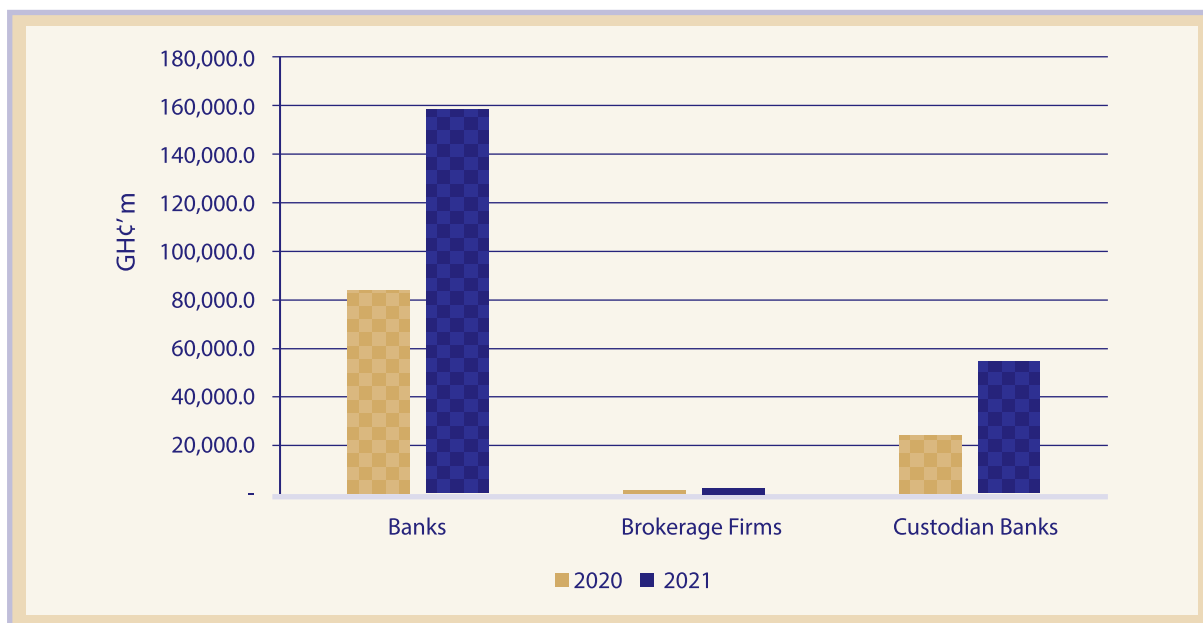


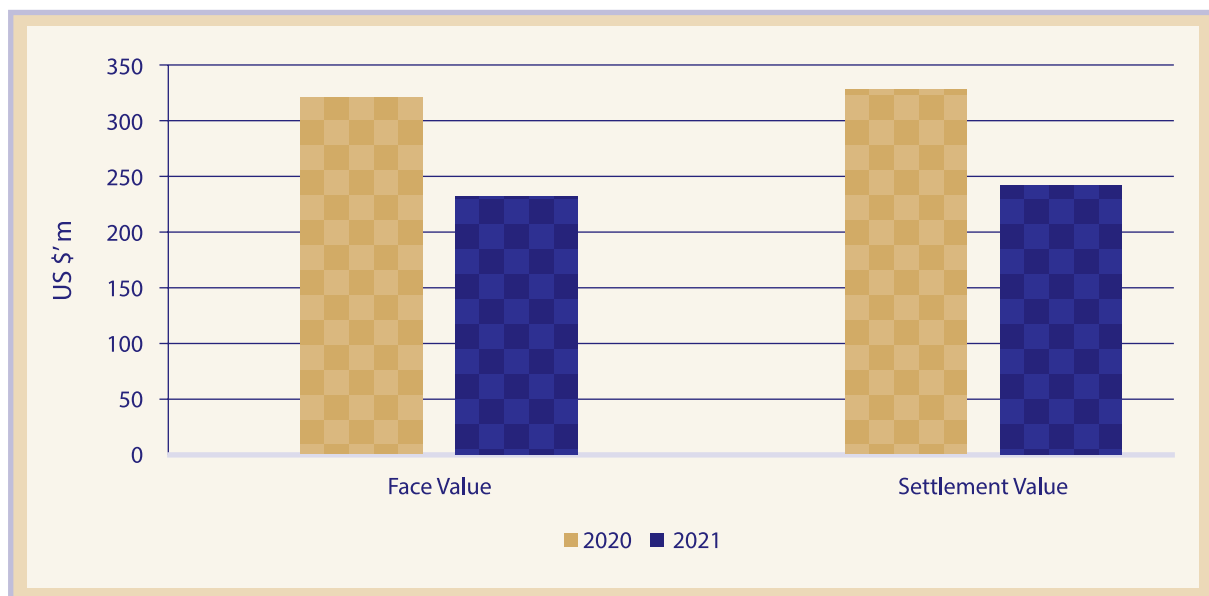
Table 11 : Distribution of Debt Trades Sold and Settled by DP Types (2020 & 2021)

DP Types	2019		2020		%Change (2019-2020)
	GH¢'m		GH¢'m		
	Face Value	Settlement Value	Face Value	Settlement Value	
Commercial Banks	82,142.1	83,689.5	153,885.6	158,391.9	89.3
Brokerage Firms	1,488.8	1,523.7	2,440.5	2,545.4	67.1
Custodian Banks	23,630.9	24,308.9	51,995.8	54,590.0	124.6
Total	107,261.8	109,522.1	208,321.9	215,527.3	96.8

8.4.5 Settlement Value of trades in Government Dollar Denominated Securities

An amount of US\$ 242.6 million domestic dollar trades was cleared and settled by CSD in 2021, a reduction of 35.5 percent compared to the US\$

328.6 million transactions in the domestic dollar bond cleared and settled in 2021. The number of transactions involving the domestic dollar bond reduced by 1.5 percent from 336 in 2020 to 331 in 2021.

Chart 15 : Settlement Value (US\$m) of GoG Domestic Dollar Bond traded and settled (2020 & 2021)

8.4.6 Settlement of Repurchase Agreement Transactions (Repo)

The monetary value of repo transactions settled by the CSD increased by 83.5 percent to GH¢ 253,752.8 million in 2021 from GH¢ 138,285.5 million in 2020. Out of the GH¢ 253,752.8 million repo transactions settled in 2021, settlement of collateralized repo transactions accounted for GH¢ 245,215.2 million

(96.6 percent) whilst settlement of classic repo transactions (repo under GMRA) accounted for the remaining GH¢ 8,537.6 million (3.4 percent). The number of settled collateralized repo transactions increased by 52.5 percent from 4,287 in 2020 to 6,536 in 2021. Also, the number of classic repo transactions cleared and settled using CSD's platform increased from 24 in 2020 to 96 in 2021.

Table 12 : Repo Transactions Settled by the CSD (2020 & 2021) (GH¢'m)

Repo Type	2020	2021	% Change (2020-2021)
Collateral Repo			
Repo Value GH¢'m)	136,526.5	245,215.2	79.6
Collateral Value GH¢'m)	139,846.1	250,550.5	79.2
No. of Transactions	4,287.0	6,536.0	52.5
Repo under GMRA			
Repo Value GH¢'m)	1,759.0	8,537.6	385.4
Collateral Value GH¢'m)	1,885.2	10,318.6	447.3
No. of Transactions	24.0	96.0	300.0
Total			
Repo Value GH¢'m)	138,285.5	253,752.8	83.5
Collateral Value GH¢'m)	141,731.3	260,869.1	84.1
No. of Transactions	4,311.0	6,632.0	53.8

Chart 16: Settlement (GH¢'m) of Repo Transactions by the CSD (2020 & 2021)

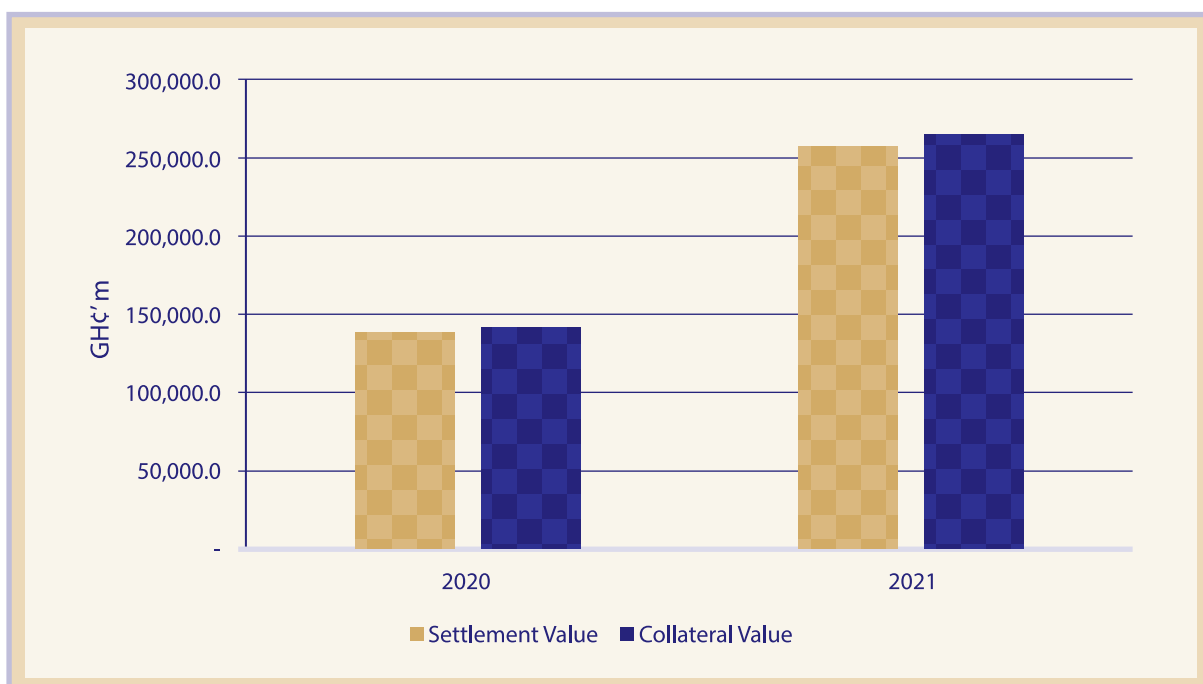
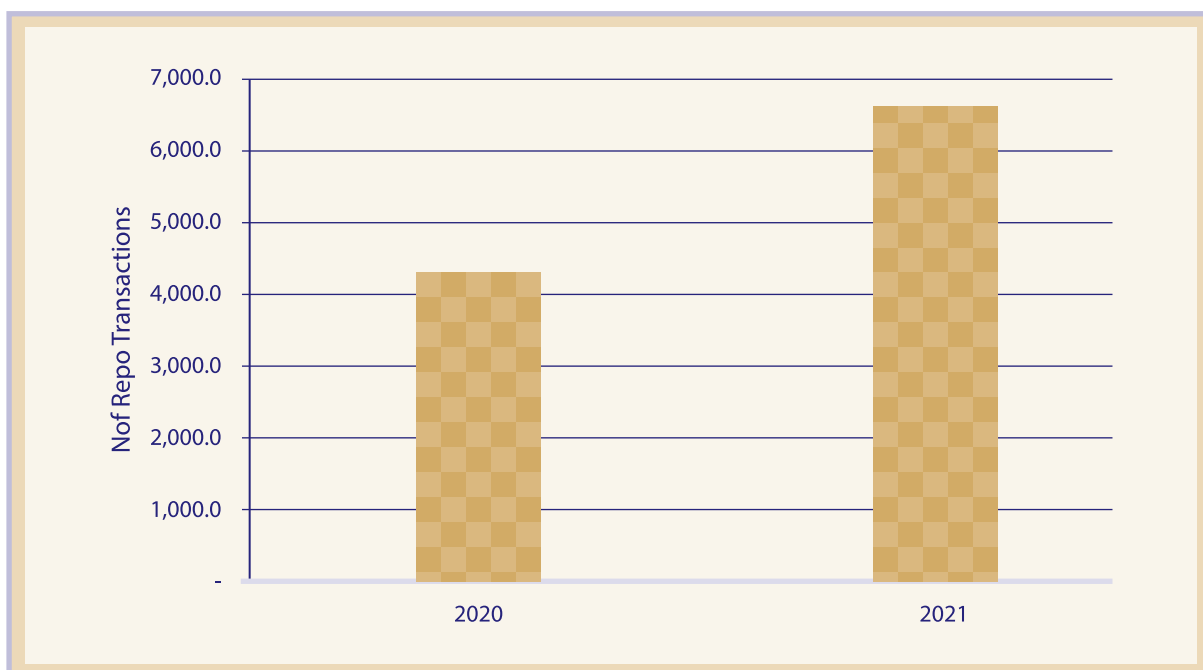


Chart 17 : Number of Repo Transaction (2020 & 2021)



8.4.7 Repo Transactions settled among the Type of DPs

8.4.7.1 Collateralised Repo

A large proportion of collateralised repo settled by CSD in 2021 were transactions cleared and settled among the Commercial Banks. Out of GH¢ 245,215.2 million collateralised repo transactions settled in

2021, GH¢ 202,433.5 million (82.6 percent) were transactions settled among the Commercial Banks; transactions between the Bank of Ghana and the Commercial Banks accounted for GH¢ 18,780.0 million (7.7 percent); with transactions between SSNIT and the Commercial Banks accounting for GH¢ 24,001.7 million (9.8 percent).

Table 13 : Distribution of Collateralised Repo Transactions Settled by Type of DP in 2021

Member Type		Repo Value		Collateral Value		Number of Transactions		*Average Repo
Lender of Cash	Borrower of Cash	(GH¢)	%	(GH¢)	%	Counts	%	Rates (%P.A)
Bank of Ghana	Commercial Banks	18,780.0	7.7	19,510.5	7.8	12.0	0.2	18.88
Commercial Banks	Commercial Banks	202,433.5	82.6	206,750.6	82.5	5,240.0	80.2	13.14
SSNIT	Commercial Banks	24,001.7	9.8	24,289.5	9.7	1,284.0	19.7	16.43
Total		245,215.2	100.0	250,550.5	100.0	6,536.0	100.0	12.99

* Weighted average

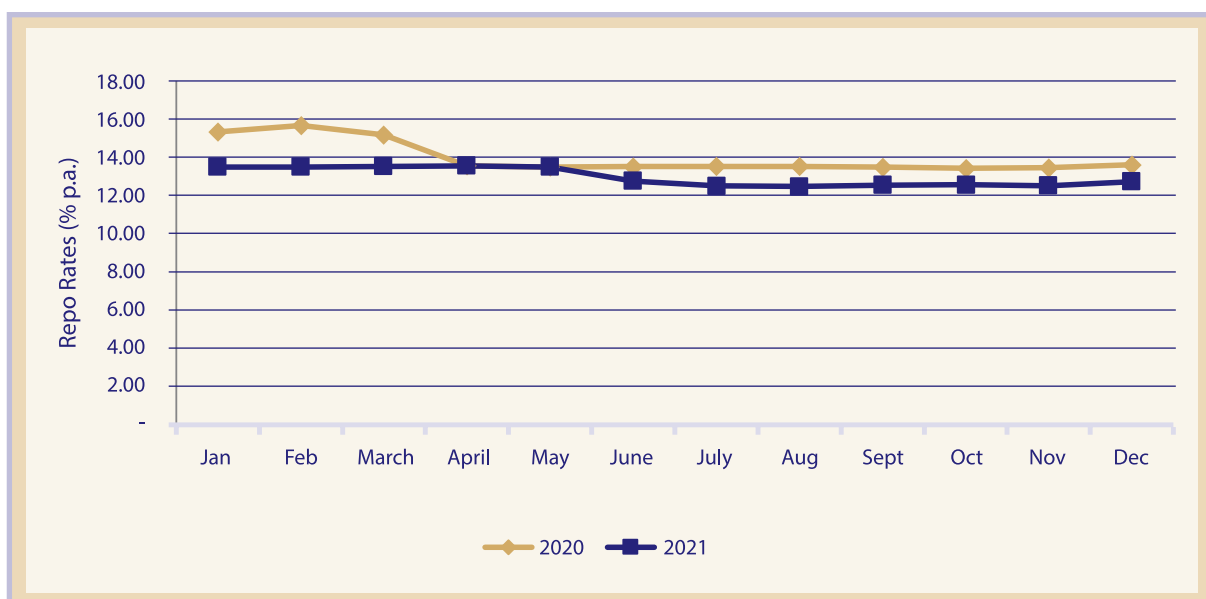
8.4.7.2 Repo under GMRA (Classic Repo)

Settlement of classic repo were largely transactions executed and settled among the Bank of Ghana and the Commercial Banks. Out of the GH¢ 8,537.6 million classic repo transactions cleared and settled in 2021; GH¢ 6,347.0 million (74.3 percent) are transactions settled between the Bank of Ghana and the Commercial Banks whilst the remaining GH¢ 2,190.6 million (25.7 percent) are transactions carried out between the Commercial Banks.

8.4.8 Repo Rates

The weighted average repo rate in 2021 for cleared and settled collateralised transactions was 13.0 percent p.a., down from 14.3 percent p.a. in 2020. The weighted average repo rate for the collateralised repo for the year peaked at 13.5 percent p.a. in April 2021, subsequently it declined to 12.95 percent p.a. in December 2021.

On the other hand, the weighted average repo rate for cleared and settled classic repo transactions in 2021 was 16.4 percent p.a., up from 14.4 percent p.a. in 2020.

Chart 18 : Monthly Average Repo Rates (%) for Collateralised Repo (2020 & 2021).

8.4.9 Pledging of Debt Securities

The number of pledge transactions increased by 45.1 percent to 920 transactions in 2021 from 634 transactions in 2020. The face value of securities assigned for the pledge transactions also increased

by 21.1 percent from GH¢ 12,413.7 million in 2020 to GH¢ 15,033.6 million in 2021. Table 15 below provides additional information on the distribution of pledged transactions by client types in 2021.

Chart 19 : Face Value (GH¢) of Debt Securities Pledged by Investors (2020 & 2021)

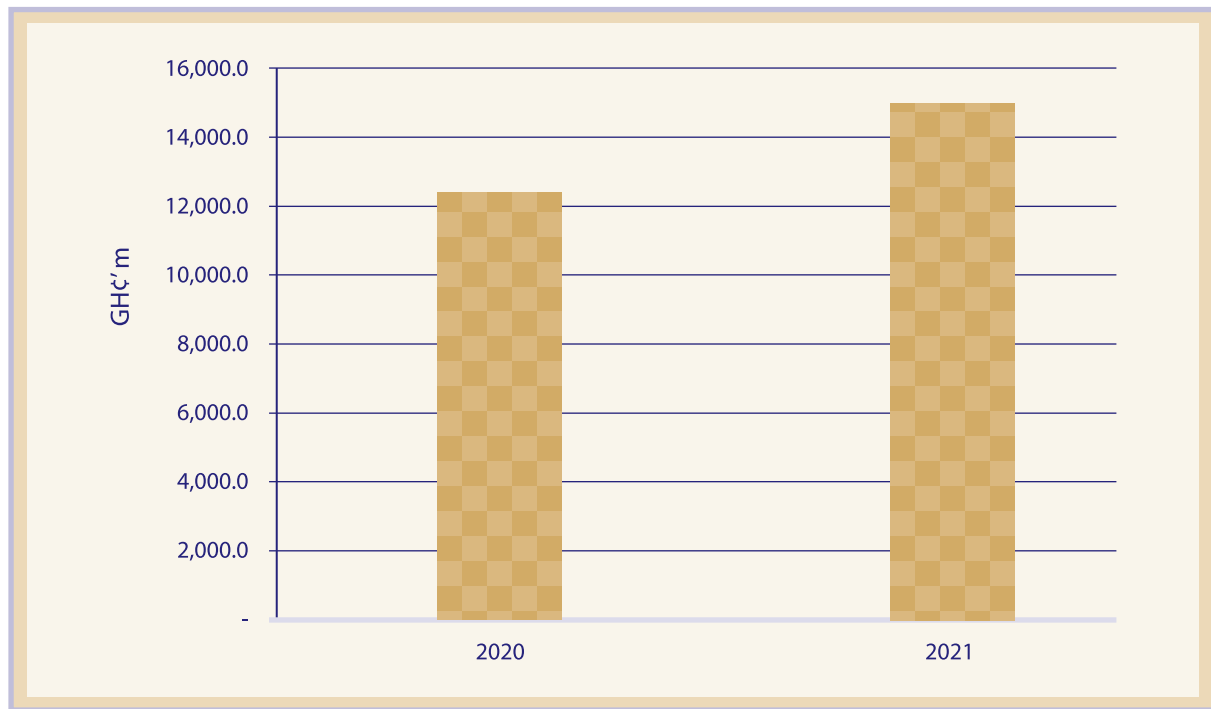


Table 15: Distribution of Pledged Transactions by Client Types (2021)

Client Types	As Pledgee		As Pledgor	
	(GH¢)	% of total	(GH¢)	% of total
Commercial Banks	11,842,847,725	77.43	13,532,987,273	90.52
Bank of Ghana	-	-	2,716,000	-
Brokerage Firms	96,005,902	0.68	6,500,000	0.05
Custodian Bank	-	-	-	-
Foreign Company	-	-	-	-
Foreign Individual	361,600	0	-	-
Foreign Resident	1,338,000	0.01	-	-
Local Companies	2,883,527,593	20.4	1,447,766,069	9.14
Local Individuals	145,451,964	1.02	43,624,272	0.3
Pension Fund	35,670,830	0.25	-	-
SSNIT	28,390,000	0.2	-	-
Total	15,033,593,614	100	15,033,593,614	100

8.4.10 Volume and Value of Stock of Equity Securities in the CSD

The volume of equity securities held by CSD in 2021 was 14,076.3 million compared to 14,118.2 million volumes of shares held by CSD in 2020. Shares owned by domestic investors accounted for 7,215.3 million (51.3 percent) of the

14,118.2 million volumes of shares in custody with the CSD with foreign investors accounting for 6,861.0 million (48.7 percent). Table 3a in the appendix provides more information on the distribution of the volume of shares held in custody by the CSD in 2021.

Chart 20 : Volume of Issued Equities held with the CSD (2020 & 2021)

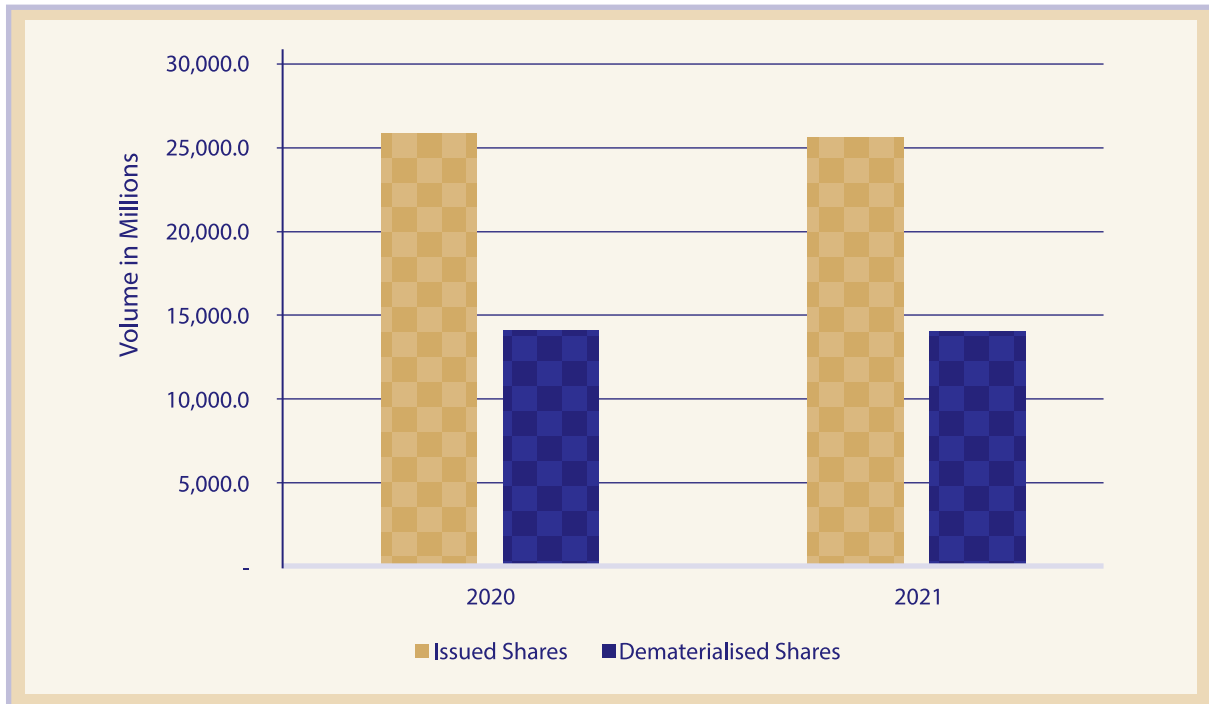
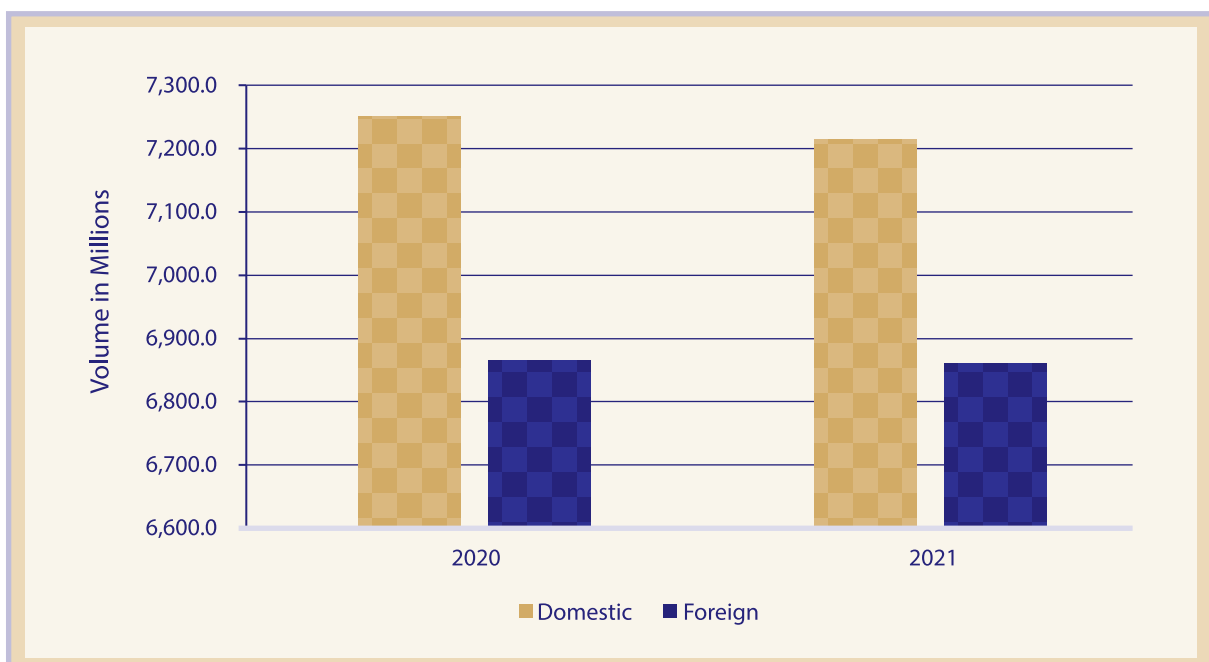


Chart 21: Distribution of Volume of Equity Securities held with CSD by Investor Type (2020 & 2021)



8.4.11 Clearing and Settlement of Equity Trades

A total of 15,318 equity transactions were cleared and settled through the CSD in 2021, up by 46 percent from 10,474 equity transactions cleared and settled in 2020. The monetary value of these transactions also increased by 16.0 percent from GH¢ 448.5

million in 2020 to GH¢ 520.2 million in 2021 whereas the associated volumes of the underlying assets used for executing these transactions declined by 15.9 percent from 566.3 million in 2020 to 476.4 million in 2021.

Chart 22: Settlement Value (GH¢'m) of Equity Trades Settled by CSD (2020 & 2021)

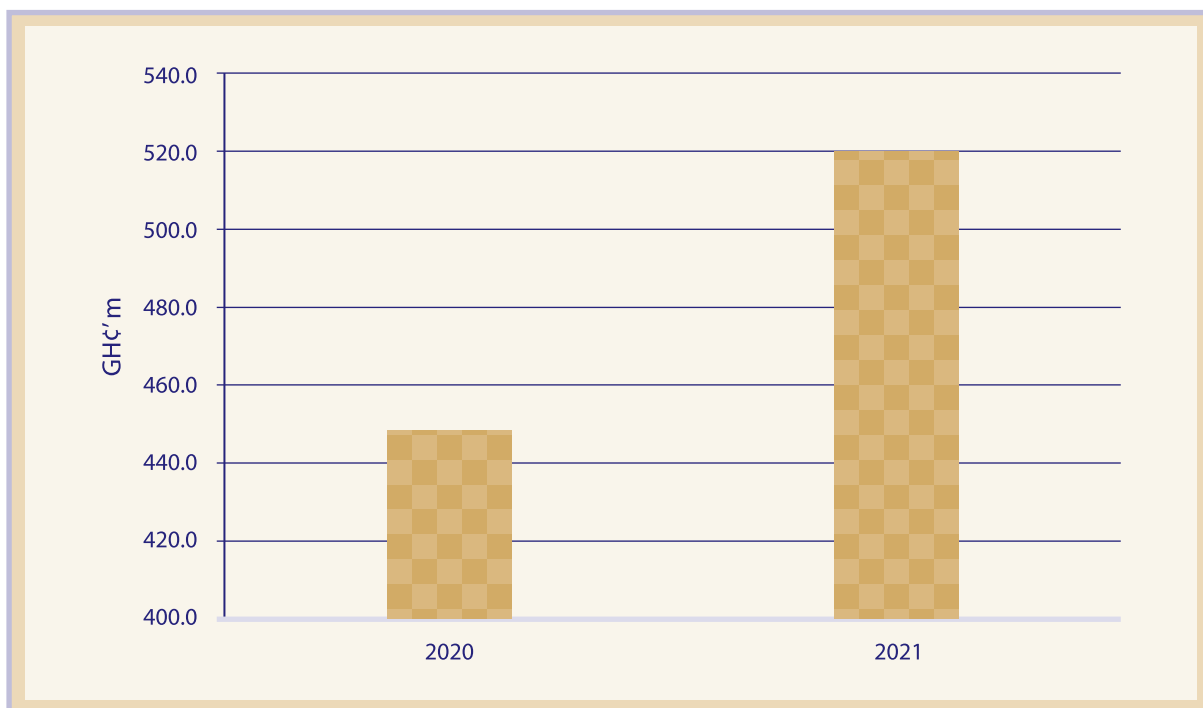


Chart 23 : Volume of Equity Trades Settled by CSD (2020 & 2021)

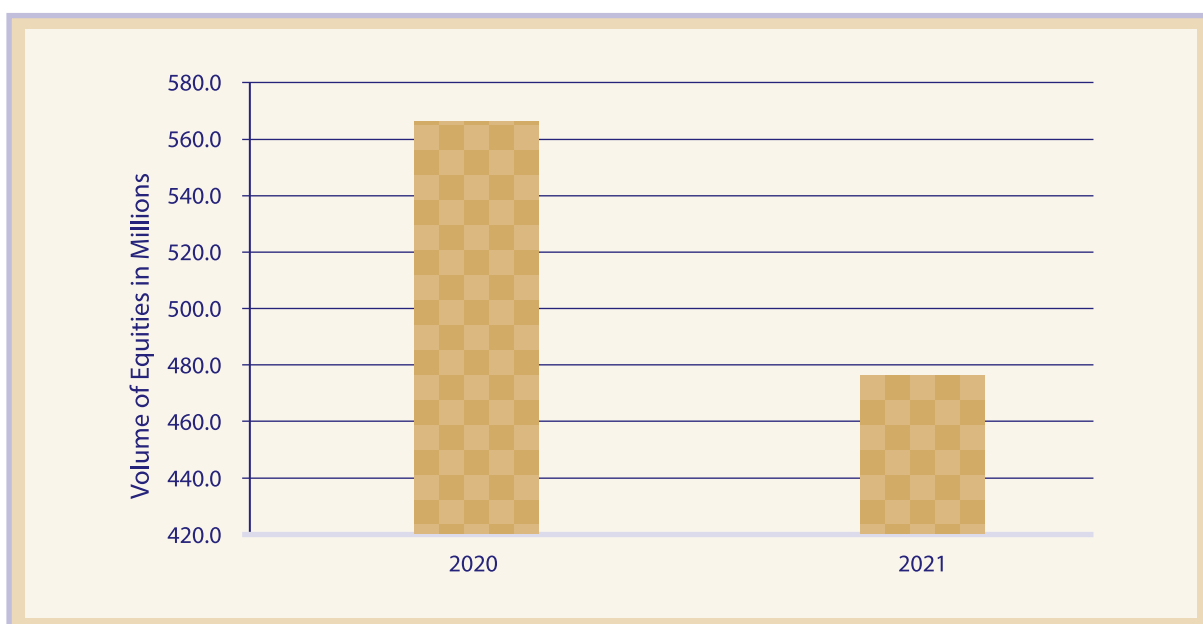
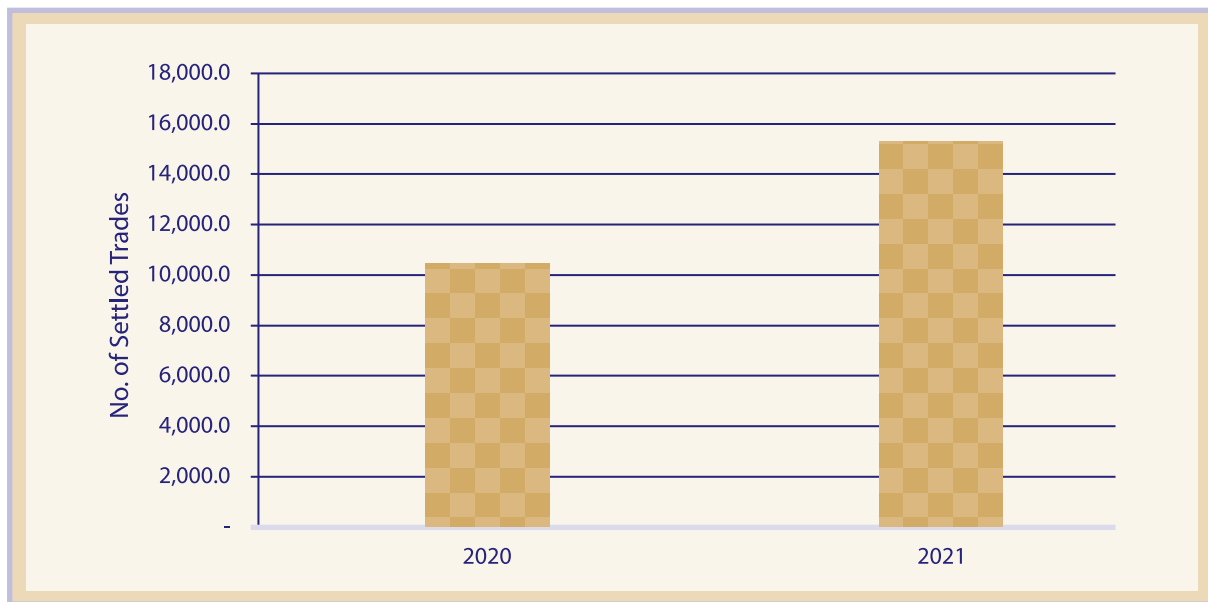


Chart 24 : Number of Equity Trades settled by CSD (2020 & 2021)

8.4.11 Settled Equity Trades Purchased and Sold under DP and Investor Types

The participation of foreign investors in the equity secondary market was high during the year as against that of domestic investors.

On the buy side of the equity market, foreign and domestic investors accounted respectively for GH¢ 170.5 million and GH¢ 349.6 million of the GH¢ 520.2 million equity trades cleared and settled in 2021. The value of equity trades purchased and settled by foreign investors increased by 32.7 percent from GH¢ 263.4 million in 2020 to GH¢ 349.6 million

in 2021. The value of equity trades purchased and settled by domestic investors also reduced by 7.8 percent from GH¢ 185.0 million in 2020 to GH¢ 170.5 million in 2021.

On the sell side of the equity market, the value of equity trades sold and settled for foreign investors in 2021 was GH¢ 365.3 million, down by 11.6 percent from GH¢ 413.6 million in 2020. For domestic investors, the value of equity securities sold and settled in 2021 was GH¢ 154.8 million, up by 344.0 percent from a value of GH¢ 34.9 million in 2020.

Chart 25 : Distribution of Equity Trades Purchased & Settled by Investor Type (2020 & 2021)

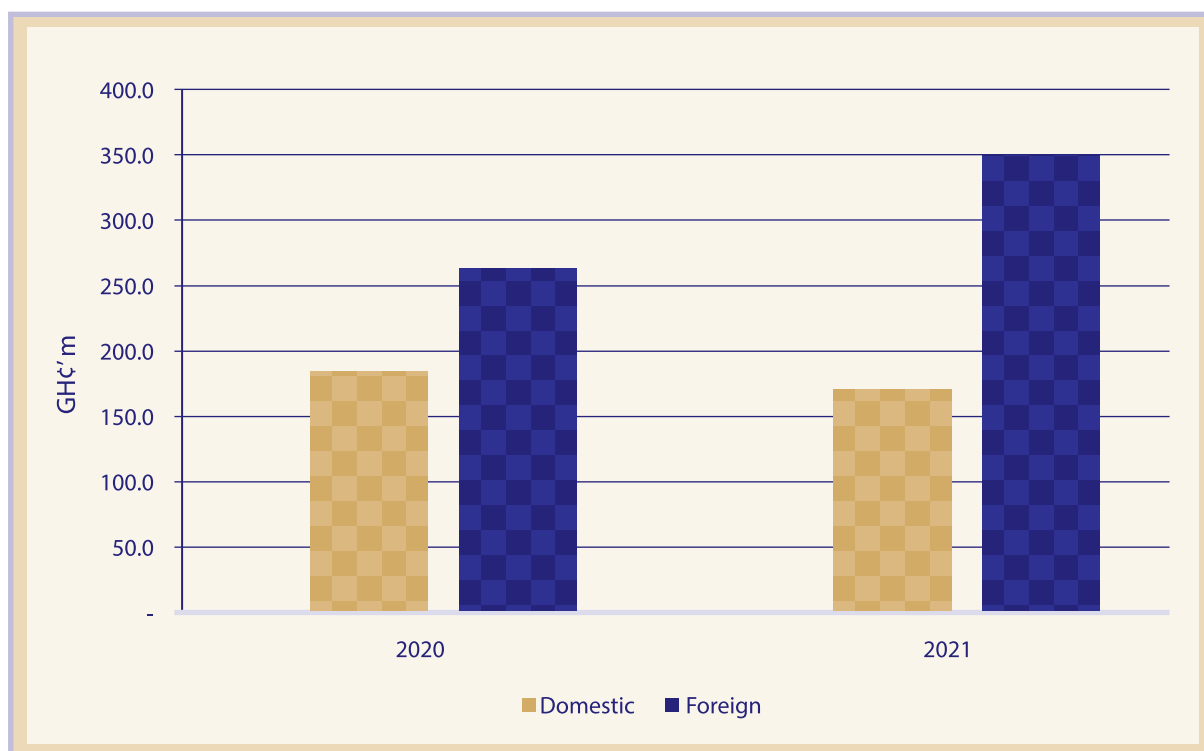
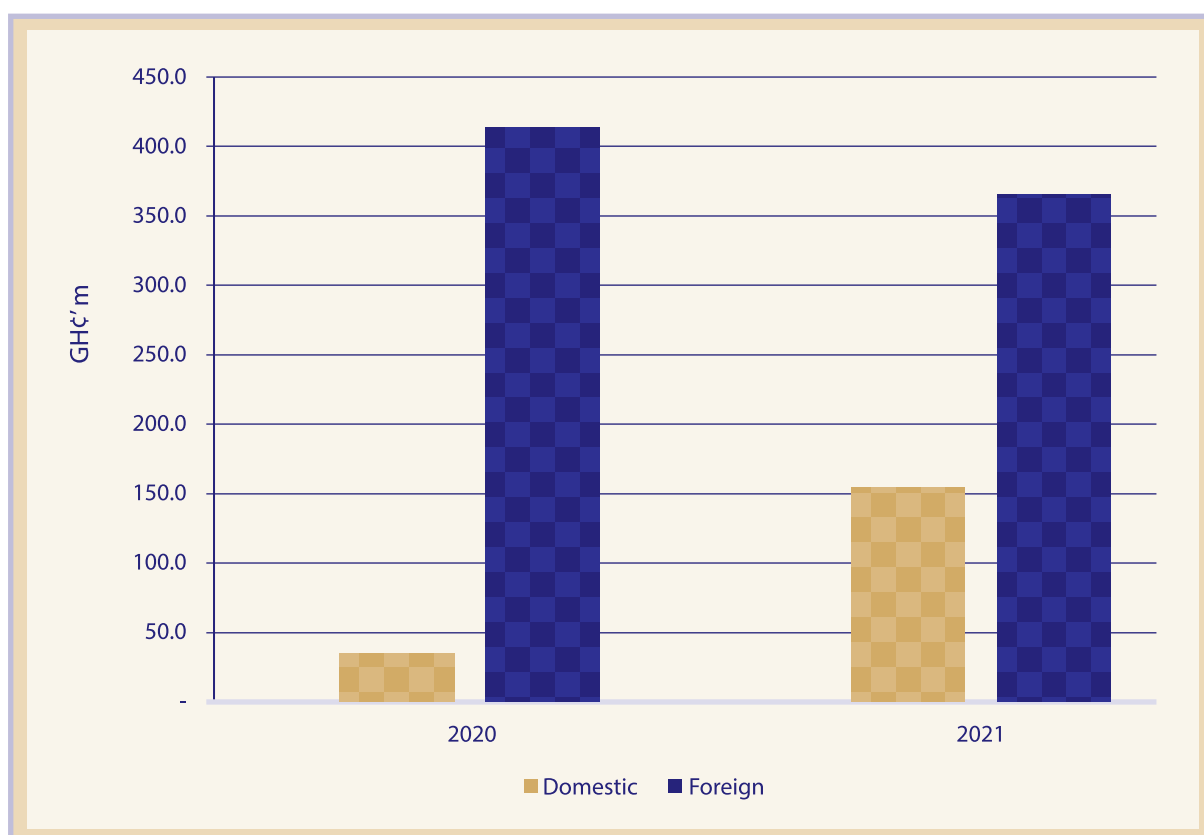


Chart 26 : Distribution of Equity Trades Sold & Settled by Investor Type (2020 & 2021)



9.0 APPENDIX

9.1 Lists of Depository Participants (DPs)

A. Commercial Banks/ARB Apex Bank

1	Access Bank (Ghana) Plc	13	Guarantee Trust Bank Ghana Ltd
2	ADB Bank Ltd.	14	National Investment Bank Ltd
3	Bank of Africa Ghana Limited	15	OmniBSIC Bank Limited
4	ABSA Bank Ghana Limited	16	Prudential Bank Ltd
5	Cal Bank Ltd	17	Republic Bank (Ghana) Limited
6	Consolidated Bank Ghana Limited	18	Societe Generale (Ghana) Limited
7	Ecobank Ghana Ltd.	19	Stanbic Bank (Ghana) Ltd
8	FBN Bank (Ghana) Ltd	20	Standard Chartered Bank (Ghana) Limited
9	Fidelity Bank Ghana Ltd	21	United Bank for Africa (Ghana) Limited
10	First Atlantic Bank Ltd	22	Universal Merchant Bank Limited
11	First National Bank (Ghana) Limited	23	Zenith Bank (Ghana) Ltd
12	GCB Bank Ltd.		

B. Custodian Banks

1	Access Bank Custody Services	10	GCB Bank Custody Services
2	ADB Bank Custody Services	11	Prudential Bank Custody Services
3	Cal Bank Custody Services	12	Republic Bank Custody Services
4	Consolidated Bank Custody Services	13	Securities Services –Standard Chartered Bank
5	Ecobank Custody Services	14	Societe General (Ghana) Limited Custody Services
6	Fidelity Custody Services	15	Stanbic Bank Custody Services
7	First National Bank Custody Services	16	Universal Merchant Bank Custody
8	First Atlantic Bank Limited Custody Services	17	Zenith Bank Custody Services
9	Guaranty Trust Bank Custody Services		

C. Brokerage Firms

1	African Alliance Securities Gh. Ltd.	13	IC Securities (Ghana) Limited.
2	Apakan Securities Limited	14	Merban Stockbrokers Ltd.
3	BlackStar Brokerage Ltd.	15	NTHC Securities Ltd.
4	Bullion Securities Ltd.	16	Prudential Securities Ltd.
5	CDH Securities Ltd.	17	Republic Securities (GH) Limited
6	Chapel Hill Denham Securities (Gh) Ltd	18	Sarpong Capital Limited
7	Databank Brokerage Ltd.	19	SBG Securities (Gh) Limited
8	EDC Stockbrokers Ltd.	20	Serengeti Capital Markets Limited
9	FINCAP Securities Limited	21	SIC Brokerage Limited
10	FirstBanc Brokerage Services Limited	22	Strategic African Securities Limited
11	GFX Brokers	23	Savvy Securities Limited
12	Teak Tree Brokerage Limited	24	Worldwide Securities Limited.

D. Investment Advisers

1. UMB-Investment Holdings Ltd.
2. IFS Capital Management Limited

E. Others

1. ARB Apex Bank Ltd
2. Bank of Ghana
3. Social Security and National Insurance Trust (SSNIT)

9.2 Lists of Issuers in the Depository System

9.2.1 Debt Securities

The Depository holds debt instruments issued by the following fourteen Institutions.

1 Afb Plc.	8 Government of Ghana
2 Barclays Bank of Ghana	9 Bank of Ghana
3 Bond Savings and Loans Ltd.	10 Cocobod
4 Izwe Savings and Loans PLC.	11 Energy Sector Petroleum Levy Acts (ESLA)
5 Bayport Financial Services Ltd.	12 Ghana Home Loans Ltd.
6 Dalex Financial Services	13 Produce Buying Company
7 Edendale Properties Plc.	14 Quantum Terminal Ltd

9.2.2 Equity Securities

The CSD holds both listed and unlisted equities issued by the following Institutions.

9.2.2.1 Listed Equities on the Ghana Stock Exchange (GSE)

1 ADB Bank	13 Ecobank Transnational Inc.	25 Meridian Marshall
2 Access Bank	14 Enterprise Group Ltd	26 NewGold Issuer Ltd
3 Aluworks Ltd	15 Fan Milk Ltd	27 Produce Buying Company Ltd
4 AngloGold Ashanti Depository Shares	16 GCB Bank Ltd.	28 Sam Woode Ltd
5 AngloGold Ashanti Ltd	17 Ghana Oil Company Ltd	29 Samba Food
6 Benso Oil Palm Plantation	18 Golden Star Resources Ltd	30 SIC Insurance Company Ltd
7 CAL Bank Ltd	19 Guinness Ghana Breweries Ltd	31 Societe General Gh. Ltd
8 Camelot Gh. Ltd	20 Republic Bank Ltd	32 Standard Chartered Bank Gh. Ltd
9 Cocoa Processing Company Ltd	21 Hords Ltd.	33 Total Petroleum Gh. Ltd
10 DASPHARMA	22 Intravenous Infusions Ltd	34 Trust Bank Ltd (The Gambia)
11 Digidut Production	23 Mechanical Llyod Company Ltd	35 Tullow Oil PLC
12 Ecobank Gh. Ltd	24 Mega African Capital Ltd.	36 Unilever Ghana Ltd

9.2.2.2 Unlisted Equities

1. Accra Brewery Ltd
2. Accra Hearts of Oak Ltd
3. CFAO Ghana Ltd

9.3 Registrars

There are four institutions operating as Registrars for issued shares in the equity market of Ghana. Registrars for each of the issued shares are listed below.

9.3.1 CSD Registrar

1	Access Bank (Ghana) PLC	6	Mega Africa Company (MAC)
2	Agricultural Development Bank (ADB)	7	Meridian-Marshalls Holdings (MMH)
3	Cal Bank Ghana	8	NewGold Limited (GLD)
4	Digicut Production & Advertising Limited (DPA)	9	Scancom Limited (MTN)
5	Hords Limited	10	Tullow Oil Plc (TLW)

9.3.2 GCB Registrar

1	Ecobank (Ghana) PLC	5	Intravenous Infusions Limited
2	Ecobank Transnational Inc.	6	Standard Chartered Bank Ghana (Ordinary Shares)
3	GCB Bank Limited	7	Standard Chartered Bank Ghana (Preference Shares)
4	GSR Ordinary Shares		

9.3.4 NTHC Registrar

1	AngloGold Asanti Depository Shares (AADS)	9	Ghana Oil Company Limited
2	AngloGold Asanti Limited (AGA)	11	Pioneer Kitchenware Limited (PKL)
3	Benso Oil Palm Plantation (BOPP)	12	Produce Buying Company Limited (PBC)
4	Clydestone (Ghana) Limited (CLYD)	13	Sam Woode Limited (SWL)
5	Cocoa Processing Company Limited (CPC)	14	Societe Genrale (Ghana) Limited (SOGEGH)
6	Dannex Ayrton Starwin Plc	15	State Insurance Company Limited (SIC)
7	Enterprise Group Limited (EGL)	16	Transaction Solutions (Ghana) Limited (TRANSOL)
8	Fan Milk Limited (FML)		

9.3.5 UMB Registrar

1	Aluworks Ltd (ALW)	6	Samba Foods Ltd (SAMBA)
2	Camelot Ghana Ltd (CMLT)	7	Total Petroleum Ghana Ltd (TOTAL)
3	Guinness Ghana Breweries Ltd (GGBL)	8	Trust Bank (Gambia) Ltd (TBL)
4	Mechanical Llyod Company Plc (MLC)	9	Unilever Ghana Ltd (UNIL)
5	Republic Bank Ghana Ltd (HFC)		

Table 1a: Distribution of Debt Securities Issued by Issuer and Tenor (2020 & 2021)

Security Tenor	Issuer Code	Jan - Dec, 2020			Jan -Dec, 2021		
		Face	Settlement	Total No.	Face	Settlement	Total No.
		Value (GH¢)	Value (GH¢)		Value (GH¢)	Value (GH¢)	
14 Day	ABGH	2,079,840	2,079,840	4	200,000,000	199,463,000	1
14 Day	BOG	28,241,278	28,095,835	1	0	0	0
19 Day	ABGH	1,000,000	1,000,000	1	0	0	0
30 Day	ABGH	3,171,400	3,185,433	3	0	0	0
31 Day	ABGH	-	-	-	0	0	0
56 Day	BOG	-	-	-	0	0	0
60 Day	ABGH	-	-	-	0	0	0
61 Day	ABGH	-	-	-	0	0	0
63 Day	ABGH	-	-	-	0	0	0
91 Day	ABGH	293,213,637	289,964,789	83	219,399,592	213,816,296	7709
91 Day	GOG	1,674,803,448	1,630,797,688	67,610	4,290,202,237	4,192,384,621	130624
180 Day	ABGH	28,634,500	28,685,965	35	0	0	0
182 Day	ABGH	252,502,676	252,818,988	283	17,740,000	17,739,999	16
182 Day	ABGH	23,513,600	23,514,056	38	0	0	0
182 Day	CMB	5,160,364,355	4,851,182,248	15,017	17,269,795,784	16,298,671,218	50585
182 Day	GOG	460,945,436	438,193,404	14,507	1,002,779,516	991,907,838	27128
182 Day	FDH				537,500	501,551	1
1 Year FXR	ABGH	-	-	-	0	0	0
1 Year FXR	CMB	-	-	-	946,731,607	910,490,568	2659
1 Year FXR	GOG	-	-	-	0	0	0
364 Day Bill	ABGH	89,119,496	80,610,167	731	235,587,615	221,889,785	1531
364 Day Bill	GOG	547,340,634	494,114,143	4,384	1,591,723,651	1,414,499,776	13918
1 Year FXR	PBC	-	-	-	0	0	0
1 Year FLR	EPL	-	-	-	0	0	0
2 Year FXR	GOG	15,502,673,078	16,204,771,081	25,236	24,925,984,972	26,016,358,240	19531
3 Year FLR	ILL	-	-	-	0	0	0
3 Year FXR	ILL	-	-	-	0	0	0
3 Year FLR	AFB	-	-	-	4,766,686	4,792,052	2
3 Year FLR	BFS	1,240,200	1,329,940	14	30,000	30,227	1
3 Year FXR	BFS	15,437,100	16,085,401	30	7,437,000	7,725,461	7
3 Year FXR	BOSL	3,537,000	3,863,645	5	0	0	0
3 Year FLR	BOSL	-	-	-	0	0	0
3 Year FXR	GOG	26,444,444,656	27,530,816,415	18,923	36,680,422,149	38,715,006,989	39067
4 Year FLR	AFB	12,729,000	17,546,472	16	0	0	0
5 Year FXR	AFB	2,989,508	3,166,568	10	0	0	0
5 Year FLR	AFB	1,251,100	1,290,993	10	30,000	28,716	1
3 Year FXR	ILL	134,000	145,575	4	97,000	102,806	3
5 Year FLR	ILL	775,394	810,844	8	0	0	0
5 Year FXR	ILL	1,845,000	1,878,552	9	693,000	725,538	8
5 Year FXR	BFS	7,411,800	7,837,968	16	5,797,386	5,925,263	6


Table 1a: Distribution of Debt Securities Issued by Issuer and Tenor (2020 & 2021) Cont'd

5 Year FLR	BFS	2,502,927,771	2,641,476,700	2,193	10,000	10,742	1
5 Year FXR	DFL	-	-	-	269,500	290,440	3
5 Year FXR	GOG	20,649,598,747	21,508,592,963	17,754	40,845,949,325	42,896,894,493	23320
5 Year FXR	BOG	-	-	-	0	0	0
6 Year FXR	GOG	3,390,223,024	3,536,634,581	1,148	12,242,213,013	12,664,234,159	5846
6 Year FLR	ILL	-	-	-	0	0	0
6 Year FLR	AFB	1,802,500	1,842,298	12	1,518,100	1,601,111	7
7 Year FLR	AFB	57,500	56,903	1	912,419	931,277	4
7 Year FXR	DTP	6,466,718	6,511,620	9	458,763,504	499,156,103	496
7 Year FXR	ESLA	368,344,245	381,186,727	369	533,014,346	568,031,032	148
7 Year FXR	GOG	7,679,873,127	7,777,491,242	3,285	8,832,850,392	9,278,320,243	7014
10 Year FLR	DTP				38,609,443	40,279,488	82
10 Year FXR	ESLA	505,557,502	511,023,514	604	529,639,323	541,121,921	458
10 Year FXR	GOG	12,884,002,778	12,795,191,925	5,786	24,522,666,752	25,757,061,465	12225
10 Year FLR	QTL	-	-	-	127,734	140,539	1
12 Year FXR	ESLA	3,719,592,759	3,534,539,428	1,757	2,189,912,655	2,099,576,788	1114
15 Year FXR	GOG	4,594,788,973	4,504,816,455	1,396	25,202,952,554	26,077,961,862	2066
20 Year FXR	GOG	399,149,071	408,930,641	358	5,522,721,495	5,889,638,123	1147
Total		107,261,782,851	109,522,081,007	181,650	208,321,886,250	215,527,309,731	346,730



Table 2a: Distribution of Outstanding Debt Stocks by Security Tenor, Issuer and Client Type as at December 2021.

ISSUER	SHORTNAME/CLIENT TYPES	CLIENT TYPE										Domestic Investors Total (Ghc)	Total (Ghc)
		BANK OF GHANA (Ghc)	COMMERCIAL BANKS (Ghc)	FIRMS/INST (Ghc)	INSURANCE CO (Ghc)	RURAL BANKS (Ghc)	SSNIT (Ghc)	PENSION (Ghc)	OTHERS (Ghc)	FOREIGN INVESTORS (Ghc)			
BOG	2 WK BOG BILL	-	2,417,381,734	-	-	-	-	-	-	-	2,417,381,734	2,417,381,734	
BOG	56 DAY BOG BILL	-	372,000,000	-	-	-	-	-	-	-	372,000,000	372,000,000	
GOG	91 DAY GOG BILL	8,249,287	899,222,964	1,501,724,742	7,730,343	634,835,397	3,364	183,522	6,582,139,219	6,375	9,634,088,838	9,634,095,213	
FDH	91 DAY FDH BILL	-	1,653,875	-	-	-	-	-	-	-	1,653,875	1,653,875	
BOG	175 DAY BOG BILL	-	-	-	-	-	-	-	-	47,310,000	-	47,310,000	
GOG	182 DAY GOG BILL	6,927,478	1,839,749,138	821,866,373	96,983,257	354,302,730	-	21,056	1,533,171,849	98,482	4,653,021,881	4,653,120,363	
CMB	182 DAY CMB BILL	330,897,070	9,321,124,361	1,351,086,662	105,237,279	91,627,944	60,069,675	165,542,042	1,491,048,016	3,124,849	12,916,633,049	12,919,757,898	
FDH	182 DAY FDH BILL	-	39,305,225	-	-	-	-	-	537,500	-	39,842,725	39,842,725	
ABGH	364 DAY ABGH BILL	-	-	12,693,299	-	-	-	2,645,500	-	-	15,338,799	15,338,799	
GOG	364 DAY GOG BILL	303,720,413	4,804,314,495	1,922,382,750	61,064,858	200,487,025	147,013	25,209,765	810,107,625	202,309,909	8,127,433,944	8,329,743,853	
FDH	364 DAY FDH BILL	-	5,656,249	-	-	-	-	-	-	-	5,656,249	5,656,249	
ABGH	365 DAY ABGH BILL	-	-	3,500,000	-	-	-	-	-	-	3,500,000	3,500,000	
BOG	231 DAY BOG BILL	-	-	-	-	-	-	-	-	113,000,000	-	113,000,000	
BOG	259 DAY BOG BILL	-	-	-	-	-	-	-	-	48,684,000	-	48,684,000	
BOG	1 YR FXR BOG NOTE	-	-	-	-	-	-	-	-	2,695,017,500	-	2,695,017,500	
GOG	2 YR FXR GOG NOTE	361,919,569	10,374,541,568	4,943,767,308	75,954,991	282,894,735	94,170,000	414,312,806	1,427,795,674	2,170,017,278	17,975,356,651	20,145,373,929	
AFB	3 YR FXR AFB BOND	-	-	43,916,200	-	-	-	2,501,000	6,757,486	-	53,174,686	53,174,686	
GOG	3 YR FXR GOG BOND	4,970,807,179	10,258,592,270	4,771,747,133	110,102,964	258,934,040	5,300,000	732,108,847	1,686,760,914	4,379,968,660	22,794,353,347	27,174,322,007	
BFS	3 YR FXR BFS BOND	-	-	80,614,500	-	-	-	21,253,000	3,352,000	65,000	105,219,500	105,284,500	
BOSL	3 YR FLR BOSL BOND	-	-	3,200,000	-	-	-	1,000,000	-	-	4,200,000	4,200,000	
GOG	4 YR FXR GOG BOND	-	-	541,360,000	-	-	-	-	-	-	541,360,000	541,360,000	
AFB	5 YR FLR AFB BOND	-	-	96,225,112	-	-	-	9,220,288	9,748,500	-	115,193,900	115,193,900	
AFB	5 YR FXR AFB BOND	-	-	15,200,000	-	-	-	116,000	869,314	-	16,185,314	16,185,314	
BFS	5 YR FXR BFS BOND	-	-	74,709,197	-	-	-	6,311,703	1,829,960	10,000	82,850,860	82,860,860	
ILL	5 YR FLR ILL BOND	-	-	16,349,606	-	-	-	1,608,394	42,000	-	18,000,000	18,000,000	
ILL	5 YR FXR ILL BOND	-	-	17,754,000	-	-	-	868,000	378,000	-	19,000,000	19,000,000	
BOSL	5 YR FXR BOSL BOND	-	-	866,000	-	-	-	-	-	-	866,000	866,000	
GOG	5 YR FXR GOG BOND	1,007,694,608	10,593,980,871	7,472,168,490	144,703,307	138,381,181	155,009,000	1,263,516,712	2,067,566,102	7,176,827,628	22,843,020,271	30,019,847,899	
DFL	5 YR FXR DFL BOND	-	-	14,109,586	-	-	-	2,390,614	955,800	-	17,456,000	17,456,000	


Table 2a: Distribution of Outstanding Debt Stocks by Security Tenor, Issuer and Client Type as at December 2021. Cont'd

ILL	6 YR FXR ILL BOND	-	-	-	-	-	-	2,220,000	690,000	25,000,000	25,000,000
ILL	6 YR FLR ILL BOND	-	-	-	-	-	-	-	-	10,000,000	10,000,000
AFB	6 YR FLR AFB BOND	-	-	-	-	-	-	4,564,000	10,338,600	65,306,600	65,306,600
GOG	6 YR FXR GOG BOND	2,496,852	2,412,443,675	2,809,718,317	82,025,038	35,617,149	235,475,253	560,222,637	676,667,013	1,856,697,721	8,671,363,655
AFB	7 YR FXR AFB BOND	-	-	-	-	-	-	-	-	22,000,000	24,000,000
AFB	7 YR FLR AFB BOND	-	-	-	-	-	-	7,000	270,376	15,829,917	15,829,917
GOG	7 YR FXR GOG BOND	3,034,195	2,396,167,125	2,810,169,103	116,418,130	37,913,758	30,466,000	681,313,766	943,719,841	1,807,349,915	8,826,551,833
ESLA	7 YR FXR ESLA BOND	-	493,350,801	360,515,318	1,734,932	-	-	140,731,812	114,089,591	6,125,060	1,116,547,514
DTP	7 YR FXR DTP BOND	-	1,141,485,862	230,777,503	-	-	-	306,337,204	147,751,003	486,165	1,826,837,737
DTP	10 YR FXR DTP BOND	-	103,573,999	259,962,990	29,957,336	5,000,000	-	179,109,740	48,729,680	626,333,745	626,333,745
GOG	10 YR FXR GOG BOND	3,538,462	4,339,096,792	2,974,064,030	203,892,567	55,638,933	16,500,000	2,410,475,759	1,126,643,634	4,768,506,436	15,898,356,613
ESLA	10 YR FXR ESLA BOND	-	1,865,046,798	1,248,036,350	87,271,095	-	627,928,030	529,935,786	275,339,116	136,217	4,633,693,392
QTL	10 YR FXR QTL BOND	-	-	31,466,011	-	-	-	3,422,222	111,767	-	35,000,000
ESLA	12 YR FXR ESLA BOND	-	973,738,394	1,132,226,653	-	13,329,827	-	531,316,286	299,603,136	135,015	2,950,214,296
GOG	15 YR FXR GOG BOND	4,208,344,265	2,316,717,251	1,397,114,919	113,429,414	2,713,190	-	1,191,867,789	205,880,225	6,369,596,961	15,805,664,014
GOG	20 YR FXR GOG BOND	3,107,500	335,001,960	703,276,477	78,575,722	5,000,000	-	309,177,594	111,834,562	781,365	1,546,755,180
Total	GH¢	11,210,736,878	67,304,145,407	37,762,615,170	1,315,081,233	2,116,675,909	1,225,068,335	9,499,510,844	19,584,728,503	31,668,254,536	181,686,816,815

*Pledge to foreign investors



Table 3a: Distribution of OTC Trades Cleared and Settled by Issuer and Tenor (2020 & 2021)

Security Tenor	Issuer Code	Jan - Dec, 2020			Jan - Dec, 2021		
		Face	Settlement	Total No.	Face	Settlement	Total No.
		Value (GH¢)	Value (GH¢)		Value (GH¢)	Value (GH¢)	
14 Day	ABGH	2,079,840	2,079,840	4	200,000,000	199,463,000	1
14 Day	BOG	28,241,278	28,095,835	1	0	0	0
19 Day	ABGH	1,000,000	1,000,000	1	0	0	0
30 Day	ABGH	3,171,400	3,185,433	3	0	0	0
31 Day	ABGH	-	-	-	0	0	0
56 Day	BOG	-	-	-	0	0	0
60 Day	ABGH	-	-	-	0	0	0
61 Day	ABGH	-	-	-	0	0	0
63 Day	ABGH	-	-	-	0	0	0
91 Day	ABGH	293,213,637	289,964,789	83	219,399,592	213,816,296	7709
91 Day	GOG	1,674,803,448	1,630,797,688	67,610	4,290,202,237	4,192,384,621	130624
180 Day	ABGH	28,634,500	28,685,965	35	0	0	0
182 Day	ABGH	252,502,676	252,818,988	283	17,740,000	17,739,999	16
182 Day	ABGH	23,513,600	23,514,056	38	0	0	0
182 Day	CMB	5,160,364,355	4,851,182,248	15,017	17,269,795,784	16,298,671,218	50585
182 Day	GOG	460,945,436	438,193,404	14,507	1,002,779,516	991,907,838	27128
182 Day	FDH				537,500	501,551	1
1 Year FXR	ABGH	-	-	-	0	0	0
1 Year FXR	CMB	-	-	-	946,731,607	910,490,568	2659
1 Year FXR	GOG	-	-	-	0	0	0
364 Day Bill	ABGH	89,119,496	80,610,167	731	235,587,615	221,889,785	1531
364 Day Bill	GOG	547,340,634	494,114,143	4,384	1,591,723,651	1,414,499,776	13918
1 Year FXR	PBC	-	-	-	0	0	0
1 Year FLR	EPL	-	-	-	0	0	0
2 Year FXR	GOG	15,502,673,078	16,204,771,081	25,236	24,925,984,972	26,016,358,240	19531
3 Year FLR	ILL	-	-	-	0	0	0
3 Year FXR	ILL	-	-	-	0	0	0
3 Year FLR	AFB	-	-	-	4,766,686	4,792,052	2
3 Year FLR	BFS	1,240,200	1,329,940	14	30,000	30,227	1
3 Year FXR	BFS	15,437,100	16,085,401	30	7,437,000	7,725,461	7
3 Year FXR	BOSL	3,537,000	3,863,645	5	0	0	0
3 Year FLR	BOSL	-	-	-	0	0	0
3 Year FXR	GOG	26,444,444,656	27,530,816,415	18,923	36,680,422,149	38,715,006,989	39067
4 Year FLR	AFB	12,729,000	17,546,472	16	0	0	0
5 Year FXR	AFB	2,989,508	3,166,568	10	0	0	0
5 Year FLR	AFB	1,251,100	1,290,993	10	30,000	28,716	1
3 Year FXR	ILL	134,000	145,575	4	97,000	102,806	3
5 Year FLR	ILL	775,394	810,844	8	0	0	0
5 Year FXR	ILL	1,845,000	1,878,552	9	693,000	725,538	8
5 Year FXR	BFS	7,411,800	7,837,968	16	5,797,386	5,925,263	6


Table 3a: Distribution of OTC Trades Cleared and Settled by Issuer and Tenor (2020 &2021) Cont'd

5 Year FLR	BFS	2,502,927,771	2,641,476,700	2,193	10,000	10,742	1
5 Year FXR	DFL	-	-	-	269,500	290,440	3
5 Year FXR	GOG	20,649,598,747	21,508,592,963	17,754	40,845,949,325	42,896,894,493	23320
5 Year FXR	BOG	-	-	-	0	0	0
6 Year FXR	GOG	3,390,223,024	3,536,634,581	1,148	12,242,213,013	12,664,234,159	5846
6 Year FLR	ILL	-	-	-	0	0	0
6 Year FLR	AFB	1,802,500	1,842,298	12	1,518,100	1,601,111	7
7 Year FLR	AFB	57,500	56,903	1	912,419	931,277	4
7 Year FXR	DTP	6,466,718	6,511,620	9	458,763,504	499,156,103	496
7 Year FXR	ESLA	368,344,245	381,186,727	369	533,014,346	568,031,032	148
7 Year FXR	GOG	7,679,873,127	7,777,491,242	3,285	8,832,850,392	9,278,320,243	7014
10 Year FLR	DTP				38,609,443	40,279,488	82
10 Year FXR	ESLA	505,557,502	511,023,514	604	529,639,323	541,121,921	458
10 Year FXR	GOG	12,884,002,778	12,795,191,925	5,786	24,522,666,752	25,757,061,465	12225
10 Year FLR	QTL	-	-	-	127,734	140,539	1
12 Year FXR	ESLA	3,719,592,759	3,534,539,428	1,757	2,189,912,655	2,099,576,788	1114
15 Year FXR	GOG	4,594,788,973	4,504,816,455	1,396	25,202,952,554	26,077,961,862	2066
20 Year FXR	GOG	399,149,071	408,930,641	358	5,522,721,495	5,889,638,123	1147
Total		107,261,782,851	109,522,081,007	181,650	208,321,886,250	215,527,309,731	346,730



Table 4a: Distribution of Listed Shares Held in the CSD by Investors as at December, 2021

Name of Issuer	Issuer Code	Distribution of the Volume of Shares in the CSD				Total of Issued Shares in CSD			No. of Shareholders Per Share in CSD	
		Domestic Investors	Foreign Investors	Quantity in CSD	Issued Quantity	% in CSD	Domestic Investors	Foreign Investors	Total Investors	
Anglo Gold Asanti Depository Shares	AADS	1,622,163	25,196	1,647,359	15,844,800	10.40	1,707	16	1,723	
Access Bank Limited	ABG	6,735,286	162,736,164	169,471,450	173,947,596	97.43	691	27	718	
Agriculture Development Bank	ADB	266,357,698	31,400	266,389,098	346,952,253	76.78	454	4	458	
AngloGold Asanti Limited	AGA	239,389	-	239,389	400,877	59.72	26	-	26	
Aluworks Ltd	ALW	172,247,697	58,647,749	230,895,446	236,687,001	97.55	1,428	22	1,450	
Benso Oil Plan Plantation	BOPP	32,028,835	41,373	32,070,208	34,800,000	92.16	2,656	39	2,695	
Cal Bank Ghana	CAL	355,382,196	238,023,371	593,405,567	628,712,525	94.38	9,125	132	9,257	
Camelot Ghana Ltd	CMLT	5,701,732	22,168	5,723,900	6,829,276	83.81	205	7	212	
Cocoa Processing Company Ltd	CPC	1,964,554,316	1,222,670	1,965,776,986	2,038,074,176	96.45	10,445	38	10,483	
Dannex Ayrton Startwin Plc	DASP	75,191,154	60,834	75,251,988	84,765,898	88.78	2,626	26	2,652	
Digicut Production & Advertising	DPA*	117,019,871	1,870,750	118,890,621	118,890,621	100.00	261	11	272	
Ecobank Ghana Limited	EBG	81,295,455	236,113,231	317,408,686	322,551,209	98.41	5,766	88	5,854	
Enterprise Group Plc.	EGL	126,872,293	36,264,478	163,136,771	170,827,825	95.50	2,192	64	2,256	
Ecobank Transnational Inc.	ETI	1,063,533,685	3,497,332,738	4,560,866,423	4,787,508,128	95.27	11,705	208	11,913	
Fan Milk Limited	FML	92,254,510	17,112,786	109,367,296	116,207,288	94.11	2,943	85	3,028	
GCB Bank Limited	GCB	188,159,791	36,493,896	224,653,687	265,000,000	84.77	8,758	131	8,889	
Guinness Ghana Breweries Ltd	GGBL	33,694,348	267,750,661	301,445,009	307,594,827	98.00	1,632	54	1,686	
Ghana Oil Company Ltd	GOIL	375,170,501	973,218	376,143,719	391,863,128	95.99	6,637	92	6,729	
Golden Star Resources Limited	GSR	11,560	574	12,134	30,196	40.18	430	13	443	
Republic Bank Ghana Ltd (HFC)	RBGH	273,146,458	576,267,992	849,414,450	851,966,373	99.70	1,106	27	1,133	
HORDS Ltd	HORDS*	114,917,561	30,000	114,947,561	114,947,561	100.00	536	6	542	
Intravenous Infusion Limited	IIL	203,120,296	1,433,800	204,554,096	274,408,345	74.54	1,300	16	1,316	
Mega Africa Company	MAC	9,338,472	357,092	9,695,564	9,948,576	97.46	97	5	102	
Meridian Marshalls Company Ltd.	MMH*	95,635,066	449,100	96,084,166	96,084,166	100.00	143	9	152	
Scanco Ltd-MTN (GH)	MTN	547,289,589	1,236,044,771	1,783,334,360	12,290,474,360	14.51	109,056	330	109,386	

Table 4a: Distribution of Listed Shares Held in the CSD by Investors as at December, 2021 Cont'd

Produce Buying Company Limited	PBC	429,584,062	587,535	430,171,597	480,000,000	89.62	3,247	32	3,279
Pesewa One Plc	POP	3,202,500	-	3,202,500	3,202,500	100.00	13	-	13
Samba Foods and Spices Ltd	SAMBA*	5,966,444	9,609	5,976,053	5,976,053	100.00	40	5	45
Standard Chartered Bank Ghana	SCB	117,889,457	10,529,791	128,419,248	134,758,498	95.30	2,736	71	2,807
Standard Chartered Bank GH. Ltd.	SCBPREF	1,336,308	35,915	1,372,223	17,489,066	7.85	434	7	441
State Insurance Company Limited	SIC	152,358,791	32,203,179	184,561,970	195,645,000	94.34	5,494	60	5,554
Societe Generale (Ghana) Limited	SOGEGH	250,029,124	439,745,557	689,774,681	709,141,367	97.27	9,355	102	9,457
Sam Woode Limited	SWL	17,997,999	19,000	18,016,999	21,828,035	82.54	232	3	235
Trust Bank (Gambia) Ltd	TBL	5,717,768	90,353	5,808,121	200,000,000	2.90	365	7	372
Tullow	TLW	2,024,340	18,300	2,042,640	2,043,162	99.97	8,869	44	8,913
Total Petroleum Ghana Ltd	TOTAL	17,737,927	2,258,727	19,996,654	111,874,072	17.87	2,081	56	2,137
Unilever Ghana Ltd	UNIL	9,945,707	6,164,315	16,110,022	62,500,000	25.78	2,240	60	2,300
Total		7,215,310,349	6,860,968,293	14,076,278,642	25,629,774,758	54.92	217,031	1,897	218,928

* Listed on the Alternative Market of the GSE



10. GLOSSARY

Corporate Action: any activity undertaken by the issuer of securities that affects the securities and the holder of the securities.

Coupon Rate: interest rate stated on notes and bonds.

Dematerialisation: the process of converting paper share certificates into an electronic book entry system.

Depository Participants (DP): financial institutions, corporations and agencies which act as intermediaries between the CSD and the general investing public.

Financial Market Infrastructure: the channels through which securities and financial transactions are cleared, settled and recorded.

Primary Dealers: financial institutions approved by Bank of Ghana to participate in the auction of Government of Ghana, Cocoa Board and Bank of Ghana securities at the primary market

Primary Market: a market that deals with the issuance of new securities. Here, securities are purchased directly from the issuer.

Issuer: signifies government, corporation, or an agency that sells initial securities to the general public.

Secondary Market: refers to post primary market transactions in the instruments.

Securities: are financial instruments that represent ownership of an investment such as equities, debts etc.

Settlement: is the delivery or movement of securities in exchange for funds.

Settlement Guarantee Fund: is the value of funds and securities set aside to serve as a warranty in the fulfilment of transactions during securities trade.

Straight through Processing (STP): is an electronic clearing and settlement processing arrangement which allows delivery of securities and payments of funds from one party to another without manual interventions.



ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

REPORT OF THE BOARD OF DIRECTORS

We, the Board of Central Securities Depository (GH) Limited (the 'Company'), submit herewith the Annual Report on the state of affairs of the Company for the year ended 31 December 2021.

Statement of directors' responsibilities

The Directors are responsible for the preparation of the financial statements that give a true and fair view of Central Securities Depository (GH) Limited's financial position at 31 December 2021, and of the profit or loss and cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act, 2019 (Act 992). In addition, the directors are responsible for the preparation of this directors' report.

The directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate

accounting records and an effective system of risk management.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and the requirements of the Companies Act 2019 (Act 992). The directors further accept responsibility for the maintenance of accounting records which are relied upon in the preparation of the financial statements.

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the business will not be a going concern.

Principal activities

The Company is authorised to provide a central securities depository services and registrar services. There was no change in the nature of business of the Company during the year.

Financial results

The financial results for the year ended 31 December 2021 are set out below:

	2021 GH¢
Profit before tax	43,640,387
to which is deducted income tax charge of	(10,667,782)
giving a profit for the year after income tax of	32,972,605
which is added to the brought forward retained earnings of	82,622,816
	115,595,421
out of which is deducted dividend of	(5,250,000)
leaving retained earnings carried forward of	110,345,421



REPORT OF THE BOARD OF DIRECTORS (continued)

Dividend

The directors have proposed the payment of dividend of GH¢ 1.65 per share amounting to GH¢5,775,000 for the year ended 31 December 2021 (2020: GH¢ 1.5 per share amounting to GH¢ 5,250,000).

Interest in other body corporates

The Company had no subsidiaries or associate entities during the year or as at year end.

Corporate social responsibilities

The Company spent a total amount of GH¢32,000 on corporate social responsibilities during the year.

Audit fee payable

Audit fee for the year ended 31 December 2021 is GH¢ 148,480.

Directors

The names of the present directors and those who served during the year are listed on page 1. No director had any interest at any time during the year, in any contract of significance, other than a service contract with the Company. No directors had interest in the shares of the Company.

Capacity of directors

The Company ensures that only fit and proper persons are appointed to the Board. The directors

undertake relevant training and capacity building programs to enable them discharge their duties.

Mission/vision of the company

Mission

To provide a secure, dependable and efficient clearing, settlement, depository, registrar and other related securities services to satisfy our customers.

Vision

A globally recognised provider of efficient and reliable securities services, contributing to a well-organised and robust financial market in Ghana.

Ownership structure

The Central Securities Depository (GH) Limited is 70% owned by Bank of Ghana, the central bank of the Republic of Ghana and 30% owned by Ghana Stock Exchange, a company limited by guarantee and incorporated in Ghana to facilitate the trade of securities in Ghana.

Auditor

The auditor, PricewaterhouseCoopers, will continue in office in accordance with Section 139 (5) of the Companies Act, 2019 (Act 992).

By Order of the Board

Dr. Maxwell Opoku-Afari

Director

Mr. Michael Ewusi Mensah

Director

23 March 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRAL SECURITIES DEPOSITORY (GH) LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Central Securities Depository (GH) Limited (the "Company") as at 31 December 2021, and of 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 Companies Act, 2019 (Act 992).

What we have audited

We have audited the financial statements of Central Securities Depository (GH) Limited for the year ended 31 December 2021.

The financial statements comprise:

- the statement of financial position as at 31 December 2021;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company 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 and the independence requirements of section 143 of the Companies Act, 2019 (Act 992) that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities in accordance with the Code.

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 Company's financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRAL SECURITIES DEPOSITORY (GH) LIMITED (continued)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
<p>Impairment of trade receivables and investment securities</p> <p>At 31 December 2021, the Company's gross trade receivables was GH¢ 5,772,161 and gross investment securities was GH¢ 96,696,670.</p> <p>Expected credit loss of GH¢ 737,189 was recognised on trade receivables. There were none on investment securities.</p> <p>The company uses the Expected Credit Loss (ECL) approach, which takes into account a broad range of information, including forward-looking macroeconomic conditions with a number of underlying assumptions regarding the choice of inputs such as interest rates on Government securities, inflation rates, the Ghana cedi – US Dollar exchange rate, probability of default (PD), Exposure at default (EAD) and Loss given default (LGD).</p> <p>Investment securities comprise Government securities and Government secured fixed deposits. The movement of impairment loss on investment securities is disclosed in notes 11 and 25 of the financial statements.</p> <p>For accounts receivable, the Company uses a simplified provisioning matrix where trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles over a period of 24 months and the corresponding historical credit losses experienced within this period. The historic loss rates are adjusted to reflect forward-looking information such as interest rates on Government securities, inflation rate and the Ghana cedi – US Dollar exchange rate. The impairment of trade receivable is disclosed in notes 10 and 25.</p>	<p>We adopted a substantive approach in assessing the allowance for impairment on investment securities. These include:</p> <ul style="list-style-type: none"> ■ Testing the assumptions adopted in staging credit exposures for reasonableness. ■ Testing the data used and assessing the measurement decisions and the ECL models developed by the Company which include challenging management's determination of: <ul style="list-style-type: none"> - significant increase in credit risk, - definition of default, - probability of default, - exposure at default, and - loss given default. ■ Checking the model data input to the underlining accounting records and recomputing the model outputs. ■ Assessing the reasonableness of forward-looking information incorporated into the impairment calculations by challenging the multiple economic scenarios chosen and the weighting applied to capture non-linear losses. <p>Testing the disclosures on IFRS 9 and comparing them to underlying accounting records.</p>

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRAL SECURITIES DEPOSITORY (GH) LIMITED (continued)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
<p>Key judgements and estimates in respect of the timing and measurement of expected credit losses (ECL) include:</p> <ul style="list-style-type: none"> ■ Definition of default and credit impaired assets focusing on both the qualitative and quantitative criteria used by the Company; ■ Allocation of assets to stage 1, 2, or 3 using the significant increase in credit risk (SICR) criteria and focusing on both the qualitative and quantitative indicators; ■ Accounting interpretations and modelling assumptions used to build the models that calculate the ECL such as the Probability of Default – PD, Exposure At Default – EAD and Loss Given Default – LGD; ■ Completeness and accuracy of data used to calculate the ECL; ■ Forward-looking information and assumptions used to estimate the impact of multiple economic scenarios such as inflation rate, interest rate and the Ghana Cedi and US Dollar exchange rate; <p>The accounting policies and critical estimates and judgements set out in notes 2.4, 3 and 4 to the financial statements.</p>	<p>We adopted a substantive approach in assessing the allowance for impairment on trade receivables. These include:</p> <ul style="list-style-type: none"> ■ Testing the age analysis of trade receivables which was the basis of the provision matrix and assessing the reasonableness of the initial loss rate associated with each age bracket. ■ Assessing the reasonableness of forward-looking information incorporated into the impairment calculations. ■ Checking the model data input to the underlining accounting records and recomputing the model outputs. ■ Testing the disclosures on IFRS 9 and comparing them to underlying accounting records.

Other information

The directors are responsible for the other information. The other information comprises the Corporate Information and the Report of the Board of Directors but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Board of Directors, Management, Statement on Corporate Governance, Chairman's Statement, Statement of the Chief Executive Officer, 2021 Activities, Market Performance, Appendix and Glossary which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will 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 identified above 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.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRAL SECURITIES DEPOSITORY (GH) LIMITED (continued)

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

When we read the Board of Directors, Management, Statement on Corporate Governance, Chairman's Statement, Statement of the Chief Executive Officer, 2021 Activities, Market Performance, Appendix and Glossary, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2019 (Act 992), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company'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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

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 judgement and maintain professional scepticism throughout the audit. We also:

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRAL SECURITIES DEPOSITORY (GH) LIMITED (continued)

accounting estimates and related disclosures made by the directors;

- Conclude on the appropriateness of the directors' 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 Company'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 Company to cease to continue as a going concern; and
- 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 directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements

of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The Companies Act, 2019 (Act 992) requires that in carrying out our audit we 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 purposes of our audit;
- ii. in our opinion proper books of account have been kept by the Company, so far as appears from our examination of those books; and
- iii. the Company's statement of financial position and the Company's statement of comprehensive income are in agreement with the books of account.

The engagement partner on the audit resulting in this independent auditor's report is Michael Asiedu-Antwi (ICAG/P/1138).

PricewaterhouseCoopers (ICAG/F/2022/028)

Chartered Accountants

Accra, Ghana

7 April 2022

STATEMENT OF FINANCIAL POSITION

(All amounts are in Ghana cedis)

		At 31 December	
		2021	2020
Assets	Note		
Non- current assets			
Plant and equipment	7	2,997,350	1,697,364
Intangible assets	8	4,651,338	5,308,373
Right-of-use assets	9	811,009	1,413,572
		<u>8,459,697</u>	<u>8,419,309</u>
Current assets			
Accounts receivable	10	11,499,368	10,253,199
Investment securities	11	96,696,670	71,928,652
Other assets	12	1,927,820	1,676,631
Current income tax	16	493,090	-
Cash and bank balances	13	5,431,547	7,661,329
		<u>116,048,495</u>	<u>91,519,811</u>
Total assets		<u>124,508,192</u>	<u>99,939,120</u>
Liabilities			
Non- current liabilities			
Lease liabilities	9	1,083,060	1,649,232
Deferred income tax	15	388,486	372,968
		<u>1,471,546</u>	<u>2,022,200</u>
Current liabilities			
Accounts payable and accruals	14	8,247,086	8,041,989
Current income tax	16	-	2,880,229
Lease liabilities	9	344,139	271,886
		<u>8,591,225</u>	<u>11,194,104</u>
Total liabilities		<u>10,062,771</u>	<u>13,216,304</u>
Equity			
Stated capital	17	3,500,000	3,500,000
Other reserve	18	600,000	600,000
Retained earnings	19	110,345,421	82,622,816
Total equity		<u>114,445,421</u>	<u>86,722,816</u>
Total liabilities and equity		<u>124,508,192</u>	<u>99,939,120</u>

The financial statements on pages 71 to 106 were approved by the board of directors on **23 March 2022** and signed on its behalf by:



Dr. Maxwell Opoku-Afari

Director



Mr. Michael Ewusi Mensah

Director

The notes on pages 75 to 106 are an integral part of these financial statements.



STATEMENT OF COMPREHENSIVE INCOME

(All amounts are in Ghana cedis)

	Note	Year ended 31 December	
		2021	2020
Revenue	20	52,994,094	48,982,935
Other income	21	23,913,712	12,272,531
		76,907,806	61,255,466
Operating expenses	22	(32,982,231)	(25,335,709)
Finance costs	24	(285,188)	(360,362)
Profit before tax		43,640,387	35,559,395
Income tax expense	16	(10,667,782)	(9,445,039)
Profit for the year		32,972,605	26,114,356
Other comprehensive income		-	-
Total comprehensive income for the year		32,972,605	26,114,356

The notes on pages 75 to 106 are an integral part of these financial statements.



STATEMENT OF CHANGES IN EQUITY

(All amounts are in Ghana cedis)

	Stated capital	Other reserve	Retained earnings	Total
Year ended 31 December 2021				
At 1 January	3,500,000	600,000	82,622,816	86,722,816
Comprehensive income:				
Profit for the year	-	-	32,972,605	32,972,605
Total comprehensive income	-	-	32,972,605	32,972,605
Transactions with owners:				
Payment of dividend	-	-	(5,250,000)	(5,250,000)
At 31 December	3,500,000	600,000	110,345,421	114,445,421
Year ended 31 December 2020				
At 1 January	3,500,000	600,000	58,958,460	63,058,460
Comprehensive income:				
Profit for the year	-	-	26,114,356	26,114,356
Total comprehensive income	-	-	26,114,356	26,114,356
Transactions with owners:				
Payment of dividend	-	-	(2,450,000)	(2,450,000)
At 31 December	3,500,000	600,000	82,622,816	86,722,816

The notes on pages 75 to 106 are an integral part of these financial statements.

(All amounts are in Ghana cedis)

Cash flows from operating activities		Year ended 31 December	
	Note	2021	2020
Profit before income tax		43,640,387	35,559,395
Adjustment for:			
Depreciation expense	7&9	1,164,808	1,358,546
Amortisation expense	8	1,293,637	2,328,789
Loss on disposal of plant and equipment	7	259,387	-
Accrued interest income	11&12	(5,201,655)	(4,446,625)
Premium on investment securities	11	36,785	216,481
Finance cost on lease liabilities	9	285,188	360,362
Exchange difference	9	19,563	14,686
Loss allowance (release)/ charge on financial assets	25	(2,823)	421,385
Change in accounts receivable		(1,243,346)	(2,734,276)
Change in payables and accruals		205,097	2,718,669
Interest paid	9	(285,188)	(360,362)
Tax paid	16	(14,025,583)	(6,220,459)
Net cash generated from operating activities		<u>26,146,257</u>	<u>29,216,591</u>
Cash flows from investing activities			
Purchase of plant and equipment	7	(2,434,889)	(1,207,811)
Proceeds from disposal of plant and equipment	7	56,489	-
Purchase of intangible assets	8	(636,602)	(1,505,382)
Purchase of investment securities	11	(33,824,913)	(45,606,035)
Maturity of investment securities	11	14,093,112	26,773,164
Purchase of equity investment	12	-	(73,228)
Investment in managed fund	12	(122,536)	(109,573)
Net cash used in investing activities		<u>(22,869,339)</u>	<u>(21,728,865)</u>
Cash flows from financing activities			
Dividend paid		(5,250,000)	(2,450,000)
Repayment of lease liabilities	9	(256,700)	(177,399)
Net cash used in financing activities		<u>(5,506,700)</u>	<u>(2,627,399)</u>
(Decrease)/increase in cash and cash equivalents		<u>(2,229,782)</u>	4,860,327
Cash and cash equivalents at start of the year		<u>7,661,329</u>	<u>2,801,002</u>
Cash and cash equivalents at 31 December	13	<u>5,431,547</u>	<u>7,661,329</u>

The notes on page 75 to 106 are an integral part of these financial statements.



NOTES

1 General information

The Company is a limited liability company incorporated and domiciled in Ghana. The address of the Company's registered office is set out on page 1.

Central Securities Depository (GH) Limited operates for the following purposes:

- Providing a central depository for keeping record of beneficiary owners of financial instruments including government securities and in electronic form;
- Providing facilities to the public for the registration or transfer of ownership of shares, bonds and other securities;
- Undertaking clearing and settlement by book entry of financial instruments including government securities and equity;
- Providing for immobilisation and dematerialisation of securities;
- Facilitating buying, selling and other wise dealing in securities;
- Operating and managing of a central securities depository clearing and settlement services.

2 Summary of significant accounting policies

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

2.1 Basis of preparation

(i) Compliance with IFRS

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and in a manner required by Companies Act, 2019 (Act 992).

(ii) Historical cost convention

The financial statements have been prepared under the historical cost convention.

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

(iii) New and amended standards adopted by the Company

The following amendments and International Financial Reporting Interpretation Committee (IFRIC) interpretations were adopted by the Company for the first time for the financial year beginning on 1 January 2021.

- Covid-19-Related Rent Concessions – amendments to IFRS 16, and
- Interest Rate Benchmark Reform – Phase 2 – amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.

The Company also elected to adopt the following amendments early:

- Annual Improvements to IFRS Standards 2018–2020, and
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – amendments to IAS 12.

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

(iv) Standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2021 reporting periods and have not been early adopted by the Company. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2.2 Foreign currencies

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Ghana cedis, which is the Company's functional and presentation currency.

Transactions and balances

Other currency transactions are accounted for at the exchange rates prevailing at the dates of transactions. Monetary assets and liabilities denominated in currencies other than the Ghana cedis at the reporting date are translated into Ghana cedis at the exchange rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

2.3 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company, the revenue can be reliably measured and the performance obligations associated with the contracts are delivered. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and sales taxes or duty. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting

as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

Rendering of services

Income is recognised when services are rendered.

2.4 Financial instruments

2.4.1 Financial assets

Measurement methods

Amortised cost and effective interest rate

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees. For purchased or originated credit-impaired ('POCI') financial assets – assets that are credit-impaired at initial recognition – the Company calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows.

When the Company revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted

to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

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

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost and investments in debt instruments measured at FVOCI, which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

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

- a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.
- (b) In all other cases, the differences is deferred and the timing of recognition of deferred day

one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

(i) **Classification and subsequent measurement**

The Company classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

The classification requirements for debt and equity instruments are described below:

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans and investment securities.

Classification and subsequent measurement of debt instruments depend on:

- the Company's business model for managing the asset; and
- the cash flow characteristics of the asset.

Based on these factors, the Company classifies its debt instruments into one of the following three measurement categories:

- a) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represents solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured. Interest income from these financial assets is included in 'Other income' using the effective interest rate method.



- b) Fair value through other comprehensive income (FVOCI): Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortised cost which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'other operating income'. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.
- c) Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented in the profit or loss statement within 'Net trading income' in the period in which it arises. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

The above classifications are done using:

Business model: The business model reflects how the Company manages the assets in order to generate cash flows. That is, whether the Company's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business

model and measured at FVPL. Factors considered by the Company in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated. Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at FVPL.

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Company reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual

obligation to pay and that evidence a residual interest in the issuer's net assets. Examples of equity instruments include basic ordinary shares.

The Company subsequently measures all equity investments at fair value through profit or loss, except where the Company's management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through other comprehensive income. The Company's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

(ii) Impairment

The Company assesses on a forward-looking basis the expected credit losses ('ECL') associated with its debt instrument assets carried at amortised cost and FVOCI and with the exposure arising from loan and investments. The Company recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Refer to Note 4 for further details on the impairment process of financial assets.

(iii) De-recognition other than on a modification

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Company is recognised as a separate asset or liability.

2.4.2 Financial Liabilities

(i) Classification

The Company classifies its financial liabilities, other than financial guarantees and loan commitments, as measured at amortised cost.

(ii) Measurement

The 'amortised cost' of a financial liability is the amount at which the financial asset or financial 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.

(iii) *Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in income statement.

2.4.3 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash at bank and in hand, short-term fixed deposits with an original maturity of three months or less, bank overdrafts which are repayable on demand and which form an integral part of the company's cash management. Cash and cash equivalents are measured initially at fair value and subsequently at amortised cost.

2.4.4 Receivables

Accounts receivable and other receivables are recorded in the statement of financial position at cost after deduction of provision for expected losses.

2.4.5 Determination of fair value

For financial instruments traded in active markets, the determination of fair values of financial assets and financial liabilities is based on quoted market prices or dealer price quotations. This includes listed equity securities quoted on stock exchanges.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry Company, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's

length basis. If the above criteria are not met, the market is regarded as being inactive. Indicators that a market is inactive are when there is a wide bid-offer spread or significant increase in the bid-offer spread or there are few recent transactions.

For all other financial instruments, fair value is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using inputs (for example, yield curve, foreign exchange rates, and counterparty spreads) existing at the reporting dates.

2.4.6 Offsetting financial instruments

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 recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.5 Investments securities

Investment securities are initially measured at fair value plus incremental direct transaction costs and subsequently accounted for depending on their classification as hold to collect or hold to sell. After initial measurement, hold to collect investments are measured at amortised cost using the effective interest method, less impairment. The losses arising from impairment are recognised in the income statement in loss allowance.

2.6 Accounts payable and other liabilities

Accounts payable and other liabilities are recognized for amounts to be paid in the future for goods or services received whether billed by the supplier or not.

2.7 Property, plant and equipment

The Company recognises an item of property, plant and equipment as an asset when it is probable that future economic benefits will flow to it and the cost can be reliably measured by the Company.

Property, plant and equipment are measured at fair value less accumulated depreciation and impairment losses recognised after the date of the revaluation. Valuations are performed to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Any revaluation surplus is credited to the asset revaluation reserve in equity, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in the income statement, in which case the increase is recognised in the income statement. A revaluation deficit is recognised in the income statement, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognises such parts as individual assets with specific useful lives and depreciation respectively. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The current annual depreciation rates for each class of property, plant and equipment are as follows:

Equipment	25%
Furniture & Fittings	20%
Motor Vehicle	25%

Costs associated with day-to-day servicing and maintenance of assets is expensed as incurred. Subsequent expenditure is capitalized if it is probable that future economic benefits associated with the item will flow to the company.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of comprehensive income in the period the item is derecognized. Residual values, useful lives and methods of depreciation for property and equipment are reviewed, and adjusted if appropriate, at each financial year end.

2.8 Intangible assets

Intangible assets with indefinite useful lives are tested for impairment annually on the reporting date either individually or at the cash-generating unit level, as appropriate and when circumstances indicate that the carrying value may be impaired. Intangible assets whose useful lives can be reasonably estimated are amortised over the estimated useful lives of these assets. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement comprehensive in the expense category that is consistent with the function of the intangible assets. The current annual amortisation rate for the intangible asset (software) is 20%.

2.9 Leases

The Company leases its current office and other premises under non-cancellable operating lease arrangements.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.



The Company's lease contracts are typically made for fixed periods of 1 year to 3 years, but may have extension options. Contracts may contain both lease and non-lease components. The Company may allocate the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily

determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. As the Company does not revalue its land and buildings that are presented within property, plant and equipment, it has chosen not to revalue the right-of-use buildings held by the Company.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Extension and termination options are included in a number of property leases of the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

2.10 Impairment of non-financial assets

The carrying values of property, plant and equipment are reviewed for indications of impairment annually, or when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units to which the asset belongs are written down to their recoverable amount. The recoverable amount of property, plant and equipment is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For assets, excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. The company estimates the asset's or cash generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the assets recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

2.11 Employee benefits

Pension obligations

The Company makes contributions to a statutory pension scheme and a defined contribution to a provident fund for eligible employees. Contributions by the Company to the mandatory pension scheme are determined by law and are accounted for on accrual basis. The provident fund contributions are currently managed by Enterprise Trustees.

Other entitlements

The estimated monetary liability for employees' accrued annual leave entitlement at the reporting date is recognised as an expense accrual.

2.12 Taxation

a) Income tax

Income tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in shareholders' equity or other comprehensive income, in which case it is recognised in shareholders' equity or other comprehensive income.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Current tax assets and liabilities are offset when the Company intends to settle on net basis and the legal right to set-off exists.

b) Deferred income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises

from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same entity or different taxable entities where there is an intention to settle the balances on a net basis.

c) Value Added Tax (VAT)

Revenues, expenses and assets are recognised net of the amount of VAT except: where the value added tax incurred on a purchase of goods and services is not recoverable from the Taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable. The net amount of value added tax recoverable from, or payable to, the Ghana Revenue Authority is included as part of receivables or payables in the statement of financial position.

Stated capital

Stated capital represents non-distributable capital of the Company.

2.14 Dividend on ordinary shares

Dividends on ordinary shares are recognised in the period in which they are approved by the shareholders. Dividend proposed which is yet to be approved by shareholders, is disclosed by way of notes.

3 Critical accounting estimates and judgements in applying accounting policies

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

Accounting policies and directors' judgements for certain items are especially critical for the Company's results and financial situation due to their materiality.

Income taxes

Estimates are required in determining the provision for income taxes. There are certain transactions and calculations for which the ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current income tax and deferred income tax assets and liabilities in the period in which such determination is made.

Hold to collect financial assets

The Company classifies some non-derivative financial assets with fixed or determinable payments and fixed maturity as hold to collect. This classification requires significant judgement. In making this judgement, the Company uses the Business model and Solely for Payment of Principal and Interest (SPPI) model to assess that the purpose for holding these assets was to collect the contractual cash flows associated with the assets. If the Company were to fail to keep these investments to maturity other than for the specific circumstances – for example, selling an insignificant amount close to maturity – the Company is required to reclassify the entire category as hold to collect and sell. Accordingly, the investments would be measured at fair value instead of amortised cost.

Measurement of the expected credit loss allowance

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of counterparties defaulting and the resulting losses).

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios and the associated ECL.

Refer to Note 2.4 and 4 for further details on these estimates and judgements.

Determining impairment of property and equipment, and intangible assets

Management is required to make judgments concerning the cause, timing and amount of impairment. In the identification of impairment indicators, management considers the impact of changes in current competitive conditions, cost of capital, availability of funding, technological obsolescence, discontinuance of services and other circumstances that could indicate that impairment exists.

The Company applies the impairment assessment to its separate cash generating units. This requires management to make significant judgements and estimates concerning the existence of impairment indicators, separate cash generating units, remaining useful lives of assets, projected cash flows and net realisable values. Management's judgement is also required when assessing whether a previously recognised impairment loss should be reversed.

Lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).

Otherwise, the Company considers other factors including historical lease durations and the costs



and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

4 Financial risk management

The Company's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the Company's business, and operational risks are an inevitable consequence of being in business. The Company's aim is therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Company's financial performance.

The Company's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable

and up-to date information systems. The Company regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

The risks faced by the Company are market risk, credit risk and liquidity risk. Market risk includes interest rate and currency risk.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to market risk arising principally from customer-driven transactions and they include foreign currency risk and interest rate risk. Financial instruments affected by market risk include accounts receivable and investment securities.

Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates.



The table below summarises the Company's exposure to interest rate risks. It includes the Company's financial instruments at carrying amounts, categorised by the earlier of contractual re-pricing or maturity dates.

	Up to 1 month	1 - 3 months	3 -12 months	Over 12 months	Non-interest bearing	Total
At 31 December 2021						
Financial assets						
Bank balances	-	-	-	-	5,431,202	5,431,202
Investment securities	-	-	2,545,527	94,151,143	-	96,696,670
Other assets	-	-	1,834,592	-	93,228	1,927,820
Accounts receivable (less prepayments)	<u>10,597,054</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,597,054</u>
Total financial assets	<u>10,597,054</u>	<u>-</u>	<u>4,380,119</u>	<u>94,151,143</u>	<u>5,524,430</u>	<u>114,652,746</u>
Financial liabilities						
Lease liabilities	-	-	344,139	1,083,060	-	1,427,199
Accounts payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,247,086</u>	<u>8,247,086</u>
Finance liabilities	<u>-</u>	<u>-</u>	<u>344,139</u>	<u>1,083,060</u>	<u>8,247,086</u>	<u>9,674,285</u>
Total interest repricing gap	<u>10,597,054</u>	<u>-</u>	<u>4,035,980</u>	<u>93,068,083</u>	<u>(2,722,656)</u>	<u>104,978,461</u>

At 31 December 2020						
Financial assets						
Bank balances	-	-	-	-	7,659,205	7,659,205
Investment securities	-	-	8,594,361	63,334,291	-	71,928,652
Other assets	-	-	1,583,403	-	93,228	1,676,631
Accounts receivable (less prepayments)	<u>4,081,701</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,173,117</u>	<u>9,254,818</u>
Total financial assets	<u>4,081,701</u>	<u>-</u>	<u>10,177,764</u>	<u>63,334,291</u>	<u>12,925,550</u>	<u>90,519,306</u>
Financial liabilities						
Lease liabilities	-	-	271,886	1,649,232	-	1,921,118
Accounts payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,041,989</u>	<u>8,041,989</u>
Finance liabilities	<u>-</u>	<u>-</u>	<u>271,886</u>	<u>1,649,232</u>	<u>8,041,989</u>	<u>9,963,107</u>
Total interest repricing gap	<u>4,081,701</u>	<u>-</u>	<u>9,905,878</u>	<u>61,685,059</u>	<u>4,883,561</u>	<u>80,556,199</u>

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Included in the table are the Company's financial instruments at carrying amounts, categorised by currency.

Financial instruments by currency			
At 31 December 2021	Total	USD	GH¢
Cash and bank balance (excluding cash in hand)	5,431,202	25,945	5,405,257
Investment securities	96,696,670	-	96,696,670
Other assets	1,927,820	-	1,927,820
Accounts receivable (less prepayments)	10,597,054	-	10,597,054
Total financial assets	114,652,746	25,945	114,626,801
Lease liabilities	1,427,199	328,255	1,098,944
Accounts payable	8,247,086	-	8,247,086
Total financial liabilities	9,674,285	328,255	9,346,030

At 31 December 2020	Total	USD	GH¢
Cash and bank balance (excluding cash in hand)	7,659,205	24,883	7,634,322
Investment securities	71,928,652	-	71,928,652
Other assets	1,676,631	-	1,676,631
Accounts receivable (less prepayments)	9,254,818	-	9,254,818
Total financial assets	90,519,306	24,883	90,494,423
Accounts payable	8,041,989	-	8,041,989
Lease liabilities	1,921,118	399,678	1,521,440
Total financial liabilities	9,963,107	399,678	9,563,429

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily investment securities and trade receivables). Customer credit risk is managed by the Finance and Administration Department subject to the Company's established policy, procedures and control relating to customer credit risk management.

(a) Expected credit loss measurement

Significant increase in credit risk (SICR)

The Company considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative, qualitative or backstop criteria have been met:



Quantitative criteria:

The remaining Lifetime Probability of Default (PD) at the reporting date has increased, compared to the residual Lifetime PD expected at the reporting date when the exposure was first recognised.

Qualitative criteria

If the counterparty meets one or more of the following criteria:

- Direct debit cancellation
- Extension to the terms granted
- Previous arrears within the last [12] months
- Significant adverse changes in business, financial and/or economic conditions in which the counterparty operates
- Actual or expected forbearance or restructuring
- Actual or expected significant adverse change in operating results of the counterparty
- Significant change in collateral value (secured facilities only) which is expected to increase risk of default
- Early signs of cashflow or liquidity problems such as delay in servicing of facility. The assessment of SICR incorporates forward-looking information and is performed on a monthly basis at a portfolio level. The criteria used to identify SICR are monitored and reviewed periodically for appropriateness.

Backstop

A backstop is applied and the financial instrument considered to have experienced a significant increase in credit risk if the counterparty is more than 30 days past due on its contractual payments.

Low Credit Risk Exemption

The Company has not used the low credit risk exemption for any financial instruments in the period ended 31 December 2021.

Definition of default and credit-impaired assets

The Company defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria

The counterparty is more than 90 days past due on its contractual payments

Qualitative criteria

The counterparty meets unlikelihood to pay criteria, which indicates the counterparty is in significant financial difficulty. These are instances where:

- The counterparty is in long-term forbearance
- The counterparty is deceased
- The counterparty is insolvent
- The counterparty is in breach of financial covenant(s)
- An active market for that financial asset has disappeared because of financial difficulties
- Concessions have been made by the lender relating to the counterparty's financial difficulty
- It is becoming probable that the counterparty will enter bankruptcy
- Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

The criteria above have been applied to all financial instruments held by the Company and are consistent



with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss given Default (LGD) throughout the Company's expected loss calculations.

Measuring ECL – Explanation of inputs, assumptions and estimation techniques

The Expected Credit Loss (ECL) is measured on either a 12-month (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.

EAD is based on the amounts the Company expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD).

Loss Given Default (LGD) represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by projecting the PD, LGD and EAD and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The Lifetime PD is developed by applying a maturity profile to the current 12M PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis. The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type.

Forward-looking economic information is also included in determining the 12-month and lifetime PD, EAD and LGD. These assumptions vary by product type. The assumptions underlying the ECL calculation – such as how the maturity profile of the PDs and how collateral values change etc. – are monitored and reviewed. There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

Forward-looking information incorporated in the ECL models

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The Company has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio.

Economic Variable Assumptions

The most significant period end assumptions used for the ECL estimate as at 31 December 2021 are set out below:

Scenario	Weight %	Inflation %	Interest rate %	Cedi/ dollar depreciation rate %
Base Case	50%	11.77	16	4.27
Improvement	15%	12.77	17	3.27
Deterioration	35%	10.77	15	5.27

Economic Variable Assumptions

The forward-looking economic information affecting the ECL model are as follows:

1. Inflation – Inflation is used to assess the relative health of the economy. Forward looking information is incorporated by using the projected inflation rate for the current year as a base.
2. Interest rate – Interest rate is used due to its impact on the relative liquidity and likelihood of default of counterparties. Forward looking information is incorporated by using the expected inflation rates for the next four quarters.
3. Cedi/dollar exchange rate – the fluctuation of the cedi to the dollar is used to assess the relative stability of the assets and liabilities of the counterparty. Forward looking information is incorporated by using the expected currency fluctuation rates for the next year.

At 31 December 2021, the Company's financial instruments were categorised under IFRS 9 as follows:

- Stage 1 – At initial recognition - Performing
- Stage 2 – Significant increase in credit risk since initial recognition - Underperforming
- Stage 3 – Credit impaired – Non-performing

	31 December 2021			
	Stage 1	Stage 2	Stage 3	Total
Cash and bank balances	5,431,547	-	-	5,431,547
Investment securities	96,696,670	-	-	96,696,670
Accounts receivable (less prepayments)	9,725,589	1,133,408	475,246	11,334,243
Other assets	1,927,820	-	-	1,927,820
Gross carrying amount	113,781,626	1,133,408	475,246	115,390,280
Loss allowance	(134,273)	(127,670)	(475,246)	(737,189)
Carrying amount	113,647,353	1,005,738	-	114,653,091



	31 December 2020			
	Stage 1	Stage 2	Stage 3	Total
Cash and bank balances	7,661,329	-	-	7,661,329
Investment securities	71,928,652	-	8,154,242	80,082,894
Accounts receivable (less prepayments)	7,897,311	1,625,281	472,238	9,994,830
Other assets	1,676,631	-	-	1,676,631
Gross carrying amount	89,163,923	1,625,281	8,626,480	99,415,684
Loss allowance	(122,100)	(145,674)	(8,626,480)	(8,894,254)
Carrying amount	89,041,823	1,479,607	-	90,521,430

Details of the impairment on investment securities and accounts receivable are disclosed in notes 10, 11 and 25. All other financial assets of the Company with credit risk exposure are neither past due nor impaired.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company generally trades with pre-defined and selected customers. Credit exposure on trade receivable is covered by customers issuing post-dated cheques to cover amounts owed.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. On that basis, the loss allowance as at 31 December 2021 and 31 December 2020 was determined as follows:

31 December 2021		0 to 30 days	30 to 60 days	60 to 90 days	90 to 120 days	120 to 150 days	150 to 180 days	180 to 365 days	>365 days
Total									
Expected loss rate		3.23%	5.44%	8.63%	14.72%	10.67%	11.50%	16.91%	100%
Gross carrying amount	5,772,161	4,163,506	151,354	230,756	77,604	407,019	7,359	259,317	475,246
Loss allowance	737,189	134,273	8,232	19,908	11,423	43,420	846	43,841	475,246



31 December 2020		0 to 30 days	30 to 60 days	60 to 90 days	90 to 120 days	120 to 150 days	150 to 180 days	180 to 365 days	>365 days
Total									
Expected loss rate		3.20%	4.10%	5.70%	7.09%	9.70%	14.20%	19.70%	100%
Gross carrying amount	5,913,129	3,815,610	307,100	120,820	814,252	63,679	10,836	308,594	472,238
Loss allowance	740,012	122,100	12,590	6,886	57,690	6,176	1,539	60,793	472,238

The expected loss rates are based on the payment profiles of sales over a period of 24 month before 31 December 2021 or 31 December 2020 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the interest rates and the cedi/dollar change rate to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Impairment losses have also been recognised for specific customers whose debts are individually assessed and are considered impaired.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting its obligation when they fall due. The Company monitors its risk of a shortage of funds by monitoring the maturity dates of existing trade accounts payables and other liabilities. Management monitors rolling forecasts of the Company's liquidity on the basis of expected cash flow.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to contractual maturity date. The amounts in the table below are the contractual undiscounted cash flows:



At 31 December 2021	Up to 1 month	1 - 3 months	3 -12 months	Over 12 months	Total
Financial liabilities					
Accounts payable	8,247,086	-	-	-	8,247,086
Lease liabilities	-	-	589,046	1,572,873	2,161,919
Total financial liabilities	8,247,086	-	589,046	1,572,873	10,409,005
Financial assets held for managing liquidity risk	18,354,143	-	6,413,127	157,966,800	182,734,070

At 31 December 2020					
Financial liabilities					
Accounts payable	8,041,989	-	-	-	8,041,989
Lease liabilities	-	-	604,927	2,287,726	2,892,653
	<u>8,041,989</u>	<u>-</u>	<u>604,927</u>	<u>2,287,726</u>	<u>10,934,642</u>
Total financial liabilities					
Financial assets held for managing liquidity risk	<u>17,183,921</u>	<u>-</u>	<u>8,594,032</u>	<u>63,334,620</u>	<u>89,112,573</u>

5 Capital management

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio that support its business and maximise shareholder value. Management considers capital to consist only of equity as disclosed in the statement of financial position. In order to ensure an appropriate return for shareholder's capital invested in the Company, management thoroughly evaluates all material projects and potential acquisitions before approval.

6 Fair value of financial assets and liabilities

The fair value of a financial instrument is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The table below sets out the carrying amounts and fair values of those financial assets and liabilities not presented on the Company's statement of financial position at their fair values:



At 31 December 2021

	Amortised cost	FVOCI	Other liabilities at amortised cost	Total	Fair value
Cash and bank balances	5,431,547	-	-	5,431,547	5,431,547
Investment securities	96,696,670	-	-	96,696,670	104,563,433
Other assets	1,834,592	93,228	-	1,927,820	1,996,440
Accounts receivable (less prepayments)	10,597,054	-	-	10,597,054	10,597,054
Total financial assets	114,559,863	93,228	-	114,653,091	122,588,474

Financial liabilities

Accounts payable	-	-	8,247,086	8,247,086	8,247,086
Lease liabilities	-	-	1,427,199	1,427,199	1,427,199
Total financial liabilities	-	-	9,674,285	9,674,285	9,674,285

At 31 December 2021

Cash and bank balances	7,661,329	-	-	7,661,329	7,661,329
Investment securities	71,928,652	-	-	71,928,652	77,564,503
Other assets	1,583,403	93,228	-	1,676,631	1,795,554
Accounts receivable (less prepayments)	9,254,818	-	-	9,254,818	10,466,063
Total financial assets	90,428,202	93,228	-	90,521,430	97,487,449

Financial liabilities

Accounts payable	-	-	8,041,989	8,041,989	8,041,989
Lease liabilities	-	-	1,921,118	1,921,118	1,921,118
Total financial liabilities	-	-	9,963,107	9,963,107	9,963,107

Accounts receivable

Accounts receivable, including loans to staff are net of charges for impairment and provisions for bad debt. The estimated fair value of the accounts receivable represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

Other assets

Equity investments

Investments in equity are carried at fair value through other comprehensive income. The cost of the equity investment is a reasonable approximation of its fair value.

Investments in funds

Investments in funds are carried at amortised cost less impairment. The estimated fair value of investments in funds represents the discounted

amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

Investment securities

Investment securities are carried at amortised cost less impairment. The estimated fair value of investment securities represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

Cash and bank balances

The carrying values of cash balances with banks are a reasonable approximation of fair values.

7 Plant and equipment

Year ended 31 December 2021

	Equipment	Furniture and fittings	Motor vehicle	Total
Cost				
At 1 January	2,878,174	606,884	2,631,627	6,116,685
Additions	80,083	140,668	2,214,138	2,434,889
Disposals	(3,950)	(51,130)	(951,036)	(1,006,116)
At 31 December	2,954,307	696,422	3,894,729	7,545,458
Accumulated depreciation				
At 1 January	1,750,992	500,208	2,168,121	4,419,321
Charge for the year	417,471	63,022	338,534	819,027
Disposals	(2,463)	(51,150)	(636,627)	(690,240)
At 31 December	2,166,000	512,080	1,870,028	4,548,108
Net book amount				
At 31 December	788,307	184,342	2,024,701	2,997,350



Year ended 31 December 2020

Cost				
At 1 January	2,190,763	606,884	2,111,227	4,908,874
Additions	<u>687,411</u>	<u>-</u>	<u>520,400</u>	<u>1,207,811</u>
At 31 December	<u>2,878,174</u>	<u>606,884</u>	<u>2,631,627</u>	<u>6,116,685</u>
Accumulated depreciation				
At 1 January	1,380,447	429,981	1,622,401	3,432,829
Charge for the year	<u>370,545</u>	<u>70,227</u>	<u>545,720</u>	<u>986,492</u>
At 31 December	<u>1,750,992</u>	<u>500,208</u>	<u>2,168,121</u>	<u>4,419,321</u>
Net book amount				
At 31 December	<u>1,127,182</u>	<u>106,676</u>	<u>463,506</u>	<u>1,697,364</u>

Loss on disposal of assets	2021	2020
Cost	1,006,116	-
Accumulated depreciation	(690,240)	-
Net book value	315,876	-
Proceeds from disposal	(56,489)	-
Loss on disposals	<u>259,387</u>	-

8 Intangible assets

Year ended 31 December 2021

Cost	Software	Capital work in progress	Total
Balance as at 1 January	14,693,298	2,454,015	17,147,313
Additions	<u>142,580</u>	<u>494,022</u>	<u>636,602</u>
Balance at 31 December	<u>14,835,878</u>	<u>2,948,037</u>	<u>17,783,915</u>
Accumulated amortisation			
Balance as at 1 January	11,838,940	-	11,838,940
Amortisation for the year	<u>1,293,637</u>	<u>-</u>	<u>1,293,637</u>
Balance at 31 December	<u>13,132,577</u>	<u>-</u>	<u>13,132,577</u>
Net book value			
Balance as at 31 December	<u>1,703,301</u>	<u>2,948,037</u>	<u>4,651,338</u>



Year ended 31 December 2020

Cost

Balance as at 1 January	13,792,312	1,849,619	15,641,931
Additions	<u>900,986</u>	<u>604,396</u>	<u>1,505,382</u>
Balance at 31 December	<u>14,693,298</u>	<u>2,454,015</u>	<u>17,147,313</u>

Accumulated amortisation

Balance as at 1 January	9,510,151	-	9,510,151
Amortisation for the year	<u>2,328,789</u>	<u>-</u>	<u>2,328,789</u>
Balance at 31 December	<u>11,838,940</u>	<u>-</u>	<u>11,838,940</u>

Net book value

Balance as at 31 December	<u>2,854,358</u>	<u>2,454,015</u>	<u>5,308,373</u>
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9 Leases

Right- of- use assets - Buildings	2021	2020
Cost		
Balance as at 1 January	2,149,868	2,149,868
Lease modification	<u>(256,782)</u>	<u>-</u>
Balance as at 31 December	<u>1,893,086</u>	<u>2,149,868</u>
Accumulated depreciation		
Balance as at 1 January	736,296	364,242
Depreciation for the year	<u>345,781</u>	<u>372,054</u>
Balance at 31 December	<u>1,082,077</u>	<u>736,296</u>
Net book value		
Balance as at 31 December	<u>811,009</u>	<u>1,413,572</u>

The movement in lease liabilities is as follows:

	2021	2020
Lease liabilities		
Balance at 1 January	1,921,118	2,083,831
Lease modification	<u>(256,782)</u>	<u>-</u>
Interest expense	285,188	360,362
Interest expense paid	<u>(285,188)</u>	<u>(360,362)</u>
Repayment of lease liabilities	<u>(256,700)</u>	<u>(177,399)</u>
Exchange loss on lease liabilities	<u>19,563</u>	<u>14,686</u>
	<u>1,427,199</u>	<u>1,921,118</u>
Analysis:		
Current	344,139	271,886
Non-current	<u>1,083,060</u>	<u>1,649,232</u>
	<u>1,427,199</u>	<u>1,921,118</u>

10 Accounts receivable

Net trade receivable	5,034,972	5,173,117
Staff loans	5,548,921	4,081,701
Prepayments	902,314	998,381
Staff salary advance	13,161	-
	<u>11,499,368</u>	<u>10,253,199</u>

Details of trade receivable balance is as follows:

Gross balance	5,772,161	5,913,129
Loss allowance	<u>(737,189)</u>	<u>(740,012)</u>
	<u>5,034,972</u>	<u>5,173,117</u>

11 Investment securities

Treasury bills	2,545,527	8,594,032
Treasury bonds	90,527,475	63,334,620
Fixed deposits	3,623,668	8,154,242
	96,696,670	80,082,894
Expected credit loss on fixed deposits	-	<u>(8,154,242)</u>
	<u>96,696,670</u>	<u>71,928,652</u>

The movement in investment securities is as follows:

Year ended 31 December 2021

	Treasury bills	Treasury bonds	Fixed deposits	Total
At start of year	8,594,032	63,334,620	-	71,928,652
Additions	-	30,447,408	3,377,505	33,824,913
Maturities	(8,594,032)	(5,499,080)		(14,093,112)
Accrued interest	-	5,073,002		5,073,002
Unwinding of (premium)/discount on bonds	-	(282,948)	246,163	(36,785)
Loss allowance	-	-	-	-
At end of year	-	93,073,002	3,623,668	96,696,670

Year ended 31 December 2020

	Treasury bills	Treasury bonds	Fixed deposits	Total
At start of year	16,860,514	32,123,878	8,154,242	57,138,634
Additions	15,406,035	30,200,000	-	45,606,035
Maturities	(24,232,954)	(2,540,210)	-	(26,773,164)
Accrued interest	560,437	3,767,433	-	4,327,870
Unwinding of premium on bonds	-	(216,481)	-	(216,481)
Loss allowance	-	-	(8,154,242)	(8,154,242)
At end of year	8,594,032	63,334,620	-	71,928,652

Maturing as follows:

	2021	2020
Within 91 days of acquisition	-	-
After 91 days of acquisition	96,696,670	<u>71,928,652</u>
	96,696,670	<u>71,928,652</u>

Fixed deposits amounting to GH¢ 8,154,242 in prior year was due from two fund managers, whose licenses were revoked by their regulator, Securities and Exchange Commission, Ghana in November 2020. The exposure was fully provided for in 2018 and the Board of Directors approved the write off

of this amount in February 2021. The Company participated in the Government bailout program for entities exposed to companies whose licenses were revoked and received a refund in the form of cash and government secured fixed deposits in June and September 2021.

12 Other assets

	2021	2020
Investment in guarantee fund	1,834,592	1,583,403
Equity investment	<u>93,228</u>	<u>93,228</u>
	1,927,820	<u>1,676,631</u>

Movement in investment in Guarantee fund is shown below:

At start of the year	1,583,403	1,355,075
Additions	122,536	109,573
Interest income accrued	<u>128,653</u>	<u>118,755</u>
At end of the year	1,834,592	<u>1,583,403</u>

(i) Investment in guarantee fund represents a 50% contribution of GH¢ 1,000,000 to the Settlement Guarantee fund and interest income earned to date. The fund is managed by Central Securities Depository (GH) Limited and is invested in treasury bills and bonds

(ii) Central Securities Depository (GH) Limited contributed GH¢ 20,000 as a 10% equity interest in Ghana Investment and Securities Institute Limited (GISI) in March 2017. An additional contribution of GH¢ 73,228 was made in June 2020. The investment is measured at fair value through other comprehensive income. As at 31 December 2021, the cost of the investment is deemed as a fair approximation of the fair value.

13 Cash and bank balances

	2021	2020
Bank balance	5,431,202	7,659,205
Cash on hand	345	2,124
	<u>5,431,547</u>	<u>7,661,329</u>

For purposes of the statement of cash flows, cash and cash equivalents comprise:

	2021	2020
Cash and Bank balances	5,431,547	7,661,329
Investment securities maturing within 91 days of acquisition	-	-
	<u>5,431,547</u>	<u>7,661,329</u>

14 Accounts payable and accruals

Creditors	184,623	79,535
SEC levy	1,349,550	1,651,996
GSE levy	2,626,821	3,479,201
Unutilized merger grant	104,664	104,664
Withholding Tax	1,186,182	529,689
Accruals	1,867,956	1,707,882
Payable to Bank of Ghana	183,836	183,836
Other payables	<u>743,454</u>	<u>305,186</u>
	<u>8,247,086</u>	<u>8,041,989</u>

15 Deferred income tax

Deferred income taxes are calculated on all temporary differences under the liability method using a principal tax rate of 25%.

The movement on the deferred income tax account is as follows:

	2021	2020
At start of period	372,968	241,885
Charge to profit or loss	<u>15,518</u>	<u>131,083</u>
At 31 December	<u>388,486</u>	<u>372,968</u>

Deferred income tax liabilities are attributable to the following:

Year ended 31 December 2021	At 1 January	Charged to profit or loss	At 31 December
Plant and equipment and intangible assets	<u>372,968</u>	<u>15,518</u>	<u>388,486</u>
Year ended 31 December 2020			
Plant and equipment and intangible assets	<u>241,885</u>	<u>131,083</u>	<u>372,968</u>

16 Income tax

Income tax expense

	2021	2020
Current income tax	10,652,264	9,313,956
Deferred income tax	<u>15,518</u>	<u>131,083</u>
	<u>10,667,782</u>	<u>9,445,039</u>

The movement in current income tax is as follows;

Year ended 31 December 2021	Balance as at 1 January	Payments during the year	Charge for the year	Balance as at 31 December
Up to 2020	2,880,229	-	105,346	2,985,575
2021	-	(14,025,583)	10,546,918	(3,478,665)
	2,880,229	(14,025,583)	10,652,264	(493,090)
Year ended 31 December 2020				
Up to 2019	(213,268)	-	-	(213,268)
2020	-	(6,220,459)	9,313,956	3,093,497
	(213,268)	(6,220,459)	9,313,956	2,880,229

Tax reconciliation

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the statutory tax rate of 25% as follows:

	2021	2020
Profit before tax	43,640,387	35,959,395
Tax using the domestic corporate tax rate of 25%	10,910,097	8,989,849
Tax effect of:		
Adjustment in respect of prior periods	105,346	-
Expenses not deductible for tax purposes	142,699	923,846
Tax effect on capital allowance	(490,360)	(468,656)
	10,667,782	9,445,039
Effective tax rate	24.44%	26.27%

17 Stated capital

The authorised shares of the Company is 3,500,000 ordinary shares of no par value, all of which 3,500,000 have been issued as follows:

	2021		2020	
	Number of shares	Proceeds	Number of shares	Proceeds
Issued for cash consideration	<u>3,500,000</u>	<u>3,500,000</u>	<u>3,500,000</u>	<u>3,500,000</u>

There are no unpaid liability on shares at the reporting date. There were no shares held in treasury at year end (2020: Nil).

18 Other reserve

This represents the value of reserve that Ghana Stock Exchange Securities Depository brought into the combined business in 2014. This reserve is currently being held as a discretionary reserve.

19 Retained earnings

Retained earnings represent cumulative annual profits that are available for distribution to the shareholders of the Company. The amount is shown as part of statement of changes in equity.

20 Revenue

Registration fees	60,000	55,000
Issuer fees	34,769,594	37,312,257
Transaction fees	17,922,000	11,351,781
Renewal fees	242,500	263,897
	52,994,094	48,982,935



21 Other income

Interest earned on investments and staff loans	13,582,221	11,220,018
Miscellaneous income	480,223	811,185
Impairment of financial assets released (Note 25)	2,823	-
Net income from investment fund	251,189	228,328
Recovery of investments written off	9,484,456	-
Training fees on CSD software	112,800	13,000
	23,913,712	12,272,531

22 Operating expenses

Employee cost (Note 23)	20,770,418	13,342,443
Exchange loss on lease liabilities (Note 9)	19,563	14,686
Training and capacity building	481,443	497,129
Travel and motor running	382,608	354,618
General and administrative expenses	1,847,662	1,844,536
Stationery and printing	40,253	81,115
Communication	67,628	45,039
Loss on disposal of assets	259,387	-
Impairment of financial assets (Note 25)	-	421,385
Audit fees	148,480	134,320
Board expenses	785,527	64,990
Directors fees	1,108,367	886,878
Consultancy	409,390	5,025
Depreciation and amortisation	2,458,445	3,687,335
Information technology expenses	3,991,060	3,648,956
Promotion and public education	-	22,000
Utilities	180,000	163,392
Legal fees	-	-
Donations (corporate social responsibilities)	32,000	121,862
	32,982,231	25,335,709



23 Employee cost

	2021	2020
Basic salaries and allowances	10,784,908	8,344,107
Employer social security contributions	1,049,093	583,318
Other staff related costs	<u>8,936,417</u>	<u>4,415,018</u>
	<u>20,770,418</u>	<u>13,342,443</u>

24 Finance costs

	2021	2020
Interest expense on lease liabilities (Note 9)	<u>285,188</u>	<u>360,362</u>

25 Impairment of financial assets

The impairment balances and charges to profit or loss are as follows:

	Investment securities		Accounts receivable		Total
	General provision	Specific provision	General provision	Specific provision	

31 December 2021

Balance at 1 January	-	8,154,242	267,774	472,238	8,894,254
Impairment provision written off with asset value	-	(8,154,242)	-	-	(8,154,242)
Impairment (release)/ charge for the year	-	-	(5,831)	3,008	(2,823)
Balance at 31 December	-	-	<u>261,943</u>	<u>475,246</u>	<u>737,189</u>

31 December 2020

Balance at 1 January	-	8,154,242	90,239	228,388	8,472,869
Impairment charge/(release) for the year	-	-	177,535	243,850	421,385
Balance at 31 December	-	<u>8,154,242</u>	<u>267,774</u>	<u>472,238</u>	<u>8,894,254</u>

26 Related party disclosures

The company is 70% owned by the Bank of Ghana and 30% owned by the Ghana Stock Exchange.

Transactions with related parties are as follows:

Related party transactions

	2021	2020
Transactions with Bank of Ghana		
Issuer and transaction fees	<u>14,165,887</u>	<u>19,872,614</u>
Repayment of lease liability/rent expense	<u>406,000</u>	<u>406,000</u>
Utilities expense	<u>180,000</u>	<u>160,000</u>

Related party balances

The balances on transactions with related parties are included in accounts receivable, accounts payable and cash and bank balances as follows:

	2021	2020
Accounts receivable		
Fees due from Bank of Ghana	<u>2,150,546</u>	<u>1,890,764</u>
Bank balances		
Balance with Bank of Ghana	<u>5,054,150</u>	<u>6,403,171</u>
Accounts payable		
Provision of office space and utilities to CSD payable to Bank of Ghana	<u>1,492,000</u>	<u>1,312,000</u>
Amounts payable to the Ghana Stock Exchange	<u>2,626,821</u>	<u>3,479,201</u>
Amounts payable to Bank of Ghana	<u>183,836</u>	<u>183,836</u>

Key management personnel compensation

Short term employee benefits	<u>4,200,181</u>	3,982,873
Post-employment benefits	<u>647,010</u>	<u>613,535</u>
	<u>4,847,191</u>	<u>4,596,408</u>

Directors' compensation

Fees and other benefits	<u>2,151,468</u>	<u>886,878</u>
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27 Contingent liabilities

There were no contingent liabilities at 31 December 2021 (2020: Nil).

28 Capital commitments

There were no capital commitments at 31 December 2021 (2020: Nil).

29 Events after reporting period

Proposed dividend

The directors have proposed the payment of dividend of GH¢1.65 per share amounting to GH¢ 5,775,000 for the year ended 31 December 2021.



NOTES



NOTES



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