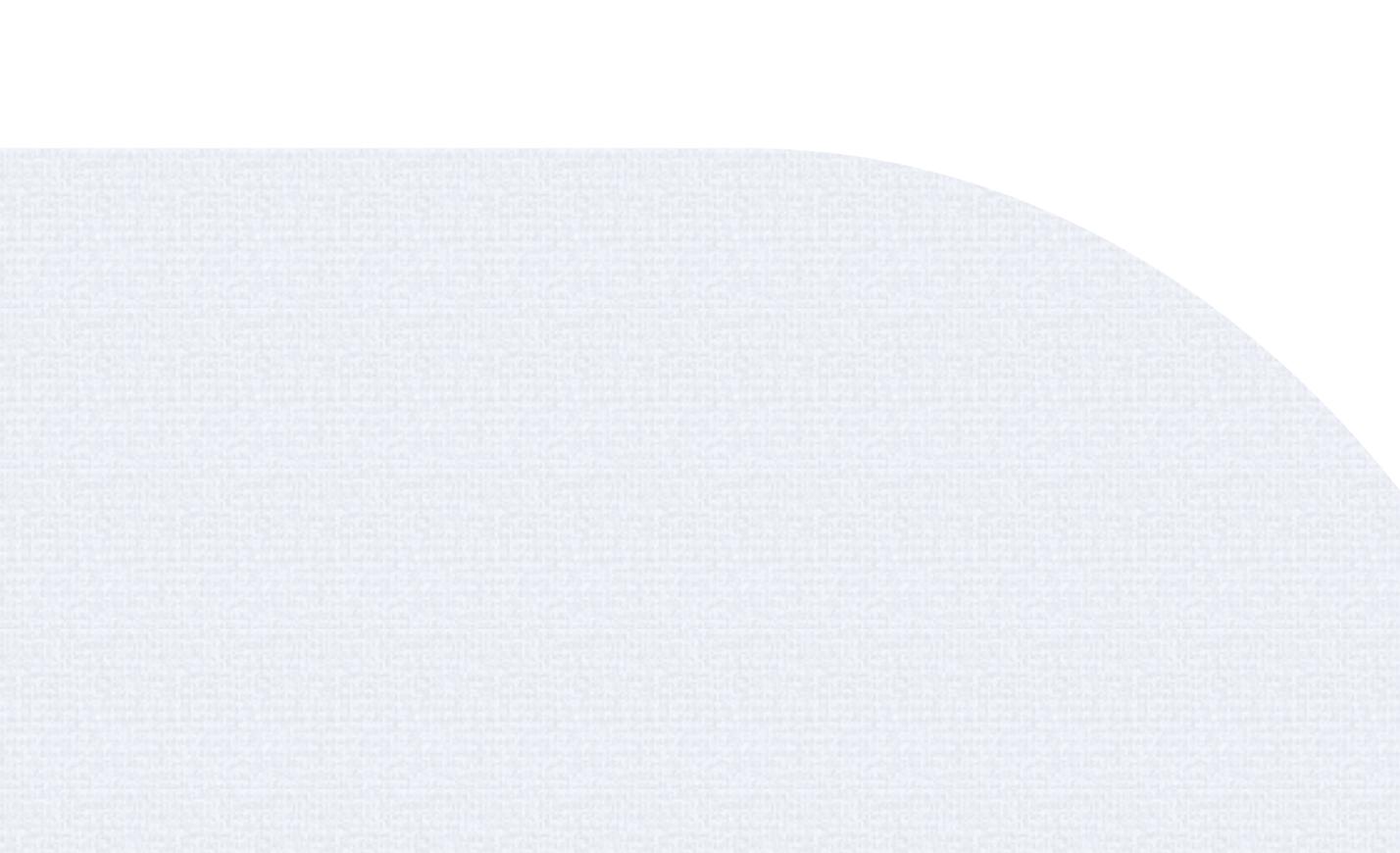


TESAH TREASURY TRUST 2022 ANNUAL REPORT

Year Ended 2022



ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 2022



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CORPORATE INFORMATION

THE BOARD OF DIRECTORS OF THE FUND MANAGER (TESAH CAPITAL LIMITED)	<p>Eric Nana Otoo Mensah Seneadza Justice Duffu Yankson Kwabena Ahenkora Boamah Eugenia Basheer</p>	<p>Chairman (Non-Executive) Member (Non-Executive) Member (Non-Executive) Member (Non-Executive) Managing Director</p>
REGISTERED OFFICE	<p>8th Floor, SSNIT Emporium Liberation Road, Airport City</p> <p>P.O. Box GP 2222, Accra Accra-Ghana</p>	
FUND MANAGER	<p>Tesah Capital Limited 8th Floor, SSNIT Emporium, Liberation Road, Airport City</p> <p>P.O. Box GP 2222, Accra-Ghana</p>	
TRUSTEES	<p>Guaranty Trust Bank (Ghana) Limited 25A, Castle Road, Ambassadorial Area, Ridge. P.O. Box PMB CT 416 Cantonments, Accra</p>	
AUDITORS	<p>John Kay and Co. Chartered Accountants 7th Floor, Trust Towers Farrar Avenue, Adabraka P.O. Box 16088 Accra</p>	
BANKERS	<p>Guaranty Trust Bank (Ghana) Limited 25A, Castle Road, 25A, Castle Road, Accra</p>	

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2nd Annual General Meeting of Unitholders of Tesah Treasury Trust will be held virtually via Microsoft Teams on 26th July, 2023 at 2:00 pm to transact the following;

1. To review the Report of Directors and Auditors for the year ended 31st December, 2022
2. To receive and approve the Financial Statements for the year ended 31st December, 2022
3. To authorize the Directors to determine the remuneration of the Auditors for the year 2023
4. To address any other relevant matters suitable for discussion at an Annual General Meeting

A Unitholder is entitled to attend and vote or may appoint a proxy to attend and vote on his/her behalf. Such a proxy need not be a Unitholder. A copy of the proxy form will be available on the website of Tesah Capital Limited.

The duly completed proxy form may be deposited not later than forty-eight (48) hours prior to the commencement of the meeting via mail on clientservice@tesahcapital.com or at Tesah Capital Limited's office (Eighth Floor, SSNIT Emporium, Liberation Road, Airport City).

Dated this 5th Day of July, 2023

NOTES

1. VIRTUAL ATTENDANCE

This Annual General Meeting (of unitholders) shall be held virtually and attendance by all Unitholders and/or their proxies shall be by online participation (Microsoft Teams).

2. PROXY/PROXY FORMS

A Unitholder entitled to attend and vote at the AGM is entitled to appoint a proxy to attend the virtual meeting and vote in his/her stead. Such a proxy need not be a Unitholder of the Trust.

The appointment of a proxy will not prevent a Unitholder from subsequently attending and voting at the meeting (via online participation). Where a Unitholder attends the meeting in person (i.e. participates online), the proxy appointment shall be deemed to be revoked.

A copy of the Proxy Form can be downloaded from www.tesahcapital.com and must be completed and emailed to clientservice@tesahcapital.com or deposited at Tesah Capital Limited's office (Eighth Floor, SSNIT Emporium, Liberation Road, Airport City) not later than 48 hours before the appointed time of the meeting. A proxy form is provided in the Annual Report. An electronic version of the Annual Report of Tesah Treasury Trust may be accessed at Tesah Capital Limited's website www.tesahcapital.com.

3. REGISTERING FOR AND PARTICIPATING IN THE AGM

i. To Register for the AGM:

Unitholders who wish to participate in this year's AGM are to register through the following link <http://bit.ly/3CYCooe>

After registering you will receive a confirmation email containing information about joining the AGM

ii. To Participate in the AGM:

Raise your hand to either second a motion or ask a question

- Click "Participants".
- Click "Raise hand" at the bottom of the participants' dialogue box

On Mobile:

- Tap the three dots labelled "More" on the far right of the controls bar.
- Tap "Raise hand" to raise your hand.

You will be unmuted to perform the action for which your hand was raised

iii. Use the Polling Feature to Vote for or Against a Motion

On PC and Mobile

- When it is time to vote, the poll will appear on your screen.
- Tap/click on your preferred option (FOR or AGAINST) to cast your vote.

When voting ends, the results will be shared on your screen

REPORT OF THE BOARD OF DIRECTORS OF THE FUND MANAGER TO THE MEMBERS OF TESAH TREASURY TRUST

The Board of Directors of Tesah Capital Limited (the Fund Manager) presents the report and audited financial statements of Tesah Treasury Trust (the Trust) for the year ended 31 December 2022.

FINANCIAL STATEMENTS

The results for the year are set out in the attached financial statements. The Board of Directors of the Fund Manager considers the state of the affairs of the Trust to be satisfactory.

NATURE OF BUSINESS

The Tesah Treasury Trust is a unit trust registered and domiciled in Ghana. It is licensed by the Securities and Exchange Commission of Ghana to operate as an authorized Unit Trust. The objective of the Tesah Treasury Trust is to offer liquidity to investors who are seeking to maximize short-term income while preserving capital. The Trust's investment objective is to maximize short-term income while aiming to preserve capital and maintain a high degree of liquidity.

DIVIDEND DISTRIBUTION POLICY

The Trust does not distribute dividends. All income earned is reinvested. Unitholders should be aware that the Trust aims to achieve capital growth and as such income is reinvested to take advantage of the effects of compounding interest.

DIRECTORS' CAPACITY BUILDING

During the year ended 2022, the Company engaged the services of a consultant to train the Board of Directors. All members joined the training.

i. INVESTMENT DISTRIBUTION:

Total Investment as at 31 December 2022 is made up as follows:

ASSETS	2022 GHS	2021 GHS
Government of Ghana Securities	12,507,687	4,093,970
Local Gov't and Statutory Agency Securities	1,524,965	3,977,637
Cash and Cash Equivalents	1,819,986	114,124
Receivables	-	14,384
	15,852,638	8,200,115

ii. BELOW ARE THE ASSET ALLOCATIONS FOR THE YEAR ENDED

	2022 (%)	2021 (%)
Government of Ghana Securities	78.90	49.90
Local Gov't and Statutory Agency Securities	9.60	48.50
Cash & Cash Equivalents	11.50	1.40
Receivables	0.00	0.20
	100	100

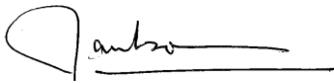
APPROVAL OF FINANCIAL STATEMENTS

The Financial Statements of the Trust were approved by the Board of Directors of the Fund Manager on 30th May, 2023 and signed on its behalf by:

Dr. Justice Yankson

.....

DIRECTOR



.....

SIGNATURE

Mensah Seneadza

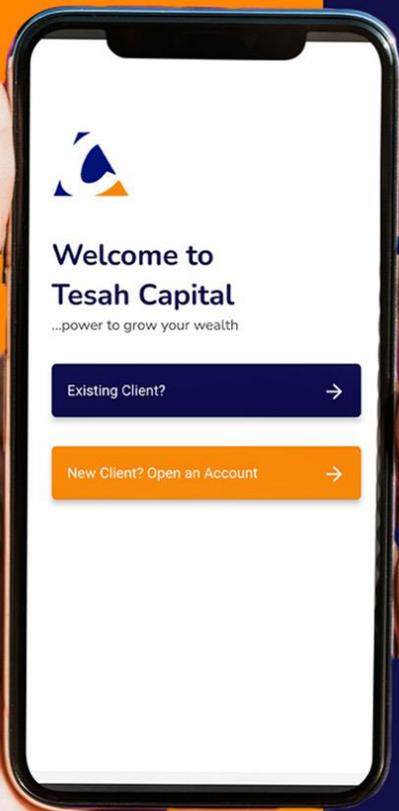
.....

DIRECTOR



.....

SIGNATURE



LET'S WORK TOGETHER TO GROW YOUR INVESTMENTS.

Top up your investment account using any of the following:

Mobile app : Download the Tesah mobile app on play store or IOS App Store

Online portal : <http://clientportal.tesahcapital.com>

USSD with short code*447* 707#
(charges may apply)

Bank transfer

Sign up for our direct debit service

FUND MANGER'S STATEMENT TO UNITHOLDERS OF TESAH TREASURY TRUST

Operating Environment

The global economy experienced a significant slowdown in 2022, with a growth rate of 3.2%, representing a decline of over 1 percentage point compared to the previous year. This deceleration was primarily attributed to geopolitical turbulence resulting from the Russian invasion of Ukraine, which had far-reaching effects on nations and negatively impacted living costs. Developing countries were particularly vulnerable, facing threats of debt default.

To combat rising inflation, most central banks hiked up interest rates. However, this well-intentioned strategy inadvertently hampered economic growth and exacerbated challenges faced by heavily indebted governments, corporations, and households.

In 2022, Ghana recorded a slowdown in the growth of its economy, with a growth rate of 3.1%. This marked a decline of 2.1% compared to the commendable 5.4% growth achieved in the previous year. Ghana's deceleration can be attributed to macroeconomic instability, tightening global financial conditions, and the repercussions of the Russia-Ukraine conflict.

High inflation persisted throughout the year in Ghana, culminating in a staggering rate of 54.1% by the end of 2022, significantly surpassing the relatively modest 12.6% recorded in 2021. Soaring prices of essential commodities such as food and energy, compounded by the depreciation of the local currency, fueled the upward trajectory of inflation.

To address mounting inflationary pressures, the Bank of Ghana implemented a rigorous monetary policy approach, resulting in a substantial increase in interest rates. Rates surged from 14.50% in January 2022 to 27.00% by December of the same year, a significant deviation from the benchmark rate of 14.50% maintained for a significant part of 2021, underscoring the severity of the inflationary challenge.

Furthermore, Ghana's public debt burden burgeoned in 2022, with the debt-to-GDP ratio reaching 93.5%, signifying an increase of 11.5% compared to the preceding year's position of 82.0%. The surge in the debt ratio was predominantly driven by persistent fiscal deficits and the consequential depreciation of the local currency.

The Ghanaian cedi witnessed a marked devaluation against major global currencies in 2022. Notably, it experienced a depreciation of 27.66% against the US Dollar, 18.94% against the Pound Sterling, and 22.61% against the Euro. These rates of depreciation were notably more pronounced compared to the relatively modest depreciations of 4.1% and 3.1% against the US Dollar and Pound Sterling, respectively, witnessed in the preceding year of 2021.

Capital Market

The Ghana Stock Exchange (GSE) Composite Index declined in 2022, reflecting economic uncertainties and resulting in negative returns. The Composite Index recorded a return of -12.38% for the year, a significant contrast to the positive return of 43.66% observed in 2021. Notable stocks that outperformed during this period included SIC (287.50%), TBL (135.29%), ACCESS (27.30%), BOPP (15.04%), and EGL (14.70%).

On the other hand, the Ghana Fixed Income Market (GFIM) witnessed an improvement in performance compared to the previous year. Total volumes traded amounted to GHC 230.68 billion in 2022, a 10.60% increase from the GHC 208.57 billion traded in 2021. However, foreign investors' appetite towards the GFIM reduced as concerns arising from unsustainable debt accumulation and ratings downgrades from global rating agencies clouded the economy. The value of settled securities purchased by foreign investors decreased by 54.05%, falling from the recorded 43.98 billion in 2021.

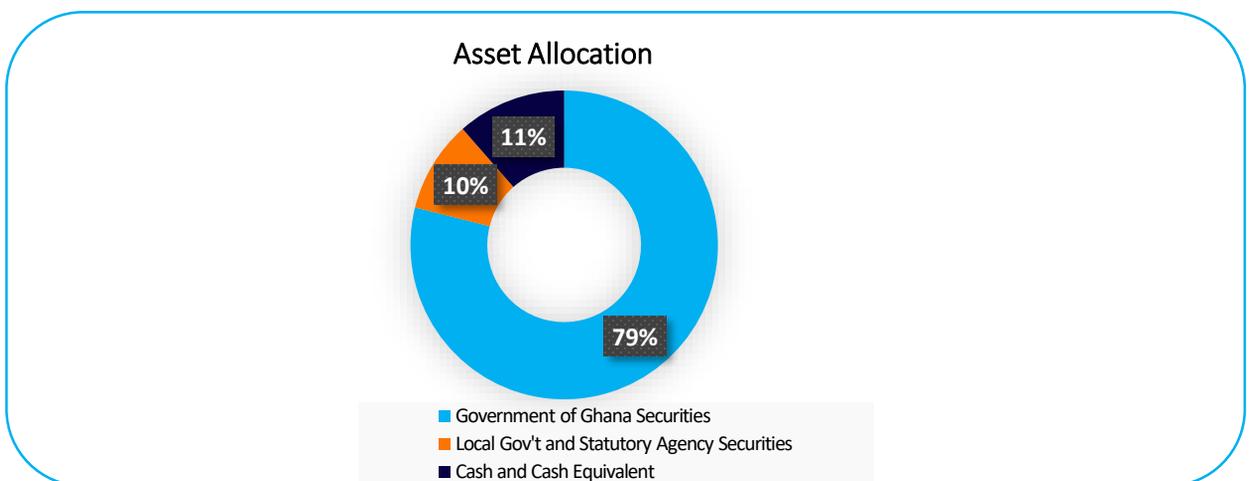
Interest rates across the yield curve followed an upward trajectory in 2022. Various financial instruments experienced an overall increase in interest rates. For instance, in 2022, the rates for 91-day and 182-day Treasury bills rose to 35.36% and 35.90%, respectively, from 12.51% and 13.19% in 2021. Similarly, the rate for the 364-day instrument saw a significant increase to 36.10% from 16.57% during the same comparative period. Yields on medium to long-term GoG instruments also increased considerably. Yields on the 2-year, 5-year, 6-year, 7-year, and 10-year GoG bonds increased by 787 basis points, 1429 basis points, 1052 basis points, 1230 basis points, and 2480 basis points, respectively, settling at 24.73%, 28.78%, 30.56%, 32.94%, and 45.49% over the same period.

Fund Performance and Portfolio Structure

The Tesah Treasury Trust delivered consistent performance throughout the review period, showcasing our prudent investment strategy focused on capital preservation and attractive returns. Despite market uncertainties, the Trust remained resilient, thanks to a well-diversified allocation across various asset classes.

During the review period, the Trust achieved an impressive return of 21%, highlighting an improved performance from the previous year. Since its inception in December 2021, the Trust has generated a cumulative return of 22%, underscoring its 14 months track record and sustained profitability.

Assets Under Management



As of December 31, 2022, the Total Assets Under Management of the Tesah Treasury Trust was GHS 15.8 million.

Outlook and Strategy for 2023

The global economy is projected to grow at a rate of 2.6% in 2023. Although there are improved business and consumer sentiments, as well as stabilized food and energy prices, inflation is expected to be high, exceeding the central banks' target. Ghana's outlook however is particularly influenced by potential shocks arising from the prolonged Russia-Ukraine war and a tighter global financial market, warranting a more cautious stance. Consequently, the Ghanaian economy is projected to grow modestly by 1.7% in 2023.

Inflation in Ghana is expected to remain at elevated levels, with the African Development Bank (AfDB) estimating it to be around 44.7%. Food and energy prices will continue to be the main drivers of these inflationary pressures. Various factors pose challenges to the country's economic growth, including delays in accessing international financing and the inherent volatility of commodity prices. Addressing these obstacles requires a focused approach to fostering private sector growth and implementing measures for enhanced fiscal consolidation. By proactively addressing these factors, Ghana can mitigate potential negative impacts and strive for a more stable and resilient economic future.

Strategy

Our investment strategy is carefully designed to capitalize on income-generating opportunities while ensuring the protection of unitholders' principal investments. We seek to diversify across and increase allocations towards other fixed income securities at the short-end of the maturity profile, given the increased default risk associated with GoG bonds. Through diligent market analysis and monitoring, we will seize favorable market conditions and strategically allocate investments.

We encourage our valued unitholders to maintain their confidence in the Trust and continue their investment journey with Tesah Treasury Trust. We deeply appreciate the trust placed in us as an investment partner and remain fully committed to delivering favorable outcomes and maximizing returns on your investments.

We strive to foster a long-term partnership with our unitholders to consistently deliver results while prioritizing risk management and sustainable growth. Together, we can navigate the ever-changing investment landscape and achieve financial success.

REPORT OF THE TRUSTEES TO THE UNITHOLDERS OF TESAH TREASURY TRUST

Guaranty Trust Bank (Ghana) Ltd.
CS406022014

25A, Castle Road,
Ambassadorial Area, Ridge,
PMB CT 416, Cantonments,
Accra, Ghana.

Tel: (+233 302) 611 560, 680 662, 680 746, 676 474
(+233 302) 923 914, 966 755, 611 560

Head Office Fax: (+233 302) 662 727/664 533
Toll Free: 0800124000



REPORT OF THE TRUSTEES TO THE INVESTORS OF TESAH TREASURY TRUST

In our independent opinion as Trustee, the Manager has, in all material respects, managed the Fund during the period, in accordance with the Unit Trust and Mutual Funds Regulations, 2001, (L.I 1695) and the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For the year ended 31st December 2022, we have held the assets for the Tesah Treasury Trust, including securities and income that accrue thereof, to the order of the Fund and facilitated the transfer, exchange or delivery in accordance with the instructions received from the Fund manager.

Yours faithfully,

For: Guaranty Trust Bank (Ghana) Limited



Authorized Signatory



Authorized Signatory



John Kay & Co.

7th Floor, Trust Towers
Farrar Avenue, Adabraka
P. O. Box K I A 16088
Airport, Accra

Tel: +233 302 235406
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Fax: +233 302 238371
Email: info@johnkay.net

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TESAH TREASURY TRUST

Opinion

We have audited the accompanying financial statements of Tesah Treasury Trust, which comprise the statement of financial position as at 31 December 2022, the statement of comprehensive income and the statement of movement in Net Assets for the year then ended, Cash flow statements and notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, as set out on pages 13 to 20.

In our opinion, the financial statements give a true and fair view of the financial position of Tesah Treasury Trust as at December 31, 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), Unit Trust and Mutual Fund Regulations, 2001, (L.I. 1695) and in the manner required by the Companies Act, 2019 (Act 992).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Trust in accordance with the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Fund Manager for the Financial Statements

The Fund Manager is responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS), Unit Trust and Mutual Fund Regulations, 2001, (L.I. 1695) and in the manner required by the Companies Act, 2019 (Act 992) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Fund Manager is also responsible for overseeing the Trust's financial reporting process.

In preparing the financial statements, the Fund Manager is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations or has no realistic alternative but to do so.



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Auditor’s Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust’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.
- 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

Key Audit Matter

In accordance with ISAs, this part of our report is intended to describe the matters communicated with those charged with governance that we have determined, in our professional judgment, were most significant in the audit of the financial statements.

1. Income Recognition

The Unit Trust generates income largely from the investment of the assets of the fund made up of members' subscription of units as well as the undistributed portion of the assets of the Fund brought forward from the previous accounting period. Some of these investments straddle the end of the accounting year under review and hence a key consideration for the appropriate recognition of the income of the scheme is the cut-off date. The income of the Fund for the year should be recognized only if they accrue or are derived during the year up to and including the year-end date, being 31 December 2022. Income that accrues beyond this date should be recognized in the following accounting year. To ensure that in recognizing income, the cut-off date has been taken into consideration, the audit team performed the following procedures:

- i. Reviewed the design and implementation of the fund's income recognition procedure to determine the adequacy of controls over the fund's investment valuation procedures and income recognition at the year-end.
- ii. Obtained evidence of the existence and accuracy of interest income thereon of a sample of significant investments whose maturity dates are after the year-end by reviewing their particulars and recomputing the expected year-end interest income; and
- iii. Evaluated the adequacy of the accounting policies and the disclosures on income recognized in the fund's statement of changes in net assets available for shareholders.



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TESAH TREASURY TRUST (CONT'D)

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Section 137 of the Companies Act, 2019 (Act 992) of Ghana.

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

In our opinion, proper books of accounts have been kept by the Trust so far as it appears from our examination of those books, and;

The Trust's Statement of Assets and liabilities and income and Distribution Accounts are in agreement with the books of Account. We are also independent of the company pursuant to section 143 of the Companies Act, 2019 (Act 992).

The engagement partner on the audit resulting in this Independent Auditor's Report is **GILBERT ADJETEY LOMOFIO (P/No-ICAG/P/1417)**.

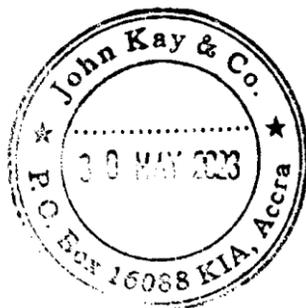
John Kay & Co

For and on behalf of John Kay & Co. (ICAG/F/2023/128)

Chartered Accountants

Accra.

31/05/2023

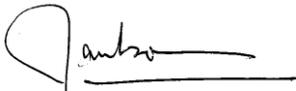


STATEMENT OF ASSETS AND LIABILITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

ASSETS	NOTE(S)	2022 GHS	% NET ASSETS	2021 GHS	% NET ASSETS
Cash & Cash Equivalents	11	1,819,986	11.61	114,124	1.40
Financial Assets	10	14,032,652	89.53	8,071,607	98.81
Accounts Receivable		-		14,384	0.18
Total Assets		15,852,638	101.14	8,200,115	100.39
Liabilities					
Accounts payable	12	178,156	101.14	31,544	0.39
Net Financial Assets		15,674,482	100	8,168,571	100

STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31 DECEMBER 2022

ASSETS	NOTE(S)	2022 GHS	2021 GHS
Cash & Cash Equivalents	11	1,819,986	114,124
Financial Assets	10	14,032,652	8,071,607
Accounts Receivable		-	14,384
Total Assets		15,852,638	8,200,115
REPRESENTED BY:			
Members Fund	15	15,674,482	8,168,571
LIABILITIES			
Accounts payable	12	178,156	31,544
Total Owners Fund & Liabilities		15,852,638	8,200,115



.....
Dr. Justice Yankson
DIRECTOR

30/05/2023
.....



.....
Mensah Seneadza
DIRECTOR

30/05/2023
.....

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	NOTE(S)	2022 GHS	2021 GHS
REVENUE			
Interest income	8	2,846,836	18,915
		2,846,836	18,915
EXPENSES			
Fund Management Fees		169,350	280
Trustee Fees		54,192	90
Transaction Charges		933	284
Audit Fees		23,850	4,174
Administrative Expenses		23,675	-
Expected Credit Losses		303,943	-
Operating Expenses		581,943	4,828
Increase In Net Assets Available		2,264,893	14,087

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

	CAPITAL TRANSACTION	INVESTMENTS	TOTAL
December 2022	GHS	GHS	GHS
As at 1st January 2022	8,154,484	14,087	8,168,571
Net Income From Operation	-	2,264,893	2,264,893
Share Issue	12,059,742	-	12,059,742
Share Redemption	(6,818,724)	-	(6,818,724)
	13,395,502	2,278,980	15,674,482
December 2021	GHS	GHS	GHS
Net Income From Operation	-	14,087	14,087
Share Issue	8,154,484	-	8,154,484
	8,154,484	14,087	8,168,571

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

CASH FLOWS FROM OPERATING ACTIVITIES	2022 GHS	2021 GHS
Increase In Net Assets Attributable To Shareholders	2,264,893	14,087
ADJUSTED FOR:		
Interest Receivable	(997,024)	(129,766)
Expected Credit loss	309,943	-
Interest Received	(1,849,812)	-
CHANGE IN WORKING CAPITAL:		
Receivables	14,384	(14,384)
Accounts Payable	146,613	31,544
Net Cash Flows From Operating Activities	(111,003)	(98,519)
Cash Flows From Investing Activities		
Interest Income	1,849,812	-
(Purchase) /Sales Of Financial Assets	(5,273,964)	(7,941,841)
Net Cash Flows From Investing Activities	(3,424,152)	(7,941,841)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds From Issuance Of Shares	12,059,742	8,154,484
Amount Paid On Redemption Of Shares	(6,818,724)	-
Net Cash Flows From Financing Activities	5,241,018	8,154,484
Net Increase (Decrease) In Cash And Cash Equivalent	1,705,862	114,124
Cash And Cash Equivalent As At 1 January	114,124	-
Cash And Cash Equivalent As At 31 December	1,819,986	114,124

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. REPORTING ENTITY

Tesah Treasury Trust (“The Trust”) is an open-ended unit trust offered to investors who are seeking to maximize short-term income while preserving capital. The Trust’s investment objective is to maximize short-term income while aiming to preserve capital and maintain a high degree of liquidity. Tesah Treasury Trust is a Unit Trust and is incorporated and domiciled in the Republic of Ghana. The address and registered office of the company can be found on page 2 of the annual report.

2. BASIS OF ACCOUNTING

a. Basis of Preparation

The financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) and the Unit Trust and Mutual Fund Regulations, 2001, (L.I. 1695)

b. Functional and Presentation Currency

The financial statements are presented in Ghana Cedi (GH¢) which is the organization’s functional and **Presentation Currency**.

c. Use of Estimates and Judgment

The preparation of financial statements in conformity with the International Financial Reporting Standard (IFRS) requires management to make judgments, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenditures. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3. SIGNIFICANT ACCOUNTING POLICIES

The following principal accounting policies have been consistently applied during the year in the preparation of the Trust’s financial statements.

i. Contributions

Securities listed on a stock exchange or traded on any other organized market are valued at the last available market price on the relevant valuation day. Securities that are actively traded in an over-the-counter market are valued at the mean between the most recently quoted bid and offer prices provided by the principal brokers. Securities for which, market quotations are not readily available are valued at fair value as determined in good faith by or under the direction of the Board of Directors of the Fund Manager. Debt securities are valued at amortized cost.

ii. Investment Income Recognition

(a) Interest Income

Interest income, including interest income from non-derivative financial assets at Fair value through profit or loss (FVTPL), is recognized in profit or loss, using the effective interest method. The effective interest is the rate that exactly discounts the estimated future cash payments or receipts, without consideration of future credit losses, over the expected life of the financial instrument or through to the next market-based re-pricing date to the net carrying amount of the financial instrument on initial recognition. Interest received or receivable is recognized in the profit or loss as interest.

(b) Dividend Income

Dividend income is recognized in profit or loss on the date on which the right to receive payment is established. For quoted equity securities, this is usually the ex-dividend date. For unquoted equity securities, this is usually the date that shareholders approve the payment of dividends.

(c) Pooled Investment Income

Income arising from the underlying investment of the pooled investment that is reinvested within the pooled investment is reflected in the unit price. Such income is reported within the change in market value.

iii. Financial Instruments

(a) Non-derivative Financial Instruments

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

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

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

Non-derivative financial instruments are categorized as follows:

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

Loans and receivables are carried at amortized cost using an effective interest rate method with less appropriate allowances for doubtful receivables. Allowances for doubtful receivables represent the Trust's estimate of incurred losses arising from the failure or inability of customers to make payments when due. These estimates are based on the aging of customers' balances, specific credit circumstances, and the company's accounts receivables' historical experience. Regular purchases and sales of loans and receivables are recognized on contractual settlement.

Available-for-sale – These are any non-derivative financial assets designated on initial recognition as available for sale or any other instruments that are not classified as (a) loans and receivables, (b) held to maturity, (c) financial assets at fair value through profit or loss. Available-for-sale financial assets are carried at fair value. Gains and losses arising from changes in the fair value of available-for-sale financial assets are recognized directly in equity until the financial asset is derecognized or impaired, at which time the cumulative gain or loss previously recognized in equity is recognized in the profit or loss account. However, interest calculated using the effective interest method is recognized in the profit and loss account. Dividends on available-for-sale equity instruments are recognized in the profit and loss account when the Trust's right to receive payment is established. Regular purchases and sales of available-for-sale financial assets are recognized on trade date, i.e., the date on which the Trust commits to purchase or sell the asset.

Held-to-maturity – Held-to-maturity assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that management has the positive intention and ability to hold to maturity. Were the Trust to sell more than an insignificant amount of held-to-maturity assets, the entire category would have to be reclassified as available for sale. Treasury bills with an original maturity of more than 182 days, treasury notes, and other government bonds are classified as held-to-maturity.

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

(b) Financial Liabilities

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

(c) Offsetting

Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, and only when, the Trust has a legal right to set off the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions.

(d) Amortised Cost Measurement

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

(e) Hedge Accounting

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

Fair Value Hedges

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

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

Cash Flow Hedges

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

(f) Effective Interest Rate

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

(g) Determining the Fair Value

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

(h) Impairment of Financial Assets

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Impairment Of Financial Assets (cont'd)

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

The significant financial difficulty of the borrower.

- A breach of contract, such as default or delinquency in interest or principal repayments;
- The Trust granting to the borrower, for economic or legal reasons relating to the borrower's financial difficulty, a concession that The Trust would not otherwise consider;
- It becoming probable that the borrower will enter bankruptcy or other financial reorganization;
- The disappearance of an active market for that financial asset because of financial difficulties; or
- Observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets including:
 - Adverse changes in the payment status of borrowers; or
 - National or local economic conditions that correlate with defaults on the assets of The Trust.
- The estimated period between a loss occurring and its identification is determined by The Fund Manager for each identified portfolio.

v. Foreign Currency

Transactions in Foreign Currencies during the period are converted into Cedis at exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Cedis at exchange rates ruling at the financial year-end.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into Cedis at the exchange rates at the date on which the fair value was determined. Foreign currency differences arising on retranslation are recognized in profit or loss as net foreign exchange losses, except for those arising on financial instruments at FVTPL, which are recognized as a component of net gains from financial instruments at FVTPL.

vi. Transfer Values

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

vii. Cash and Cash Equivalents

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

viii. Fees and Commission

Fees and Commissions expenses are recognized in the statement of comprehensive income as the related services are performed.

4. NEW AND AMENDED STANDARDS EFFECTIVE FOR THE CURRENT PERIOD

During the year under review, there were a few new standards, amendments to standards, and interpretations issued that were effective for the current reporting period but do not have any impact on the funds reporting and therefore are not disclosed in these financial statements.

5. NEW AND REVISED STANDARDS IN ISSUE NOT YET EFFECTIVE

There were a few new standards, amendments to standards, and interpretations issued but were not effective, for the current reporting period, the fund does not opt for early adoption of those standards and hence are not disclosed in these financial statements.

6. RELATED PARTIES AND KEY CONTRACTORS.

a. Fund Managers

An investment management company incorporated in Ghana and duly licensed by the Security and Exchange Commission of Ghana as a Fund Manager was appointed to implement the investment strategy and objectives as stated in the Funds investment management policy manual. Under the investment management agreements, the investment managers receive a management fee not exceeding 1.25% per annum of the Fund's average daily net assets value on a monthly basis and paid at the end of each month based on the number of days within the period.

By mutual agreement, the Board and the Manager can authorize the Management fee to be calculated and paid at periods other than monthly intervals provided the interest of the unitholders is not jeopardized.

b. Fund Trustees

The Board of Directors of the Fund Manager of the Trust appointed Guaranty Trust Bank (Ghana) Limited, a Limited Liability Company incorporated in Ghana and duly licensed by the Security and Exchange Commission of Ghana to provide Trustee services to the Fund Manager. Under the Trustee agreement, The Trust agrees to pay the Fees to the Trustees in the manner herein set out. The Fees payable at the commencement of this Agreement shall be a Trustee service fee of 0.40 percent per annum of the Net Asset Value (NAV) of the Trust. The periodic charge payable to the Trustee shall be calculated in respect of successive calendar month periods (payment period) except that no charge shall be payable in respect of the initial offer period. The periodic charge payable will accrue daily and shall be payable annually in arrears. The first payment period shall begin on the day after the end of the initial offer period.

7. SHARE PURCHASES

	2022 GHS	2021 GHS
Balance as at 1 Jan	8,077,624	-
Members' Contribution during the year	12,059,742	8,077,624
	20,137,366	8,077,624
Redemptions	(6,818,724)	-
	13,318,642	8,077,624

8. SHARE PURCHASES

	2022 GHS	2021 GHS
Interest Income on Cocoa Securities	305,062	447
Interest Income on Government Notes and Bonds	2,535,519	18,468
Interest on Call	18,468	-
	2,846,836	18,915

9. FINANCIAL INSTRUMENTS

a. Analysis of changes in financial instrument fair value through profit or loss.

31 December 2022	Balance 1/1/22 GHS	Purchase/ (Sales) GHS	Accrued Interest GHS	Change in fair value GHS	Value at 31/12/22 GHS
Ghana Government Securities	4,093,970	7,818,726	865,427	(270,436)	12,507,687
LGSAS	3,977,637	(2,544,762)	131,597	(39,507)	1,524,965
	8,071,607	5,273,964	997,024	(309,943)	14,032,652

31 December 2021	Balance 1/1/22 GHS	Purchase/ (Sales) GHS	Accrued Interest GHS	Change in fair value GHS	Value at 31/12/22 GHS
Ghana Government Securities	-	3,964,651	129,319	-	4,093,970
LGSAS	-	3,977,190	447	-	3,977,637
	-	7,941,841	129,766	-	8,071,607

9. FINANCIAL ASSETS DESIGNATED AS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2022 GHS	2021 GHS
Debt Securities	12,507,687	4,093,970
Held-to-Maturity Securities	1,524,965	3,977,637
	14,032,652	8,071,607

11. CASH AND CASH EQUIVALENTS

	2022 GHS	2021 GHS
Cash & Cash Equivalent	1,819,986	114,124
	1,819,986	114,124

13. CAPITAL TRANSACTIONS

	2022 No. of Units	2021 No. of Units
Opening Shares	81,327,189	-
New Shares	113,040,338	81,327,189
Redemption of Shares	(62,608,537)	-
	131,758,990	81,327,189

14. TAXATION

The income of an approved unit trust fund or mutual fund is exempt from tax under the income tax act, 2015 (Act 896) as amended.

13. CAPITAL TRANSACTIONS

	2022 GHS	2021 GHS
Accumulated net investment income	2,278,980	14,087
Contributions by Fund Manager	76,860	76,860
Movement on shares issued	13,318,642	8,077,62
	15,674,482	8,168,571

16. EVENT AFTER REPORTING PERIOD

On 5th December 2022, the Government of Ghana launched Ghana's Domestic Debt Exchange program, an invitation for the voluntary exchange of a package of New Bonds to be issued by the Republic. The operation was part of a comprehensive program that aims at bringing back public debt on a sustainable path. The program was concluded effectively in March 2023.

The fund has signed on to fully participate in the exchange program. The impact of this program will affect profitability in 2023 as the coupon rate on these bonds will be revised downwards.

17. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors of the Fund Manager and authorized for issue on

30/05/2023
.....

◆—————◆ Proxy Form

I/We residing at
 Being a unit holder (s) of Tesah Treasury Trust hereby appoint.....
 residing at.....as my/our proxy to attend on my/our behalf,
 the Annual General Meeting of the Trust, to be held virtually on 26th July, 2023 for the following
 purpose and to vote on my/our behalf on matters as directed below:

I/We direct that my/our votes be cast on the specified resolution as indicated by an ‘X’ in the appropriate space.

Resolutions	For	Against
To review the Report of Directors and Auditors for the year ended 31 st December, 2022		
To receive and approve the Financial Statements for the year ended 31 st December, 2022		
To authorize the Directors to determine the remuneration of the Auditors for the year 2023		
To address any other relevant matters suitable for discussion at an Annual General Meeting		

Unit Holder’s Signature..... Date.....2023

Notes

1. The appointed proxy does not have to be a unitholder of the Trust.
2. Unless given specific instructions, the proxy will exercise their own judgment when casting votes.
3. The proxy form must be signed and sent via mail at least forty-eight hours prior to the meeting.
4. In case of joint holders, only one signature is required.
5. In the case of a corporate body, the form must be under the seal of the authorized officer.
6. The submission of a proxy form does not prevent a unit holder from attending the meeting and voting in person.

Tesahcapital Ltd.

www.tesahcapital.com

