

Universities Staff Occupational Pension Scheme

**Annual Report and Financial Statements
for the year ended 31 December 2024**

Universities Staff Occupational Pension Scheme

Annual Report and Financial Statements for the year ended 31 December 2024

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Universities Staff Occupational Pension Scheme

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General Information

Chairman, Board of Trustees

Dr. Andrews Doe Agblobi

Member secretary

Mrs. Dorren Mould Ayiku

Sponsor of the Scheme

Vice Chancellors Ghana
University of Ghana, Legon
P.O.Box 25

Secretariat and Registered Office

3rd Floor Vice Chancellors
Ghana
IPS Road, near UPSA Hostel.
Tel: 030395510

Independent Trustee

Stephen Antwi-Asimeng
P.O. Box KA 9625
Accra
GD 191-4735

Scheme Administrator

Enterprise Trustees Limited
Advantage Place
Mayor Road
Ridge West

Fund Managers

Tesah Capital Limited
Allied Height(Second Floor)
10 Olusegun Obasanjo Way
Abelenkpe

Fidelity Securities Ltd
Ridge Tower Ridge Accra
PMB 43 Cantonments

Custodian

CAL Bank Custody Services
No.23 Independence Avenue
Accra

Auditor

Intellisys
Chartered Accountants
No. 15 Lardzeh Crescent
North Dzorwulu
P. O. Box KN 4169
Kaneshie-Accra

Universities Staff Occupational Pension Scheme

Annual Report and Financial Statements for the year ended 31 December 2024.

Report of the Trustees

To the members of Universities Staff Occupational Pension Scheme

Introduction

The Board of Trustees of Universities Staff Occupational Pension Scheme have pleasure in presenting their annual report together with the audited Financial Statements of the Scheme for the year ended 31 December, 2024.

Scheme's constitution and management

The scheme is an employer sponsored defined contribution occupational pension Scheme established under a Trust Deed and in accordance with the National Pensions Act 2008 (Act 766) as amended by National Pensions Act 2014, Act 883 and the Occupational and Personal Pension Schemes (General) Regulations, 2011 (L.I. 1990) to provide retirement benefits for employees of all public Universities in Ghana or any subsidiary or its associate that participates in the Scheme.

The management of the scheme is under the control of the Board of Trustees and a Trust Deed that came into effect on 29 March, 2017. Members of the Board of Trustees are listed on page 2. The Trustees oversee the operation of the Scheme with a fiduciary duty to act in the interest of the Scheme's members.

The scheme is a tax-exempt pension fund under the National Pensions Act, 2008 (Act 766) and any amendments made to it thereafter. The Scheme's activities are bound by provisions of the National Pensions Act, 2008 (Act 766) as amended by the National Pensions (Amendment) Act 2014 (Act 883), Regulations made under it, Guidelines formulated and published and any Board directives that may be issued from time to time as well as the Governing Rules of the Scheme.

Trustees' responsibility in respect of the financial statements

The Trustees are responsible for the preparation of the Scheme's Financial Statements which:

- show a true and fair view of the financial transactions of the Scheme during the year and of the amount and disposition of its assets and liabilities and pension benefits after the end of the Scheme year
- show a summary of significant accounting policies, and other explanatory notes in accordance with International Financial Reporting Standards (IFRS) and in a manner required by the Trust Deed and Scheme's Rules and in conformity with the National Pensions Act, 2008 (Act 766) as amended by the National Pensions (Amendment) Act, 2014 (Act 883)
- determine internal controls necessary and appropriate for the preparation of Financial Statements and ensuring that adequate accounting records are kept and taking steps that are reasonable to safeguard the assets of the Scheme, prevent and detect fraud, error and other irregularities.

The Trustees accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates in conformity with International Financial Reporting Standards and in the manner required by the National Pensions Act, 2014 (Act 883) and the Occupational and Personal Pension Schemes (General) Regulations, 2011 (L.I 1990). The Trustees assert that the financial statements give a true and fair view of the state of the financial affairs of Universities Staff Occupational Pension Scheme.

Universities Staff Occupational Pension Scheme

Annual Report and Financial Statements for the year ended 31 December 2024

Report of the Trustees (continued)

To the members of Universities Staff Occupational Pension Scheme

Governance statement to members of the scheme

As Trustees of the Scheme, we have reviewed and assessed our systems, processes and controls and other governance functions and found them to be consistent with the law.

We believe we have adopted best practices and acted in the best interests of all members of the Scheme and beneficiaries.

Scheme membership statistics

I. Movement during the year

Description	Number at beginning	Additions	Transfers In	Withdrawals	Number at year end
Active members	16,295	144	-	428	16,011

II. Summary statistics

Transfers Out	Other withdrawal	Retirement (Statutory)	Retirement (Early)	Permanent Emigration	Incapacitated members	Death
-	-	404	16	-	1	7

Investment report

Statement of investment principles

We, the Trustees, attest that the scheme's funds have been invested with the objective of obtaining safe and fair returns in accordance with the National Pensions Act 2008 (Act 766), the National Pensions (Amendment) Act, 2014 (Act 883) and the Guidelines on Investment of Scheme Funds.

We confirm that there has been full compliance with prohibitions on investments which include but are not limited to, use of pension scheme assets as collateral, investing outside maximum allowable limits, investing outside the scope of assets stipulated by the guidelines on investment of scheme funds and investing in securities issued by any issuer for which there exists a conflict of interest.

Universities Staff Occupational Pension Scheme

Annual Report and Financial Statements for the year ended 31 December 2024

Report of the Trustees (continued)

To the members of Universities Staff Occupational Pension Scheme

Asset Type	Maximum Allocation	Actual Allocation	Investment Income	2024	2023
				Year End Value	Year End Value
			GHS	GHS	GHS
Government of Ghana Bonds	75 %	64%	28,913,319	267,831,150	222,258,711
Local Government Bonds	25 %	7%	9,694,011	31,153,276	58,268,416
Corporate Bonds	35 %	12%	5,121,950	51,270,021	20,507,232
Money Market instruments	35 %	11.3%	4,592,178	47,483,349	2,944,440
Equity Investments	20 %	1.9%	630,269	7,887,940	1,089,262
Collective Investments	15 %	1%	-	4,331,553	2,255,950
Alternative Investments	25 %	1%	-	6,137,878	5,000,000
Cash and cash equivalents	-	1%	680,829	3,171,526	2,151,419
Total		100%	49,632,556	419,266,693	314,475,430

The table above relates to the Scheme's active investments. The scheme had a decrease in its investment income earned in 2024 as compared to year 2023 to GHS 49,632,556 from GHS 80,414,844. The Scheme has complied with asset allocation limits as prescribed by the NPRA guidelines on investment of Tier 2.

Financial statements highlights

The Statement of Changes in Net Assets Available for Benefits as presented on page 11 shows an increase in Net Assets available for benefits for the year of GHS 107,471,632 (2023:GHS 121,890,959) and the Statement of Net Assets Available For Benefits on page 16 shows the Scheme's Net Assets as at 31 December 2024 amounting to GHS 430,558,858 (2023: GHS 323,087,226).

Expenses

All expenses of the Scheme are charged against the Scheme. We confirm that expenses charged and deducted from the Scheme funds are those allowable under the National Pensions Act, 2008 (Act 766), the National Pensions (Amendment) Act, 2014 (Act 883), Guidelines on fees and charges and any other directives issued by the Authority from time to time.

Expense Type	Maximum Rate (%)	Actual Rate (%)	2024	2023
			Amount (GHS)	Amount (GHS)
NPRA Fee	0.33	0.33	1,186,095	899,838
Trustee Fees		0.62	2,983,208	1,896,500
Administrator Fees	1.33	0.50	1,797,113	1,678,507
Fund Manager Fee	0.56	0.35	1,032,336	899,516
Custodian Fee	0.28	0.18	646,961	490,837
Audit Fee			30,475	25,000
Investment Charges			98,485	5,580
Total	2.50	1.98	7,774,673	5,895,778

Universities Staff Occupational Pension Scheme

Annual Report and Financial Statements for the year ended 31 December 2024

Report of the Trustees (continued)

To the members of Universities Staff Occupational Pension Scheme

Statement of disclosure to auditor

So far as the Trustees are aware, there is no relevant information of which the Scheme's Auditor is unaware. Additionally, Trustees have taken all necessary steps that ought to have been taken as Trustees to make them aware of all relevant audit information and to establish that the Scheme's Auditor is aware of that information.

The Trustees confirm that no matters have arisen since 31 December, 2024 which materially affects the Financial Statements of the Scheme for the year ended on that date.

The Financial Statements have been prepared in accordance with the Trust Deed and the National Pensions Act, 2008 Act (766) as amended by National Pensions Act 2014, Act 883 and the Occupational and Personal Pension Schemes (General) Regulations, 2011 (L.I. 1990).

Scheme performance

The University Staff Occupational Pension Scheme generated a gross annualized return of 23.34% and a net annualized return of 19.90% for the year 2024. The net annualized return translated to a unit price of 61.69 in 2024 compared to 51.44 in 2023. This performance was slightly unfavorably to the annual year end inflation of 23.80% resulting in a real return of -0.46.

2024 Economic review

In 2024, the global economy posted moderate growth, influenced by rising trade tensions—most notably between the United States and China. While certain regions demonstrated resilience, the broader economic outlook was dampened by ongoing geopolitical uncertainties and a shift toward protectionist policies.

The International Monetary Fund (IMF) projected global GDP growth at 3.2% for the year, slightly under the pre-pandemic average of 3.6%. This growth was driven primarily by robust demand in emerging Asian markets, especially within the technology sector, as well as increased public investment in nations such as China and India. Despite these positives, risks remained skewed to the downside due to continued geopolitical frictions, volatility in financial markets, and structural issues within China's property sector.

In 2024, Ghana's economy showed strong signs of recovery, recording a real GDP growth rate of 5.7%—a marked improvement from the 2.6% growth seen in 2023. This rebound was largely fueled by solid gains in the industrial and services sectors. Fiscal stability was supported by the successful completion of domestic debt restructuring in 2023, alongside ongoing efforts to address external debt. Through a \$3 billion IMF-supported program, Ghana implemented measures focused on fiscal consolidation, enhanced revenue generation, and structural reforms to strengthen economic resilience. The government also introduced targeted expenditure cuts and tax reforms to curb the fiscal deficit and boost economic activity. Inflation eased significantly, falling to 23.1% by February 2024 from a peak of over 54% in December 2022, reflecting the effectiveness of monetary tightening and fiscal policy adjustments.

Ghana launched its external debt exchange program in December 2022 with the goal of restoring fiscal stability. The initiative followed the country's default on a significant portion of its \$30 billion external debt, driven by the economic impacts of the COVID-19 pandemic, the Russia-Ukraine conflict, and rising global interest rates. Under the G20 Common Framework, Ghana engaged international bondholders to restructure around \$13 billion of its external bonds.

Universities Staff Occupational Pension Scheme

Annual Report and Financial Statements for the year ended 31 December 2024

Report of the Trustees (continued)

To the members of Universities Staff Occupational Pension Scheme

The restructuring proposal included two main options: a "disco" bond featuring a variable interest rate and a partial reduction in principal, and a "par" bond with a fixed interest rate, no principal cut, but reduced accrued interest. The agreement aimed to reduce debt obligations by about \$4.7 billion and offer \$4.4 billion in cash flow relief through the end of the current IMF program in 2026.

By October 2024, Ghana had secured approval from over 90% of bondholders, successfully concluding its debt restructuring and exiting a two-year default period. This milestone paved the way for renewed access to international capital markets. The restructuring is expected to lower Ghana's debt-to-GDP ratio and support a more favorable economic outlook. Nonetheless, sustaining this progress will depend on continued fiscal discipline, structural reforms, and enhanced transparency to ensure long-term debt sustainability.

In 2024, Ghana's capital market staged a remarkable recovery, emerging as the top-performing stock market in Africa. The Ghana Stock Exchange (GSE) Composite Index soared by 56.17%, its highest annual return since 2013. Trading activity also expanded significantly, with the number of shares traded rising by 71% year-on-year to 992 million, and market turnover reaching GH¢2.15 billion. The Fast-Moving Consumer Goods (FMCG) sector was a major driver of this growth, led by strong performances from companies like Unilever Ghana and Guinness Ghana Breweries.

The banking sector also showed robust recovery, rebounding from the effects of the Domestic Debt Exchange Programme. Total assets increased by 28.8% year-on-year in the first four months of 2024, supported by higher deposit inflows and a resurgence in investment portfolios, particularly in government securities and private sector lending. The sector maintained a strong capital adequacy ratio above the regulatory threshold of 13%, with adequate liquidity levels. Non-performing loans declined, and gross loans and advances rose by 28.5% year-on-year in October 2024—compared to a 9.5% contraction a year earlier—signaling renewed confidence in lending and improved risk appetite among banks.

Meanwhile, the Ghana Fixed Income Market (GFIM) recorded a significant surge in activity. In August 2024 alone, trading volumes hit GHS 17.92 billion, representing a 236% year-on-year increase. By the end of the year, total traded volume reached GHS 103.24 billion—almost double that of 2023. Bond yields rose sharply, with the average yield on general bonds climbing to 26.16% in Q3 2024 from 18.82% in Q2, largely due to liquidity constraints in the secondary market. However, demand for Treasury bills softened in the third and fourth quarters, as government auction targets increased and investor concerns over fiscal pressure led to a 15% undersubscription rate.

Overall, 2024 marked a year of strong recovery and renewed investor confidence across Ghana's financial markets.

2025 Economic and financial market outlook

The IMF forecasts global growth at 3.3% for both 2025 and 2026, slightly below the historical average of 3.7%, while the World Bank anticipates a steady growth rate of 2.7% during the same period, indicating a pace that may not be sufficient for sustained economic development. Escalating trade tensions between the U.S. and China, including the imposition of significant tariffs, are expected to contribute to market volatility and raise concerns about a potential global downturn. Persistent inflationary pressures continue to challenge central banks, complicating their ability to set effective monetary policies. Additionally, ongoing geopolitical conflicts and policy uncertainties create a fragile economic environment that may hinder investment and growth prospects.

Universities Staff Occupational Pension Scheme

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Report of the trustees (continued)

To the members of Universities Staff Occupational Pension Scheme

Ghana's economic outlook for 2025 is cautiously optimistic, with projections indicating moderate growth amid ongoing fiscal consolidation and structural reforms. Real GDP growth is forecasted to be between 4.2% and 4.4%, driven by expansions in the services and industrial sectors, particularly in gold mining and the emerging lithium industry. However, the agriculture sector may see slower growth due to climate-related challenges and limited access to financing.

Inflation is expected to decrease to around 11.1% to 11.5%, down from higher levels in previous years, reflecting the effects of tighter monetary policies and improved fiscal management. The fiscal deficit is projected to narrow to 4.2% of GDP, as Ghana continues to implement consolidation measures under its IMF program.

Following the completion of external debt restructuring, Ghana aims to reduce its debt-to-GDP ratio and restore investor confidence. However, the country faces significant external debt service obligations, amounting to \$8.7 billion over the next four years. The current account deficit is projected to widen slightly to 2.3% of GDP, influenced by import demands and global commodity price fluctuations.

Ghana's fixed income market is expected to follow an upward trend in 2025, supported by recent fiscal reforms, growing investor confidence, and strategic adjustments in government debt management. Investor sentiment continues to improve, with strong expectations for a recovery in the bond market. This renewed optimism stems from falling Treasury bill yields and a more favorable macroeconomic outlook, including anticipated declines in inflation and the possibility of central bank rate cuts. Additionally, the government's plan to reopen the domestic bond market to non-resident investors in 2025 is likely to boost capital inflows, enhancing both market liquidity and depth.

Ghana's stock market is poised for a continued robust performance in 2025, building upon its strong showing in 2024. This outlook is supported by strong corporate earnings, declining treasury yields, and abundant liquidity in the market. Despite the optimistic outlook, the banking sector poses a risk due to rising credit risk, with the non-performing loan (NPL) ratio increasing to 21.8% in December 2024, up from 20.6% the previous year. Also, post-election transitions may introduce short-term uncertainties that could impact market performance.

In summary, Ghana's capital market in 2025 is set to benefit from macroeconomic stabilization, regulatory reforms, and increased investor confidence. While challenges remain, the concerted efforts by the government and regulatory bodies are laying a solid foundation for sustained capital market development.

Universities Staff Occupational Pension Scheme

Annual Report and Financial Statements for the year ended 31 December 2024

Report of the trustees (continued)

To the members of Universities staff occupational pension scheme

2025 Portfolio strategy

The manager will adopt a proactive investment management strategy optimizing portfolio returns by diversifying through the following:

- **Fixed Income:**

- Treasury Bills: Maintain a modest position in short-term T-bills for liquidity needs and capital preservation
- Corporate Debt: Select high-quality corporates with strong fundamentals.
- Repurchase Agreements (repos): Repos will also be considered as short-term investment instruments, offering secured returns and liquidity. Evaluation will focus on counterparty creditworthiness, collateral quality, and the tenor and structure of the agreements.

- **Equities:**

- Prioritize investments in fundamentally strong companies, with a particular emphasis on dividend-paying equities to boost income, especially within the banking and telecommunications sectors.
- Actively manage equities to crystallise gains made

- **Alternative Investments**

- Exchange Traded Funds, REITs, Private Debt Funds will be considered.
- Key evaluation criteria will include a solid track record with no defaults, high asset quality, strong profitability and diversified business operations

Quarterly Reviews would be conducted to monitor the performance and adjust based on inflation, interest rates, Ghana Stock Exchange performance and macroeconomic changes.

Universities Staff Occupational Pension Scheme

Annual Report and Financial Statements for the year ended 31 December 2024

Report of the trustees (continued)

Board of trustees

The Board of Trustees had a resignation which led to the change of the Independent Trustee who had been part of the Board since its inception.

Name	License Number	Position	Date Appointed	DateExited
Dr. Andrews Doeh Agblobi	NPRA16031	Member/Chairman	15-Feb-23	
Mr. Stephen Antwi-Asimeng	NPRA24016	Independent Member	1-Aug-23	
Dr. Sena Kpeglo-Freiku	NPRA 24085	Member	15-Feb-23	
Doreen Mould Ayiku	NPRA 24028	Member	15-Feb-23	
Mr. Ussif Hassan	NPRA 24023	Member	15-Feb-23	
Mr. George Ansong	NPRA 24049	Member	15-Feb-23	
Mr. Richard Boapea	NPRA/ESPOS/12051/15347	Member	1-Jun-16	
Mr. Suleman Abdul Raman	NPRA 24022	Member	15-Feb-23	
Dr. Samuel Assabil	NPRA24020	Member	15-Feb-23	
Dr. Richard Amankwah Fosu	NPRA 24019	Member	15-Feb-23	
Mr. Benjamin Mensah-Gorman	NPRA 24027	Member	15-Feb-23	
Dr. Kodwo Jones Anson Boateng	NPRA 24027	Member	15-Feb-23	
Mr. Samuel Gordor Seshie	NPRA 24021	Member	15-Feb-23	
Mr. Issac Fenyi	NPRA 24026	Member	15-Feb-23	
Mr. Jonathan Kabu	NPRA 24025	Member	15-Feb-23	
Mr. Ken Puotiere Yelibo	NPRA 24086	Member	15-Feb-23	
Mr. Kenneth Botchway	NPRA/ESPOS/12051/15346	Member	1-Jun-16	

Universities Staff Occupational Pension Scheme

Annual Report and Financial Statements for the year ended 31 December 2024

Report of the trustees (continued)

To the members of Universities Staff Occupational Pension Scheme

Statutory requirement

The Trustees have complied with the requirements of the National Pensions Act 2008 (Act 766) as amended by National Pensions (Amendment Act) Act 2014 (Act 883) and the Occupational and Personal Pension Schemes (General) Regulations 2011 (L.I 1990), the guidelines and the directives by the Board of Trustees that have been issued from time to time.

Trustees representation & going concern consideration

The Board of Trustees confirm that no matters have arisen since 31 December 2024 which materially will affect the Scheme's Financial Statements as presented. The Trustees have made an assessment of the ability of the Scheme to continue as a going concern and have no reason to believe the Scheme will not be a going concern in the year ahead.

Conclusion

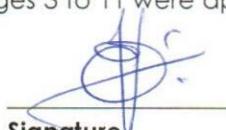
We would like to thank all our scheme members for the confidence reposed in us as their Trustees. We will look to exploit any opportunities in investment performance. In addition, we will continue with the on-going initiative to ensure the delivery of quality services and convenience for scheme members.

Approval of trustees report

The annual trustees report set out on pages 3 to 11 were approved by the Board of Trustees and were signed on their behalf by:

Dr. Andrews Doe Agblobi

Chairman, Board of Trustees

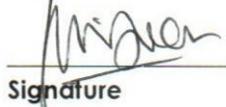


30/4/2025

Date

Mr. Stephen Antwi-Asimeng

Independent Trustee



30-04-2025

Date

INDEPENDENT AUDITOR'S REPORT

To the Members of Universities Staff Occupational Pension Scheme

Opinion

We have audited the financial statements of Universities Staff Occupational Pension Scheme, which comprise the Statement of Net Assets Available for Benefits as at 31 December 2024, and the Statement of Changes in Net Assets Available for Benefits, Statement of Movement in Net Assets Available for Benefits and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying financial statements give a true and fair view of the financial position of the Scheme as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard (IFRS) with the IAS 29 directive issued by the Institute of Chartered Accountants Ghana (ICAG) and in the manner required by the National Pensions Act, 2008 (Act 766), the National Pensions (Amendment) Act, 2014 (Act 883) and the Occupational and Personal Pension (General) Regulations, 2011 (L.I. 1990).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Scheme in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (the Code) issued by the International Ethics Standards Board for Accountants (IESBA) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have no key audit matter to report in this regard.

Other Information

The Board of Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Trustees for the Financial Statements

The Board of Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard (IFRS) with the IAS 29 directive issued by the Institute of Chartered Accountants Ghana (ICAG) and in a manner required by the National Pensions Act, 2008 (Act 766), the National Pensions (Amendment) Act, 2014 (Act 883) and the Occupational and Personal Pension Schemes (General) Regulations, 2011 (L.I. 1990), and for such internal controls as the trustees determine necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT (Continued)

To the Members of Universities Staff Occupational Pension Scheme

Responsibilities of the Trustees for the Financial Statements

In preparing the financial statements, the Trustees are responsible for assessing the ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the or to cease operations, or have no realistic alternative but to do so.

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 misstatements, 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 risk of material misstatements 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 controls.
- Obtain an understanding of internal controls 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 internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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.
- Communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

Report on Other Legal and Regulatory Requirements

The National Pensions Act, 2008 (Act 766), the National Pensions (Amendment) Act, 2014 (Act 883) and the Occupational and Personal Pension Schemes (General) Regulations, 2011 (L.I. 1990) requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- 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.
- Requirements specified in the Guidelines and under regulation 35 with respect to prohibited investment practices and the Guidelines on investment of pension funds under these Regulations have been complied with as at 31 December 2024.
- In our opinion proper books of accounts have been kept by the Scheme so far as appears from our examination of those books, and
- The Statement of Net Assets Available for Benefits as at 31 December 2024 and Statement of Changes in Net Assets Available for Benefits for the year ended 31 December 2024 are in agreement with the books of accounts.

INDEPENDENT AUDITOR'S REPORT (Continued)

To the Members of Universities Staff Occupational Pension Scheme

In our opinion, to the best of our information and according to the explanations given to us, the accounts give the information required under the Act, in the manner so required and give a true and fair view of the state of affairs of the Scheme at the end of the financial year and of the changes in net assets available for benefits for the financial year then ended.

vi. We are independent of the scheme 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 MyraStella Ansah (ICAG/P/1438).

Intellisys
Intellisys (ICAG/F/2025/078)
Chartered Accountants
No. 15 Lardzeh Crescent
North Dzorwulu
Accra



Date: 30th April, 2025

Universities Staff Occupational Pension Scheme

Statement Of Changes In Net Assets Available For Benefits For the year ended 31 December 2024

Figures in GHS	Notes	2024	2023
Dealings with members			
Contributions	5	51,898,939	31,534,658
Benefits	6	(9,446,096)	(3,460,601)
Net additions from dealings with members		42,452,843	28,074,057
Return on investments			
Investment income	7	49,632,556	80,414,844
Net gains on investment	8	5,033,104	952,322
Net returns on investment		54,665,660	81,367,166
Net impairment gain/(loss) on financial assets	9	(1,661,471)	38,134,787
Modification (loss)/gain	10	19,789,273	(19,789,273)
Administrative expenses	11	(7,774,673)	(5,895,778)
Net increase in assets for the year		107,471,632	121,890,959

The notes on pages 19 to 29 are an integral part of the financial statements.

Universities Staff Occupational Pension Scheme

Statement Of Net Assets Available For Benefits

As at 31 December 2024

Figures in GHS	Notes	2024	2023
Assets			
Cash and cash equivalents	12	3,171,526	2,151,419
Financial assets at amortised cost	13	397,737,796	303,978,799
Financial assets at fair value through profit or loss	14	18,357,371	8,345,212
Accounts receivable	15	12,814,713	10,497,907
Total assets		432,081,406	324,973,337
Members Funds and Liabilities			
Trust Fund			
Net assets available for benefits		430,558,858	323,087,226
Current liabilities			
Other payable	16	1,522,548	1,886,111
		1,522,548	1,886,111
Total Funds and Liabilities		432,081,406	324,973,337

The annual financial statements set out on page 15 to 29 were approved by the Board of Trustees on 30 April 2025 and were signed on their behalf by:

Dr. Andrews Doe Agblobi



30/4/2025

Date

Mr. Stephen Antwi-Asimeng

Independent Trustee



30-04-2025

Date

The notes on pages 19 to 29 are an integral part of the financial statements.

Universities Staff Occupational Pension Scheme

Statement Of Movement In Net Assets Available For Benefits

For the year ended 31 December 2024

Figures in GHS

2024

2023

Description

Net assets available for benefits at 1 January	323,087,226	201,196,267
Increase in net assets for the year	107,471,632	121,890,959
Net assets available for benefits at 31 December	<u>430,558,858</u>	<u>323,087,226</u>

The notes on pages 19 to 29 are an integral part of the financial statements.

Universities Staff Occupational Pension Scheme

Statement Of Cash Flows

For the year ended 31 December 2024

Figures in GHS	Notes	2024	2023
Cash flows from operating activities			
Increase in net assets for the year		107,471,632	121,890,959
Adjustments for:			
Investment income		(49,632,556)	(80,414,844)
Allowance for expected credit loss		1,661,471	(38,134,787)
Modification loss		(19,789,273)	19,789,273
(Increase)/Fair value(gain)/loss		(5,033,104)	(952,322)
(Increase)/Decrease in receivables		(2,316,806)	(5,254,330)
(Decrease)/Increase in payables		(363,560)	1,345,153
Net cash flows from operating activities		31,997,804	18,269,102
Cash flows from investing activities			
Investment income		49,632,556	80,414,844
Purchase of equity instrument		(3,386,085)	(200,002)
Purchase of collective investment		(455,095)	
Purchase of alternative investment		(1,137,878)	(5,000,000)
Purchase of money market securities		(44,600,379)	(2,949,946)
Purchase of Corporate bonds		(32,362,790)	(13,210,944)
Purchase of Government of Ghana bonds		(25,783,166)	(72,438,734)
(Disposal)/purchase of local Government bonds		27,115,140	(7,477,025)
Net cash flows used in investing activities		(30,977,697)	(20,861,807)
Net increase/(decrease) in cash and cash equivalents		1,020,107	(2,592,705)
Cash and cash equivalents at beginning of the year		2,151,419	4,744,124
Cash and cash equivalents at end of the year	10	3,171,526	2,151,419

The notes on pages 19 to 29 are an integral part of the financial statements.

Universities Staff Occupational Pension Scheme

Annual Report and Financial Statements for the year ended 31 December 2024

Accounting Policies

1. Scheme information

The employer of staff from public universities is the sponsor of the Universities Staff Occupational Pension Scheme. The scheme is a tax-exempt approved plan under the National Pensions Act, 2008 (Act 766) and the National Pensions (Amendment) Act, 2014 (Act 883) and it is registered with the National Pensions Regulatory Authority (NPRA). Members and Employer contribution vary among participating employers.

Statement of Compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and the requirements of the National Pensions Act, 2008 (Act 766), the National Pensions (Amendment) Act, 2014 (Act 883) and the Occupational and Personal Pension Schemes (General) Regulations, 2011 (L.I. 1990).

2. Basis of measurement

The financial statements are prepared under the historical cost convention, as modified by the revaluation of certain financial instruments. The actuarial value of pensions and other future benefits of the Scheme are not applicable to the financial statements. The principal accounting policies adopted in the preparation of these financial statements remains unchanged from the previous year.

2.1 Functional and presentation currency

The financial statements are presented in the currency of the primary economic environment in which the scheme operates(functional currency), for that purpose the financial statements are presented in Ghana cedis (GHS).

Transactions and balance

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at year end exchange rate of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of changes in net assets.

2.2 Contributions

Contributions are recognized in the period in which they fall due. The Contributions are in compliance with rates as per the National Pensions Act, 2008 (Act 766), National Pensions(Amendment) Act, 2014 (Act 883) and the scheme Governing Rules.

2.3 Benefits

Benefits are recognized in the period in which they fall due. Benefits represent all valid benefit claims paid/payable during the year in compliance with the National Pensions Act, 2008 (Act 766), the National Pensions (Amendment) Act,2014 (Act 883) and the Occupational and Personal Pension Schemes (General) Regulations, 2011(L.I. 1990) and the Scheme Governing Rules.

2.4 Investment Income

Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate applicable. Dividend Income from investments is recognised when the shareholders' right to receive payment has been established.

2.5 Financial instruments

Financial assets and financial liabilities are recognised in the Scheme's balance sheet when the Scheme becomes a party to the contractual provisions of the instrument. Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the statement of changes in net assets available for benefits. If the transaction price differs from fair value at initial recognition, the Scheme will account for such difference as follows:

Universities Staff Occupational Pension Scheme

Annual Report and Financial Statements for the year ended 31 December 2024

Accounting Policies

- if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in the statement of changes in net assets available for benefits on initial recognition;
- in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 gain or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to the statement of changes in net assets available for benefits on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

a. Financial assets

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the time frame established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at FVTPL. Transaction costs directly attributable to the acquisition of financial assets classified as at FVTPL are recognised immediately in profit or loss.

All recognised financial assets that are within the scope of IFRS 9 are required to be subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Specifically:

- debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding, are subsequently measured at amortised cost;
- debt instruments that are held within a business model whose objective is both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are SPPI, are subsequently measured at FVTOCI;
- all other debt instruments (e.g. debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at FVTPL.

However, the Scheme may make the following irrevocable election / designation at initial recognition of a financial asset on an asset by-asset basis:

Universities Staff Occupational Pension Scheme

Annual Report and Financial Statements for the year ended 31 December 2024

Accounting Policies

- the Scheme may irrevocably elect to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 applies, in OCI; and

- the Scheme may irrevocably designate a debt instrument that meets the amortised cost or FVTOCI criteria as measured at FVTPL

if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option)."

b. Debt instruments at amortised cost or at FVTOCI

The Scheme assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset and the Scheme's business model for managing the asset.

For an asset to be classified and measured at amortised cost or at FVTOCI, its contractual terms should give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal outstanding. For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal).

Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Scheme determines the business models at a level that reflects how groups of financial assets are managed together to achieve a particular business objective.

The Scheme's business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis."

The Scheme has more than one business model for managing its financial instruments which reflect how the Scheme manages its financial assets in order to generate cash flows. The Scheme's business models determine whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Scheme considers all relevant information available when making the business model assessment. However, this assessment is not performed on the basis of scenarios that the Scheme does not reasonably expect to occur, such as so-called 'worst case' or 'stress case' scenarios. The Scheme takes into account all relevant evidence available such as:

- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and
- how managers of the business are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected). At initial recognition of a financial asset, the Scheme determines whether newly recognised financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Scheme reassess its business models each reporting period to determine whether the business models have changed since the preceding period. For the current and prior reporting period the Scheme has not identified a change in its business models.

Universities Staff Occupational Pension Scheme

Annual Report and Financial Statements for the year ended 31 December 2024

Accounting Policies

When a debt instrument measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to statement of changes in net assets available for benefits. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to statement of changes in net assets available for benefits but transferred within equity.

Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

c. Financial assets at FVTPL

Financial assets at FVTPL are:

- assets with contractual cash flows that are not SPPI; or/and
- assets that are held in a business model other than held to collect contractual cash flows or held to collect and sell; or
- assets designated at FVTPL using the fair value option.

These assets are measured at fair value, with any gains/losses arising on remeasurement recognised in statement of changes in net assets available for benefits."

d. Reclassification

If the business model under which the scheme holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting periods following the changes in business model that results in reclassifying the scheme's financial assets.

During the current financial year and previous accounting period there was no change in the business model under which the Scheme holds financial assets and therefore no reclassifications were made.

e. Modification and derecognition of financial assets

A modification of the financial asset occurs when the contractual terms governing the cash flows of a financial assets are renegotiated or otherwise modified between initial recognition and maturity of the financial assets. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date.

f. Other financial liabilities

Other financial liabilities, including deposits and borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The EIR is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

g. Derecognition of financial liabilities

The Scheme derecognises financial liabilities when, and only when, the Scheme's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of changes in net assets available for benefits.

2.6 Provisions

Provisions are recognised when the Scheme has a present legal or constructive obligation as a result of past events; it is probable that an outflow of economic resources will be required to settle the obligation and the amount can be reliably estimated. Where the obligation is expected to be settled over a period of years, the provision is discounted using a discount rate appropriate to the nature of the provision.

2.7 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown in current liabilities on the statement of net assets available for benefits.

Universities Staff Occupational Pension Scheme

Annual Report and Financial Statements for the year ended 31 December 2024

Accounting Policies

2.8 New standards, amendments and interpretations not yet adopted

IFRS 9 - Financial Instruments

IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, as well as new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018. The Scheme is however yet to adopt IFRS 9.

3. Financial risk management, objective and policies

The Scheme has exposure to the following risks from its use of financial instruments:

- i. Asset/Portfolio/Credit risk
- ii. Liquidity risk
- iii. Equity price risk
- iv. Interest rate risk
- v. Market risk
- vi. Operational risk

This note presents information on the scheme's exposure to each of the risk the scheme's objectives, policies and procedure and processes for measuring and managing risk.

3.1 Risk Management framework

- The Board of Trustees have overall responsibility for the establishment and oversight of the Scheme's Risk Management framework.
- The Scheme's Risk Management policies are established to identify and analyse the risks faced by the Scheme, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.
- The Board of Trustees, through the standards and procedures aims to develop a disciplined and constructive control environment, in which all Trustees understand their roles and obligations.
- The Board of Trustees are responsible for monitoring compliance with risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to risks faced by the Scheme.

3.2 Asset/Portfolio/Credit Risk

An Investment Asset Allocation Policy which is aimed at ensuring that the Board of Trustees positions the Scheme's portfolio to amass optimal returns within the changing market environment and expectations while ensuring that the corpus, risk and performance of the investment portfolio remains relatively safe and sound, is reviewed and approved by the Board of Trustees.

The approved Statement of Investment Policy serves as the guide for all investment activities of the Scheme.

In assessing the risk inherent in the portfolio, each asset class risk is measured with a keen eye on mitigating measures and controls on the risk. The first part of the measurement exercise, is the establishment of the Expected Return on each asset class.

The second part comprises the assessment of the risk characteristics of each asset; particularly in combination with the current portfolio. The risk of the individual assets is measured in the context of the effect of their returns on the overall portfolio volatility. The risk of financial loss to the Scheme if a counterparty to a financial instrument fails to meet its contractual obligations.

3.3 Liquidity risk

Liquidity risk is the risk associated with a situation where a Scheme does not have sufficient financial resources available to meet all of its obligations and commitments when they fall due, or can access them at an excessive cost. The Scheme maintains an investment policy, as approved by the Board of Trustees, which contains asset mix guidelines which help to ensure the Scheme is able to liquidate investments to meet its pension benefit or other obligations.

Universities Staff Occupational Pension Scheme

Annual Report and Financial Statements for the year ended 31 December 2024

Accounting Policies

3.4 Market risk

Market Risk is the risk associated with changes in market prices, such as interest rate, equity prices and foreign exchange rates that will affect the Scheme's income or the value of its portfolio of financial instruments. Market price risk is managed by the Administrator through construction of a diversified portfolio of instruments traded on various markets and across various industries. In addition, market price risk may be hedged using derivative financial instruments such as futures contracts.

3.5 Equity Price risk

Listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities.

3.6 Interest Rate risk

Interest risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

3.7 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Scheme, processes, personnel, outsourcing, technology and infrastructure, and from external factors other than market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

4. Use of estimates and Judgement

The preparation of financial statement in conformity with IFRS requires that, the Board of trustees makes judgement, estimates and assumption that affects the application of policies and reported amounts of assets, liabilities, income and expense. Estimates and underlying assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgement about the carrying values of assets and liabilities that are not readily apparent from the other sources. Actual results may differ from these estimates.

Universities Staff Occupational Pension Scheme

Annual Report and Financial Statements for the year ended 31 December 2024

Notes To The Annual Financial Statements

Figures in GHS

2024

2023

5. Contributions

Contribution	51,898,939	31,534,658
An analysis of contributions is as follows:		
Contribution received for the year under review	39,084,226	20,062,672
Contribution receivable	12,814,713	10,497,907
Contribution received from prior year	-	974,079
	51,898,939	31,534,658

The contribution received from prior year includes interest accrued on contribution outstanding from prior and current year.

6. Benefits

Pension benefits paid and due to members for the year amounted to GHS 9,446,096 (2023: GHS 3,460,601).

7. Investment income

Government of Ghana securities	28,913,319	71,227,925
Local Government securities	9,694,011	5,619,187
Corporate debt securities	5,121,950	2,601,892
Call interest income	680,829	409,229
Money market securities	4,592,178	496,829
Dividends received from quoted companies	630,269	59,782
	49,632,556	80,414,844

Income from Government of Ghana securities comprises interest earned on treasury bonds and bills held by the scheme. In 2023, the scheme recorded a significant increase in income, primarily due to the Debt Exchange Programme (DDEP) implemented during the year.

As part of the DDEP, the scheme realized a gain of GHS 32,139,619.43, representing interest accrued on the existing bonds between the announcement date and the actual exchange date. Additionally, the old bonds carried an unamortized discount of GHS 19,871,272.48 at the time of the exchange. These two components brought the total gain from the DDEP to GHS 52,010,891.91, which was included in the scheme's investment income from Government of Ghana securities in 2023.

In addition, the unamortized discount on the exchanged (old) bonds, which had been recognized as income in 2023 due to the modification under the Domestic Debt Exchange Programme (DDEP) was also reversed against income on GOG bonds in the current year.

It is important to note that excluding the DDEP-related gain provides a clearer picture of the underlying trend in income growth for the scheme.

Income from local government securities refers to earnings from ESLA bonds, Daakye bonds, and Cocoa bills held by the scheme. The increase in income during the year was primarily due to an expansion of the scheme's investment portfolio in these instruments. The scheme acquired additional ESLA and Daakye bonds with a total face value of GHS 24,148,653, carrying average coupon rates of 19.93% and 20.07%, respectively. The premium on these bonds was fully recognized in the year, following the early redemption (call back) of the securities.

During the year, income from corporate bonds increased significantly, driven by growth in the scheme's investment portfolio in these instruments.

In accordance with the scheme 2024 portfolio strategy, the invested in short-term high yield reverse repos and fixed deposits with strong multi-national Banks, which increase the returns on money market securities.

Dividend income represents distributions received on quoted equity securities held by the scheme. During the year, the scheme received a total dividend payout of GHS 601,004 from MTN, relating to the 2023 and 2024 financial years. This represents a significant dividend income.

Universities Staff Occupational Pension Scheme

Annual Report and Financial Statements for the year ended 31 December 2024

Notes To The Annual Financial Statements

Figures in GHS

	2024	2023
8. Net gains/(losses) on investment		
Gain/(loss) on valuation of Quoted equity	3,412,594	170,399
Loss on valuation of Corporate bond	-	(30,504)
Gain on valuation of Local Government bond	-	280,119
Gain on valuation of Ghana Government bond	-	929,803
Gain/(loss) on valuation of collective investment	482,632	(397,495)
Gain on alternative investment	1,137,878	-
	5,033,104	952,322
9. Net impairment gain/(loss) on financial assets		
Derecognition of impairment from prior year	-	(38,467,101)
Impairment allowance on corporate bonds	1,600,001	326,808
Impairment allowance on money market securities	61,470	5,506
	1,661,471	(38,134,787)
This represents the Scheme's Expected Credit Loss (ECL) measured in accordance with IFRS 9. The Expected Credit Loss is computed on the corporate bonds and the money market instruments held by the scheme.		
10. Modification loss	(19,789,273)	19,789,273
The scheme had a modification loss from Purchase Originated Credit Impaired (POCI) financial assets held at the year end. This loss is the difference between the fair value of the POCI instrument and its market value at the time of purchase. During the year, the modification loss from prior year was reversed because the issuer demonstrated consistency in the payment of coupons throughout the year.		
11. Administrative expenses		
Audit fees	30,475	25,000
Fund manager fees	1,032,336	899,516
Investment charges	98,485	5,580
Custody fees	646,961	490,837
NPRA fee	1,186,095	899,838
Trustee fees	2,983,208	1,896,500
Administrator fees	1,797,113	1,678,507
	7,774,673	5,895,778
12. Cash and cash equivalents		
Call accounts	3,171,526	2,151,419
13. Financial assets at amortised cost		
Government of Ghana securities	267,831,150	242,047,984
Local Government Bond	31,153,276	58,268,416
Corporate Bond	53,196,830	20,834,040
Money market securities	47,550,325	2,949,946
Modification loss on GOG securities	-	(19,789,273)
	399,731,581	304,311,113
Impairment loss	(1,993,785)	(332,314)
Total of financial assets held at amortised cost	397,737,796	303,978,799

Universities Staff Occupational Pension Scheme

Annual Report and Financial Statements for the year ended 31 December 2024

Notes To The Annual Financial Statements

Figures in GHS

2024

2023

	Market value	Allowance for impairment loss	Total	Year end 2024
Concentration by type- 2024				
Government of Ghana Bond	267,831,150	-	267,831,150	267,831,150
Local Government Bond	31,153,276	-	31,153,276	31,153,276
Corporate Bond	53,196,830	(1,926,809)	51,270,021	51,270,021
Money Market Securities	47,550,325	(66,976)	47,483,349	47,483,349
Total	399,731,581	(1,993,785)	397,737,796	397,737,796

	Market value	Allowance for impairment loss	Total	Year end 2023
Concentration by type- 2023				
Government of Ghana Bond	222,258,711	-	222,258,711	222,258,711
Local Government Bond	58,268,416	-	58,268,416	58,268,416
Corporate Bond	20,834,040	(326,808)	20,507,232	20,507,232
Money Market Securities	2,949,946	(5,506)	2,944,440	2,944,440
Total	304,311,113	(332,314)	303,978,799	303,978,799

Allowance for impairment loss

An analysis of the Scheme's credit risk exposure per class of financial asset, internal rating and "stage" without taking into account the effects of any collateral or other credit enhancement is provided in the following tables. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts. For exposure commitments and financial guarantee contracts, the amounts in the table represent the amounts committed or guaranteed, respectively:

Investment securities for the year 2024

	Stage 1	Stage 2	Stage 3	POCI	Total	Year end 2024
	12-month ECL	Lifetime ECL	Lifetime ECL			
Grade 1-3: Low to fair risk	131,900,431	-	-	267,831,150	399,731,581	399,731,581
Total gross carrying amount	131,900,431	-	-	267,831,150	399,731,581	399,731,581
Loss allowance	(1,993,785)	-	-	-	(1,993,785)	(1,993,785)
	129,906,646	-	-	267,831,150.00	397,737,796	397,737,796

Investment securities for the year 2023

	Stage 1	Stage 2	Stage 3	POCI	Total	Year end 2023
	12-month ECL	Lifetime ECL	Lifetime ECL			
Grade 1-3: Low to fair risk	82,052,402	-	-	222,258,711	304,311,113	304,311,113
Total gross carrying amount	82,052,402	-	-	222,258,711	304,311,113	304,311,113
Loss allowance	(332,314)	-	-	-	(332,314)	(332,314)
	81,720,088	-	-	222,258,711	303,978,799	303,978,799

The table below analyses the movement of the loss allowance during the year per class of assets.

Universities Staff Occupational Pension Scheme

Annual Report and Financial Statements for the year ended 31 December 2024

Notes To The Annual Financial Statements

Figures in GHS

		2024	2023
Loss allowance- investment securities at amortised cost			
2024	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL
Loss allowance at 1 January	332,314	-	-
Loss allowance for the year	1,661,471	-	-
Loss allowance at 31 December	1,993,785	-	-
2023	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL
Loss allowance at 1 January	38,467,101	-	-
Loss allowance recovered	(38,467,101)	-	-
Loss allowance for the year	332,314	-	-
Loss allowance at 31 December	332,314	-	-

The scheme's Government of Ghana Bonds are recognise as POCI financial assets after the implementation of the DDEP arrangement with the Government of Ghana.

14. Financial assets at fair value through profit or loss

Alternative investment	6,137,878	5,000,000
Collective Investment	4,331,553	2,255,950
Equity investment	7,887,940	1,089,262
	18,357,371	8,345,212

Collective investment disclosed above represents investment in mutual funds held with EDC Investment Limited, Databank Brokerage Limited and Stanbic Investment Managements Services.

15. Accounts receivable

Contribution receivable	12,814,713	10,497,907
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Below is an analysis of the contribution receivable as of year end;

	2024	2023
Over 90 days	2,175,976	1,613,392
61-90 days	2,175,976	128,824
31-60 days	5,641,841	1,363,652
Current	2,820,920	7,392,039
	12,814,713	10,497,907

16. Other payable

Fund manager fees	96,740	154,599
Benefit payable	136,256	136,256
Audit fee payable	30,475	25,000
Administrator fees	162,039	418,615
NPRA fees	113,226	169,340
Due to GOG (overpayment)	464,018	464,017
Trustee fees	458,037	425,916
Custody fees	61,759	92,367
	1,522,550	1,886,110

17. Income Tax

Under Section 89 (1) of the National Pensions Act, 2008 (Act 766), the National Pensions (Amendment) Act, 2014 (Act 883) and Income Tax Act 2015 (Act 896) as amended, the Scheme is exempt from taxation.

Universities Staff Occupational Pension Scheme

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2024

2023

18. Contingent and Commitments

As at the date of reporting, there were no outstanding commitments or contingencies.

19. Event after the reporting date

Events subsequent to the Statement of Net Assets Available for Benefits date are reflected in the financial statements only to the extent that they relate to the year under consideration and the effect is material. As at the end of the reporting period, there were no events after the reporting period that relate to the year under consideration.

20. Going Concern

The Board of Trustees believe that the Scheme will be a going concern in the year ahead. For this reason we continue to adopt the going concern basis in preparing the annual financial statements.