



**GHANA MEDICAL
ASSOCIATION FUND**



**ANNUAL
REPORT
2019**



GHANA MEDICAL ASSOCIATION FUND

2019

ANNUAL REPORT

&

AUDITED FINANCIAL STATEMENTS



**GHANA
MEDICAL
ASSOCIATION**



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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 17th Annual General Meeting (AGM) of the Shareholders of Ghana Medical Association Fund will be held VIRTUALLY via Zoom on Thursday, 5th November, 2020 at 3:30pm to transact the following business: -

AGENDA

1. To receive and consider the reports of the Directors and the Auditors for the year ended 31st December, 2019.
2. To receive and adopt the Financial Statements for the year ended 31st December, 2019.
3. To authorize the Board of Directors to fix the remuneration of the Auditors.

SPECIAL RESOLUTIONS

1. To authorize the Company to effect all changes in the Company's Regulations to make it compliant with the new Companies Act 2019 (992)
2. To amend the Company's Regulations to accommodate the holding of Annual General Meetings by electronic or virtual means where the Directors deem it necessary to do so.

Dated, this 16th day of October, 2020

BY ORDER OF THE BOARD
Gloria Armah
Secretary

NOTE:

1. Kindly use the link below to register and join the virtual meeting:
Webinar ID - 956 0438 2220 -

https://zoom.us/webinar/register/WN_301SAs8-RUKz4mqjdhITdA

2. **Right of Shareholders to Ask Questions**

Shareholders have a right to ask questions not only at the meeting, but also in writing prior to the meeting. For the good and orderly conduct of the Meeting, shareholders are encouraged to submit their questions in writing ahead of the Meeting and those questions will be acknowledged and answered in full at the Meeting.

Such questions should be addressed to the Senior Fund Administrator and submitted to the Registered Office or by electronic mail at gmafund@ghanamedassoc.org not later than 7 days before the Meeting.



CORPORATE INFORMATION

Board of Directors

Name	Position
Dr. Roderick Larsen-Reindorf	Chairman
Dr. Frank Serebour	Member
Dr. Naa Djama O. Glover	Member
DCOP/Dr. Ebenezer Ewusi-Emmim	Member
Dr. Frank Owusu-Sekyere	Member
Lester Ohemeng, Esq	Member (Appointed 14 th May 2019)
Edem Nutakor	Member (Appointed 14 th May 2019)

Members of the Secretariat

Name	Position
Edward Ardey Otoo	Senior Fund Administrator
Gloria Armah	Assistant Fund Administrator

Principal Place of Business

Name	Address
Registered Office	GMA House, Harley Street, Opp Basic Sciences Auditorium Korle-Bu Accra. P. O. Box GP 1596, Korle-Bu, Accra
Company registration number	CG126052018
Tax Identification Number	C0015859886
Independent Auditor	UHY Voscon Chartered Accountants 2nd Floor, Cocoshie House. Opposite Silver Star Tower Agostinho Neto Close Airport Residential Area. P. O. Box LA 476, La, Accra. P : +2333026834 E : info@uhyvoson-gh.com W : www.uhyvoson-gh.com /G.A-057-1475
Fund Manager	Databank Asset Management Services Ltd No. 61 Barnes Road, Adabraka, Accra P. M. B. Ministries Post Office, Accra

Bankers

GCB Bank Limited
Standard Chartered Bank Ghana Ltd

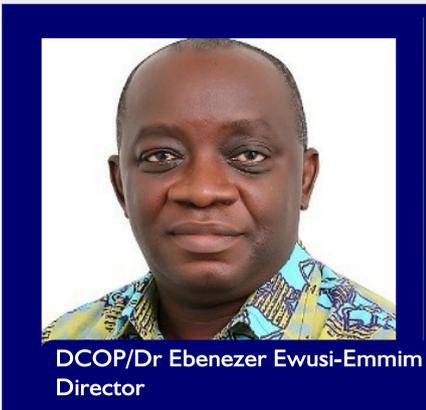
Custodians

Standard Chartered Bank Ghana Ltd Securities Service Department Head Office, Independence Avenue P. O. Box GP 768 Accra-Ghana



CORPORATE INFORMATION (cont'd)

Board of Directors



CORPORATE INFORMATION (cont'd)

Staff of the Secretariat



Edward Ardey Otoo
Senior Fund Administrator



Gloria Armah
Asst. Fund Administrator



FINANCIAL SUMMARY AND FINANCIAL HIGHLIGHTS

Financial Summary and Financial Highlights

(All amounts are expressed in Ghana cedi unless otherwise stated)

Summary	2019	2018	2017	2016	2015
Total investment income	12,987,899	12,534,934	15,478,952	7,472,515	5,095,481
Other income	3,930	4,055	2,715	2,860	2,435
Management and administrative expenses	1,354,122	1,199,304	1,016,323	684,195	588,420
Net investment and other income	11,637,707	11,339,685	14,465,344	6,791,180	4,509,496
Total assets	107,738,147	89,781,859	73,686,078	50,715,339	40,095,866
Total accumulated fund	107,112,967	89,269,541	73,453,252	50,553,790	39,932,568
Total net assets	107,112,967	89,269,541	73,453,252	50,553,790	39,932,568

Financial Highlights	2019	2018	Percentage (%)
Total investment income	12,987,899	12,534,934	3.61
Other income	3,930	4,055	(3.08)
Management and administrative expenses	1,354,122	1,199,304	12.91
Net investment and other income	11,637,707	11,339,685	2.63
Total assets	107,738,147	89,781,859	20.00
Total accumulated fund	107,112,967	89,269,541	19.99
Total net assets	107,112,967	89,269,541	19.99



REPORT FROM THE CHAIRMAN

On behalf of the Board of Directors and Management of the Ghana Medical Association Fund, I welcome you to the seventeenth Annual General Meeting and to present to you the Annual Report and Financial Statements for the Financial Year ending 31st December, 2019.

It is with deep regret I the passing of Prof. Jacob Plange-Rhule. It was he who mooted the idea of GMA Pension Fund during his tenure as GMA President. After much debate during the 2003 AGM at Prempeh Assembly Hall, this Fund was born and we all can attest that the Fund has served us very well. He was also the immediate past Chairman of the Board of Directors of the Fund. The GMA Fund is one of his enduring legacies. May we observe a minute silence in his memory. May he and all the faithful departed rest in peace. Amen.

GLOBAL REVIEW

The year 2019 experienced some significant recovery in the global market. Despite the broad-based gains in US equities, expectations over FED policy and US-China Trade tensions, corporate earnings took turns to drive sentiments. China's determination to enforce its dominance in the trade front pushed the US market to respond with trade sanctions causing uncertainty in the market.

Equity markets around the world bounced back following a market sell off at the end of 2018. Bond yields globally plummeted on recession fears resulting in very healthy returns for fixed income investors. Oil rallied into year-end finishing above USD \$ 60 per barrel while gold prices spiked at the height of summer's recession fears.

On the African front, the overall market activity in 2019 saw a decline in both value and volume by 44% and 29% respectively, compared to 2018, posting some of the lowest in the decade. This was largely driven by a series of macroeconomic factors including an Equity Capital Market (ECM) Deceleration in the global market, caution in the period leading up to key national elections which took place in both Nigeria and South Africa in 2019 and more specifically in South Africa, growing political gridlock and economic slowdown.

OVERVIEW OF THE GHANAIAN ECONOMY

The Ghanaian economy recorded a growth of 6.5% compared to 6.3% in 2018, supported by private sector growth and the oil & gas sector. The domestic economy maintained its moderate fiscal, single-digit inflation, and a relatively stable exchange rate during the year. Fiscal deficit worsened in 2019 to 4.8% from 3.8% recorded in 2018 on account of persistent revenue shortfalls and upward pressure on expenditure. Total public debt stood at US\$ 39 billion representing 62.1% of debt to GDP ratio in 2019. Despite the low domestic resource mobilization and high cost of financial and energy sector reforms, the government remained committed to a deficit ceiling of not more than 5% of GDP, as required by the new Fiscal Responsibility Act. Headline inflation was well anchored within the Government's medium-term target of 8±2% ending the year at 7.9%. The local currency depreciated by 12.9% against the US dollar in 2019 on the back of seasonal import driven demand for the US dollar. Interest rates remained fairly stable during the year with a few upticks recorded across the yield



curve (short, medium and long end). With yields on fixed income securities remaining relatively strong, the GSE Composite Index (GSE-CI) witnessed a further dip in its performance by -12.25% in 2019 as against -0.29% in 2018. The performance of the index can largely be attributed to negative investor sentiments, currency induced foreign investor sell-off and post-IMF uncertainties.

GMA FUND

The GMA Fund recorded an 18.47% growth in 2019 which was driven by net flows and net investment gains of 51% and 49% respectively. The poor performance of the stock market suppressed the growth of the Fund. This necessitated a review of the Fund's Assets allocation strategy in order to mitigate the impact of capital losses in the ensuing years. Implementation of this decision would set off in 2020 to position the Fund to recover from the unrealized losses recorded by its stock portfolio.

Management expense ratio to revenue improved from 9.2% in 2018 to 7.64% in 2019 on the back of negotiation of management fees from 0.9% to 0.75% and custody fees from 0.25% per annum to 0.20% per annum. These negotiations raked in significant savings to the Fund.

The Fund's membership grew by 11.28 % to 8,120 in 2019.

Forty-nine (49) members received their entitlements to the tune of GH¢ 2,564,054.50 representing an increase in value by 48.5% compared to 2018 after retiring from active service.

OUTLOOK FOR THE GHANAIAN ECONOMY

The Ghanaian economy is projected to grow by 0.9%, a significant drop compared to that of 2019, due to the impact of COVID-19 on economic activity. Ghana recorded its first case of COVID-19 in March 2020 with daily new infections peaking at 1,883 on July 8, 2020. Owing to COVID-induced expenditure overruns, fiscal deficit is expected to deteriorate to 7.2% in 2020 from the 4.8% recorded in 2019. The Fiscal Responsibility Act, which sets the annual fiscal deficit at a maximum 5% of GDP has been suspended till 2023 and hence the fiscal position could worsen due to the Government's persistent revenue shortfalls and widening expenditure needs to mitigate the impact of the pandemic. Some social intervention measures (free water and electricity to lifeline consumers), communication service tax cut and COVID-19 Alleviation and Revitalization of Enterprises Support (Ghana CARES) programme could propel economic recovery. Growth prospects, however, remain positive as global prices for Ghana's main export commodities stabilize. Government's industrialization agenda would seek to expand output through coordinated public and private investment. The Government's new Business Regulatory Reform programme is expected to improve the business environment and mobilize domestic revenue.

The GSE-CI could likely record lower levels compared to 2019 as the impact of COVID-19 takes its toll on corporate earnings and especially result in higher impairments for the banking sector. An upside risk to inflation is expected resulting from supply chain disruptions and COVID related uptick in food inflation but ultimately



REPORT FROM THE CHAIRMAN (cont'd)

headline inflation is expected to remain within the upper band of the Government's medium-term target. Interest rates on the other hand is likely to record marginal dips as Government looks to the Central Bank (Bank of Ghana) and international market for funding support for its budget. The influx of foreign currency as a result of the Government's Eurobond issuances and Cocoa Syndicated loan could result in the relative stability of the local currency.

CLOSING REMARKS

As Board of Directors, we remain prudent and cautious in our strategy implementation to ameliorate the growth recorded and to mitigate any shock that may surface as a result of the significant effect of the pandemic. As part of measures to make the Fund resilient, we have approved a new mandate for the Fund which positions the Fund to benefit from gains in the equity portfolio, while minimizing downside risk by increasing the Fund's exposure to fixed income investments.

Furthermore, we have taken a decision to upgrade the Fund's administrative software to a more robust platform. This will be done to accommodate the growing numbers of our membership as well as to improve data processing, quality of reporting and the security of data.

We wish to thank Messrs.' Edem Nutakor and Lester Ohemeng, for enriching the Board with the vast experience and contribution towards steering the Fund's affairs. We also wish to appreciate our service providers, the Fund Manager and custodian for their dedication over the years to ensure the best possible growth of the Fund.

I would like to assure all our members, on behalf of the Board, of our dedication to ensuring that each doctor's investment is are diligently taken care of to enable you receive meaningful entitlements upon retirement.

We urge you all to continue to keep faith in the Fund as it remains a strong legacy for the Association. As the front-liners to the fight against the pandemic, I also pray with you that the Lord Almighty shall preserve our lives as He grants us the grace to save lives for a better Ghana.

I wish you a fulfilling year.



Dr Roderick Larsen-Reindorf
Chairman



SENIOR FUND ADMINISTRATOR'S REPORT

It is with immense pleasure that I welcome you to the seventeenth Annual General Meeting of the Ghana Medical Association Fund. We are grateful to God for yet another milestone crossed and for sustaining us through the year.

Total withdrawals recorded within the year amounted to GH¢ 2,564,054.50 representing a year-on-year growth of 48.54%. Contributions from members also grew by 6% (GH¢ 12,745,722.21) in 2019 on the back of an increase in membership as well as additional voluntary contribution of 10% and 90% respectively. This indicates the confidence members have reposed in the Fund and the goodwill the Fund continues to enjoy on the back of retirees who have automatically become ambassadors of the Fund.

Recruitment

The Assistant Fund Administrator, Ms Gloria Armah was recruited to augment the capacity of the office in handling the growth of the Fund. She was introduced to members at the last Annual General Meeting of the Fund held at the Modern City Hotel, Tamale.

Fund Orientation

The Fund, in partnership with the Medical and Dental Council (MDC), organized orientations for incoming doctors on two occasions in the months of April and December 2019. This gave newly inducted doctors the opportunity to understand the operations and objective of the Fund prior to the commencement of their housemanship and subsequent deduction of contributions from their salaries.

Concerns of Members

Among the key concerns of some members were their inability to access their statement of account to monitor their investments. On account of this, we rolled out an electronic contact update form for members to provide their email addresses to update the membership records. This increased the number of members who received their statements of accounts periodically in their emails.

Secondly, members who were no longer being paid through the Controller & Accountant General's Department together with those who wanted to increase their monthly deduction were provided with the new USSD code to facilitate swift payment of additional voluntary contributions in the comfort of their homes and offices without any hassle.

The code is *389*462#. A member is required to provide his staff ID or membership code to authenticate the payment process.

Finally, let me seize the opportunity to inform members that the GMA Fund's website - www.fund.ghanamedassoc.org - remains active. Members can visit the website to view their statements, send enquiries and share any feedback with the management of the Fund.



SENIOR FUND ADMINISTRATOR'S REPORT (cont'd)

On this note, I would like to thank the Board of Directors for their invaluable stewardship of the Fund. I would also like to thank all stakeholders for their contributions to the growth and success of the Fund. It is our firm conviction that the Fund would grow bigger leading the way for other professional bodies to emulate.

God bless you.

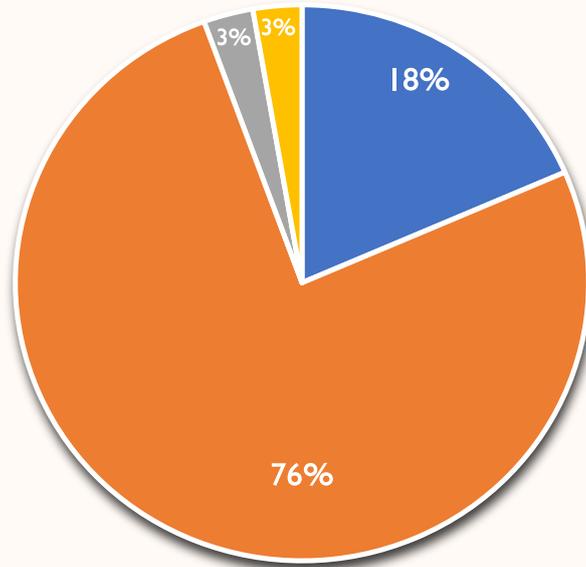


Edward Ardey Otoo

Senior Fund Administrator

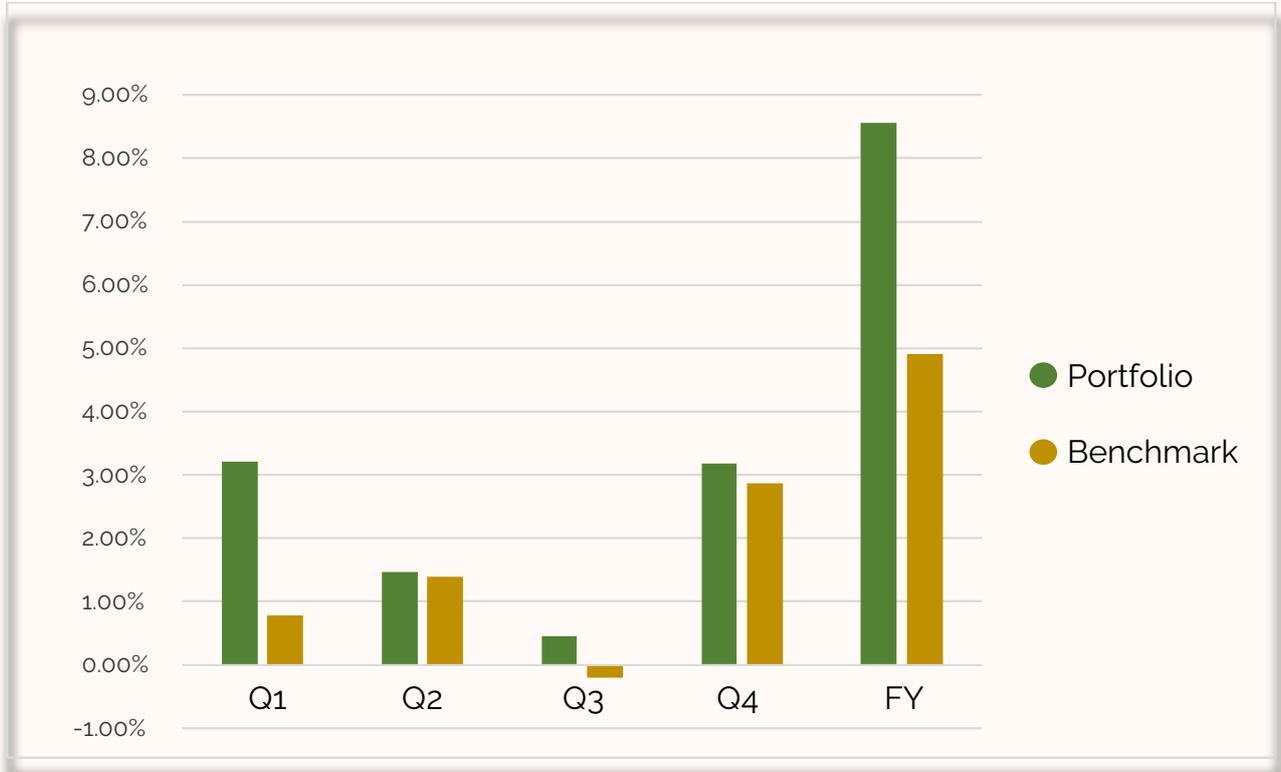


Asset Allocation



● Equity ● Fixed Income ● Real Estate ● Cash and Receivables

Performance: Actual v Benchmark Returns



AN INTERVIEW WITH THE FUND MANAGER

Q What was the performance of the stock market over the period under review?

A The Ghana Stock Market ended 2019 with a return of -12.25% compared to a return of -0.29% recorded in 2018, mainly fuelled by losses sustained by twenty-two (22) names with only six (6) counters recording gains within the period. The performance recorded in the year was attributable to sustained trade-offs by foreign investors in the equity following the weak performance of the local currency. This was exacerbated by improved macroeconomic indicators from other countries such as the USA and Singapore.

Q Could you shed some light on the performance of fixed income securities and the context of this performance?

A 2019 witnessed an improvement in inflationary conditions as headline inflation declined by 150 basis points (bps) to end the year at 7.9%. It is worth noting that the Ghana Statistical Services rebased the measurement of the Consumer Price Index (CPI) in August 2019. The changes included 2018 as the reference period as well as an expansion of the basket of goods and services as the basis for inflation computation. The exchange rate between the Ghana cedi and US dollar however, remained unstable with volatility reflecting seasonal import driven demand and portfolio reversals. The cedi weakened broadly following the surprise 100 basis points cut in the Monetary Policy Rate in January 2019 and ended the year with a 12.9% depreciation against the US dollar. This was in spite of the USD 3B Eurobond issuance and USD 3B COCOBOD syndicated loan which was amassed for the 2019/2020 crop year.

The developments on the country's currency outlook, and its implications on cedi denominated instruments, led to sell-offs by foreign investors and prompted a rise in yields across the yield curve.

Q How did the Fund fare in 2019 and what were the contributors to this performance?

A The GMA Fund posted a return of 8.56%, which was slightly behind the return recorded in 2018 of 8.75% but comparing favorably with its year end blended benchmark return of 4.91%. With the stock market posting a negative return, the Fund's equity holdings were not spared price declines. Although the equity portfolio posted a negative return, the positive performance of 3 stocks which made up 24% of the equity portfolio, as well as dividends received served as a moderate defense against price declines. Furthermore, the Fund's fixed income portfolio, buoyed the Fund's performance thereby keeping returns in positive territory.

Q What was the mix of financial instruments in the GMA Fund at the end of 2019?

A At the end of the financial year, the Fund's equity holdings stood at 18% of Fund value with the Fund's largest exposure being the financial services sector. The Fund's allocation to fixed income stood at 76% of Fund value up from 59% in the previous year. Given the uncertainties surrounding the financial services industry particularly in the Savings and Loans segment, we kept a significant portion of the Fund invested in Government of Ghana securities. The Fund's allocation to this asset class grew from 37% in 2018 to 64% of Fund value in 2019.



AN INTERVIEW WITH THE FUND MANAGER (cont'd)

Q How did Fund performance and net inflows contribute to the growth of the Fund?

A

The size of the GMA Fund grew from GHC88.90M to GHC105.39M in 2019, translating to a growth of 18.50%. Of the growth recorded, net inflows explained 51% of the growth with net investment income contributing 49% of the Fund's growth). Subscriptions to the Fund totaled GHC11M while payment of entitlements amounted to GHC5.14M in 2019.

Q What is your outlook for the Fund?

A

As you are aware, your Fund invests solely in Ghana, and like many other countries, Ghana has been impacted by the COVID-19 pandemic. This has resulted in crude price shocks, revenue shortfalls and elevated expenditure on account of COVID-19 related spending. Additionally, impact of the COVID induced lockdown, restricted movements as well as supply chain disruptions has cast a shadow on projected GDP growth. Growth projections for GDP has been revised down from 6.8% to 1.5%. Against this backdrop, it is expected that the fiscal deficit will end 2020 at 11.4%. This development has led to a suspension of the Fiscal Responsibility rule which imposes a cap on the fiscal deficit of 5% of GDP. On the currency front, the Government's tapping into the Eurobond market in February 2020, declines in imports, as well as the IMF and World Bank Rapid Credit Facility have all gone towards defending the currency (September 2020:-2.96%). It is expected that the upcoming cocoa syndicated loan will provide additional support to the Ghana Cedi by year end. Inflation on the other hand is likely to end the year above the revised year-end target of 11.10% on the back of COVID-19 expenditure and election-related spending towards the end of the year. With these developments, we expect a moderate increase in interest rates as investors take these into account in pricing fixed income securities.

With respect to the Stock market, we expect a modest performance since yields on fixed income securities remain elevated. That said, the market appears undervalued as many stocks have experienced significant price declines following foreign portfolio sell offs. This presents opportunities to increase exposure to these counters in anticipation of a rebound. On a sector basis, we expect the banking sector to remain profitable though impairments are likely to escalate given the slow-down in business activity which could lead to higher default rates. Non-financial companies within the consumer staples industry are likely to suffer from the strain of poor trading conditions evidenced by the waning profits. Oil Marketing Companies (OMCs) are poised to recover from the slow-down in business activity as the closure of the borders and restrictions on gatherings continue to ease. The only listed telecom company, MTNGH, is likely to be insulated from the adverse effects of the pandemic as usage in internet and digital services have become more ingrained in society.

Given the Fund's high exposure to Fixed income instruments, we believed that the Fund is poised for growth and well positioned to benefit from a recovery of the stock market.

This has been an interview with your Fund Manager, Edna Ahunu.



September 03, 2020

The Board, Ghana Medical Association Fund
P.O.BOX 1596
Korlebu-Accra

REPORT OF THE CUSTODIAN TO INVESTORS OF GHANA MEDICAL ASSOCIATION FUND – DECEMBER 31, 2019

Standard Chartered Bank Ghana Limited confirms the assets held for Ghana Medical Association Fund as at December 31, 2019 as follows:

CORPORATE BOND		
Security Name	Position	Valuation
5 YEAR ILL-BD -27.08.2015-27.08.2020-4054-9-25.20%	500,000.00	543,961.54
BFS-BD-24/12/21-C0414-23%	1,190,000.00	1,196,015.38
BFS-BD-23/08/22-C0079-20%	1,055,000.00	1,132,675.82
ILL-BD-29/10/21-C0352-21.5%	908,000.00	942,324.40
ILL-BD-30/10/22-C0109-19%	2,307,000.00	2,382,864.81
BFS-BD-29/11/21-C0384-23%	1,000,000.00	1,018,324.18
Classification Total	6,960,000.00	7,216,166.13
GOVERNMENT BONDS		
Security Name	Position	Valuation
E.S.L.A PLC - 19.5% SNR BDS 20/10/2027 GHS1 'ESL002'	1,000,000.00	1,030,000.00
E.S.L.A PLC – 19% SNR BDS 23/10/2024 GHS100000'ESL001'	4,218,454.00	4,357,176.24
REPUBLIC OF GHANA - 20.95% T-BILL 06/12/2021 GHS1000	643,000.00	651,511.80
REPUBLIC OF GHANA – 18% BDS 26/07/21 GHS50000	1,497,000.00	1,612,482.86
REPUBLIC OF GHANA - 19.5% BDS 08/07/2024 GHS1000	1,897,199.00	2,069,979.62
REPUBLIC OF GHANA - 19.75% NTS 04/01/2021 GHS1000	660,000.00	723,384.48
REPUBLIC OF GHANA - 19.5% NTS 09/11/2020 GHS1000	3,511,000.00	3,606,925.54
REPUBLIC OF GHANA - 16.5% BDS 06/02/2023 GHS1000	2,500,000.00	2,660,920.33
REPUBLIC OF GHANA - 19.75% BDS 25/03/2024 GHS50000	3,518,000.00	3,702,584.40
REPUBLIC OF GHANA - 18.5% BDS 01/06/2020 GHS1000	1,925,236.00	1,954,590.56
REPUBLIC OF GHANA - 18.75% BDS 24/01/2022 GHS1000	198,686.00	214,651.84
REPUBLIC OF GHANA - 24.75% BDS 19/07/2021 GHS50000	1,000,000.00	1,110,831.04
REPUBLIC OF GHANA - 19.75% BDS 22/02/2021 GHS1000	1,900,000.00	2,031,956.04
REPUBLIC OF GHANA – 16% NTS 11/05/2020 GHS1000	1,400,000.00	1,431,384.62
REPUBLIC OF GHANA – 19% SNR BDS 02/11/2026 GHS50000	9,279,511.00	9,526,539.74
REPUBLIC OF GHANA - 19.8% BDS 11/06/2029 GHS1000	4,153,000.00	4,173,331.45
REPUBLIC OF GHANA – 20% BDS 03/01/2022 GHS1000	6,188,000.00	6,789,800.00

Standard Chartered Bank Ghana Limited

Head Office,
87 Independence Avenue,
P O Box 768, Accra – Ghana
SC.com/gh

Tel 0302 610750 / 0302 633366

Bew

Dr. Emmanuel Oteng Kumah (Chairman) · Mansa Nettey (Managing Director) · Kweku Nimfah-Essuman
Prof. Akua Kuenyehia · Harriet-Ann O. Adesola · Ebenezer Twum Asante · Sheikh Jobe · Kwabena Nifa Aning



GOG-NT-24/08/20-A4816-1604-18%		3,600,000.00		3,827,868.13
REPUBLIC OF GHANA - 19.7% BDS 23/05/2022 GHS1000		1,765,373.00		1,800,724.11
REPUBLIC OF GHANA - 18.25% BDS 25/07/2022 GHS1000		5,765,950.00		6,216,929.66
REPUBLIC OF GHANA - 19.75% SNR BDS 15/04/2024 GHS1000		1,000,000.00		1,039,065.76
REPUBLIC OF GHANA – 21% BDS 27/01/2025 GHS1000		9,658,046.00		10,488,266.49
REPUBLIC OF GHANA - 19.5% BDS 18/10/2021 GHS1000		1,000,000.00		1,038,571.43
Classification Total		68,278,455.00		72,059,476.13
TREASURY BILLS				
Security Name		Position		Valuation
REPUBLIC OF GHANA - 0 PCT T-BILL 27/07/2020 GHS1000		500,000.00		456,631.43
Classification Total		500,000.00		456,631.43
EQUITY SHARE				
Security Code	Security Name	Nominal	Mkt Price	Valuation
SOGEGH	SOCIETE GENERALE GHANA LIMITED	1,187,696.00	GHS 0.72	855,141.12
GOIL	GHANA OIL COMPANY LIMITED	754,562.00	GHS 1.70	1,282,755.40
BOPP	BENSO OIL PALM PLANTATION LIMITED	191,920.00	GHS 2.86	548,891.20
CAL	CAL BANK LIMITED	1,023,085.00	GHS 0.89	910,545.65
MAC	MEGA AFRICA CAPITAL LIMITED	300,000.00	GHS 5.98	1,794,000.00
EGL	ENTERPRISE GROUP LIMITED	801,000.00	GHS 1.65	1,321,650.00
EGH	ECOBANK GHANA LIMITED	236,070.00	GHS 8.09	1,909,806.30
IIL	INTRAVENOUS INFUSIONS LIMITED	5,000,000.00	GHS 0.05	250,000.00
FML	FAN MILK LIMITED	204,510.00	GHS 4.12	842,581.20
GGBL	GUINNESS GHANA BREWERIES LTD	605,294.00	GHS 1.69	1,022,946.86
SCB	STANDARD CHARTERED BANK GHANA LTD	57,636.00	GHS 18.40	1,060,502.40
TOTAL	TOTAL PETROLEUM GHANA LIMITED	584,700.00	GHS 3.00	1,754,100.00
MTNGH	MTN GHANA	4,800,000.00	GHS 0.70	3,360,000.00
UTB	UT BANK LIMITED	530,000.00	GHS 0.00	0.00
GCB	GCB BANK LIMITED	388,769.00	GHS 5.10	1,982,721.90
TLW	TULLOW OIL PLC	4,020.00	GHS 11.94	47,998.80
TBL (THE GAMBIA)	TRUST BANK LIMITED (THE GAMBIA)	1,199.00	GHS 0.40	479.6
Classification Total		16,670,461.00		18,944,120.43

Standard Chartered Bank Ghana Limited

Head Office,
87 Independence Avenue,
P O Box 768, Accra – Ghana
SC.com/gh

Tel 0302 610750 / 0302 633366

Bur

Dr. Emmanuel Oteng Kumah (Chairman) · Mansa Nettey (Managing Director) · Kweku Nimfah-Essuman
Prof. Akua Kuenyehia · Harriet-Ann O. Adesola · Ebenezer Twum Asante · Sheikh Jobe · Kwabena Nifa Aning

UNIT TRUST				
Security Code	Security Name	Nominal	Mkt Price	Valuation
ACORN	ACORN Units	32,126.00	GHS 60.90	1,956,637.24
GH00030076	DATABANK REAL ESTATE FUND	278,491.48	GHS 3.55	991,234.72
Classification Total		310,617.48	2,947,871.97	

SUMMARY		
Description	Market Value	PCT of Total
CORPORATE BONDS	7,216,166.13	6.90
GOVERNMENT BONDS	72,059,476.13	68.94
EQUITY SHARE	18,944,120.43	18.12
UNIT TRUST	2,947,871.97	2.82
TREASURY BILLS	456,631.43	0.44
PBC RECEIVABLE	1,300,000.00	1.24
M AND N RECEIVABLE	1,000,000.00	0.96
CASH BALANCE	598,515.39	0.57
TOTAL	104,522,781.48	100.00

Thank You.

Yours faithfully



Beverly Frimpong Head,
Securities Services

Standard Chartered Bank Ghana Limited

Head Office,
87 Independence Avenue,
P O Box 768, Accra – Ghana
SC.com/gh

Tel 0302 610750 / 0302 633366

Dr. Emmanuel Oteng Kumah (Chairman) · Mansa Nettey (Managing Director) · Kweku Nimfah-Essuman
Prof. Akua Kuenyehia · Harriet-Ann O. Adesola · Ebenezer Twum Asante · Sheikh Jobe · Kwabena Nifa Aning

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are required to ensure that adequate accounting records are maintained so as to disclose at reasonable adequacy, the financial position of the Fund. They are also responsible for steps to safeguard the assets of the Fund and to prevent and detect fraud and other irregularities. They must present financial statements for each financial year, which give a true and fair view of the affairs of the Fund, and the results for that period. In preparing these financial statements, they are required to:

- select suitable accounting policies and apply them on a consistent basis using reasonable and prudent judgment.
- state whether or not the Companies Act 1963 (Act 179) now Companies Act, 2019 (Act 992) and International Financial Reporting Standards ("IFRS") have been adhered to and explain material departures thereto.
- use the going concern basis unless it is inappropriate.

The Board acknowledges its responsibility for ensuring the preparation of the annual financial statements in accordance with IFRS and the responsibility of external auditors to report on these financial statements. The Board is responsible for ensuring the maintenance of adequate accounting records and an effective system of internal controls and risk management.

Nothing has come to the Board's attention, to indicate any material breakdown in the functioning of the internal controls and systems during the period under review, which could have a material impact on the business.

The financial statements are prepared from the accounting records on the basis of consistent use of appropriate records supported by reasonable and prudent judgments and estimates that fairly present the state of affairs of the Fund. The financial statements have been prepared on a going concern basis and there is no reason to believe that the Fund will not continue as a going concern in the next financial year. The Directors confirm that in preparing the financial statements, they have:

- selected suitable accounting policies and applied them consistently.
- made judgments and estimates that are reasonable and prudent
- followed the International Financial Reporting Standards
- prepared the financial statements on the going concern basis

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Fund and to enable them ensure that the financial statements comply with the Companies Act 1963, (Act 179) now Companies Act, 2019 (Act 992). They are also responsible for safe guarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By the order of the Board:

Name of Director: **Dr Roderick Larsen-Reindorf**

Signature:



Date: _____ **28-OCT-2020** _____

Name of Director: **Dr. Frank Owusu-Sekyere**

Signature:



Date: _____ **28-OCT-2020** _____



REPORT OF DIRECTORS TO THE MEMBERS OF GHANA MEDICAL ASSOCIATION FUND

The Directors are pleased to present their report together with the audited financial statements of the Fund for the year ended 31 December, 2019 which discloses the statement of affairs of Ghana Medical Association Fund.

Nature of Business

The Fund is authorized to provide members of the Fund with a retirement benefit subject to the compliance with the rules.

Financial Results

Detailed financial results for the period are set out in the attached audited financial statements with an extract as below.

	2019	2018
Net assets at 1 January	89,269,541	73,453,252
Prior year adjustment	-	(2,597,032)
	89,269,541	70,856,220
Net investment income for the year	11,637,707	11,339,685
Changes in fair value of investments	(3,975,948)	(3,210,198)
Members contribution net of entitlements	10,181,668	10,283,834
Net assets at 31 December	107,112,967	89,269,541

Directors' interest

The Directors have no material interest in contracts entered into by the Fund. Any transaction that relates to them is disclosed as part of the related party notes which forms part of the financial statements

Independent Auditors

In accordance with Section 139 (11) of the Companies Act, 2019 (Act 992) the Auditors, Messrs UHY Voscon Chartered Accountants, will continue in office as Auditors of the Fund.

Auditor's Remuneration

The fee charged for the audit of the accounts for the year ended 31 December, 2019 is GHC 16,931.22 ex VAT and levies.

By the order of the Board:

Name of Director: **Dr Roderick Larsen-Reindorf**

Signature: 

Date: 28-OCT-2020

Name of Director: **Dr. Frank Owusu-Sekyere**

Signature: 

Date: 28-OCT-2020



REPORT OF INDEPENDENT AUDITORS TO THE MEMBERS OF GHANA MEDICAL ASSOCIATION FUND

Opinion

In our opinion the accompanying financial statements give a true and fair view of the financial position of Ghana Medical Association Fund as at 31 December, 2019, and of its financial performance and the cash flows for the year then ended in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) and in the manner required by the Companies Act, 2019 (Act 992).

What we have audited

We have audited the accompanying financial statements of Ghana Medical Association Fund for the year ended 31 December, 2019.

The financial statements comprise:

- statement of comprehensive income for the year then ended;
- statement of financial position as at 31 December, 2019;
- statement of accumulated fund for the year ended;
- statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter- effects of enactment of the Companies Act, 2019 (Act 992)

Emphasis of matter refers to a matter appropriately presented or disclosed in the financial statements that, in the auditor's judgment, is of such importance that it is fundamental to users' understanding of the financial statements. We draw your attention to Note 14 of the financial statements, which describes the effects of the enactment of the Companies Act, 2019 (Act 992) which came into force on 5th August, 2019. Our opinion is not modified in respect of these matters.

Independence

We are independent of the Fund in accordance with International Code of Ethics for Professional Accountants (including International Independence Standards) (the code) issued by the International Ethics Standards Board for Accountants (IESBA). We have fulfilled our other ethical responsibilities with the Code.

Other information

The Directors are responsible for the other information. The other information comprises

REPORT OF INDEPENDENT AUDITORS TO THE MEMBERS OF GHANA MEDICAL ASSOCIATION FUND (cont'd)

the report of the Directors and chairman's report and any other information not subject to audit, which are expected to be made available to us after that date but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we have nothing to report in this regard.

In connection with our audit of the financial statements, our responsibility is to read the other information published with the financial statements to identify areas of material inconsistency between the unaudited information and the audited financial statements and obvious misstatements of fact to other information. Inconsistency is when other information contradicts information contained in the audited financial statements. A material inconsistency may raise doubt about the audit conclusions drawn from audit evidence previously obtained and, possibly, about the basis for the auditor's opinion on the financial statements.

Misstatement of fact is when other information that is unrelated to matters appearing in the audited financial statements is incorrectly stated or presented. A material misstatement of fact may undermine the credibility of the document containing audited financial statements.

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

When we read the other information like the Custodian's report and conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Directors' for the financial statements

The Directors are responsible for the preparation and fair presentation of these financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 1963 (Act 179) now Companies Act, 2019 (Act 992) and for such internal controls as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's responsibilities for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether 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.

REPORT OF INDEPENDENT AUDITORS TO THE MEMBERS OF GHANA MEDICAL ASSOCIATION FUND (cont'd)

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

- identify and assess the risks 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 misstatements resulting from the 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 entity's internal controls;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- 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
- conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 conclusion is based on the audit evidence obtained up to the date of auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Fund to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Fund audit. We remain solely responsible for our audit opinion.

We are required to 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. We are also required to provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



REPORT OF INDEPENDENT AUDITORS TO THE MEMBERS OF GHANA MEDICAL ASSOCIATION FUND (cont'd)

that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and regulatory requirements

The Companies Act, 2019 (Act 992) requires that in carrying out our audit work we consider and report on the following matters. We confirm that:

1. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
2. in our opinion proper books of account have been kept by the Fund, so far as appears from our examination of those books; and
3. the statement of financial position and statement of comprehensive income of the Fund are in agreement with the books of account.
4. We are independent of the Fund 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 Emmanuel K. D. Abbey (ICAG/P/1167).

Signed by: **UHY Voscon**

For and on behalf of:

UHY Voscon (ICAG/F/2020/086) Chartered Accountants
2nd Floor, Cocoshe House
Opposite Silver Star Tower
Agostinho Neto Close
P. O. Box LA 476, La, Accra
E: info@uhyvoscon-gh.com
W: www.uhyvoscon-gh.com
G.A-057-1475

Date: **30-OCT-2020**



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

(All amounts are expressed in Ghana cedi unless otherwise stated)

Statement of comprehensive income for the year ended

	Note	2019	2018
Investment Income			
Treasury gains		12,262,618	12,273,898
Dividends		685,097	211,657
Interest on call		40,184	49,379
Total investment income		12,987,899	12,534,934
Other income	4	3,930	4,055
Total investment and other income		12,991,829	12,538,989
Management and Administrative Expenses			
Fund management fees		(691,452)	(671,119)
Custody fee		(253,379)	(210,406)
Auditor's remuneration		(20,000)	(17,802)
Bank charges		(18,871)	(23,176)
Services charges – CAGD		(112,355)	(105,372)
Other expenses	5	(258,065)	(171,429)
Total Expenses		(1,354,122)	(1,199,304)
Net income		11,637,707	11,339,685
Other Comprehensive Income			
Gain/(loss) on investments at market value		(3,975,948)	(3,210,198)
Total Comprehensive Income		7,661,759	8,129,487

Notes 1 to 15 form an integral part of these financial statements.



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

(All amounts are expressed in Ghana cedi unless otherwise stated)

Statement of financial position as at 31 December

	Note	2019	2018
Assets			
Non-current Assets			
Property, Plant and Equipment	6.1	19,875	12,841
Investment Assets	7a	102,492,918	76,202,190
Total non-current assets		102,512,793	76,215,031
Current Assets			
Accounts receivable	8	3,242,586	12,405,599
Cash and cash equivalents	9	1,982,768	1,161,229
Total Current Assets		5,225,354	13,566,828
Total Assets		107,738,147	89,781,859
Equity			
Accumulated fund		107,112,967	89,269,541
Current liabilities			
Other accounts payable	10	625,180	625,180
Total Equity and Liabilities		107,738,147	89,781,859

Notes 1 to 15 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors and signed on its behalf by:

Name of Director: **Dr Roderick Larsen-Reindorf**

Signature:



Date: 28-OCT-2020

Name of Director: **Dr. Frank Owusu-Sekyere**

Signature:



Date: 28-OCT-2020



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

(All amounts are expressed in Ghana cedi unless otherwise stated)

Statement of changes in accumulated fund

For the year ended 31 December, 2019	Accumulated Fund
At start of year	89,269,541
Prior year adjustment	-
	<hr/>
	89,269,541
Surplus for the year	11,637,707
Changes in fair value of investments	<u>(3,975,948)</u>
	96,931,300
Members' contribution	12,745,722
Members' entitlement paid	<u>(2,564,055)</u>
At year end	107,112,967

Statement of changes in accumulated fund

For the year ended 31 December, 2019	Accumulated Fund
At start of year	73,453,252
*Prior year adjustment	<u>(2,597,032)</u>
	70,856,220
Surplus for the year	11,339,685
Changes in fair value of investments	<u>(3,210,198)</u>
	78,985,707
Members' contribution	11,993,636
Members' entitlement paid	<u>(1,709,802)</u>
At year end	89,269,541

*This represents a reconciliation of the accumulated fund balance to members' accumulated contributions at market value.

Notes 1 to 15 form an integral part of these financial statements.



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

(All amounts are expressed in Ghana cedi unless otherwise stated)

Statement of cash flows for the year ended 31 December

	Note	2019	2018
Cash (used in) /generated from operations	11	16,942,662	(5,743,262)
Interest Paid		-	-
Net cash flow from operating activities		16,942,662	(5,743,262)
Cash flow from investing activities			
Purchase of property, plant and equipment		(12,063)	-
Increase in investment assets		(26,290,728)	(8,003,349)
Net cash flow from investing activities		(26,302,791)	(8,003,349)
Cash flow from financing activities:			
Members contributions net of entitlements		10,181,668	10,283,834
Net cash flow from financing activities		10,181,668	10,283,834
Net increase/ (decrease) in cash and cash equivalents		821,539	(3,462,777)
Cash and cash equivalents at 1 January		1,161,229	4,624,006
Cash and cash equivalents at 31 December		1,982,768	1,161,229

Notes 1 to 15 form an integral part of these financial statements.



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

Notes and significant accounting policies to the financial statements

(All amounts are expressed in Ghana cedi unless otherwise stated)

1. Reporting entity

The Ghana Medical Association Fund was established on 18 April, 2002 as a contributory Fund to supplement the retirement income of its members and to provide related benefits. The Fund was incorporated as a company limited by Guarantee on 22nd September 2009 and was given the certificate to commence business on 23rd September 2009. The Fund was re-registered with an incorporation date on 8th August, 2018 and issued with a certificate to commence business on 8th August, 2018. The registered office of the Fund is at the GMA Secretariat, Korle Bu, Accra. The Ghana Medical Association has its Headquarters in Korle Bu, Accra.

2. Investment objectives of the fund

The Fund, as established, is a fully funded and privately managed Fund to provide members with supplementary retirement income and other related benefits under the rules and guidelines set below and shall be operated in terms of the Rules.

3. Basis of preparation and summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below:

3.1 Statement of compliance

The financial statements of Ghana Medical Association Fund have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), Ghana Medical Association Fund Deeds, GMA Rules and Regulations and the Companies Act, 1963 (Act 179) now Companies Act, 2019 (Act 992).

3.2 Basis of measurement and accounting

The financial statements have been prepared under the historical cost convention except fixed deposit that was measured at amortised cost and equity securities were also valued at current market values. The financial statements are presented in Ghana cedi (GHs).

3.3 (a) Significant judgments and sources of estimation uncertainty

In preparing these financial statements in conformity with IFRS, management makes judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, incomes and expenses. It also requires the use of accounting estimates and assumptions that may affect disclosures in the financial statements. The estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under circumstances, the results of which form the basis of making the judgment about carrying values of assets and liabilities that are not readily apparent from other sources. The actual results could, by definition therefore, often differ from the related accounting estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting policies and estimates are recognized retrospectively and prospectively respectively.



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

Notes and significant accounting policies to the financial statements

(All amounts are expressed in Ghana cedi unless otherwise stated)

Certain accounting policies have been identified where management has applied a higher degree of judgment that have a significant effect on the amounts recognised in the financial statements, or estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i) Fair value of financial instruments

The fair value of a financial asset is determined by reference to the quoted bid price or asking price (as appropriate) in an active market. Where the fair value of financial assets and financial liabilities recorded on the statement of financial position cannot be derived from an active market, it is determined using a variety of valuation techniques including the use of prices obtained in recent arm length transactions, comparison to similar instruments for which market observable prices exist, net present value techniques and mathematical models. Input to these mathematical models is taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values.

ii) Estimates of assets economic useful life and residual values

Property, plant and equipment is depreciated over its useful life taking into account residual values, where appropriate. The actual economic useful lives of the assets and residual values are assessed at each financial year-end and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programs are taken into account.

iii) Deferred tax assets

Deferred tax assets are recognised to the extent it is probable that taxable income will be available in the future against which they can be utilized. Future taxable profits are estimated based on business plans which include estimates and assumptions regarding economic growth, interest, inflation, tax rates and competitive forces.

3.4 Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices. For all other financial instruments, the fund determines fair values using other valuation techniques.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

The fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

Notes and significant accounting policies to the financial statements

(All amounts are expressed in Ghana cedi unless otherwise stated)

- Level 1: Inputs that are quoted at market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices) This category includes instruments valued using: quoted market prices in active markets of similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist and other valuation models. Assumptions and inputs used in valuation techniques includes risk-free and bench market interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

This hierarchy requires the use of observable market data when available. The Fund considers relevant observable market prices in its valuation where possible.

3.4 Fair value estimation (Continued)

There has been no movement of financial instruments between different levels in the current period. Financial instruments measured at fair value at 31 December 2019 are classified as follows:

2019	Level 1	Level 2	Level 3	Total
Financial Assets Available for Sale Quoted Equity	19,485,078	-	-	19,485,078
	19,485,078	-	-	19,485,078

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

3.5 Financial assets and liabilities

3.5.1 Date of recognition

The Fund initially recognises financial assets and financial liabilities on the trade date. i.e., the date that the Fund becomes a party to the contractual provisions of the instrument.



(All amounts are expressed in Ghana cedi unless otherwise stated)

3.5.2 Initial measurement of financial instruments

The classification of financial instruments at the initial recognition depends on the purpose and management's intention for which the financial instruments were acquired and their characteristics.

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss.

3.5.2.1 Financial assets or financial liabilities designated at fair value through profit or loss

Financial assets or financial liabilities comprise financial instruments held for trading other than derivatives and recorded in the statement of financial position at fair value. Changes in fair value are recognized in net trading income according to the terms of the contract or when the right to the payment has been established. Included in this classification are debt securities, equities and short position in debt securities which have been acquired principally for the purpose of selling or repurchasing in the future. Financial assets and liabilities are designated at fair value through profit or loss.

Financial assets and financial liabilities classified in this category are designated by management on initial recognition when the following criteria are met:

- the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognized gains or losses on them on a different basis;

3.5 Financial assets and liabilities (Continued)

3.5.2.1 Financial assets or financial liabilities designated at fair value through profit or loss (Continued)

- the assets and liabilities are part of a group of financial assets, financial liabilities or both which are managed and their performance evaluated on a fair value basis, in accordance with a document risk management or investment strategy.

Financial assets and financial liabilities at fair value through profit or loss are recorded in the statement of financial position at fair value. Changes in fair value are recorded in the statement of profit or loss. Interest earned or incurred is accrued in interest income or expense, respectively, according to the terms of the contract, while dividend income is recorded in other operating Income when the right to the payment has been established.

3.5.2.2 Held to maturity financial instruments

Bills discounted and securities with a fixed redemption date are purchased with the intention of being held to maturity and they are stated at amortized cost. The premium or discount is amortized over the period to redemption and disclosed separately in the interest income.

Held to maturity financial Investments are those which carry fixed determinable payments and have fixed maturities and which the fund has the intention and ability to hold to maturity. After initial measurement held- to maturity financial investments are subsequently measured at amortised cost using the effective interest rate method, less allowances for impairment.



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

Notes and significant accounting policies to the financial statements

(All amounts are expressed in Ghana cedi unless otherwise stated)

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective Interest rate. The amortization is included in interest income in the statement profit or loss. The losses arising from impairment of such investments are recognized in the statement of profit or loss line 'impairment losses on financial investment'.

3.5.2.3 Loans and advances

Due from financial institutions' and 'loans and advances to customers' are financial assets with fixed or determinable payments and fixed maturities that are not quoted in an active market. These are not entered into with the intention of immediate or short-term resale and are not classified as 'financial assets held for trading', designated as 'financial investments - available-for-sale' or 'financial assets designated at fair value through profit or loss'.

After initial measurement, amounts due from financial institutions and loans and advances to customers are subsequently measured at amortised cost using the effective interest rate method, less allowance for impairment. The amortised cost calculated by taking into account any discount on acquisition and fees and costs that are integral part of the effective interest rate. The amortization is included in interest income' in the statement of profit or loss. The losses arising from impairment are recognized in the statement of comprehensive income in 'impairment charge'.

3.5.2.4 Available for sale financial investments

Available-for-sale financial Investments are those which are designated as such or do not qualify to be classified as designated at fair value through profit or loss, held-to-maturity or loans and advances. It includes equity investments, investments in mutual funds and money market and other debt instruments. After initial measurement, available for- sale financial investments are subsequently measured at fair value. Unrealized gains and losses are recognized directly in equity (statement of comprehensive income) in the 'Available-for-sale reserve'.

When the security is disposed of, the cumulative gain or loss previously recognized in equity is recognized in the statement of comprehensive income in 'Other operating Income' or 'other operating expenses'. Where the company holds more than one investment in the same security it is deemed to be disposed of on a first-in first-out basis. Interest earned, whilst holding available for-sale financial investments, is recognized in the statement of comprehensive income as 'interest income' when the right of the payment has been established. The losses arising from impairment of such investments are recognized in the statement of comprehensive income in 'impairment losses on financial investments' and removed from the available-for- sale reserve within equity.

Subsequent measurement

Financial instruments at fair value through profit or loss are subsequently measured at fair value, with gains or losses arising from changes in fair value being included in the profit or loss for the period.

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

Notes and significant accounting policies to the financial statements

(All amounts are expressed in Ghana cedi unless otherwise stated)

Available-for-sale financial assets are subsequently measured at fair value. This excludes equity investments for which a fair value is not determinable, which are measured at cost less accumulated impairment losses.

Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in equity until the asset is disposed of or determined to be impaired. Interest on available-for-sale financial assets calculated using the effective interest method is recognised in profit or loss as part of other income. Dividend received on available-for-sale equity instruments are recognised in profit or loss as part of other income when the Fund's right to receive payment is established.

Changes in fair value of available-for-sale financial assets denominated in a foreign currency are analysed between translation differences resulting from changes in amortised cost and other changes in the carrying amount. Translation differences on monetary items are recognised in the statement of comprehensive income, while translation differences on non-monetary items are recognised in other comprehensive income and accumulated in equity.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

3.5.3 Impairment

A financial asset not classified as fair value through comprehensive income statement is assessed at each reporting date to determine whether there is objective evidence of impairment. A financial asset or a group of financial assets is 'impaired' if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the assets (s) that can be estimated reliably.

Objective evidence that financial assets are impaired includes significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of the amount due on terms that the Fund would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, or adverse changes in the payment status of the borrowers.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognized. If an event occurring after the impairment recognised causes the amount of impairment loss to decrease, then the decrease in impairment loss is reversed through the comprehensive income statement.

3.6 Foreign currency translation

(a) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing as at the statement of assets and liabilities date.



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

Notes and significant accounting policies to the financial statements

(All amounts are expressed in Ghana cedi unless otherwise stated)

(b) Functional and presentation currency

These financial statements are presented in Ghana cedi (the primary economic environment in which the Fund operates) which is the Fund's functional currency. All amounts have been rounded to the nearest cedi, unless otherwise stated.

3.7 Investment income

Investment income is recognised on accrual basis. Investment income comprises interest on fixed deposit, dividend income and interest on call accounts.

The recognition of interest ceases when there is an objective evidence that the payment of interest or principal is in doubt. Interest is then recognised only when it is received. Commissions and interest on call accounts are credited to income when earned.

3.8 Cash and cash equivalents

Cash and cash equivalents comprise local cedi accounts and highly liquid financial assets that are subject to an insignificant risk of changes in their fair value and are used by the Fund for investment purposes and short-term commitments other than cash collateral provided in respect of derivatives and securities sold.

3.9 Fixed deposits

Fixed deposits are stated in the statement of assets and liabilities at the principal amount and interest less impairment. Impairment review is conducted when there is an objective evidence of impairment which includes financial distress, bankruptcy and liquidation of the borrower. During the period under review there were none of these indicators.

3.10 Other income

This represents fees from the members for initial registration as a member of the Fund.

3.11 Property, plant and equipment

3.11.1 Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, and any other costs directly attributable to bringing the asset to a working condition for its intended use. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

3.11.2 Subsequent costs

The cost of replacing part of an item of property, plant or equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of comprehensive income as incurred.



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

Notes and significant accounting policies to the financial statements

(All amounts are expressed in Ghana cedi unless otherwise stated)

Depreciation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

The estimated useful lives for the current and comparative periods are as follows:

Office equipment	10%
Fixtures and fittings	10%
Computer system	33.33%

Depreciation methods, useful lives and residual values are reassessed at each reporting date. Gains and losses on disposal of property, plant and equipment are included in the statement of comprehensive income.

Cash and cash equivalents comprise cash on hand, bank balances and short-term instruments with maturities of three months or less, and these are carried at amortised cost in the statement of financial position.

3.13 Investment income recognition

Income from fixed income securities is recognized in the accounts on an accrual basis. Income from equity investments is included in the accounts when the securities are quoted ex-dividend. Interest income comprises interest on Treasury Bills, Fixed Deposits and Bonds.

3.14 Dividend income

Dividend income is recognised in statement of comprehensive income on the date the GMA Fund's right to receive payment is established, which in the case of quoted securities is the ex-dividend date. For unquoted equity securities, this is usually the date on which the shareholders approve the payment of a dividend. Dividend income from equity securities designated as at fair value through profit or loss is recognised in profit or loss in a separate line item.

3.15 Members' contribution

Members' contributions are stated at the nominal value of contributions plus income accruing thereon.

3.16 Benefits payable

Benefits payable are included in the financial statements on accrual basis where members notify the Directors as to whether to take their benefits in full or as a partial withdrawal. Total benefits paid for 2019 is GH¢ 2,564,055 (2018: GH¢1,709,802).

3.17 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and or operational decisions.



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

Notes and significant accounting policies to the financial statements

(All amounts are expressed in Ghana cedi unless otherwise stated)

Databank Asset Management Services Limited, the investment advisor to the fund is responsible for making investment decisions of the Fund. Databank Asset Management Services Limited is entitled to receive a Fund management fee equal to 0.9% per annum of the net assets of the fund payable monthly.

Databank Asset Management Services Limited received a fee of GH¢ 691,452 during the year. The balance due to the Manager for the year ended 31 December, 2018 is GH¢ 438,538.31.

3.18 Financial risk management

The investment objective of the fund is to provide members of the Fund with a retirement benefit subject to compliance with the rules of the Fund. The Fund's activities expose it to a variety of financial and non-financial risks:

- Price risk,
- Credit risk
- Liquidity risk
- Reinvestment rate risk
- Inflation risk
- Interest risk
- Interest rate risk
- Capital risk management

3.18.1 Price risk

The Fund's investments and financial instruments are susceptible to market price risk arising from uncertainties about future values of the instruments. The Fund's Manager provides the Fund with investment recommendations. The Manager's recommendations are reviewed and approved by the Board of Directors before the investment decisions are implemented. To manage the market price risk, the manager reviews the performance of the portfolio. This helps to rebalance the portfolio if the value of the portfolio is impacted negatively.

3.18.2 Credit risk

The Fund is exposed to credit risk, which is the risk that one party will cause a financial loss for the other party by failing to discharge an obligation. The Fund is exposed to the risk of non-payment of interest on fixed deposits and even principal repayment. Credit default risk is minimized by prequalifying the financial institutions, brokers/dealers, intermediaries and advisors with which the fund does (will do) business.

3.18.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund's approach to managing liquidity is to ensure that it will maintain adequate liquidity to meet its liabilities when due.



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

Notes and significant accounting policies to the financial statements

(All amounts are expressed in Ghana cedi unless otherwise stated)

The Fund's approach to managing liquidity is to have a portfolio sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This includes structuring the portfolio so that securities mature concurrently with the cash needs to meet anticipated demands and payment of entitlements and benefits to members.

3.18.4 Reinvestment rate risk

Reinvestment rate risk arises when all coupons received on bonds will be reinvested later at a rate lower than the initial investment rate. The realised compound yield to maturity will be lesser than the yield to maturity. The Fund manager evaluates the macro economic trends and forecast to mitigate any degree of reinvestment risk. The Fund has long term investment in the portfolio of the Fund with support by the Fund manager's research committee. This decreases the frequency at which cash becomes available and needs to be reinvested. Moreover, the Fund manager has the option to deploy the cash into another investment while waiting for rates to recover.

3.18.5 Inflation risk

The real values of the portfolio fall if the inflation rate increases. Higher inflation rate affects the real returns on the portfolio. The Fund manager alters the portfolio to address inflation risk which includes the careful reviews of the Fund's financial circumstances and investment goals. Even when there is a higher inflation outlook, the fund takes a total return approach which is better than selecting assets based on correlation with accelerating inflation. By choosing assets with higher expected long-term returns and maintaining broad diversification, this risk is to a very large extent mitigated.

3.18.6 Interest rate risk

As interest rates increase, the amount to be received when the bonds are sold will decrease. Moreover, when the market interest rate falls, the price of bonds increases. The fund is exposed to the risk of changing interest rates and their effect on the proceeds of early sale or disposal of bonds especially the Government bonds which are traded. The interest on the fixed deposits of the funds is fixed rate.

3.18.7 Capital risk management

The capital of the Fund is represented by the net assets attributable to the members. The Fund's objective when managing the capital is to safeguard the ability to continue as a going concern in order to provide returns for members and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

3.19 Dividend and distribution policy

It is the intention of the Fund to invest all its gross investment income, if any.

3.20 Standards, amendments and interpretations effective but not yet adopted

Accounting standards, interpretations, and amendments effective for accounting years beginning on or after 1 January, 2019.



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

Notes and significant accounting policies to the financial statements

(All amounts are expressed in Ghana cedi unless otherwise stated)

3.20.1 IFRS 9 Financial Instruments

On 1 January, 2018, the Company had not adopted IFRS 9, Financial Instruments which supersedes IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial assets and liabilities, new guidance for measuring impairment on financial assets, and new hedge accounting guidance.

In accordance with transitional requirements, the Company has not restated prior periods and had not reclassified the financial assets held at 1 January, 2018, retrospectively based on the new classification requirements and the characteristics of each financial instrument as at the transition date.

Classification and measurement of financial instruments

Under IFRS 9, financial assets are classified and measured based on the business model which they are held and the characteristics of their contractual cash flows. IFRS 9 contains three primary measurement categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVTOCI), and Fair value through profit or loss (FVTPL).

Impairment of financial assets

IFRS 9 replaces the incurred loss model in IAS 39 with an expected credit loss (ECL) model. This applies to financial assets classified at amortised cost and debt instruments classified at FVTOCI. Under IFRS 9, credit losses are recognised earlier than under IAS 39. IFRS 9 requires the Fund to record expected credit losses on all of its debt securities, loans and trade receivables, either on a 12-month or lifetime basis.

Disclosure

Amendments were also made to IFRS 7 introducing expanded qualitative and quantitative disclosure related to IFRS 9.

3.20.2 IFRS 15 Revenue from Contracts with Customers

IFRS 15 Revenue from Contracts with Customers IFRS 15 is effective from 1 January 2018, and replaces IAS 18 Revenue. IFRS 15 is conceptually similar to IAS 18, but includes more granular guidance on how to recognise and measure revenue, and also introduces additional disclosure requirements. The Company has not performed an assessment of the new standard on the operations related to the revenue of Ghana Medical Association Fund. IFRS 15 replaces the below standards and interpretation:

- IAS 11 Construction contracts
- IAS 18 Revenue
- IFRIC 13 Customer Loyalty Programmes
- IFRIC 15 Agreements for the Construction of Real Estate
- IFRIC 18 Transfers of Assets from Customers
- SIC-31 Revenue - Barter Transactions Involving Advertising Services



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

Notes and significant accounting policies to the financial statements

(All amounts are expressed in Ghana cedi unless otherwise stated)

3.20.3 IFRS 16, Leases

New standard that introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, and unless the underlying asset is of low value. Applicable on or before 1 January 2019.

3.20.4 IFRS 17, Insurance Contracts

The new standard establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of standard. The objective of IFRS 17 is to ensure that the entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows. Applicable on or before 1 January 2021.

3.21 Disclosures

The disclosure objective stated in IFRS 15 is for an entity to disclose sufficient information to enable users of financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. Therefore, an entity should disclose qualitative and quantitative information about all of the following:

- its contracts with customers;
- the significant judgments, and changes in the judgments, made in applying the guidance to those contracts; and
- any assets recognised from the costs to obtain or fulfil a contract with a customer.

Entities will need to consider the level of detail necessary to satisfy the disclosure objective and how much emphasis to place on each of the requirements. An entity should aggregate or disaggregate disclosures to ensure that useful information is not obscured.

3.22 New and amended standards and interpretations not yet effective

At the date of authorisation of these financial statements the following new standards and amendments to existing standards were in issue, but not yet effective:

3.22.1 IFRIC 23, Uncertainty over Income Tax Treatments

The interpretation is to be applied to the determination to taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates when there is uncertainty over income tax treatments under IAS

12. Applicable on or before 1 January 2019.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

Notes and significant accounting policies to the financial statements

(All amounts are expressed in Ghana cedi unless otherwise stated)

4. Other Income

	2019	2018
Members' registration fees	3,930	4,055
	3,930	4,055

5. Other Expenses

	2019	2018
Printing and stationery	8,415	8,205
Board of Directors' expenses	73,195	43,336
Travelling and transport	4,920	3,825
Repairs and maintenance	1,820	1,570
Communication	220	331
Honorarium	450	750
AGM expenses	34,507	14,600
Staff cost	70,733	40,311
Cleaning and sanitation	1,100	1,120
Office rent	4,235	4,235
General expenses	965	222
Depreciation	5,028	4,116
Extra Ordinary meeting	-	18,779
Electoral Committee Meeting	6,696	-
Internal auditing fees	3,892	3,892
CSD Charges	2,231	-
Legal	120	-
Induction expenses	1,420	720
GMA Fund Award	7,500	5,070
Audit Committee expenses	11,695	7,476
Filing of Returns	-	302
End of year bonus	2,500	1,133
Interview Expense	-	3,100
Trade Charges	16,423	8,336
	258,065	171,429



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

Notes and significant accounting policies to the financial statements

(All amounts are expressed in Ghana cedi unless otherwise stated)

6.1 Property, plant and equipment- 2019

Cost/Valuation	1 January	Additions	Disposables	31 December
Office Equipment	18,031	-	-	18,031
Furniture & Fitting	5,720	2,612	-	8,332
Computer & Accessories	30,615	9,450	-	40,065
	54,366	12,063	-	66,428

Accumulated Depreciation	1 January	Charge for the year	Disposables	31 December
Office Equipment	13,045	125	-	13,170
Furniture & Fitting	3,449	587	-	4,036
Computer & Accessories	25,031	4,316	-	29,347
	41,525	5,028	-	46,553

Carrying Value:

Office Equipment	4,861
Furniture & Fitting	4,296
Computer & Accessories	<u>10,718</u>
31 December, 2019	19,875
31 December, 2018	12,841



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

Notes and significant accounting policies to the financial statements

(All amounts are expressed in Ghana cedi unless otherwise stated)

6.2 Property, plant and equipment- 2018

Cost/Valuation	1 January	Additions	Disposables	31 December
Office Equipment	18,031	-	-	18,031
Furniture & Fitting	5,720	-	-	5,720
Computer & Accessories	30,615	-	-	30,615
	54,366	-	-	54,366

Accumulated Depreciation	1 January	Charge for the year	Disposables	31 December
Office Equipment	12,182	863	-	13,045
Furniture & Fitting	2,926	523	-	3,449
Computer & Accessories	22,301	2,730	-	25,031
	37,409	4,116	-	41,525

Carrying Value:

Office Equipment	4,986
Furniture & Fitting	2,271
Computer & Accessories	5,584
31 December, 2018	12,841
31 December, 2017	16,957



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

Notes and significant accounting policies to the financial statements

(All amounts are expressed in Ghana cedi unless otherwise stated)

7a. Investment assets

Capital market securities	2019	2018
Bonds (7b)	79,603,336	50,575,302
Equity	19,485,078	20,456,822
Real Estate (7c)	2,947,873	2,946,440
	102,036,287	73,978,564
Money market securities		
Fixed deposits and treasuries	456,631	2,223,626
	102,492,918	76,202,190

7b. Bonds

	2019	2018
Government of Ghana	12,176,658	-
Corporate	63,397,363	-
Accrued Interest	4,029,315	-
	79,603,336	-

7c. Real Estate

	2019	2018
Real Estate Investment Trusts (REITs)	991,235	-
Real Estate Management & Development (ACORN)	1,956,638	-
	2,947,873	-

8. Accounts Receivable

	2019	2018
Controller and Accountant General's Dept.	935,455	943,533
Investment principal and interest yet to be redeemed	-	11,462,066
E-Tranzact	1,650	-
Withholding tax receivable	3,215	-
Other receivables	2,302,266	-
	3,242,586	12,405,599



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

Notes and significant accounting policies to the financial statements

(All amounts are expressed in Ghana cedi unless otherwise stated)

9. Cash and cash equivalents

Bank:	2019	2018
GCB Bank Limited	1,378,366	12,803
GCB GMA Fund Mobile Account	4,090	-
Standard Chartered Bank Ghana Limited	598,516	1,148,327
	1,980,972	1,161,130
Cash on Hand	1,796	99
	1,982,768	1,161,229

10. Other accounts payable

	2019	2018
Audit fees	20,443	17,802
Fund management fee	438,538	351,817
Custody fee	107,101	96,169
Others	19,118	10,178
Withholding tax	38,457	35,467
PAYE	682	406
Pension Contribution	841	479
	625,180	512,318

11. Cash flow from operations

	2019	2018
Surplus	7,661,759	8,129,487
Prior year Adjustment	-	<u>(2,597,032)</u>
	7,661,759	5,532,455
Adjust for:		
Depreciation	5,028	4,116
Changes in working Capital:		
Increase in accounts receivable	9,163,013	(11,559,325)
Increase in accounts payable	112,862	279,492
Cash (used in)/generated from operations	16,942,662	(5,743,262)



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

Notes and significant accounting policies to the financial statements

(All amounts are expressed in Ghana cedi unless otherwise stated)

12.1 Financial Instruments

Analysis of changes in fair value of financial instruments as at 31/12/2019

Assets	Balance 1/01/2019	Purchases /(Sales)	Reclass. /Adjustment	Accrued interest	Change in fair value	Value 31/12/2019
Equities	20,456,822	3,005,636			(3,977,380)	19,485,078
Bonds	50,575,302	24,784,228	171,122	4,072,684	-	79,603,336
Fixed Deposit	2,223,626	-	(2,223,627)	-	-	-
Treasury Bills	-	500,000	-	(43,369)	-	456,631
Real Estate	2,946,440	-	-	-	1,432	2,947,873
	76,202,190	28,289,866	(2,052,505)	4,029,315	(3,975,948)	102,492,918

12.2 Financial Instruments

Analysis of changes in fair value of financial instruments as at 31/12/2018

Assets	Balance 1/01/2018	Purchases /(Sales)	Reclass. /Adjustment	Accrued interest	Change in fair value	Value 31/12/2018
Equities	17,083,060	4,890,176	1,794,000	-	(3,310,414)	20,456,822
Bonds	16,457,019	15,651,235	16,326,687	2,140,361	-	50,575,302
Fixed Deposit	30,018,539	818,249	(28,796,788)	183,626	-	2,223,626
Treasury Bills	1,794,000	(1,794,000)	-	-	-	-
Real Estate	2,846,223	-	-	-	100,217	2,946,440
	68,198,841	19,565,660	(10,676,101)	2,323,987	(3,210,197)	76,202,190



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

Notes and significant accounting policies to the financial statements

(All amounts are expressed in Ghana cedi unless otherwise stated)

13. Contingent liabilities and capital commitments

a. Contingent liabilities

Other than the liability to pay future sum and allowances, there were no contingent liabilities of the Fund as at 31 December, 2019 (2018: GH¢ nil)

b. Capital commitment

There were no commitments as at 31 December, 2019 (2018: GH¢ nil).

14. Changes in Laws and Regulations (Enactment of Companies Act, 2019 (Act 992) On 5th August 2019 the new Companies Act, 2019 (Act 992) came into full force with the repeal of the Companies Act, 1963 (Act 179). The Company, Management and the Board complied with the requirements of the earlier law until its repeal on 5th August 2019. Subsequently, the Company has kept its books, records and documentation in a manner consistent with the requirements of the Companies Act, 2019 (Act 992).

15. Events after the end of the reporting year

Events subsequent to the Financial Position date are reflected in the Financial Statements only to the extent that they relate to the year under consideration and the effect is material. On the 12th March, 2020, Ghana Health Service officially announced Ghana's first two cases of Covid-19 in the Greater Accra Region. These were imported cases as the individuals returned to Ghana from Norway and Turkey. From the website of Ghana Health Service as at 8th October, 2020, Greater Accra Region was the first affected region with a Covid-19 case count of twenty-four thousand and ninety-four (24,094). During our audit we requested for an impact assessment of Covid-19 pandemic on the operations of Ghana Medical Association Fund.

The impact of the pandemic could negatively affect the operations of Ghana Medical Association Fund for the ensuing reporting years as a result of the closure of Ghana's land, sea, and air borders to human traffic announced on 21st March 2020 by the president but effective midnight, 22nd March 2020. Other potential impact of the pandemic could be impairment of receivables, loss contingencies, contract modification, non-payment of matured investment, and other related business interruptions. Nonetheless, the Fund anticipate improved operations due to the progressive easing of the Covid-19 restrictions.



Ghana Medical Association Fund



Alternative mode of contribution into the GMA Fund

Other Networks



1. Dial *389*462#
2. Select 1
3. Select GMA Fund Contribution
4. Enter Staff ID/Membership Code
5. Enter Amount
6. Select the wallet
7. Enter wallet Number
8. Confirm transaction



Vodafone users



Generate your voucher code by dialing *110#, then...

- Confirm transaction **7** **1** Dial *389*462#
- Select the wallet and Enter wallet Number **6** **2** Select 1
- Enter Amount **5** **3** Select GMA Fund Contribution
- 4** Enter Staff ID/Membership Code



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030 3965105



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YOUR GUARANTEE FOR A COMFORTABLE RETIREMENT AND FUTURE SECURITY



GMA FUND



**GHANA MEDICAL
ASSOCIATION FUND**



**PAYMENT OF
CONTRIBUTIONS**



***Payments should be made by cheque
addressed to :***

Ghana Medical Association Fund

***Your Guarantee for a
Comfortable Retirement
and Future Security***



P.O. Box GP 1596 Accra



[ghanamedicalassociation.org/
pensionfund](http://ghanamedicalassociation.org/pensionfund)



0302 661 898



GMA House



GMA FUND



GHANA MEDICAL ASSOCIATION FUND



REQUIREMENTS FOR ACCESSING ENTITLEMENTS

BENEFICIARY TO THE FUND



FAMILY OF A BENEFICIARY / NEXT OF KIN

- ▶ Personal application letter requesting claim of entitlement
- ▶ **Original retirement letter from previous employer**
- ▶ Copy of national ID (Passport or Driver's license) + GMA membership card + GMA Fund membership card

- ▶ Application letter requesting claim of entitlement
- ▶ Letters of administration or probate
- ▶ Death Certificate or Burial Permit
- ▶ Copy of national ID (Passport or Driver's license)



Your Guarantee for a Comfortable Retirement and Future Security



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**GHANA MEDICAL ASSOCIATION FUND
ANNUAL REPORT 2019**