iFS Capital Management Ltd.

...Growing People, Growing Businesses

LEGACY UNIT TRUST

ANNUAL REPORT 2021

iFS
Capital Management Ltd.
...Growing People, Growing Businesses

LEGACY UNIT TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

31ST DECEMBER, 2021

OBS Accounting
(Chartered Accountants)

Contents

Notice Of Annual General Meeting	03
Corporate Information	04
Statement of Trustees and Fund Manager's Reponsibilities	05
Report Of The Trustees	06
Fund Manager's Report of the Trustees to the Unit Holders	07
Independent Auditor's Report	13
Financial Statement	16
Notes to the Financial Statements	28
Proxy Form	31

Legacy Unit Trust
Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 8th Annual General Meeting of Legacy Unit Trust will be held via zoom on Wednesday, December 14, 2022 at 11:00am to 12:00am prompt to transact the following businesses:

AGENDA

1. To receive the report of the Manager for the year 2021
2. To receive the Audited financial statements for the year ended December 31, 2021 together with the Trustees and Auditors report thereon
3. To authorize the Manager to appoint and fix the remuneration of the Auditors for the year 2022.

The AGM Report, zoom meeting ID and Passcode will be shared with Unitholders via their contact details with IFS Capital Management Limited.

For all questions and enquires, kindly contact us on;

Phone: 0302777081 / 0571386759

Email: clientservice@ifscapitalgh.com

Ifs Capital Management Limited
Plot No. 7, Nii Yemoh Street,
East Legon-Accra.

Dated this 18th day of November 2022

BY ORDER OF THE FUND MANAGER

For: IFS Capital Management Limited

Corporate Information

Legacy Unit Trust is an open-ended unit trust managed by IFS Capital Management Limited and it is governed by the laws of Ghana. The fund is established with an unlimited duration and is authorized to operate by the Securities and Exchange Commission under the Unit Trust and Mutual Fund Regulation 2001 (LI1695).

Manager	IFS Capital Management Limited Plot No. 7, Nii Yemoh Street East Legon, Accra-Ghana
Trustee/Custodian	Universal Merchant Bank Limited SSNIT Emporium, Airport City, Accra P. O. Box GP 401, Accra
Investment Advisor	IFS Capital Management Limited Plot No. 7, Nii Yemoh Street East Legon, Accra-Ghana
Auditor	OBS Accounting (Chartered Accountants) P. O. Box NK 154, North Kaneshie- Accra
Lawyer	Michael Adjei Baah, Esq IFS Capital Management Limited Nii Yemoh Avenue, Plot No.7 East Legon, Accra
Objectives of the Scheme	The Fund seeks to provide long term growth of capital for clients. The fund is targeted at adults (or guardians) and investors who aim at investing for their wards, organizations, and businesses as an inheritance package
Fund Category	Income Fund
Investment Policy	The investment policy is to carefully select growth assets that will ensure best rewards while minimizing risk exposure of the investments. The fund will invest mainly in long term fixed income securities and securities listed on the Ghana Stock Exchange and will keep small investments in short term securities.

Statement of Trustees and Fund Managers Responsibilities

The Unit Trust and Mutual Fund Regulation 2001 (LI 1695) require the Fund Managers and the board of directors of the fund to prepare Financial Statements for each financial period which gives a true and fair view of the state of affairs of the Trust, except for the Income and Distribution accounts which shall be maintained by the Trustee of the Trust. In preparing these Financial Statements the Fund Managers are required to:

i) Select suitable Accounting Policies and apply them consistently

ii) Make judgments and estimates that are reasonable and prudent

iii) State whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and

iv) To ensure that the Financial Statements are prepared on the going concern basis unless it is iv) inappropriate to presume that the Fund will continue in business

The Trustee and Fund Manager are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust which enable them to ensure that the Financial Statements comply with the Companies Act, 2019 (Act 992), the Securities and Industry Act, 2016 (Act 929), and the Unit Trusts and Mutual Funds Regulations, 2001 (L.I. 1695) and the relevant Legislative instrument. The Trustees are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The above Statement which should be read in conjunction with the Statement of the Auditors' responsibilities set out on page 14 and 15 is made with a view to distinguishing for unit holders/investors the respective responsibilities of the Trustees, Fund Managers, and the Auditors in relation to the Financial Statements.

.....

TRUSTEE

.....

FUND MANAGER

Report of the Trustees to the Unit Holders

In our opinion, according to the information made available to us and the explanations provided, we confirm that in all material respects, the manager has managed the scheme during the period covered by this Financial Statements in accordance with the Trust Deeds dated 6th October, 2008 and all regulations for the time being in force under the Unit Trust and Mutual Fund's Regulations, 2001, (L.I. 1695)

Dates this 4th Day of May, 2022

For: UNIVERSAL MERCHANT BANK GHANA LIMITED

Fund manager's report to unit holders for the year ended 31st December 2021

Dear Valued Unit holders,

It is my pleasure to welcome you to the 8th Annual General Meeting of your fund, Legacy Unit Trust. We are grateful you entrusted us with the oversight of Legacy Unit Trust Fund over the years, especially in these times as economies are recovering from the Covid-19 pandemic. It gives me great pleasure to address you today.

The Fund Manager's report will focus on the global and local business environment, the performance of the fund for 2021, economic outlook and expectations of the fund for the year 2022.

Global Economic Review

Global economic activity was slow at the start of the year, largely reflecting uncertainties associated with the resurgence in COVID-19 infections in the fourth quarter of 2020, which spilled over to the first quarter of 2021. The slowdown was widespread, involving both Advanced and Emerging Markets and Developing Economies (EMDEs). However, global growth gathered momentum in the second quarter of the review year, supported by successful mass COVID-19 vaccination programme, partial easing of restrictions, and continued accommodative monetary policies. The economic recovery continued in the third quarter, as many advanced economies eased COVID-19 restrictions, significantly improving private demand, business and consumer confidence. In the fourth quarter, however, the continued effects of the pandemic, especially the discovery of the new Omicron variant, led to widespread re-imposition of restrictions, which slowed the pace of global growth. In addition, the persisting supply chain bottlenecks led to higher input costs, which weighed on manufacturing output in both advanced and emerging market economies. The resulting demand-supply mismatch triggered price pressures that pushed up inflation above target in many countries. IMF estimates showed that the global economy grew by 6.1 percent in 2021, a sharp reversal from the 3.3 percent contraction recorded in 2020.

Local Economic Review

Data released by the Ghana Statistical Service (GSS) showed a provisional Real GDP growth outturn of 5.4 percent in 2021, as against 0.5 percent in 2020. The improvement in growth was reflected in all the components except for industry, which contracted by 0.8 percent. Non-oil Gross Domestic Product (GDP) grew by 6.9 percent in 2021, up from 1.0 percent in 2020. The increase in growth was largely supported by the partial easing of COVID-19 pandemic restrictions, and the successful rollout of vaccination programme. Consumer price inflation increased to 12.6 percent in December 2021, from 10.4 percent in December 2020, representing the highest rate of annual inflation since the rebasing of the Consumer Price Index (CPI) basket in 2019. The pick-up in headline inflation was mainly due to rising crude oil prices, exchange rate depreciation, and upward adjustments in ex-pump prices and effect high cost of transportation.

Inflation

Inflation rose sharply beyond the Bank of Ghana target band of 8%±2% in December 2021 from a position of 10.4% in December 2020. The sharp upward movement in inflationary figure was mainly caused by the increase in ex-pump fuel prices which translated into high food and non-food inflation. Food inflation in December 2021 was 12.8 percent, compared with 14.1 percent in December 2020. Non-food inflation went up to 12.5 percent, from 7.7 percent, over the same comparative period. Bank of Ghana's Monetary Policy Committee (MPC) is expected to increase the policy rate to mitigate the rising inflation.

Currency Market

Report from Bank of Ghana shows that the Ghana cedi performed relatively better in 2021 compared to 2020. This was due to the easing of restrictions and the opening up of the economy for trade. Despite the improvement, the cedi depreciation to the dollar and pound sterling was 4.1% and 3.1% respectively in 2021 as against 3.9% and 7.1% in 2020. The cedi however recorded an appreciation of 3.5% against the Euro as compared to a depreciation of 12.10% in 2020.

Money Market / Interest Rates

Development on the interest rates market shows movements posted mixed trends on the yield curve within the year 2021, largely skewed southwards. The 91-day and 182-day Treasury bill rates recorded declines from 14.08% and 14.13% in the year 2020 to 12.51% and 13.19% in 2021 respectively. Similarly, the 364-day GOG bill also declined from 16.98% to 16.46% for the same comparative period. The 2year, 3year and 5year bonds closed the year at 19.75%, 19% and 21% respectively. The 6year, 7year and 10year Bonds also closed the year at 18.80%, 18.10% and 19.75% respectively.

Stock Market

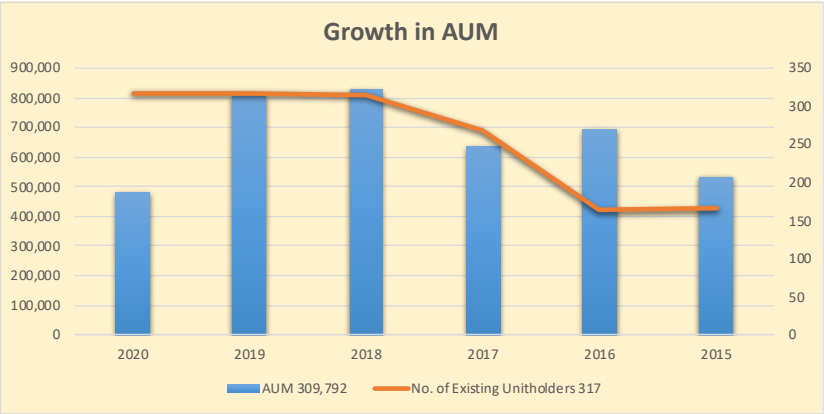
The stock market showed an improved performance in the year 2021 as compared to 2020. The bullish rally of the market remained consistent until year-end. This was due to revived investor confidence across the various sectors of the economy. The market sentiments, payment of dividends by some listed companies, and price appreciations of some stocks were the major drivers for the performance of the Ghanaian bourse in 2021. The bullish performance of the stock market resulted in the Ghana Stock Exchange Composite Index (GSE-CI) closing the year 2021 with a year to date return of 43.66% with a total Market Capitalization of GHS 64,495.20m compared to 13.98 % recorded in the previous year 2020 with a total market capitalization of GHC54,374.88m. The GSE Financial Stock Index (GSE-FSI) closed the year 2021 with a year to date return of 20.70% from a position of (11.73) % in 2020.

Fund Performance

The return on Legacy Unit Trust stood at 4.67% at the end of the period under review. This was an improvement from the performance of the fund in 2020 with a return of -0.75%. The net assets value of the scheme reduced from GH¢416,405 as recorded in 2020 to GH¢296,871 in 2021. This represents a decrease in nets assets value of 28.71%. The decline in the value of the scheme was largely due to the continues withdrawal on the scheme together with fall in deposit mobilization from the unit holders. Net income from investments and operations increased from negative GH¢11,809 in 2020 to positive GH¢14,483 in 2021. The fund manager was prudent in reducing expenses incurred for the scheme and rebalancing the portfolio to increase revenue.

Annual Yield

	2021	2020	2019
Annual Fund Yield	4.67%	-0.75%	5.11%
Yield on GoG One Year Note	16.46%	16.98%	17.91%
Inflation	12.60%	10.4%	7.90%

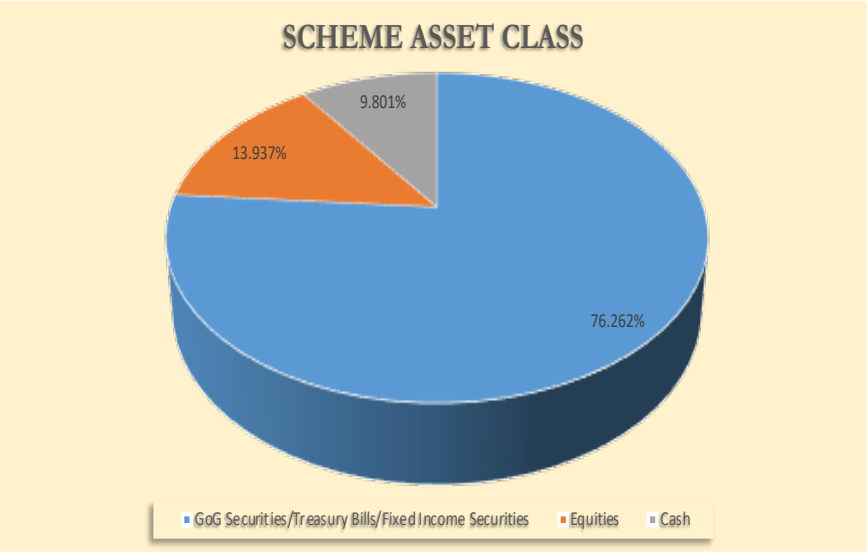


	December 31, 2021	December 31, 2020	December 31, 2019
Number of Unit Holders	317	317	317
Yield on the GSE – CI	43.66%	-13.98%	-12.25%
Yield on the GSE- FSI	20.73%	-11.73%	-6.23%
Fund Yield	4.67%	-0.75%	5.11%

Portfolio Review and Asset Mix

The Fund Manager rebalanced the portfolio to reduce the potential losses incurred by the fund in the stock market in 2020. By the end of 2021 the fund had 44.610% of its Assets under Management (AUM) invested in treasury bills and 31.653% in fixed term deposits with the banks and non-bank financial institutions. Listed equities accounted for 13.937% whiles cash and cash equivalents accounted for the remaining 9.801% of the Assets under Management making way for significant units' redemptions by its holders.

	December 31, 2021	December 31, 2020	December 31, 2019
Assets Under Management	309,792	481,174	806,840
% Fixed Income Securities on AUM	76.262%	45.48%	91.62%
% Equities on AUM	13.937%	7.88%	6.53%
% Cash & Cash Equivalents on AUM	9.801%	46.65%	1.85%



Fund Strategy

The fund would invest in short to medium term Government of Ghana securities to provide a stable return on investments to absorb fluctuations in stock prices that may occur in the stock market. The fund manager would rebalance the portfolio when necessary to ensure that the objective of the fund is sustained. This would improve the overall performance of the fund and consequently preserve the returns for unitholders.

Outlook for 2022 and Conclusion

The global economy is expected to experience moderate growth in the year 2022 as it continues to recover from the turbulence of the Covid-19 at the same time suffer economic uncertainties with the Russian-Ukrainian war. The impact of the war is expected to affect key commodities, including food, fuel and metals used in the manufacturing sectors of economies.

Ghana has suffered credit rating downgrades of bonds by Fitch and Moody's international rating organizations. This will shift government's borrowing strategies to focus more on domestic borrowing than the international market. Locally, the introduction of the electronic levy and implementation of same in the year 2022 is likely to negatively influence the digital transfer space within the short term but normalize in the long term while boosting government revenue. Government is expected to ramp up its efforts to reduce the debt stock of the economy, which stood at 80.10% as at December 2021 according to the Bank of Ghana. The government's strategic action to carefully balance fiscal consolidation with growth initiatives would help to achieve the desired results in the long term.

The Ghanaian economy is projected to grow at a rate of 5.50% in 2022 according to the World Bank. It is envisaged that despite this growth and the potential to strengthen earnings of most corporate institutions and listed companies, the anticipated surge in fixed income rates would divert attention from the stock market. As a result, your fund manager will seek to create the needed balance in the portfolio to ensure the fund is well cushioned against selling pressures on the Ghanaian bourse.

We shall continue to take advantage of our fund management capabilities and our understanding of the market to grow your fund to earn for you a return that outperforms that of the previous year. We remain positive and committed to prudently invest your funds in approved financial securities to generate optimal returns. We urge you to continue investing in the fund and to also introduce it to your friends and family so you all can enjoy the benefits of the projected economic turnaround.

Thank you for your attention.

Fund Manager

IFS Capital Management Limited

OBS ACCOUNTING
CHARTERED ACCOUNTANTS

Independent Auditors' Report To The Members Of Legacy Unit Trust

Opinion

We have audited the financial statements of Legacy Unit Trust, which comprise the statement of financial position as at December 31, 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 16 to 31.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for SME's (IFRS for SME's).

Basis for Opinion

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

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

Responsibilities of The Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and with the requirements of the Companies Act 2019, (Act 992), and for such internal control as The Board of Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, The Board of Directors is responsible for assessing

the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless The Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

i) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Scheme's internal control.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by The Board of Trustees.

iv) Conclude on the appropriateness of The Board of Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.

v) Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with The Board of Trustees regarding, among other matters, the planned scope and timing

of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

The Companies Act, 2019 (Act 992), the Securities and Industry Act, 2016 (Act 929), and the Unit Trusts and Mutual Funds Regulations, 2001 (L.I. 1695) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

ii) in our opinion proper books of account have been kept by the Scheme, so far as appears from our examination of those books; and

iii) the statement of net assets available for benefits and statement of changes in net assets available for benefits are in agreement with the books of account.

A. S. Obodai (ICAG/P/1345)

OBS Accounting (ICAG/F/2020/201)
Chartered Accountants

P. O. Box TS 585

Teshie

Tel: 0275300840

ALEXANDER SAI OBODOI (ICAG /P/1345)
MANAGING PARTNER
OBS ACCOUNTING (ICAG/F/20__
CHARTERED ACCOUNTANTS
P. O. BOX TS 585
TESHIE-ACCRA

29th April, 2022

Legacy Unit Trust Financial Statements

Statement Of Assets And Liabilities As At 31st December 2021

QUOTED EQUITY	% Net Assets	No. of Shares	Market Value 2021 GH¢	Market Value 2020 GH¢
Banking				
Ghana Commercial Bank	0.04	23	121	93
Ecobank Ghana Ltd	4.00	1,700	12,920	12,240
Cal Bank	0.79	2,920	2,540	2,015
Standard Chartered Bank	1.26	200	4,060	3,262
Ghana Oil Ltd	2.99	5,300	9,646	7,950
Petroleum				
Total Petroleum Ltd	1.40	900	4,518	2,547
Insurance				
Enterprise Group Ltd	-	-	-	-
Selling & Distribution				
Fanmilk Ghana Ltd	0.93	748	2,992	808
Unilever Ghana Ltd	1.98	1,083	6,379	8,978
Total Quoted Equity	13.38	12,874	43,176	37,893
Short Term Funds				
Cash at bank and on Call	9.41		30,361	224,470
Short Term Investment	70.41		227,217	210,265
Total Short-Term Funds	79.82		257,579	434,734
Total Investments	93.20		300,755	472,627
Total Accounts Receivable	2.80		9,037	8,547
Other Assets	-		-	-
Total Accounts Payable	(4.00)		(12,921)	(64,769)
Net Assets	**91.99**		**296,871**	**416,405**

Statement Of Assets And Liabilities As At 31st December 2021

ASSETS	Note	2021 GH¢	2020 GH¢
Long Term Investments	4	43,176	37,893
Short Term Investments	5	227,217	210,265
Accounts Receivable	6	9,037	8,547
Other Assets		-	-
Bank & Cash Balances		30,361	224,470
Total Assets		309,792	481,174
LIABILITIES			
Accounts Payable	7	12,921	64,769
Net Assets		**296,871**	**416,405**
UNITHOLDERS FUNDS			
Capital Accounts	8	(265,275)	(453,704)
Income & Distribution Account		562,147	477,242
		296,871	**23,538**

Approved by the Trustees and Fund Manager on 4th May, 2022

FUND MANAGER

TRUSTEE

Legacy Unit Trust
Income And Distribution Accounts For The Year Ended 31st December 2021

Dealings with members	**Note**	**2021 GH¢**	**2020 GH¢**
Investment Income	9	29,757	31,422
Less Admin. Expenses:			
Management Fees		(7,089)	(9,319)
Administrative Expenses		(2,658)	(7,028)
Auditors Fees		(5,760)	(4,800)
Trustee Fees		(5,000)	(6,640)
Redemption Fees		-	-
Other Expenses	10	(50)	(50)
Net Investment Income before Capital Gain/(Loss)		9,200	3,585
Net Realised Capital Gain/(Loss)	11	-	-
Net Investment Income		9,200	3,585
Net Unrealised Capital Gain/(Loss)		5,283	(14,809)
Net Investment Income Operations		14,483	(11,224)

Accumulated Net Investment Income
For the Year Ended 31st December 2021

Balance at 1st January	547,664	558,888
Net Income Transferred from Income and Distribution Account	14,483	(11,224)
Balance at 31st December	**562,147**	**547,664**

Legacy Unit Trust
Statement Of Movement In Net Assets
For The Year Ended 31st December 2021

From Operations:	2021 GH¢	2020 GH¢
Net Investment Income before Capital gain	9,200	3,585
Net Realised Capital Gain/(Loss)	-	-
Net Unrealised Capital Gain/(Loss)	5,283	(14,809)
TOTAL ASSETS	**14,483**	**(11,224)**
From Capital Transaction:		
Proceeds from sale of units	4,157	36,321
Cash outflow for units redeemed	(138,173)	(358,765)
Net Cash inflow/(outflow) from Capital Transactions	(134,016)	(322,444)
Total Increase in Net Assets	(119,533)	(333,669)
Net Assets at 1st January	416,405	750,074
Net Assets at 31st December	296,871	416,405

Statement of Movement in Issued Units for the Year Ended 31st December 2021	2021 No. of Units	2020 No. of Units
Number of Units- 1st January	1,552,195	2,806,787
Number of Units Issued during the Year	15,645	98,784
Number of Units Redeemed during the Year	(498,803)	(1,353,375)
TOTAL LIABILITIES	**1,069,037**	**1,552,195**

Legacy Unit Trust

Portfolio Summary As At 31st December 2021

EQUITY	No of Shares 31/12/21	No of Shares 31/12/20	Market Value 31/12/21 GH¢	Market Value 31/12/20 GH¢	Sales During The Year GH¢	Purch. During The Year GH¢	Capital Gain/Loss 31/12/21 GH¢
GCB	23	23	121	93	-	-	27
ECOBANK	1,700	1,700	12,920	12,240	-	-	680
CAL BANK	2,920	2,920	2,540	2,015	-	-	526
TOTAL	900	900	4,518	2,547	-	-	1,971
FANMILK	748	748	2,992	808	-	-	2,184
Enterprise Group Ltd	-	-	-	-	-	-	-
Ghana Oil Ltd	5,300	5,300	9,646	7,950	-	-	1,696
Standard Chartered Bank	200	200	4,060	3,262	-	-	798
Unilever Ghana Ltd	1,083	1,083	6,379	8,978	-	-	(2,599)
	12,874	12,874	43,176	37,893	-	-	5,283
Realised Capital Loss							-
Unrealised Capital Gain							5,283
Balance on Unrealised Gain/ (Loss) Reserve			(30,284)	(35,567)			
At Cost			12,892	2,326			

UNREALISED GAIN/(LOSS) RESERVE	2021 GH¢	2020 GH¢
Balance At 1st January,	(35,567)	(20,758)
Unrealised Gain/(Loss) For The Year Charged To Income & Distribution Accounts	5,283	(14,809)
Realised Loss on Sale of Shares Transferred To Realised Gain/(Loss) Accounts	-	-
Balance At 31st December,	**(30,284)**	**(35,567)**

Legacy Unit Trust

Statement Of Cashflow For The Year Ended 31st December 2021

Cash flows from Operating Activities	2021 GH¢	2020 GH¢
Net Assets from Operations	14,483	(11,224)
Adjustments for:		
Unrealised (Gain)/Loss	(5,283)	14,809
	9,200	3,585
Working Capital Adjustments		
(Increase)/Decrease in Investment in Equities	-	-
(Increase)/Decrease in Government Securities	(16,952)	(15,913)
(Increase)/Decrease in Fixed Deposits	(0)	536,103
(Increase)/Decrease in Other Assets	-	-
(Increase)/Decrease in Accounts Receivable	(491)	223
Increase/(Decrease) in Total Liabilities	(51,849)	8,003
Net Cashflows Used In Operating Activities	(60,092)	532,001
Cash flows from Finance Activities		
Proceeds from Sale of Units	4,157	36,321
Payments for Redemption of Units	(138,173)	(358,765)
Net Change In Cash & Cash Equivalents	(194,108)	209,556
Cash & Cash Equivalents at 1st January,	224,470	14,914
Cash & Cash Equivalents at 31st December,	**30,361**	**224,470**

Notes To The Financial Statements For The Year Ended 31st December 2021

1. Scheme information

Legacy Unit Trust is an open-ended unit trust governed by the laws of the Republic of Ghana and the Units and Mutual Trust Regulations, 2001, (L.I.1695). The initial offering of the trust began on June 3, 2013. The Trust's registered office is at Plot 7, Nii Yemoh Street, East Legon. The Fund is managed by IFS Capital Management Limited ("The Fund Manager"). The Fund's Trustee is Universal Merchant Bank Limited. The Fund's units are redeemable at the unit holder's option, and the units are not traded on the Ghana Stock Exchange.

2. Basis of preparation

a) Statement of compliance

The financial statements of the trust have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB)) and in compliance with the Units and Mutual Trust Regulations, 2001, (L.I.1695) and relevant Guidelines.

b) Basis of measurement

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

c) Foreign Currency Translation

i) Functional & presentational currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in Ghana cedi (GH¢), which is the functional presentation currency.

ii) Transactions & balances

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

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit or loss account. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within finance income or costs. All other foreign exchange gains and losses are presented in profit and loss within 'other (losses)/gains – net'.

d) Use of Estimates and Judgements

The preparation of financial statements in conformity with the IFRS, requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the financial statements, are disclosed in notes 10 to 28.

e) Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are derived from observable market data where possible, but if this is not available, judgement is required to establish fair value.

f) Impairment

i) financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flow of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount, and the present value of the estimated cash flows discounted at the original effective interest rate. An impairment loss in respect of an available- for-sale financial asset is calculated by reference to its current fair value.

Individual significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk. All impairment losses are recognized in the income statement. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

3. Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are

set out below. These policies have been consistently applied, unless otherwise stated.

a) **Investment Income**

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

b) **Non-derivative financial instruments**

These comprise investment in shares, treasury bills, cash and cash equivalents, trade and other receivables, loans and borrowings and trade and other payables.

c) **Financial assets**

Initial recognition and measurement

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Trustees of the Scheme determines the classification of its financial assets.

All financial assets are recognized initially at fair value plus transaction costs, in the case of assets not at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the company commits to purchase or sell the asset.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

i)The rights to receive cash flows from the asset have expired.

ii)The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of it, the asset is recognized to the extent of the Company's continuing involvement in it.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

d) **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

e) **Held-to-maturity investments**

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the Company has the positive intention and ability to hold them to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the income statement. The losses arising from impairment are recognized in the income statement in finance costs.

f) **Available-for-sale financial investments**

Available-for-sale financial investments include equity and debt securities. Equity investments classified as available-for-sale are those, neither classified as held-for-trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial measurement, available-for-sale financial investments are subsequently measured at fair value with unrealized gains or losses recognized as other comprehensive income in the available-for-sale reserve until the investment is derecognized, at which time, the cumulative gain or loss is recognized in other operating income, or determined to be impaired, at which time the cumulative loss is reclassified to the income statement in finance costs and removed from the available-for-sale reserve.

Interest income on available-for-sale debt securities is calculated using the effective interest method and is recognized in profit or loss.

g) **Financial liabilities**

Initial recognition and measurement

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit

or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, carried at amortized cost. This includes directly attributable transaction costs. The Company's financial liabilities include trade and other payables, bank overdrafts, loans and borrowings.

Derecognition

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

h) **Provisions**

Provisions are recognized when present obligations as a result of a past event will probably lead to an outflow of economic resources from the company and amounts can be estimated reliably.

i) New standards and interpretations not yet adopted

IFRS 9 Financial Instruments Effective for annual periods beginning an or after 1 January 2020

All financial assets are measured at fair value on initial recognition, adjusted for transaction costs if the instrument is not accounted for at fair value through profit or loss (FVTPL).

Debt Instruments are subsequently measured at FVTPL, amortized cost or fair value through other comprehensive income (FVOCI), on the basis of their contractual cash flows and the business model under which the debt instrument are held.

There is a fair value option (FVO) that allows financial assets on initial recognition to be designated as FVTPL if that eliminates or significantly reduces an accounting mismatch.

Equity instruments are generally measured at FTVPL. However, entities have an irrevocable option on an instrument-by-instrument basis to present changes in the fair value of non-trading instruments in other comprehensive income (OCI) (without subsequent reclassification to profit or loss).

For financial liabilities designated as FVTPL using the FVO, the amount of change in the fair value of such financial liabilities that is attributable to changes in credit risk must be presented in OCI. The remainder of

the change in fair value is presented in profit or loss unless presentation of the fair value change in respect of the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss.

Impact

The application of IFRS 9 may change the measurement and presentation of many financial instruments, depending on their contractual cash flows and business model under which they are held. The impairment requirements will generally result in earlier recognition of credit losses. The new hedging model may lead to more economic hedging strategies meeting the requirements for hedge accounting.

Legacy Unit Trust
Notes To The Financial Statements
For The Year Ended 31st December 2021

4	LONG TERM INVESTMENT	2021 GH¢	2020 GH¢
	Investment in Quoted Shares	**43,176**	**37,893**

5	SHORT TERM INVESTMENT		
	Fixed Deposits	98,057	98,057
	Treasury Bills	129,160	112,208
		227,217	**210,265**

6	ACCOUNTS RECEIVABLE		
	Interest Receivable	**9,037**	**8,547**

7	ACCOUNTS PAYABLE		
	Auditors Fees	5,760	4,800
	Management Fees	3,106	33,547
	Trustee Fees	1,250	6,640
	Administrative Fees	1,165	19,783
	Other Payables	1,640	-
		12,921	**64,769**

8	CAPITAL ACCOUNT	Units	2021 GH¢	Units	2020 GH¢
	Balance at 1st January	1,552,195	(131,259)	2,806,787	191,185
	Value of Units Sold	15,645	4,157	98,784	36,321
	Value of Units Redeemed	(498,803)	(138,173)	(1,353,375)	(358,765)
	Balance at 31st December	**1,069,037**	**(265,275)**	**1,552,195**	**(131,259)**

9 INCOME	2021 GH¢	2020 GH¢
Dividend Received on Stocks	2,508	2,353
Interest on Fixed Deposits	-	12,224
Interest on Load Accounts	15	-
Interest on Treasury Bills	27,234	16,844
	29,757	**31,422**

10 OTHER EXPENSES		
Bank Charges	**50**	**50**

11 REALISED GAIN/(LOSS) ON SHARES		
Proceeds from sale of Shares	-	-
Cost of Shares Sold	-	-
Transfer from Unrealised Gain(/Loss) Reserve	-	-
	-	**-**

12. Financial risk management

i) Overview

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

1. credit/Portfolio/Asset risk
2. liquidity risk
3. market risk
4. operational risk

This notes present information about the Scheme's exposure to each of the above risks, the Scheme's objectives, policies, and procedures for measuring and managing risk, and its management of capital.

Risk management framework

The board of Trustees has overall responsibility for the establishment and oversight of the Scheme's risk management framework. The Trustee is responsible for monitoring compliance with the Scheme's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation with the risk faced by the Scheme.

The Scheme's risk management policies are established to identify and analyze the risk faced by the Scheme, to set appropriate risk limits and controls, and to monitor risks and adherence to

ii) Credit risk

Credit risk is the risk of financial loss to the Scheme if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

iii) Liquidity risk

Liquidity risk is the risk that the Scheme either does not have sufficient financial resources available to meet its obligations and commitments as they fall due or can access them only at excessive cost. The Scheme's approach to managing liquidity is to ensure that it will maintain adequate liquidity to meet its liabilities when due. It is the Scheme's policy to maintain adequate liquidity at all times, and for all currencies.

iv) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Scheme's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

v) Operational risk

Operational risk is the risk of direct or indirect loss due to an event or action resulting from the failure of internal processes, people and systems, or from external events. The Scheme seeks to ensure that key operational risks are managed in a timely and effective manner through a framework of policies, procedures, and tools to identify, assess, monitor, control, and report such.

13. Contingent Liabilities and commitments

i) Contingent liabilities

Pending legal suits:

There were no contingent liabilities as at the balance sheet date.

ii) Capital expenditure commitments

Under contract, there were no capital commitments as at the balance sheet date.

14. Events after reporting period

Events subsequent to the balance sheet date are reflected in the financial statements only to the extent that they relate to the year under consideration and the effect is material.

Proxy Form
Legacy Unit Trust

I/We .....

Of .....

Being unitholder/unitholders of Legacy Unit Trust hereby appoint .....

.....

Of.....

(address)

Or failing him/her duly appoint .....

.....

Of.....

(address)

As my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held via zoom on Wednesday, December 14th 2022 at 11:00am prompt and any adjournment thereof.

I/We direct that my/our vote(s) be cast on the specified resolution as indicated by an X in the appropriate space

No.	Resolutions	For	Against
1	To receive the report of the Manager of the year 2021		
2	To receive the Audited financial statements of Legacy Unit Trust for the year ended December 31, 2021 together with the Trustees and Auditors report thereon		
3	To authorize the Manager to appoint and fix the remuneration of the Auditors for the year 2022.		

Dated this ..... day of 2022

iFS
Capital Management Ltd
...Growing People, Growing Businesses

Investment at your finger tips!

Make deposits from your phone with

IFS Capital Mobile Deposit

Dial *718*78#

And follow instructions for preferred deposit.

ALL YOU NEED IS YOUR IFS CAPITAL ACCOUNT NUMBER

clientservice@ifscapitalgh.com
www.ifscapitalgh.com

call us now on:
0302 777 081
0571 386 759

Asset Management I Coporate Finance I Investment Advisory I Research I Pension Fund Management

Contact Us:

IFS Capital Management Ltd, Nii Yemoh Avenue Plot No.7, East Legon Accra.
P. O. Box SR, Accra, Ghana
Tel: +233 (0) 302 777 233 / 77 081
Fax: +233 (0) 302 769 305
Mobile: +233 (0) 571 386 759
Email: clientservice@ifscapital.com
Website: www.ifscapital.com
Whatsapp: +233 (0) 276 020 151 / Facebook:IFS Capital

Licensed by Securities & Exchange Commission and National Pentions Regulatory Authority