Annual Report 2012

SOCIAL SECURITY AND NATIONAL INSURANCE TRUST

We deliver on our promise!

HAVE YOU SECURED YOUR FUTURE?

"For tomorrow belongs to the people who prepare for it today"
(African Proverb)

1 Do you have a **Social Security Card**?

2. Is your **Social Security number** appearing on your payslip?

3. Do you have only one **Social Security Number/Card**?

4. Have you updated your **dependants/beneficiaries** on your SSNIT nomination forms even after your circumstance has changed?

5. Have you notified SSNIT of your change of **name, address** or **location** since you joined the scheme?

6. Have you (serviced) settled your **Student's Loan**?

If you answer **No** to any of the above questions, ensure that you contact the THE NEAREST SSNIT BRANCH.

For Further Enquiries Contact Any SSNIT Branch or
SSNIT Contact Centre
P.O. BOX MB 149, MINISTRIES, ACCRA.
Contact Centre: **030 2611622** • **Fax:** (233-30) 2680520
E-mail: contactcentre@ssnit.org.gh • **Website:** www.ssnit.org.gh
Toll-Free No.: 0-800-333-33

SOCIAL SECURITY AND NATIONAL INSURANCE TRUST

We deliver on our promise!

SSNIT

2012 Annual Report

Contents

Corporate Vision & Mission Statements

Our Vision

To develop SSNIT into a World-Class Pension Administration Institution dedicated to the promotion of Economic Security of the Ghanaian Worker through Prudent Investment Mechanisms.

Our Mission

To provide Cutting-Edge Income Replacement Schemes through Improved business Oriented Methods and State-of-the-Art-Technology for the Benefit of Stakeholders and Ghanaians by Professional, Dedicated and Quality Driven Leadership and Staff.

Board of Trustees 2012

The 14-member Board of Trustees are the governing body of the Trust in accordance with Section 35 (1) and (2) of the National Pensions Act, 2008, Act 766

MR. KWAME PEPRAH
Chairman, Government Representative

HON. FIFI KWETEY
Representative of Ministry of Finance & Economic Planning.

MR. TERENCE RONALD DARKO
Representative of Ghana Employer's Association.

MR. P. K. O. ADDO
Government Representative

MR. THEODORE K. GYAU
Representative of the Ghana Employers' Association

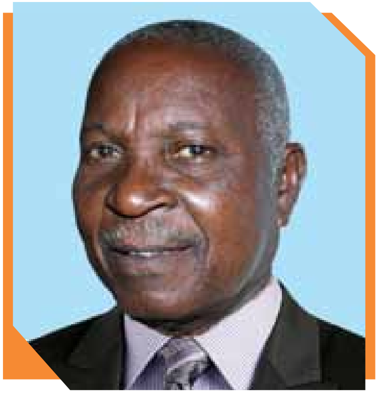
MRS. SATI OCRAN
Government Representative

MR. KOFI ASAMOAH
Representative of Organised Labour

MR. ABRAHAM TETTEH DIAN OKINE
Representative of Organised Labour

MR. ROBERTSON NII AKWEI ALLOTEY
Representative of Organised Labour

MR. KWAME AMO-DAKO
Representative of Organised Labour



MR. THEODORE NEE-OKPEY
National Pensioners' Association

LT, COL. (RTD) JACOB BLOOD-DZRAKU
Representative of Security Services

DR. FRANK ODOOM
Director General

MRS. GIFTY ANNAN
Company Secretary

SSNIT Executive Team

DR. FRANK ODOOM
Director General

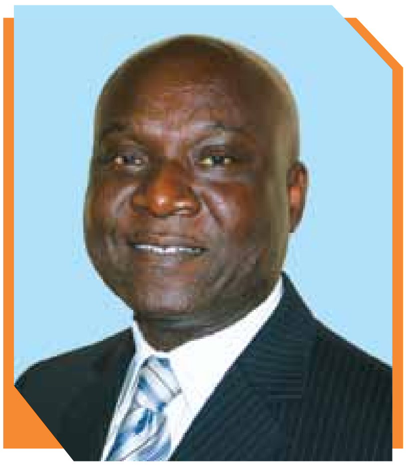
NII ADJA NABLAH
General Manager, Finance

MR. KWAKU O. BIMPONG
General Manager, Admin./HR

MR. JEROME ESHUN
General Manager, Invest. & Dev.

MR. JAMES K. INKOOM
General Manager, MIS

MR. SAMUEL AKRONG
Ag. General Manager, GC



DR. DARIUS OSEI
General Manager, Medical Service

MR. THEODORE F. OHENE
General Manager, Operations

MR. ROBERT OPPONG
General Manager, Benefits

MRS. GIFTY J. ANNAN
Company Secretary

MR. RICHARD ASAMOAH-MENSAH
Chief Internal Auditor

MS. EVANGELINE AMEGASHIE
Corporate Affairs Manager

MR. STEPHEN YEBOAH
Chief Actuary

Corporate Information

TRUSTEES

Mr. Kwame Peprah (Chairman)
Hon. Fifi Kwetey
Mr. P. K. O. Addo
Mr. Theodore K. Gyau
Mrs. Sati Ocran
Mr. Kofi Asamoah
Mr. Abraham Tetteh Dian Okine
Lt. Col. (Rtd) Jacob H.Blood-Dzraku (Deceased)
Mr. Kwame Amo-Dako
Mr. Theodore Nee-Okpey
Mr. Robertson Nii Akwei Allotey
Mr. Terence Ronald Darko
Dr. Frank Odoom (Director-General)

SECRETARY

Mrs. Gifty Joan Annan

AG. GENERAL COUNSEL

Mr. Samuel Akrong

AUDITORS

Deloitte & Touche
Chartered Accountants
4 Liberation Road
P. O. Box GP 453
Accra.

BANKERS:

- Ghana Commercial Bank Limited.
- SG-SSB Limited
- Merchant Bank (Ghana)Limited
- Agricultural Development Bank
- Standard Chartered Bank Ghana Limited.
- Barclays Bank Ghana Limited
- Ghana International Bank PLC
- Ecobank (Ghana) Limited
- HFC Bank Limited

Highlights

MEMBERSHIP AND CONTRIBUTIONS

- A total of 161,341 new workers were registered into the scheme in 2012, representing 22.78% increase over the 2011 figure of 131,409.
- Active membership grew from 963,619 in 2011 to 1,051,429 in year 2012, an increase of 9.11%.
- An amount of GH¢934.133 million was collected as contributions in 2012 which compared favourably with the 2011 amount of GH¢825.96 million in 2011 representing an increase of 13.10%.
- Total arrears owed by establishments amounted to GH¢322.68 million in 2012 as compared with the 2011 amount of GH¢218.93 million. This represents a decrease of 47.39%.
- For the year under review the average monthly salary on which contributions were paid was GH¢620.8.
- The total number of pensioners increased by 6.04% from 112,522 in 2011 to 119,323 in 2012.
- A total number of 40,664 establishments were covered under the scheme in 2012. The breakdown was as follows:

	2012	**2011**
Private	40,644	36,461
Public Establishments	20	73

BENEFITS AND PENSIONERS

- Total value of benefits paid was GH¢443.15 million. This represents an increase of 24.78% over the same period in 2011 in which GH¢355.15 million were paid.
- Average benefits processing time was 48 days.
- Pension was indexed by an average of 12.00%.
- Monthly Survivors benefit ranged between GH¢91.41 and GH¢253,198.48 for the year 2012.
- The 25% lump sum option ranged from GH¢2.28 to GH¢244,540.58 for the year 2012.

FUND AND INVESTMENT

- The total investment portfolio of SSNIT increased by 19.0% from GH¢3.42 billion to GH¢4.07 billion as at the end of 2012.
- Real return on investments was 12.09% in 2012 as compared to 5.60% in 2011.

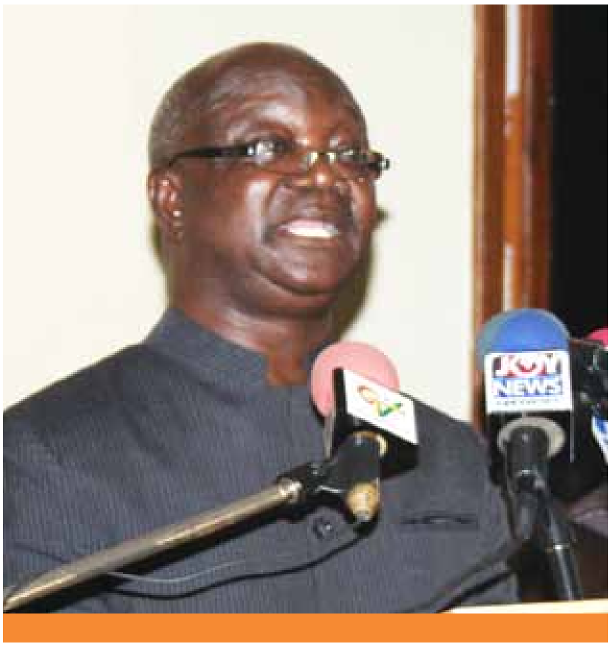
A visit to Parliament to explain the National Pensions ACT 2008, ACT 766

Staff of Parliament house updating their Social Security Bio-data

Local Union Awards Night

Annual Performance Review conference at the La Palm Beach Hotel

The Chairman's Report



I am humbled but proud to be given the responsibility of bringing to you the report of the performance of the Social Security and National Insurance Trust (SSNIT) for the calendar year 2012.

MEMBERSHIP

As at December 31, 2012 registered membership stood at 1,478,755 of which the number of active members was 1,051,429. This gives an increase of 9.11% over that of 2011, which had 963,619 active members.

PENSIONERS

The population of pensioners continues to grow steadily on a monthly basis. During the year, under review, the number increased from 112,522 in 2011 to 119,323 in 2012, representing an increase of 6.04%.

CONTRIBUTIONS

The Trust collected GH¢934.13 million in contributions for the year 2012. This was an increase of 13.10% over the GH¢825.96 million collected in 2011.

INVESTMENT INCOME

The real return on the Trust's investments was impressive. The figure was 12.09% which exceeded the target of 2.25%. In 2011 the return on Investments was 5.60%.

PENSION PAYMENT

The growth of pensioners increased from 112,522 to 119,323. As expected this had a corresponding rise in the amount of benefits paid out for the year 2012. SSNIT paid GH¢443.15 million to the beneficiaries, which is an increase of 24.78% over the GH¢355.15 million paid in the year 2011.

ARREARS

Arrears of contribution payments from Private establishments was GH¢82.93 million, the Controller and Accountant General's Department (CAGD) was GH¢202.46 million.

Board of Trustees at the 2012 Stakeholders Forum

SSNIT Executives at the 2012 Stakeholders Forum

Mr. McCready presenting a citation to the Director-General, Dr. Frank Odoom.

This reduction has been like a sore thumb. Without sounding like a broken record, this has been a major challenge to the first-tier scheme which SSNIT now operates.

As I stated last year, actuarial studies, done by the International Labour Organisation (ILO), show that for the scheme to be sustainable, SSNIT would need to get at least 14.7% contributions or find alternative ways of supplementing the shortfall of contributions, with which it now operates the first-tier pension scheme. SSNIT has therefore been forced to look for other viable investments so as to make up for this short-fall. The good news is that so far the investments entered into by the Trust have proved to be profitable.

The country has been operating under the National Pensions' Act (Act 766), since January 2010. However SSNIT has still been partially operating under the old PNDC Law 247. This is because some of the pensioners opted for the old law and as such SSNIT is obliged by law to pay them the 25% lump sum, in addition to their monthly pension. As you all may know PNDCL Law 247 will officially cease to exist from January 2015, though residual payments will continue until all benefits claims under that law are exhausted.

We are in discussions with our regulator to amend the Law so as to improve benefits payments to those who were aged between 50 and 55 years at the inception of Act 766.

OPERATIONAL ACTIVITIES AND RESTRUCTURING

The Operational Business Process, started in 2010, is still going strong. We are all aware that in every endeavour of life there will be the positives and the negatives and the Trust will not be deterred by either threat. The Trust will do all in its power to minimise the negatives. The operational restructuring is on-going. This is to ensure that the Trust can achieve its optimum objective of paying pensions one month after the retirement of a contributor.

The Management of the Trust has been given all the support, by the Board of Trustees, for the full implementation of the Operational Business Suite (OBS). This OBS is one of the key pillars on which the aim of shortening the benefit processing time is dependent on. It envisages the complete networking of all the Trust's activities across the country so that a claim made in Bolgatanga would not need to be physically sent to Accra for processing. It would also improve our efficiency and effectiveness in the delivery of our services.

The project entails the document imaging of our massive hard copy records, the biometric registration of all members, albeit in phases, coupled with a massive back-up of our records on two secured regional sites.

This project which began in November 2012 is due to be completed in June 2014.

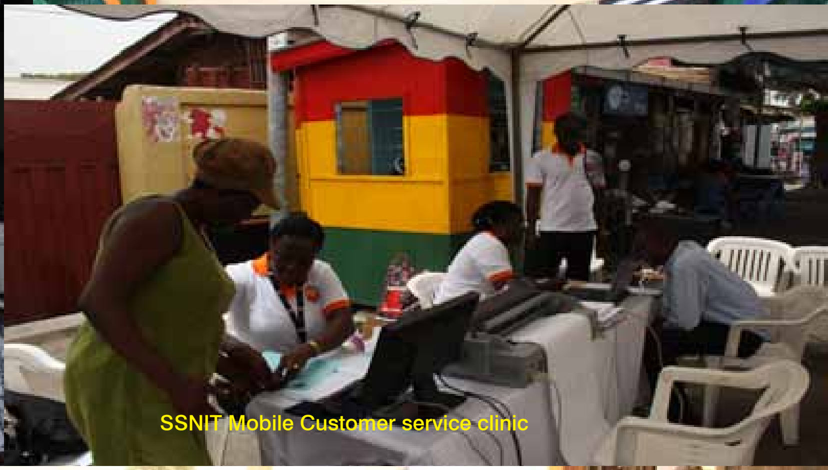
CONCLUSION

I would like to assure all our stakeholders that SSNIT is fully committed to moving forward and improving on its service delivery. On behalf of the Board of Trustees, I wish to express my honest appreciation to the Management and staff of SSNIT in the assistance given to the Board of Trustees in the year 2012, in the discharge of its duties. I would also like to thank the stakeholders of the Trust for their support in ensuring that the Trust honoured its obligations as prescribed by law.

Inauguration of New Trucks for Trust Logistics Ltd

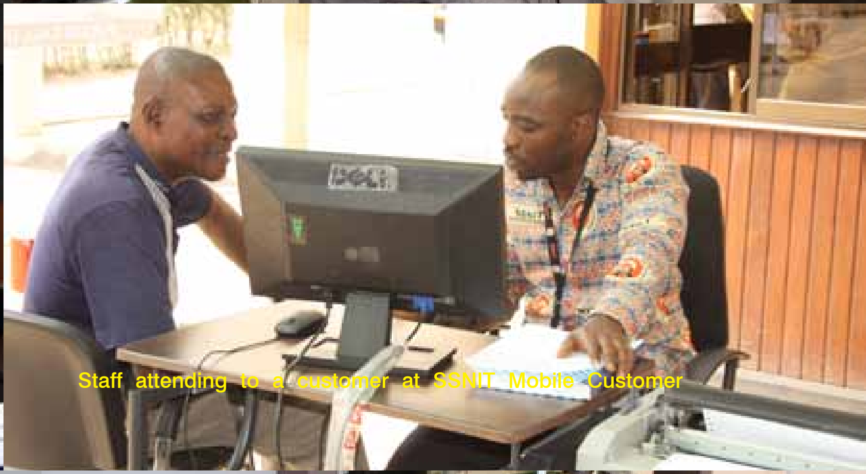
SSA executives in group picture with SSNIT Management

The Winneba Youth Choir ministering at the Nine Lessons and Carols



SSNIT Mobile Customer service clinic

SSNIT Choir performing at the 2012 Festival of Nine Lessons and Carols



Staff attending to a customer at SSNIT Mobile Customer

SSNIT fun games held at Sunyani

REPORT OF THE TRUSTEES

The trustees submit their report together with the audited financial statements of Social Security and National Insurance Trust for the year ended 31 December 2012.

1. THE TRUST

The Trust manages and operates the Social Security Pensions Scheme in accordance with the National Pensions Act, 2008 (Act 766). Full implementation of Act 766 commenced in the year 2010. Employees of companies operating in Ghana are required by law to be members of the Scheme. The trustees' particular responsibilities include the administration of membership records, the collection and payments of contributions into the Fund, the payment of benefits and the management of the assets of the Scheme.

2. STATEMENT OF TRUSTEES' RESPONSIBILITY

The trustees are responsible for the preparation of the financial statements for each financial year that give a true and fair view of the state of affairs of the Trust. In preparing those financial statements, the board of trustees have selected suitable accounting policies that are reasonable and prudent. The trustees believe in full disclosure and therefore adopt standard accounting practices (International Financial Reporting Standards) and ensure adequate internal controls to facilitate reliability of the financial statements.

The trustees are responsible for ensuring that the Trust keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the Trust. The trustees are also responsible for safeguarding the assets of the Trust and taking reasonable steps for the prevention and detection of fraud and other irregularities.

3. CHANGES IN TRUSTEESHIP

The representative of the Security Services on the Board of trustees nominated by Government, Lt Col (Rtd) Jacob Hester Blood-Dzraku passed away on 23 December 2012.

A new representative of the National Pensioners Association has been appointed. Mr. Theodore A. Nee-Okpey the new representative, joined the Board on September 14, 2012.

4. CHANGES IN DIRECTOR-GENERAL POSITION

In accordance with article 195 of the Constitution , the President appointed Mr. Ernest Thompson in May 2013, as the Acting Director-General of the Trust. Mr. Thompson replaced Dr. Frank Odoom who served as Director-General of the Trust for three years.

5. CORPORATE GOVERNANCE

The Trust acknowledges the importance of, and is committed to the principles of good corporate governance which include transparency and accountability.

The Board of trustees is responsible for ensuring that the highest standards of corporate governance are achieved in directing and controlling the Trust's business.

The Board is assisted in the discharge of its duties by the under mentioned sub-committees which meet frequently in between Board meetings.

FINANCE AND INVESTMENT COMMITTEE

The Finance and Investment committee is made up of the following members:

Hon Fiifi Kwetey	-	Chairman
Mr. Kofi Asamoah	-	Member
Mr. Peter K.O. Addo	-	Member
Mr. Theodore K. Gyau	-	Member
Mrs. Sati Ocran	-	Member
Mr. Terence R. Darko	-	Member
Dr. Frank Odoom (Director General)	-	Member

This Committee reviews, advises and makes recommendations to the Board on financial accounting and treasury policies, corporate plans and budgets and financial operations of the Trust.

It also advises and makes recommendations on major financial transactions.

AUDIT COMMITTEE

The Audit committee is made up of the following members:

Mr. Robertson N.A. Allotey	-	Chairman
Mr. Kwame Amo-Dako	-	Member
Mr. A.T.D. Okine	-	Member
Mr. T.K. Abu-Bakr Bibilazu	-	Member
Dr. Frank Odoom (Director General)	-	Member

This Committee provides oversight of risk management activities, audit processes and reviews audit reports and the Trust's risk portfolio.

It evaluates the integrity of the financial management system and accuracy of the Trust's financial reports, as derived from policies, guidelines and established procedures and makes recommendations to the board.

Other functions of the committee are to co-ordinate, monitor and facilitate compliance with existing laws, rules and regulations.

ADMINISTRATION, WELFARE AND LEGAL COMMITTEE

The Administration, Welfare and Legal Committee is made up of the following members:

Mr. Kofi Asamoah	-	Chairman
Mr. Peter K.O. Addo	-	Member
Mr. Robertson N.A. Allotey	-	Member
Mr. A.T.D. Okine	-	Member
Mr. Theodore K. Gyau	-	Member
Mr. Theodore A.Nee-Okpey	-	Member
Dr. Frank Odoom (Director General)	-	Member

This committee evaluates Human Resources policies, reviews remuneration systems and considers issues relating to discipline of senior management personnel.

It reviews policies for the acquisition, maintenance, security and disposal of physical assets of the Trust. It also evaluates and makes proposals to the board on key legal strategies required to be taken .

TECHNICAL AND OPERATIONS COMMITTEE

The Technical and Operations Committee is made up of the following members:

Mr. Peter K.O. Addo	-	Chairman
Hon. Fiifi Kwetey	-	Member
Mr. Kwame Amo-Dako	-	Member
Mr. Terence K. Darko	-	Member
Mr. Theodore A. Nee-Okpey	-	Member
Mr. T.K. Abu-Bakr Bibilazu	-	Member
Dr. Frank Odoom (Director General)	-	Member

This committee evaluates and makes recommendations to the Board on policies for ensuring the solvency of the Social Security Scheme.

It also develops policies and guidelines for assessment of benefits adequacy, service delivery improvement and initiatives and strategies for expansion of the scheme.

The committees have met regularly and submitted appropriate reports to the Board of Trustees.

5. MEMBERSHIP

	2012	**2011**
Membership at 1 January	1,390,945	1,327,658
New members	161,341	131,409
	1,552,286	1,459,067
Withdrawals	(73,531)	(68,122)
Membership at 31 December	1,478,755	1,390,945

The above represents the registered membership of the scheme. The active membership, however stood at 1,051,429 (2011 : 963,619) as at 31 December 2012.

6. PENSIONERS

During the year the number of pensioners increased from 112,522 to 119,323.

7. ACTUARIAL VALUATION

It is the policy of the Trust to arrange for an external actuarial valuation of the Scheme every three years. The latest actuarial review of the Scheme concluded that, over a range of (but not all) possible scenarios, the existing assets and future contributions to the Scheme (at the rates set down in legislation) are, in normal circumstances, likely to be sufficient to pay benefits as they fall due over the period up to about 2030 and possibly beyond.

8. INVESTMENTS

The Trust is the only legally authorised institution to operate a Social Security Pension Scheme in Ghana and consequently has the responsibility, amongst others, for investing the Scheme's resources in order to fulfil its obligations to current and prospective pensioners. This entails a diversified investment of the Scheme's resources into promising areas of the Ghanaian economy, in particular, the financial, manufacturing and service sectors, and residential and commercial properties.

The investment portfolio is mostly locally invested and structured into short, medium and long term investments. The main categories of the investments are Government stocks, bonds, equities, residential and commercial properties, loans and short term cash deposits.

The composition of the Scheme's investment portfolio and returns at 31 December 2012 and 2011 were as follows:

	2012		2011	
	Portfolio	Rate of Return	Portfolio	Rate of Return
	%	%	%	%
Investment Properties	**9.40**	12.60	7.91	3.49
Available for Sale	**32.60**	39.40	29.71	2.18
Held to maturity	**14.40**	12.40	7.87	3.65
Loans and receivables	**30.90**	11.50	35.86	6.08
Student loans	**4.00**	21.60	4.84	3.80
Short term investment	**8.70**	21.00	13.81	9.99
	100.00		100.00	

Investment Properties
These are long term investments and carried at market values determined periodically. Investment properties are not subject to depreciation

Available for Sale
This relates to investment in listed and unlisted equities.

Held to Maturity
This relates to Government bonds and HFC mortgage bonds .

Loans and Receivables
Represent advances to Institutions less related impairment allowance.

Short Term Investment
This represents treasury bill investments, term and call deposits.

By order of the Board of trustees:

Chairman:………………………..…….. ….……..2013 **Director General:……………………..……… 2013**
(Board of Trustees)

Actuary's Report

It is my opinion that for this report of the Actuarial Valuation of the Social Security and National Insurance Trust (SSNIT) Scheme as at 31 December 2011:

- The data on which the projections and analysis are based are sufficient and reliable, although there are aspects, for example relating to past contributors, which create considerable uncertainty over the future costs of the Scheme.

- The assumptions used are in the aggregate, reasonable and appropriate and

- The methodology employed is appropriate and consistent with sound acturarial principles.

This report has been prepared in accordance with the International Actuarial Association guidelines of Actuarial Practice for Social Security Program.

The Actuarial Review of the Scheme as at 31 December 2011 concluded that, over a range of (but not all) possible scenarios, the existing assets and future contributions to the Scheme (at the rates set down in legislation) are, in normal circumstances, likely to be sufficient to pay benefits as they fall due over the period up to about 2030 and possibly beyond. In Practice, changes to the legislation governing contribution rates and benefit amounts should enable the finances of the Scheme to be managed so that, in the long term, assets and contribution income are sufficient to meet benefit expenditure.

This opinion is intended solely for the purpose of completing SSNIT's report and consolidated financial statements. As such, neither SSNIT nor any third party should rely on this statement as a basis for taking funding, Investment or other financial decisions relating to the Scheme. GAD does not accept any liability for any act or omission taken, either in whole or part, on the basis of this opinion.

Dr. Dermot Grenham FIA
Chief Actuary, Insurance and Social Security
Government Actuary's Department (GAD)
Finlaison house
15-17 Furnival Street
London
EC4A 1AB
United Kingdom

Contributors above 54 years and pensioners over 72 years must visit the nearest SSNIT Branch to be part of the SSNIT Biometric Registration. Physically challenged pensioners may call the SSNIT Contact Centre on 03022611622.

Register for your SSNIT Biometric identity card now!

For Further Enquiries Contact Any SSNIT Branch or
SSNIT Contact Centre
P.O. BOX MB 149, MINISTRIES, ACCRA.
Contact Centre: **030 2611622**
Fax: (233-30) 2680520
E-mail: contactcentre@ssnit.org.gh • **Website:** www.ssnit.org.gh
Toll-Free No.: 0-800-333-33

SOCIAL SECURITY AND NATIONAL INSURANCE TRUST

We deliver on our promise!

Independent Auditors Report

We have audited the financial statements of Social Security and National Insurance Trust, as at 31 December 2012, set out on pages 10 to 35, which have been prepared on the basis of the significant accounting policies on page 14 to 22 and other explanatory notes on pages 23 to 35.

Trustees' Responsibility for the Financial Statements

The trustees are responsible for the preparation and fair presentation of these financial statements in accordance with the National Pensions Act, 2008 (Act 766). This responsibility include: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the Trust has kept proper accounting records and the financial statements are in agreement with the records in all material respects and give in the prescribed manner, information required by the National Pensions Act, 2008 (Act 766). The financial statements give a true and fair view of the financial position of the Trust as at 31 December 2012, and of its financial performance and cash flow for the year then ended and are drawn up in accordance with the International Financial Reporting Standards.

Chartered Accountants
Accra, Ghana
Licence No. ICAG/F/129

Andrew Opuni-Ampong
Practising Certificate: Licence No. ICAG/P/1132

28 AUGUST, 2013

Statement of Financial Position

AS AT 31 DECEMBER 2012

Statement of Net Assets

	Note	2012 GH¢'000	2011 GH¢'000
Non-current Assets			
Property, plant & equipment	4	**146,774**	122,800
Investment properties	5a	**512,762**	483,640
Financial assets	6	**3,037,319**	2,315,512
		3,696,855	2,921,952
Current Assets			
Residential housing available for sale		**41,549**	18,256
Inventories	7	**983**	1,166
Receivables	8	**136,004**	68,204
Investments-short term	9	**474,047**	449,805
Cash & bank balances		**96,129**	95,390
		748,712	632,821
Current Liabilities			
Payables	10	**(138,553)**	(109,316)
Ghana Education Trust Fund	11	**(26,418)**	(26,418)
		(164,971)	(135,734)
Net Current Assets		**583,741**	497,087
Total Assets Less Current Liabilities		**4,280,596**	3,419,039

Represented by

Net assets at 1 January	**3,419,039**	2,900,609
Net current assets	**861,557**	518,430
Net assets at 31 December available to pay benefits	**4,280,596**	3,419,039

The financial statements on pages 17 to 27 were approved by the Board of Trustees on 28th August, 2013 and were signed on its behalf by:

....
Chairman of the Board

....
Director General






Statement of Changes in Net Assets

FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012 GH¢'000	2011 GH¢'000
Income			
Contributions received	13	**934,133**	825,955
Net investment income	14	**500,911**	151,104
Other income		**25,330**	25,526
		1,460,374	1,002,585
Direct Costs			
Operational cost		**(57,112)**	(47,193)
Benefits	15	**(443,151)**	(355,154)
		(500,263)	(402,347)
Surplus of income over direct costs		**960,111**	600,238
General and administrative expenses	16	**(88,561)**	(53,413)
		871,550	546,825
Transfer to National Health Insurance Scheme	18	**(172,988)**	(108,920)
Net surplus		**698,562**	437,905
Movement in Net Assets			
Surplus of income over expenditure		**698,562**	437,905
Net increase in the value of investments	19	**162,995**	80,525
Net Current Year Movement		**861,557**	518,430

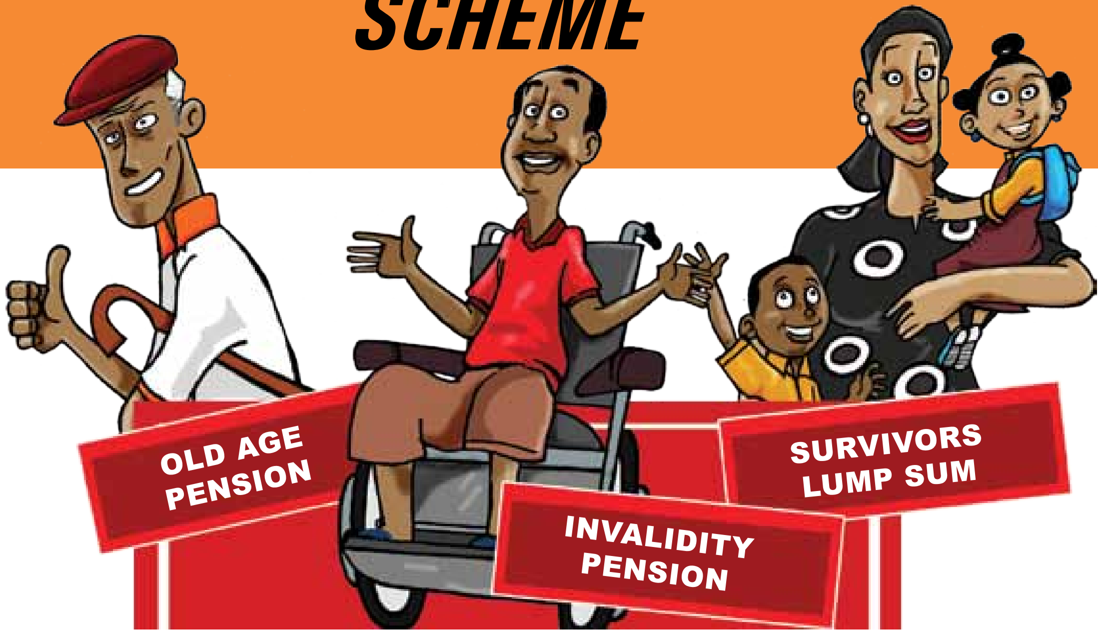
Statement of Cash Flows

FOR THE YEAR ENDED 31 DECEMBER 2012

Operating Activities	2012 GH¢'000	2011 GH¢'000
Net current year movement	**861,557**	518,430
Depreciation	**4,812**	4,080
Loss on disposal	**761**	745
Revaluation	-	(29,678)
	867,130	493,577
Adjustment for Movement in Working Capital		
Decrease/(increase) in inventories	**183**	(11)
Decrease in receivables	**(67,800)**	(15,288)
Increase in payables	**29,237**	40,529
Increase/(decrease) in residential housing available for sale	**(23,293)**	2,856
Net Cash Generated from Operating Activities	**805,457**	521,663
Investing Activities		
Purchase of property, plant & equipment	**(29,584)**	(7,881)
Proceeds from the sale of property, plant & equipment	**37**	37
Increase in financial assets	**(721,807)**	(378,164)
Increase in investment properties	**(29,122)**	(163,542)
	(780,476)	(549,550)
Increase/(decrease) in cash and cash equivalent	**24,981**	(27,887)
Cash and cash equivalents at 1 January	**545,195**	573,082
Balance at 31 December	**570,176**	545,195
Analysis of Cash and Cash Equivalent		
Investments-short term	**474,047**	449,805
Cash & bank balances	**96,129**	95,390
	570,176	545,195

BENEFITS

UNDER THE SSNIT PENSION SCHEME



WHAT ARE THE QUALIFYING CONDITIONS?

1 OLD AGE / RETIREMENT PENSION

- Must have attained the age of 60
- A reduced pension could be paid between the ages of 55-59 and
- Must have contributed for a minimum period of 180 months.

2 INVALIDITY PENSION

- Must have been a member for a minimum period of 36 months
- Must have made at least 12 monthly contributions in aggregate within the last 36 months
- Must be certified invalid by the SSNIT Medical Board.

3 SURVIVOR'S LUMP SUM

- Beneficiary should have been nominated or is a minor of the deceased member
- When a member dies before retirement
- When the member is a pensioner and dies before age 75
- An evidence of death is a prerequisite for the Survivor's Lump Sum processing.

For Further Enquiries Contact Any SSNIT Branch or
SSNIT Contact Centre
P.O. BOX MB 149, MINISTRIES, ACCRA.
Contact Centre: **030 2611622**
Fax: (233-30) 2680520
E-mail: contactcentre@ssnit.org.gh • **Website:** www.ssnit.org.gh
Toll-Free No.: 0-800-333-33

SOCIAL SECURITY AND NATIONAL INSURANCE TRUST

We deliver on our promise!

Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2012

1. Corporate information

The Social Security and National Insurance Trust (SSNIT) is a statutory public Trust established under NRCD 127 to administer Ghana's National Pension Scheme. The Social Security Law (PNDC Law 247) under which the current Social Security Scheme used to operate was passed in 1991. This was repealed by the National Pensions Act, 2008 (Act 766) which provides for a three tier pension scheme. SSNIT is mandated by the law to manage the 1st tier which is compulsory for all Ghanaian workers.

The SSNIT is presently the largest non-banking financial institution in the country. Its primary responsibility is to replace part of lost income due to Old Age, Invalidity, or Death through the administration of a Social Security Scheme. The principal activities of the SSNIT are described in the Report of the Trustees.

The address of the Head Office of the SSNIT is Pension House, Ministries, Pension Road, Accra.

2. Basis of preparation

2.1 Statement of compliance

The Financial Statements of the Trust have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretation as issued by the International Accounting Standards Board (IASB).

2.2 Basis of measurement

The financial statements have been prepared under the historical cost convention as modified to include fair valuation of specified financial assets and liabilities to the extent required or permitted under accounting standards and as set out in the relevant accounting policies.

2.3 Use of estimates and judgement

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

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Provisions

Provisions are recognised when the trustee has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where Gridco expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is certain. The expense relating to any provision is presented in the Statement of changes in net assets net of any reimbursement.

2.4 Accounting policies

The accounting policies adopted are consistent with those of the previous financial year.

2.5 Consolidation exemption

In line with IFRS 10 (Investment entities consolidation exemption), the Trust has not consolidated its investments in other entities but rather these investments are stated in accordance with IFRS 39 (Financial Instrument- recognition and measurement).

3. Significant accounting policies

The significant accounting policies applied in the preparation of the financial statements are set out below.

3.1 Functional and Presentation currency

The financial statements are presented in Ghana cedis (GH¢), which is the Trust's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange ruling at the end of the reporting period. 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 recognised in the Statement of changes in net assets.

3.2 Contributions

Contributions are accounted for on a cash basis. An accrual basis is not considered appropriate because it would result in substantial debtor accounts which may not be recoverable. However, where satisfactory payment arrangements have been concluded, contributions on behalf of Government workers are accrued.

The Contribution rates used are stipulated in the National Pension Act, 2008 (Act 766). These are:

Workers' contribution	5.50%
Employers' contribution	13.0% of Workers' Pay

Members who were 55 years and above in 2010 and did not opt for the National Pension Act, 2008 (Act 766) still contribute 17.5% of their basic salary under the transitional period of 5 years.

3.3 Investment income

Financial Assets include debt securities which management intends to hold until maturity and are stated at fair value. They also include equity securities which are stated at fair value or carrying value. Interest earned on investment securities is reported as interest income. Dividends received are included separately in dividend income. Investment income is reported net of management cost and impairment.

Interest income is recognised for financial instruments (corporate loans) measured at amortised cost using the effective interest method.

When a financial asset or a group of similar financial assets have been written down as a result of impairment, interest income is recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Interest Income and expenses on financial assets and liabilities held at fair value through profit or loss are recognized in the statement of changes in net assets in the period they arise. Fees and commissions, income and expenses that are an integral part to the effective interest rate on financial instruments are included in the measurement of the effective interest rate.

3.4 Benefits paid

Benefits paid represent all valid benefit claims paid during the year. These include lump sum payments made under the Pension Scheme.

3.5 Financial assets

a. Categorisation of financial assets

The Trust classifies its financial assets in the following categories: financial assets held at fair value through profit or loss; loans and receivables; available-for-sale financial assets; and held-to-maturity investments. Management determines the categorisation of its financial assets at initial recognition.

b. Financial assets at fair value through profit or loss

A financial asset at fair value through profit or loss is a financial asset that meets either of the following conditions:

i. Held for trading

A financial asset is classified as held for trading if it is acquired principally for the purpose of selling or repurchasing in the near future; or part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking.

ii. Designated at fair value through profit or loss

Upon initial recognition as financial asset or financial liability, it is designated by the Trust at fair value through profit or loss except for investments that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

c. Loans and advances

Loans and advances are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

d. Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated on initial recognition as available for sale and are held for an indefinite period of time and may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices.

e. Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Trust has the positive intention and ability to hold to maturity.

f. Initial recognition of financial asset

Purchase and sales of financial assets held at fair value through profit or loss, available for sale financial assets and liabilities are recognised on the date the Trust commits to purchase or sell the asset. Loans and receivables are recognised when cash is advanced to borrowers.

Financial assets are initially recognised at fair value plus directly attributable transaction costs.

g. Subsequent measurement of financial asset

Available for sale financial assets are subsequently measured at fair value with the resulting changes recognised in equity. The fair value changes on available for sale financial assets are recycled to the Statement of changes in net assets when the underlying asset is sold, matured or derecognised. Financial assets classified as at fair value through profit or loss are subsequently measured at fair value with the resulting changes recognised in the income. Loans and receivables and other liabilities are subsequently carried at amortised cost using the effective interest method, less impairment loss.

h. Derecognition

Financial assets are derecognised when the right to receive cash flows from the financial assets has expired or where the Trust has transferred substantially all risks and rewards of ownership. Any interest in the transferred financial assets that is created or retained by the Trust is recognised as a separate asset or liability.

Financial liabilities are derecognised when the contractual obligations are discharged, cancelled or expired.

i. Fair value measurement

The determination of fair value of quoted financial assets and liabilities in active markets are based on quoted market prices or dealer price quotations. If the market for a financial asset or liability is not actively traded or the asset is unlisted, the Trust establishes fair values by using valuation techniques. These techniques include the use of arm's length transactions discounted cash flow analysis, and valuation models and techniques commonly used by market participants in setting a price.

The valuation techniques may be adjusted to allow for a number of factors as appropriate because valuation techniques cannot appropriately reflect all factors market participants take into account when entering into a transaction.

ii. Amortised cost measurement

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

iii. Identification and measurement of impairment

The Trust assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets are impaired. A financial asset or a group of financial assets are impaired and impairment losses are incurred if, and only if , there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event has an impact on the estimated future cash flows of the financial asset, or group of financial assets that can be reliably estimated.

Objective evidence that financial assets are impaired can include default or delinquency by a borrower, restructuring of a loan and other observable data that suggests adverse changes in the payment status of the borrowers.

The Trust first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If the Trust determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised, are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on a loan and receivable has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the Statement of changes in net assets. If a loan and receivable has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

The calculation of the present value of the estimated future cash flows of a collateralised financial asset reflects the cash flows that may result from foreclosure, less cost of obtaining and selling the collateral, whether or not foreclosure is probable. For the purposes of a collective evaluation of basis of impairment, financial assets are grouped on the basis of similar credit risk characteristics. These characteristics are relevant to the estimation of future cash flows for the group of such assets being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated.

Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of the historical loss experience for assets with credit risk characteristics similar to those in the Trust. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based, and to remove the effects of conditions in the historical period that do not exist currently.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in the Statement of changes in net assets.

Impairment losses on available-for-sale financial assets are recognised by transferring the difference between the amortised acquisition cost and current fair value out of equity to the Statement of changes in net assets. When a subsequent event causes the impairment loss on an available for sale financial asset to decrease, the impairment loss is reversed through the Statement of changes in net assets.

However, any subsequent recovery in the fair value of an impaired available for sale financial asset is recognised directly in equity.

iv. Investments in securities

This comprises investments in short-term Government securities and medium term investments in Government and other securities such as bonds. Investments in securities are categorised as held-to-maturity financial assets.

3.6 Property, plant and equipment

i. Recognition and measurement

Items of property 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 capitalised as part of that equipment.

ii. Subsequent costs

The cost of replacing part of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Trust and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognised in the Statement of changes in net assets as incurred.

iii. Depreciation

Depreciation is recognised in the Statement of changes in net assets on a straight-line basis over the estimated useful lives of each part of an item of property and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated.

iv. Disposal

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposal are included in the Statement of changes in net assets.

The principal depreciation rates used are as follows:

Freehold properties	2%
Leasehold properties	Over the unexpired lease period
Motor vehicle	25%
Furniture	25%
Equipment	20%

Depreciation methods, useful lives and residual values are reassessed at the reporting date. Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds from disposal with the carrying amounts of property, plant and equipment and are recognised in the statement of changes in net assets as other income.

3.7 Employee Benefits

a. Short term benefits

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus if the Trust has a constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b. Post employment benefits

The Trust has a Staff Occupational Scheme for all employees who have completed serving their probation period.

Employees contribute 7.5% of their basic salary to the Scheme while the Trust contributes 12.0%. The obligation under the plan is limited to the relevant contribution and these are settled on due dates to the Fund Manager.

c. Termination benefits

Termination Benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Trust recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

3.8 Provisions

Provisions are recognised when the Trust has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Where the obligation is expected to be settled over a period of years, the provision is discounted using a discount rate appropriate to the nature of the provision.

3.9 Investment properties

Investment properties are treated as long term investments and carried at market values determined periodically. Investment properties are not subject to depreciation. Increases in their carrying amounts are credited to the movements of net assets. Decreases that offset previous increases of the same asset are charged against the movement of net assets. All other decreases are charged to the revenue account.
Investment properties are revalued on the average every 5 years.

3.10 Actuarial position

The financial statements summarise the transactions and net assets of the Pension Scheme. The financial statements do not take account of liabilities to pay pensions and other benefits in the future.

The financial and actuarial status of the Scheme is to be assessed triennially by an independent consulting actuary.

3.11 Inventory

Inventory is valued at the lower of cost and net realisable value. Cost includes all direct expenditure incurred in bringing the goods to their present location and condition, and is determined using weighted average method.

3.12 (a) Standards, amendments and interpretations in issue not yet adopted

At the date of authorisation of these financial statements the following standards, revisions and interpretations were in issue but not yet effective.

The Trust has decided not to early adopt any of the standards

IFRS 9 "Financial Instruments" published by IASB on 12 November 2009. On 28 October 2010 IASB reissued IFRS 9, incorporating new requirements on accounting for financial liabilities and carrying over from IAS 39 the requirements for derecognition of financial assets and financial liabilities. Standard uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the many different impairment methods in IAS 39. The new requirements on accounting for financial liabilities address the problem of volatility in profit or loss arising from an issuer choosing to measure its own debt at fair value. The IASB decided to maintain the existing amortised cost measurement for most liabilities, limiting change to that required to address the own credit problem. With the new requirements, an entity choosing to measure a liability at fair value will present the portion of the change in its fair value due to changes in the entity's own credit risk in the other comprehensive income section of the Statement of comprehensive income , rather than within profit or loss (effective for annual periods beginning on or after 1 January 2013),

IFRS 10 "Consolidated Financial Statements" published by IASB on 12 May 2011. IFRS 10 replaces the consolidation guidance in IAS 27 Consolidated and Separate Financial Statements and SIC-12 Consolidation -Special Purpose Entities by introducing a single consolidation model for all entities based on control, irrespective of the nature of the investee (i.e., whether an entity is controlled through voting rights of investors or through other contractual arrangements as is common in special purpose entities). Under IFRS 10, control is based on whether an investor has 1) power over the investee; 2) exposure, or rights, to variable returns from its involvement with the investee; and 3) the ability to use its power over the investee to affect the amount of the returns (effective for annual periods beginning on or after 1 January 2013).

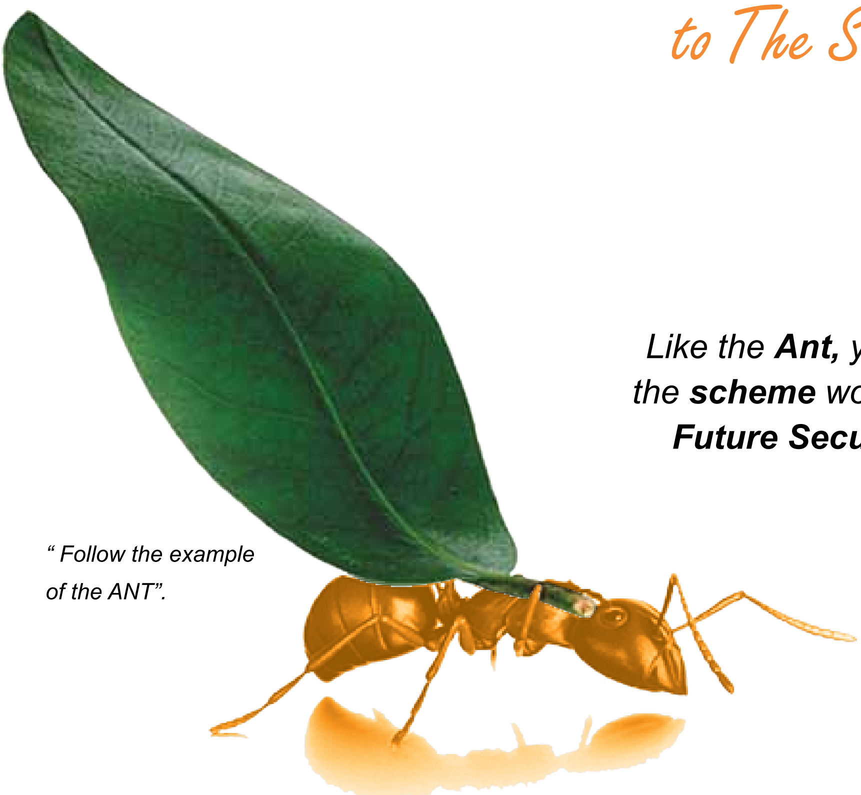
IFRS 11 "Joint Arrangements" published by IASB on 12 May 2011. IFRS 11 introduces new accounting requirements for joint arrangements, replacing IAS 31 Interests in Joint Ventures. The option to apply the proportional consolidation method when accounting for jointly controlled entities is removed. Additionally, IFRS 11 eliminates jointly controlled assets to now only differentiate between joint operations and joint ventures. A joint operation is a joint arrangement whereby the parties that have joint control have rights to the assets and obligations for the liabilities. A joint venture is a joint arrangement whereby the parties that have joint control have rights to the net assets (effective for annual periods beginning on or after 1 January 2013).

IFRS 12 "Disclosures of Interests in Other Entities" published by IASB on 12 May 2011. IFRS 12 will require enhanced disclosures about both consolidated entities and unconsolidated entities in which an entity has involvement. The objective of IFRS 12 is to require information so that financial statement users may evaluate the basis of control, any restrictions on consolidated assets and liabilities, risk exposures arising from involvements with unconsolidated structured entities and non-controlling interest holders' involvement in the activities of consolidated entities (effective for annual periods beginning on or after 1 January 2013).

IFRS 13 "Fair Value Measurement" published by IASB on 12 May 2011. IFRS 13 defines fair value, provides guidance on how to determine fair value and requires disclosures about fair value measurements. However, IFRS 13 does not change the requirements regarding which items should be measured or disclosed at fair value (effective for annual periods beginning on or after 1 January 2013).

Contribute

to The SSNIT Pension Scheme Today



“ Follow the example of the ANT”.

*Like the **Ant,** your **contribution** to the **scheme** would **guarantee** your **Future Security** against a **rainy tomorrow.***

All employers** should remember to pay their **workers’ contributions** with **contribution reports.

For Further Enquiries Contact Any SSNIT Branch or

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Amendments to IFRS 1 "First-time Adoption of IFRS" - Government Loans published by IASB on 13 March 2012. This amendment addresses how a first-time adopter would account for a government loan with a below-market rate of interest when transitioning to IFRSs. It also adds an exception to the retrospective e application of IFRS, which provides the same relief to first-time adopters granted to existing preparers of IFRS financial statements when the requirement was incorporated into IAS 20 "Accounting for Government Grants and Disclosure of Government Assistance" in 2008 (effective for annual periods beginning on or after 1 January 2013).

Amendments to IFRS 7 "Financial Instruments: Disclosures" - Offsetting Financial Assets and Financial Liabilities published by IASB on 16 December 2011. The amendments require information about all recognised financial instruments that are set off in accordance with paragraph 42 of IAS 32. The amendments also require disclosure of information about recognised financial instruments subject to enforceable master netting arrangements and similar agreements even if they are not set off under IAS 32 ((effective for annual periods beginning on or after 1 January 2013).

Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" - Mandatory Effective Date and Transition Disclosures published by IASB on 16 December 2011. Amendments defer the mandatory effective date from 1 January 2013 to 1 January 2015. The amendments also provide relief from the requirement to restate comparative financial statements for the effect of applying IFRS 9. This relief was originally only available to companies that chose to apply IFRS 9 prior to 2012. Instead, additional transition disclosures will be required to help investors understand the effect that the initial application of IFRS 9 has on the classification and measurement of financial instruments.

Amendments to IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosures of Interests in Other Entities" - Transition Guidance published by IASB on 28 June 2012. The amendments are intended to provide additional transition relief in IFRS 10, IFRS 11 and IFRS 12, by "limiting the requirement to provide adjusted comparative information to only the preceding comparative period". Also, amendments were made to IFRS 11 and IFRS 12 to eliminate the requirement to provide comparative information for periods prior to the immediately preceding period (effective for annual periods beginning on or after 1 January 2013)..

Amendments to IFRS 10 "Consolidated Financial Statements", IFRS 12 "Disclosures of Interests in Other Entities" and IAS 27 "Separate Financial Statements" - Investment Entities published by IASB on 31 October 2012. The amendments provide an exception to the consolidation requirements in IFRS 10 and require investment entities to measure particular subsidiaries at fair value through profit or loss, rather than consolidate them. The amendments also set out disclosure requirements for investment entities (effective for annual periods beginning on or after 1 January 2014).

Amendments to IAS 1 "Presentation of financial statements" - Presentation of Items of Other Comprehensive Income published by IASB on 16 June 2011. The amendments require companies preparing financial statements in accordance with IFRSs to group together items within OCI that may be reclassified to the profit or loss section of the Statement of comprehensive income . The amendments also reaffirm existing requirements that items in OCI and profit or loss should be presented as either a single statement or two consecutive statements ((effective for annual periods beginning on or after 1 July 2012).

Amendments to IAS 19 "Employee Benefits" - Improvements to the Accounting for Post-employment Benefits published by IASB on 16 June 2011. The amendments make important improvements by: (1) eliminating an option to defer the recognition of gains and losses, known as the "corridor method", improving comparability and faithfulness of presentation; (2) streamlining the presentation of changes in assets and liabilities arising from defined benefit plans, including requiring remeasurements to be presented in other comprehensive income, thereby separating those changes from changes that many perceive to be the result of an entity's day-to-day operations; (3) enhancing the disclosure requirements for defined benefit plans, providing better information about the characteristics of defined benefit plans and the risks that entities are exposed to through participation in those plans (effective for annual periods beginning on or after 1 January 2013).

IAS 27 "Separate Financial Statements" (revised in 2011) published by IASB on 12 May 2011. The requirements relating to separate financial statements are unchanged and are included in the amended IAS 27. The other portions of IAS 27 are replaced by IFRS 10.

IAS 28 "Investments in Associates and Joint Ventures" (revised in 2011) published by IASB on 12 May 2011. IAS 28 is amended for conforming changes based on the issuance of IFRS 10, IFRS 11 and IFRS 12.

Amendments to IAS 32 "Financial instruments: presentation" - Offsetting Financial Assets and Financial Liabilities published by IASB on 16 December 2011. Amendments provide clarifications on the application of the offsetting rules and focus on four main areas (a) the meaning of "currently has a legally enforceable right of set-off"; (b) the application of simultaneous realisation and settlement; (c) the offsetting of collateral amounts; (d) the unit of account for applying the offsetting requirements (amendments are to be applied for annual periods beginning on or after 1 January 2013).

b. Standards and interpretations effective in the current period

Amendments to IFRS 1 "First time Adoption of IFRS" - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters published by IASB on 20 December 2010. The first amendment replaces references to a fixed date of ''1 January 2004'' with ''the date of transition to IFRSs'', thus eliminating the need for companies adopting IFRSs for the first time to restate derecognition transactions that occurred before the date of transition to IFRSs.The second amendment provides guidance on how an entity should resume presenting financial statements in accordance with IFRSs after a period when the entity was unable to comply with IFRSs because its functional currency was subject to severe hyperinflation.

Amendments to IFRS 7 "Financial Instruments: Disclosures" - Transfers of Financial Assets published by IASB on 7 October 2010. The objective of the amendments is to improve the quality of the information reported about financial assets that have been "transferred" but are still, at least partially, recognised by the entity because they do not qualify for derecognition; and financial assets that are no longer recognised by an entity, because they qualify for derecognition, but with which the entity continues to have some involvement (effective for annual periods beginning on or after 1 January 2013).

Amendments to IAS 12 "Income Taxes" - Deferred Tax: Recovery of Underlying Assets published by IASB on 20 December 2010. IAS 12 requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. It can be difficult and subjective to assess whether recovery will be through use or through sale when the asset is measured using the fair value model in IAS 40 "Investment

Property". The amendment provides a practical solution to the problem by introducing a presumption that recovery of the carrying amount will, normally be, be through sale.

4. Property, Plant & Equipment

	Land & Buildings GH¢'000	Equipment GH¢'000	Furniture & Fittings GH¢'000	Motor Vehicles GH¢'000	Capital Work in progress GH¢'000	Total GH¢'000
Cost						
At 1 January	118,953	18,059	5,140	8,679	653	151,484
Additions	15,419	10,436	831	2,988	(90)	29,584
Disposals	-	(32)	(56)	(1,163)	-	(1,251)
	134,372	28,463	5,915	10,504	563	179,817
Depreciation						
At 1 January	6,066	12,602	3,757	6,259	-	28,684
Charge for the year	1,563	1,921	612	716	-	4,812
Disposals	-	(25)	(47)	(381)	-	(453)
At 31 December	7,629	14,498	4,322	6,594	-	33,043
Net book value						
31 December 2012	126,743	13,965	1,593	3,910	563	146,774
31 December 2011	112,887	5,457	1,383	2,420	653	122,800
At 1 January	88,389	14,489	4,555	7,479	63	**114,975**
Additions	886	3,586	624	2,195	590	**7,881**
Revaluation	29,678	-	-	-	-	**29,678**
Disposal	-	(16)	(39)	(995)	-	**(1,050)**
	118,953	18,059	5,140	8,679	653	**151,484**
Depreciation						
At 1 January 2011	5,006	10,900	3,261	5,705	-	**24,872**
Charge for the year	1,060	1,717	535	768	-	**4,080**
Disposals	-	(15)	(39)	(214)	-	**(268)**
At 31 December 2011	6,066	12,602	3,757	6,259	-	**28,684**
Net Book Value	112,887	5,457	1,383	2,420	653	**122,800**

Disposal schedule

	Cost GH¢'000	Accum. Depn. GH¢'000	NBV GH¢'000	Proceeds GH¢'000	Profit/(Loss) on disposal GH¢'000
Motor vehicle	1,163	381	782	30	(752)
Equipment	32	25	7	2	(5)
Furniture & fittings	56	47	9	5	(4)
	1,251	453	798	37	(761)

5a. Investment Properties

	Note	2012 GH¢'000	2011 GH¢'000
Commercial properties	5b	**345,590**	316,285
SSNIT hospital		**58,049**	33,183
Work in progress-real estate under construction	5c	**90,478**	118,603
Others		**18,645**	15,569
		512,762	483,640

5b. Commercial Properties

	2012 GH¢'000	2011 GH¢'000
Balance at the beginning	**316,285**	144,961
Additions	**30,337**	173,561
Transfer	**(1,032)**	(2,237)
	345,590	316,285

The value of the Trust's commercial properties at 31 December 2012 has been arrived at on the basis of a valuation carried out in 2011 by a consortium of six (6) valuers namely, Valuation & Development Services; Consolidated Properties; Estate Consult; Valuation and Investment Associates; Goldstreet Real Estate Consult and Thedal Real Property Services Limited. These are independent valuers that are not related to the Trust. The valuation, which conforms to International Valuation Standards was arrived at by reference to market evidence of transaction prices for similar properties. This has been updated with additions and transfers made during the year to arrive at the value of commercial properties as at 31 December 2012.

The valuation report has been prepared with the following assumptions

i. That no high alumina cement concrete or calcium chloride or other potentially deleterious material was used in the construction of the property or has since been incorporated.

ii. That the assets are not subject to any unusual or especially onerous restrictions encumbrances or outgoings and that in the absence of titles to the lands, assumptions of the usual lease terms have been made.

iii. The properties and the value are unaffected by any matters which would be revealed by a local search and replies to the usual enquiries or by any statutory notice and that neither the property nor its intended used is or will be unlawful.

iv. That inspection of those parts which are unexposed will neither reveal material defects nor cause the valuer to alter the valuation materially.

v. That the physical conditions of the buildings were based on visual inspection only. No liability is assumed for the soundness of the structures since no engineering or soil tests were made of the building.

vi. Information and data gathered from the relevant land sector agencies and other authorities pursuant to preparing the valuation report and other secondary data are true and correct.

vii. Information furnished by accredited officers of the Trust is believed to be true and correct. However, no warranty is given for its accuracy.

5c. Work in progress
Real estate under construction

	2012	2011
	GH¢'000	GH¢'000
Balance at 1 January	118,603	140,307
Transfers	(79,559)	(62,806)
Additions during the year	51,434	41,102
At 31 December	**90,478**	118,603

6. Financial assets

	2012	2011
	GH¢'000	GH¢'000
i. Available for sale investments		
Listed equities	1,014,348	683,159
Unlisted equities	371,160	274,947
	1,385,508	958,106
ii. Held to maturity investments		
Ghana Government	37,108	32,389
HFC mortgage bonds	43,274	11,946
	80,382	44,335
iii. Loans and receivables		
a. Corporate loans		
Gross	913,615	759,898
Impairment	(44,753)	(54,047)
	868,862	705,851
b. Ghana Govt Receivable	529,437	449,736
c. Students loans	173,130	157,484
Total financial assets	**3,037,319**	2,315,512

Analysis of loans and receivables by business segment

	2012 GH¢'000	%	2011 GH¢'000	%
Financial Services Sector	**420,470**	**46.02**	371,132	48.84
Other Service Sector	**483,759**	**52.95**	375,806	49.45
Manufacturing Sector	**9,386**	**1.03**	12,960	1.71
Gross Loans & Advances	**913,615**	**100.00**	759,898	100.00
Less impairment allowance	**(44,753)**		(54,047)	
	868,862		705,851	

7. Inventory

	2012 GH¢'000	2011 GH¢'000
Stationery	**789**	957
Spare parts	**176**	148
Fuel and lubricants	**18**	61
	983	1,166

8. Receivables

	2012 GH¢'000	2011 GH¢'000
Investment income	**20,720**	10,499
Staff debtors	**32,522**	31,975
Prepayments	**262**	473
Advances to contractors	**15,517**	11,727
Deposits for houses	**67**	80
Sundry debtors	**66,916**	13,450
	136,004	68,204

9. Investments - short term

	2012 GH¢'000	2011 GH¢'000
Call deposits	**62,430**	44,424
Term deposits/treasury bills	**370,132**	366,532
Corporate loans	**41,485**	38,849
	474,047	449,805

10. Payables

	2012 GH¢'000	2011 GH¢'000
Retention fees	**4,636**	4,057
Suppliers and accrued liabilities	**110,802**	95,656
Rent received in advance	**73**	40
Sundry payables	**23,042**	9,563
	138,553	109,316

11. Ghana Education Trust Fund

The Ghana Education Trust Fund made available to the Trust an amount of GH¢26.42 million for onward lending to students under the Students Loan Scheme.

12. Segmental reporting

Segmental information is presented in respect of the Trust's business segments. The Trust is organised into three main business segments: Operations, Investment and Administration. The Branch and Area offices together with the coordination functions constitute the operations segment which is primarily responsible for contribution collection and benefits payment. The investment segment manages the investment and development functions of the Trust while the Administrative segment is responsible for general administration.

	Operations	Investments	Administration	**Total**
2012	GH¢'000	GH¢'000	GH¢'000	**GH¢'000**
Contributions	934,133	-	-	**934,133**
Investment income	-	523,486	-	**523,486**
Other income	-	-	25,330	**25,330**
	934,133	**523,486**	**25,330**	**1,482,959**
Investment management expenses		(10,126)		**(10,126)**
Diminution in fair value of shares	-	(5,994)	-	**(5,994)**
Provision for bad and doubtful debt	-	(6,455)	-	**(6,455)**
Benefits	(443,151)		-	**(443,151)**
Operational cost	(57,112)	-	-	**(57,112)**
Administration cost	-	-	(88,561)	**(88,561)**
Total operating expenses	**(500,263)**	**(22,575)**	**(88,561)**	**(611,399)**
Surplus of Income before NHIS	433,870	478,336	(63,231)	871,550
Transfer to NHIS	(172,988)	-	-	(172,988)
Surplus of income over expenditure	**260,882**	**478,336**	**(63,231)**	**698,562**
Total Assets				**4,445,567**
Total Liabilities				**164,971**
2011				
Surplus of income after expenditure	314,688	151,104	(27,887)	437,905
Total Assets				3,554,773
Total Liabilities				135,734

13. Contributions

	2012	2011
	GH¢'000	GH¢'000
Accountant General	397,170	401,856
Private sector	536,963	424,099
	934,133	825,955

14. Net investment income

	2012	2011
	GH¢'000	GH¢'000
Government and corporate bonds	63,899	9,364
Term deposits and treasury bills	55,831	44,948
Students loans	32,575	9,062
Corporate loans	134,862	71,030
Rent	11,879	9,001
Dividend	55,645	32,181
Miscellaneous income	168,795	27,646
	523,486	203,232
Cost of management	(10,126)	(4,308)
Changes in fair value of shares	(5,994)	(38,160)
Impairment allowance	(6,455)	(9,660)
	500,911	151,104

Movement in provision for impairment

	2012	2011
Balance at 1 January	54,047	28,638
Increase during year	6,455	9,660
Balance at 31 December	60,502	38,298

15. Benefits

	2012	2011
	GH¢'000	GH¢'000
Old age and invalidity	392,663	316,112
Death and survivors	50,488	39,042
	443,151	355,154

16. General and administrative expenses

	2012	2011
General and administrative expenses include:	GH¢'000	GH¢'000
Depreciation of fixed assets	2,854	3,148
Auditors' remuneration	80	70
Trustees emoluments	494	481
Others	85,133	49,714
	88,561	53,413

ABC of SSNIT

KEYS TO A SECURED RETIREMENT

UNDER SECTION 30 (1) OF THE NATIONAL PENSIONS ACT OF 2008, ACT 766, THE LAW APPLIES TO:

a. Every employer of an establishment and every worker in the establishment.
b. All self-employed persons who opt to join the scheme.
c. All Expatriate workers are classified as workers without distinction for purpose of Social Security Contribution.

   This is premised on Section 58(1) and the definition of a worker under Section 211. Accordingly, all Expatriate workers are covered by Act 766 except those exempted by United Nations and Vienna Conventions.

WHO IS AN EMPLOYER?

An Employer is:

- The owner of an establishement.
- The person who or the board which, has ultimate control over the affairs of the establishment.
- A manager, managing director or managing agent of a company who is entrusted with the management of the business.

In any other case, the person with whom the worker entered into a contract of service or apprenticeship and who is responsible for the payment of his salary.

OBLIGATIONS OF THE EMPLOYER

1. Register all employees under the scheme.
2. Register all the workers in the establishment who are not yet members of the SSNIT Scheme, whether they are employed permanently or temporarily (casual).
3. Make regular contributions on behalf of the workers to SSNIT.
4. Deduct 5.5% of the workers' salary and add 13% of workers basic salary to get 18.5%.
5. Out of the 18.5% the employer is to remit 13.5% to the Trust within 14 days after the end of each month.
6. The Trust shall transfer 2.5% of the 13.5% paid by the employer to the National Health Insurance Fund.
7. Pay the residual 5% to the 2nd Tier-Mandatory Occupational Pension Scheme.
8. The employer shall accompany each payment with a list of the workers indicating their social security numbers and the amount each worker is contributing, called the contribution report.
9. Ensure that the total number of employees declared to SSNIT reflect the actual number of employees on the pay roll.
10. Ensure that the social security number of one worker is NOT transferred for use by another worker.
11. Contribution report must be submitted whether contributions are remitted to the Trust or not by the end of the month of submission for validation.
12. Allow periodic inspection of the establishment by a SSNIT Officer.
13. The employer shall upon request by SSNIT official produce documents relating to appointment, attendance, wages and contributions of employees.
14. The employer is required to notify the Director General on change of business location, address and new business name within ten (10) days.
15. The employer is required to notify the Director General when a worker ceases to be employed.

PENALTY FOR NON-PAYMENT OF SOCIAL SECURITY CONTRIBUTIONS

1) Any Employer who fails to pay the worker's contributions within the prescribed period, shall pay a penalty equal to 3% of the unpaid contribution per month.
2) Any unpaid contributions and penalty shall continue to attract additional penalty at the rate of 3% until the outstanding contributions and the penalty imposed are paid.
3) Any employer who has been served a Demand Letter to pay outstanding contributions and penalties shall take steps to pay the amount involved within the specified time.

LEGAL PROCEEDINGS

The Trust shall institute legal action, criminal or civil against:

i (a) an employer to retrieve unpaid contributions and penalty.
  (b) an employer to retrieve outstanding contribution reports.

ii An employer who obstructs or assaults an inspector or officer of the Trust in the course of duty.

An employer shall be liable on summary conviction to a fine or term of imprisonment not exceeding 5 years or to both.

Employer, honour your obligations regularly to enable SSNIT pay benefits to members and beneficiaries (nominees) when they fall due.

WHAT SHOULD AN EMPLOYER DO WHEN HE/SHE SUSPENDS BUSINESS ACTIVITIES?

Any employer who suspends business activities should immediately inform the nearest SSNIT Branch to enable SSNIT update its records.

For Further Enquiries Contact Any SSNIT Branch or
SSNIT Contact Centre
P.O. BOX MB 149, MINISTRIES, ACCRA.
Contact Centre: **030 2611622** • **Fax:** (233-30) 2680520
E-mail: contactcentre@ssnit.org.gh • **Website:** www.ssnit.org.gh
Toll-Free No.: 0-800-333-33

SOCIAL SECURITY AND NATIONAL INSURANCE TRUST

We deliver on our promise!

17. Financial risk management

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

Asset/portfolio/credit risk
Liquidity risk
Market risk
Operational risk

This note presents information on the Trust's exposure to each of the risks, the Trust's objectives, policies and processes for measuring and managing risk and the Trust's management of capital.

Risk management framework

The Board of Trustees has overall responsibility for the establishment and oversight of the Trust's risk management framework.

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

The Trust, through the standards and procedures aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The Trust's Executive Committee is responsible for monitoring compliance with risk management polices and procedures, and for reviewing the adequacy of the risk management framework in relation to risks faced by the Trust.

(a) Asset/portfolio/credit risk

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

The Investment and Development Division of the Trust continually monitors the risk environment and as and when deemed necessary, the Investment Asset Allocation Policy is reviewed and submitted for further review and authorization by the Board.

The approved Investment Asset Allocation Policy serves as the guide for all investment activities within the Trust.

In constructing an Optimal Asset Allocation for the Trust, the Investment and Development Division assesses the associated risk inherent in investing in each of the asset classes and the overall portfolio as a whole. The analysis is also attentive to the occurrence of deviations from the estimated Expected Return as it is these inevitable deviations that jeopardise the attainment of expected results and hence the risk.

In assessing the risk inherent in the portfolio, each asset class risk is measured with a keen eye on mitigating measures and controls on the risk.

The first part of the measurement exercise, is the establishment of the Expected Return on each asset class. The second part comprises the assessment of the risk characteristics of each asset; particularly in combination with the current portfolio. The risk of the individual assets are measured in the context of the effect of their returns on the overall portfolio volatility.

Combinations of assets duly assessed are then made in proportions that are projected to at least yield the minimum Expected Portfolio return of a positive 2.5% above inflation. The overall objective of the Investment Asset Allocation Policy is to ensure return optimisation, that is, the highest possible return achievable under tolerable risk levels.

The risk of financial loss to the Trust if a counterparty to a financial instrument fails to meet its contractual obligations, arises principally from loans and advances to companies and other Institutions and investment securities.
Loans are designated as impaired and considered non-performing where recognised weakness indicates that full payment of either interest or principal becomes questionable .

An individual impairment provision is raised, being the difference between the loan carrying amount and the present value of estimated future cash flows.

Provisions are raised where necessary based on the results of independent asset reviews, economic conditions as well as local knowledge and experiences. Where it is considered that there is no realistic prospect of recovering an element of an account against which an impairment provision has been raised, then that amount will be written off.

The Trust's maximum exposure to credit risk before collateral held or other credit enhancements

Maximum exposure to credit risk at 31 December 2012 and 2011 is the same as the various balances of the financial assets under note 6 to the financial statements listed below:

	2012	2011
	GH¢'000	GH¢'000
Listed equities	**1,014,348**	683,159
Unlisted equities	**371,160**	274,947
Ghana Government securities	**37,108**	32,389
HFC mortgage bonds	**43,274**	11,946
Loans and receivables	**868,862**	705,851
Ghana Government receivable	**529,437**	449,736
Students loans	**173,130**	157,484
	3,037,319	2,315,512

Classification of loans and advances
The table below represents the maximum credit risk exposure to the Trust at 31 December 2012, and after taking into account credit enhancements.

2012
Loans and advances

	Gross	**Impairment**	**Net amounts**	**%**
	GH¢'000	**GH¢'000**	**GH¢'000**	
Neither past due nor impaired	**191,168**	**(5,416)**	**185,752**	**21.38**
Past due but not impaired	**643,124**	**(8,436)**	**634,688**	**73.05**
Impaired	**79,323**	**(30,901)**	**48,422**	**5.57**
	913,615	**(44,753)**	**868,862**	**100.00**

2011

Neither past due nor impaired	174,891	(5,250)	169,641	24.03
Past due but not impaired	500,200	(10,461)	489,739	69.38
Impaired	84,807	(38,336)	46,471	6.58
	759,898	(54,047)	705,851	100.00

Impaired Loans
Impaired loans and securities are loans and securities for which the Trust determines that it is probable that it will be unable to collect all principal and interest due according to the contractual terms of the loan/ securities agreements.

Past due but not impaired loans
Loans and advances where contractual interest or principal payments are past due but the Trust believes that impairment is not appropriate on the basis of the level of security/ collateral available and/ or the stage of collection of amounts owed to the Trust.

Concentration of risk
The Trust monitors concentrations of credit risk by sector. An analysis of concentrations credit risk at reporting date is shown below:

Analysis by business segment

	2012		2011	
	GH¢'000	**%**	GH¢'000	%
Financial Services Sector	**420,470**	**46.02**	371,132	48.84
Other Service Sector	**483,759**	**52.95**	375,806	49.45
Manufacturing Sector	**9,386**	**1.03**	12,960	1.71
Gross loans & advances	**913,615**	**100.00**	759,898	100.00
Less impairment allowance	**(44,753)**		(54,047)	
	868,862		705,851	

(b) Liquidity risk
The Trust defines liquidity risk as the risk associated with the situation where it does not have sufficient financial resources available to meet all of its obligations and commitments as they fall due, or can access them only at excessive cost.

Management of liquidity risk
It is the policy of the Trust to maintain adequate liquidity at all times. Hence the Trust's approach to managing liquidity is to be in a position to meet all obligations to pay pensioners, suppliers and contractors, to fulfil commitments to lend and to meet any other commitments.

The Treasury Department maintains a portfolio of short-term liquid assets, largely made up of short-term liquid investment securities such as Treasury Bills, Fixed Deposits (Repurchase Agreements) and Calls to ensure that sufficient liquidity is maintained within the Trust.

The Finance Division of the Trust is responsible for ensuring the attainment of the liquidity objectives of the Trust. These responsibilities include the provision of authorities and development of policies and procedures.

Exposure to liquidity risk

The key measure used by the Trust for managing liquidity risk is the sustainability ratio which is the ratio of total expense to investment income. For this purpose, total expense is considered as including benefits expense and administrative expense. Details of the reported sustainability ratio at the reporting date is as follows:

At 31 December	2012
	GH¢'000
Investment income	500,911
Administrative expense	88,561
Benefits	443,151
Total expense	531,712
Administrative coverage ratio	5.66
Benefits coverage ratio	1.13
Sustainability ratio	0.94

(c) Market risk

Market Risk is the risk that changes in market prices, such as interest rate, equity prices and foreign exchange rates will affect the Trust 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 optimising the return on risk. The Trust is developing policies, processes and evaluating methodologies to better manage this risk.

I. Interest /return rate risk

The table below sets out the return on the Trust's investment portfolio for the year 2012.

	2012
	Rate of return
	%
Investment properties	12.60
Available for sale	39.40
Held to maturity	12.40
Loans and receivables	11.50
Student loans	21.60
Short term investment	21.00

ii. Foreign exchange risk

The Trust operates wholly within Ghana and its assets and liabilities are carried in local currency. The Trust maintains deposits with some of its bankers and lends to some companies in foreign currencies

The exchange rates used for translating the major foreign currency balances at the year end were as follows:

	2012
	GH¢
US Dollar	1.8878
GB Pound	3.0637
Euro	2.4810

(d) Operational risk

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

The Trust's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Trust's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each Division. This responsibility is supported by the development of overall standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorisation of transactions
- requirements for the reconciliation and monitoring of transactions
- compliance with regulatory and other legal requirements
- documentation of controls and procedures
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls procedures to address the risks identified.
- requirements for the reporting of operational losses and proposed remedial action
- procedures to address the risks identified
- development of contingency plans
- training and professional development
- ethical and business standards
- risk mitigation, including insurance where this is effective.

Compliance with the Trust's standards is supported by a programme of periodic reviews undertaken by Internal Audit sometimes with assistance from external consultants. The results of reviews are discussed with the management of the business unit to which they relate, with reports submitted to the Audit committee, a sub committee of the Board.

18. Transfers to National Health Insurance Scheme

Transfers made are in accordance with National Pensions Act, 2008 (Act 766) Section 63 (4) which requires 2.5 percentage points out of each member's 13.5% contribution to the SSNIT Pension Scheme to be paid into the National Health Insurance Fund.

19. Net increase in the value of investments

	2012 GH¢'000
Revaluation of listed shares	161,416
Revaluation of fixed assets	-
Revaluation of commercial properties	(3,139)
Indexation of HFC Bonds	4,718
	162,995

20. Tax

Under Section 54 of the National Pensions Act, 2008 (Act 766), the Trust is exempt from corporate tax and such other taxes and duties as may be determined by the Minister of Finance & Economic Planning.

21. Contingent liabilities and provisions

a. Contingencies and commitments

i. Guarantees and indemnities

The Trust has a financial guarantee of US $15,505,435 issued in favour of West Hills Mall Ltd towards meeting investment conditions with West Hills Mall Limited.

ii. Contingent liability

There were a number of legal proceedings outstanding against the Trust at 31 December 2012. These are pending litigations that may result in a material liability to the Trust. It is estimated that the maximum amount would not exceed GH¢5,965,057 (2011: GH¢711,684).

b. Loans and advances

A transfer is made to an impairment account to cater for any shortfalls between the asset's carrying amount and the present value of estimated future cash flows discounted at the Trust's average commercial rate.

c. Unquoted investments

Unquoted Investments are stated at fair value

d. Events after the 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.

SSNIT Area Offices & Branches

Director-General	-	(0302) 668674 Fax: (0302) 667696
General Manager/Finance	-	(0302) 668684
General Manager/Operations	-	(0302) 667746, Fax: (0302) 681314
General Manager, Human Resources/Admin	-	(0302) 667692, Fax: (0302) 667693
General Manager, MIS	-	(0302) 680522
General Manager IDD	-	(0302) 676450
General Manager, Benefits	-	0302-686378 Tel/Fax
General Manager, General Counsel	-	(0302) 667694
Chief Actuary	-	(0302) 686380
Company Secretary	-	(0302)680524, Fax: (0302) 686372
Chief Internal Auditor	-	(0302) 668681
Corporate Affairs Manager	-	(0302) 667742 Fax: (0302) 686373
Human Resource Manager	-	(0302) 668680
Human Resource (Manpower)	-	(0302) 680523
General Services Manager	-	(0302) 667745 Fax; (0302) 669604
Benefits Processing Manager	-	(0302) 661882
Claims Computation & Payments Manager	-	0289522921
Benefits – Customer Care Unit	-	(0302) 030-7011365 Fax: 0302-667735
Actuarial Manager	-	030-7011743
Financial Accountant	-	(0302) 668679
Management Accountant	-	(0302) 667743
Operations Accountant	-	(0302) 665228, 0289322915
Operations Co-ordinator	-	(0302) 668678
Research Manager	-	(0302) 680502 Tel/Fax
Human Resource Development Manager	-	(0302) 668689
Head Office Branch Manager	-	(0302) 668676 Tel/Fax
IT Manager, IT Applications	-	030-7011366
IT Manager, Communications and Network	-	030-7011375
IT Manager, MIS Programmes	-	030-7011376
IT Manager, Systems & Operations	-	030-7011373
IT Help Desk	-	(0302) 680518,
Students Loan Manager	-	0289322911, 0289322913
Corporate Law Manager	-	(0302) 674868
Treasury Manager	-	(0302) 681315 Direct, Fax: 030-7011744
Quality Manager	-	(0302) 667737
Project Centre Manager	-	(0302) 686380
Strategic Planning Manager	-	(0302) 686379
Legal Services Manager	-	(0302) 663879
Compliance and Prosecution Manager	-	
Secretary to Director-General	-	(0302) 668674
Public Information Desk	-	(0302) 668682 Fax: (0302) 669681
Emergency Line – PABX	-	(0302) 662280
Informal Sector, Makola Branch	-	(0302) 665291 Fax (0302) 669603
ITCS Hotline	-	(0302) 665174, 686375, 680523, 680518
SSNIT Hotline	-	(0302) 667742

Social Security & National Insurance Trust, Adjabeng
P.O. Box MB.149, Ministries, Accra

ADJABENG

MAIN TELEPHONE NOS	-	(0302) 669504 , 0289522917,0289522919
Insurance Unit	-	(0302) 676437
Adabraka Branch	-	(0302) 669504, 0289522917,0289522919
E-mail: ssadabraka@ssnit.org.gh		
Branch Manager, Adabraka	-	(0302) 675761 Fax: 683143
Customer Care Unit	-	(0302) 669557

GULF HOUSE

(Main Telephone Lines)	-	(0302) 506224, 506211, 506226
Legon Branch Manager	-	(0302) 506210 (Tel/Fax)

RIDGE TOWER

Main Telephone Lines	-	(0302) 662710, 680672
Projects Development Manager	-	(0302) 682917 (Direct) Fax: 688958
Portfolio Manager, Equities	-	(0302) 689213
Portfolio Manager, Fixed Income	-	(0302) 679630
Properties Manager	-	(0302) 680395
Facilities Maintenance Unit	-	(0302) 662710, 680672, 682847 Fax: (0302) 680395

THE TRUST HOSPITAL

THE TRUST HOSPITAL	-	(0302) 761974 – 6 (Main Telephone Line)
General Manager/Medicals	-	(0302) 777790 Fax: (0302) 777790
Hospital Administrator	-	(0302) 761979
Tema SSNIT Clinic	-	(0303) 206376
SSNIT Guest House	-	(0302) 226228 & 225366 Fax: (0302) 225879

OTHERS

Transport Unit	-	(0302) 660471, 660534, 677195, 660480 660482, 676434
Transport Manager	-	(0302) 670369 Tel/Fax / 221656
Deputy Transport Manager	-	(0302) 667722
Records Department	-	(0302) 229127/233002-4/243053 (main lines)
Records Manager	-	(0302) 224819 Fax: 233001
Deputy Head of Records	-	(0302) 233005
Claims Unit	-	(0302) 243051
SSNIT Trade Fair Stand	-	(0302) 761825
Accra Abattoir	-	0303-410135/6
GICEL (Managing Director) Direct	-	(0302) 224697/228863
GICEL Box WJ2 Weija, Accra	-	(0302) 235389/235390
Dansoman Warehouse	-	(0302) 314427

AREA & BRANCHES

ACCRA NORTH AREA	Address	Telephone
Student Loan Department	P.O. Box MB 149	0289322911
Student Loan Manager	"	0289322913
Student Loan Costomer Care Unit	"	0289322921
Accra North Area		
Accra Area Office	"	0289500902
Area Manager	"	0289522909 , Fax (0302) 225135
Data & Statistics	"	0289322903
Area Accountant	"	0289522904
Accra Industrial Area Branch	"	(0302)232997, 232998
		E-mail: sasia@ssnit.org.gh
Accra Industrial Area Branch Manager	"	(0302) 225318, Tele/Fax: 232999
Accra Industrial Area Branch Accountant	"	(0302) 225230
Legon Branch	"	(0302) 506209
		E-mail: sslegon@ssnit.org.gh
Legon Branch Manager		(0302) 506210 Tele/Fax
Compliance Officer	"	0289601732
Benefits/Investigations	"	0289601734
Branch Accountant	"	0289601731
Weija Branch	P. O. Box WJ 318	(0302) 850220
		E-mail: ssweija@ssnit.org.gh
Weija Branch Manager	"	(0302) 850218; Fax (0302) 850219
Weija Branch Customer Service	"	(0302) 850217
Achimota Branch Manager	P. O. Box MB.149	0289322917, 0307020258
		E-mail: ssachimota@ssnit.org.gh
Achimota Branch Accountant	"	0289322953
Achimota Benefits Unit	"	0289322956
Achimota Branch, Compliance Unit	"	0307402300
Achimota Branch Customer Care Unit	"	0289322955
Kokomlemle Branch	P. O. Box MB. 149	0289522901, 0289522905
		E-mail: sskokomlemle@ssnit.org.gh
Kokomlemle Branch Manager	"	(0302) 237691, (0302) 237692 Fax
Agona Swedru Branch	P. O. Box 399	(033 20) 20399
		E-mail: aswedru@ssnit.org.gh
Agona Swedru Branch Manager	"	(033 20) 20984, (033 20) 20986 Fax

ACCRA SOUTH AREA	Address	Telephone
Accra South	-	0289322922, 0289322918
Pension House Branch	-	0307011368
Pension House Branch Manager	-	0289322937
Osu Branch	"	(0302) 761803, 761804, 771413
		E-mail: ssosu@ssnit.org.gh

Osu Branch Manager	"	0289322907
Osu Branch Senior Compliance Officer	"	(0302) 761804
Osu Branch Accountant	"	0289322932
Osu Branch Benefits Supervisor	"	0289322939
Osu Branch Prosecutor	"	0289322909
Trade Fair Agency	"	0289322931
Adabraka Branch	"	(0302) 669493, 669504, 0289522917
		028522919
		E-mail: ssadabraka@ssnit.org.gh
Adabraka Branch Manager	"	(0302) 675761 Fax: (0302) 683143
Senior Compliance Officer	"	(0302) 683140
Accra Central Branch	"	(0302) 664988
		E-mail: ssacentral@ssnit.org.gh
Accra Central Branch Manager	"	(0302) 664421
Korle-Bu Branch	"	0289522900, 0289522906, 0302660175
		E-mail: sskorlebu@ssnit.org.gh
Korle-Bu Branch Manager	"	0302664831 Direct, (0302) 660174 Fax

TEMA AREA	Address	Telephone
Area Office	P. O. Box CO713, Tema	(0303) 200512, 200514, 200515
Area Manager	"	(0303) 200518 Direct Fax: (0303) 200510
Tema C.2 Branch Manager	P. O. Box CO713, Tema	(0303) 204565 Fax: (0303) 205349
Senior Compliance Officer	"	(0303) 213507/213508
Tema C.2 Branch	"	(0303) 204007, 213507, 213509
		0289322912, 0289322914
		E-mail: sstemac2@ssnit.org.gh
Tema Harbour Branch	"	(0303) 206802, 207375 – 9
		E-mail: sstharbour@ssnit.org.gh
Tema Harbour Branch Manager	"	(0303) 206234 Fax: (0303) 206653
Senior Compliance Officer	"	(0303) 207381 Direct
Tema Harbour Branch	"	(0303) 207380 Direct
Compliance Supervisor		
Tema Customer Service Unit	"	(0303) 210805
Tema East Branch	P. O. Box CO713 Tema	(0303) 7012081, 7012083
		E-mail: ssteast@ssnit.org.gh
Tema East Branch Manager	P. O. Box CO713 Tema	(0303) 7012082 Fax: (0303)300364/1
Teshie/Nungua Branch	P. O. Box CO713 Tema	(0302) 711022, 711024, 711025,
		0289522918
		E-mail: sstnungua@ssnit.org.gh
Teshie-Nungua Branch Mgr.	"	(0302) 912143 Fax 711023
Somanya Branch	P. O. Box 75	(034 20) 91417
		E-mail: sssomanya@ssnit.org.gh
Somanya Branch Manager	P. O. Box 75	(034 20) 95585 Direct, Fax: (021) 297010
Denu Secretary to Manager	P. O. Box DE82	(036 25) 30946, 30947
		E-mail: ssdenu@ssnit.org.gh
Denu Branch Manager	P. O. Box 82	(036 25) 30945 Fax; 30327
Denu Customer Service Unit	"	(036 25) 30319

KUMASI AREA	Address	Telephone
Area Manager	P. O. Box 4270	(032 20) 23220 Direct Fax: (032 20) 27242
Senior Operations Data Officer	"	(032 20) 27227 Direct Fax: (032 20) 27227
Area Office, Kumasi	"	(032 20) 27210, 27211, 24927, 24902, 27234/5
Information Desk	"	(032 20) 27218
Adum Branch	"	(032 20) 24902; 27218 E-mail: ssadum@ssnit.org.gh
Adum Branch Manager,	"	(032 20) 27226 Direct Fax: 27243
Senior Compliance Officer	"	(032 20) 27219
Asafo Branch	"	(032 20) 22266/23085 Fax: (032 20) 22763 E-mail: ssasafo@ssnit.org.gh
Asafo Branch Manager	"	(032 20) 23345 Fax (032 20) 22763
Konongo Branch	P. O. Box 82	(032 21) 24470 E-mail: sskonongo@ssnit.org.gh
Konongo Branch Manager	P. O. Box 82	(032 21) 24202 Fax: 24552
Dunkwa Branch	P. O. Box 239	(033 22) 28256/28285 E-mail: ssdunkwa@ssnit.org.gh
Dunkwa Branch Manager	P. O. Box 239	(033 22) 28252 Fax: 28418
Obuasi Branch	P. O. Box 165	(032 25) 41727/40272 E-mail: ssobuasi@ssnit.org.gh
Obuasi Branch Manager	P. O. Box 165	(032 25) 41726 Fax: (032 25) 42497
Obuasi Archives Manager	P. O. Box 165	(032 25) 41792
Mampong Ashanti Branch	P. O. Box 35	(032 25) 22318 Fax: 22171 E-mail: amampong@ssnit.org.gh
Mampong Ashanti Branch Manager	P. O. Box 35	(032 25) 22170
Atebubu Day Office	P. O. Box 35	-
Sefwi-Wiawso Branch	P. O. Box 187	0244339976 E-mail: swiawso@ssnit.org.gh
Bibiani Day Office	P. O. Box 187	-
Bekwai Branch	P. O. Box 210	(032 24) 20297 E-mail: ssbekwai@ssnit.org.gh
Bekwai Branch Manager	P. O. Box 210	(032 24) 20148 Fax: (032 24) 20208

SUNYANI AREA	Address	Telephone
Area Manager, Sunyani	P. O. Box 411	(035 20) 27258 Fax: (035 20) 27197 E-mail: sssunyani@ssnit.org.gh
Sunyani Area Office	P. O. Box 411	(035 20) 23665
Sunyani Area Accountant	P. O. Box 411	(035 20) 28363
Sunyani Branch	P. O. Box 411	(035 20) 23532 E-mail: sssunyani@ssnit.org.gh
Sunyani Branch Manager	"	(035 20) 24464 Fax: (035 20) 27239
Dormaa Day Office	P. O. Box 411	-
Wenchi Branch	P. O. Box 65	(035 20) 92098 E-mail: sswenchl@ssnit.org.gh
Wenchi Branch Manager	P. O. Box 65	(035 20) 92099 Fax: (035 24) 22623 E-mail: sswenchi@ssnit.org.gh
Goaso Branch	"	(035 20) 94262 E-mail: ssgoaso@ssnit.org.gh

Goaso Branch Manager	P. O. Box 91	0244339975 Fax: 030 2940060
Techiman Branch	P. O. Box 7	(035 25) 91697
E-mail: sstechiman@ssnit.org.gh		
Techiman Branch Manager	P. O. Box 7	(035 25) 91487, 322398,
		Fax: (035 25) 22091
Kintampo Day Office	P. O. Box 7	-

TAKORADI AREA	Address	Telephone
Area Office, Takoradi	P. O. Box 611	(031 20) 23565 - 6, 21994/22108
Area Manager	P. O. Box 611	(031 20) 24787 Direct Fax: (031 20) 24246
Takoradi Branch	P. O. Box 611	(031 20) 23565/6 Fax: (031 20) 24685
		E-mail: sstakoradi@ssnit.org.gh
Takoradi Branch Manager	P. O. Box 611	(031 20) 24628 Direct
Branch Manager, Informal Sector, T'di	P. O. Box 611	(031 20) 27254 Tele/Fax
Tarkwa Branch	P. O. Box 224	(031 23) 20881, 21714
		E-mail: sstarkwa@ssnit.org.gh
Tarkwa Branch Manager	P. O. Box 224	(031 23) 20880 Tele/fax
Asankragua Day Office	P. O Box 224	-
Axim Branch	P. O. Box 61	(031 21) 98730
		E-mail: ssaxim@ssnit.org.gh
Axim Branch Manager	P. O. Box 61	(031 21)22302 Fax: (031 21) 22327
Half Assini Day Office	P. O. Box 61	-
Cape Coast Branch	P. O. Box 602	(033 21) 30380
		E-mail: sscapecoast@ssnit.org.gh
Cape Coast Branch Manager	"	(033 21) 32841 Fax: (033 21) 32843
Assin Fosu Branch	P. O. Box 134	0302956422
Assin Fosu Branch Manager	P. O. Box 134	0302971763
		E-mail: assinfosu@ssnit.org.gh
Breman Asikuma Branch	P. O. Box 98	(0302) 953423
		E-mail: ssbasikuma@ssnit.org.gh
Breman Asikuma Branch Mgr.	P. O. Box 98	0244-339974
Twifo Praso Day Office	P. O. Box 134	-

KOFORIDUA AREA	Address	Telephone
Area Office	P. O. Box 586	(034 20) 23101, 23106, 23086,
		0289522914/5
Area Manager	P.O. Box 586	(034 20) 23252 Direct, Fax: 23125
Senior Operations Data Officer	"	(034 20) 22701
Koforidua Branch	"	(034 20) 23101/23106/23086
		E-mail: sskoforidua@ssnit.org.gh
Koforidua Branch Manager	P. O. Box 586	(034 20) 23173 Direct, Fax: 22445
Kade Branch	-	0307011374
		E-mail: sskade@ssnit.org.gh
Asamankese Day Office	P. O. Box 96	-
Nkawkaw Branch	P. O. Box 48	(034 31) 22143/22540/22541
		E-mail: ssnkawkaw@ssnit.org.gh
Nkawkaw Branch Manager	"	(034 31) 22421 (Tel/Fax)
Donkokrom Day Office	P. O. Box 48	-
Akim Oda Branch	P. O. Box 197	0342092396
		E-mail: ssaoda@ssnit.org.gh

Akim Oda Branch Manager	P. O. Box 197	034219044
		Internet Protocol (IP) Phone: 5600
Mampong Akwapim Branch	P. O. Box 91	(034 21) 95803, 0289322916
		E-mail: akmampong@ssnit.org.gh
Mampong Akwapim Branch Manager	P. O. Box 91	(034 27) 22107 (Tel/Fax)
Nsawam Branch	P. O. Box 91	(034 21) 95873
Ho Branch	P. O. Box 321	(036 20) 26657/26658
		E-mail: ssho@ssnit.org.gh
Ho Branch Manager	"	(036 20) 26457 (Direct) Fax: 26571
Hohoe Branch	P. O. Box 20	(036 27) 22089
		E-mail: sshohoe@ssnit.org.gh
Hohoe Branch Manager	P. O. Box 20	(036 27) 22303 Tel/Fax
Nkwanta Day Office	P. O. Box 1	

TAMALE AREA	Address	Telephone
Area Manager, Tamale	P. O. Box 390	(037 20) 23789 Direct
Area Office, Tamale	P. O. Box 390	(037 20) 22095/22266 Fax: 22266
		E-mail: oatamale@ssnit.org.gh
Tamale Branch	"	(037 20) 22096Fax: 22509
		E-mail: sstamale@ssnit.org.gh
Tamale Branch Manager	"	(037 20) 23747
Damongo Day Office	"	-
Salaga Day Office	"	-
Yendi Branch	P. O. Box 46	(037 20) 95243
		E-mail: ssyendi@ssnit.org.gh
Yendi Branch Manager	P. O. Box 46	(037 20) 95244 Fax: (037 20) 22111
Bimbila Day Office	P. O. Box 46	-
Wa Branch	P. O. Box 81	(039 20) 22435/6
		E-mail: sswa@ssnit.org.gh
Wa Branch Manager	P. O. Box 81	(039 20) 22043 Fax: 22434
Tumu Day Office	"	-
Lawra Branch	P. O. Box 64	(039 20) 22819/50502 Fax 20369
		E-mail: sslawra@ssnit.org.gh
Lawra Branch Manager		020-2023728/0244-207692
Bolgatanga Branch	P. O. Box 82	(038 20) 22370
		E-mail: ssabolga@ssnit.org.gh
Bolgatanga Branch Manager	"	(038 20) 23031 Fax (038 20) 22222
Sandema Day Office	"	-
Bawku Branch	P. O. Box 100	(038 22) 22276, 22579
		E-mail: ssbawku@ssnit.org.gh
Bawku Branch Manager	P. O. Box 100	(038 22) 22197 Fax: (038 22) 22189
Zebilla Day Office	P. O. Box 100	-
Gambaga Branch	P. O. Box 28	(03720), 94428
		E-mail: ssgambaga@ssnit.org.gh
Gambaga Branch Manager	P. O. Box 28	(03720) 94424
Walewale Day Office	P. O. Box 28	

SSNIT STUDENT LOAN REPAYMENT

Options

- **Cash repayment (outright or by installment to release a guarantor at a time).**
- **Mandating employer to deduct from salary and pay to SSNIT.**

SSNIT will use your Social Security Contribution to offset your outstanding loan balance, if you do not exercise any of the above options.

- **GHANA INTERNATIONAL BANK**
  67 Cheapside London EC2V 6AZ England U.K.
  Tel: +44 20 76530350 or +44 84 56056004
  Fax: +44 20 72482929
  Email: customer.services@ghanabank.co.uk
  Website: www.ghanabank.co.uk

- **Account Number:**
  GBP/EUR - GB93GHIB60926301483704
  USD - GB77GHIB60926301483701

- Sort Code: 60 92 63
  Swift Bic: GHIBGB2L

- **Correspondents**
  Sterling (GBP) & Euro (EUR) :
  Natwest-SWIFT BIC: NWBKGB2L

- United States Dollars (USD) :
  J P Morgan Chase-SWIFT BIC CHASUS33
  Routing (Fedwire) 021000021

OBTAIN UP-TO-DATE BALANCE BY SENDING AN E-MAIL TO:
studentloan@ssnit.org.gh or ***customer.services@ghanabank.co.uk*** or call:
Tel: **233-28-9322913**
233-28-9322911
233-28-9322921
233-307011375

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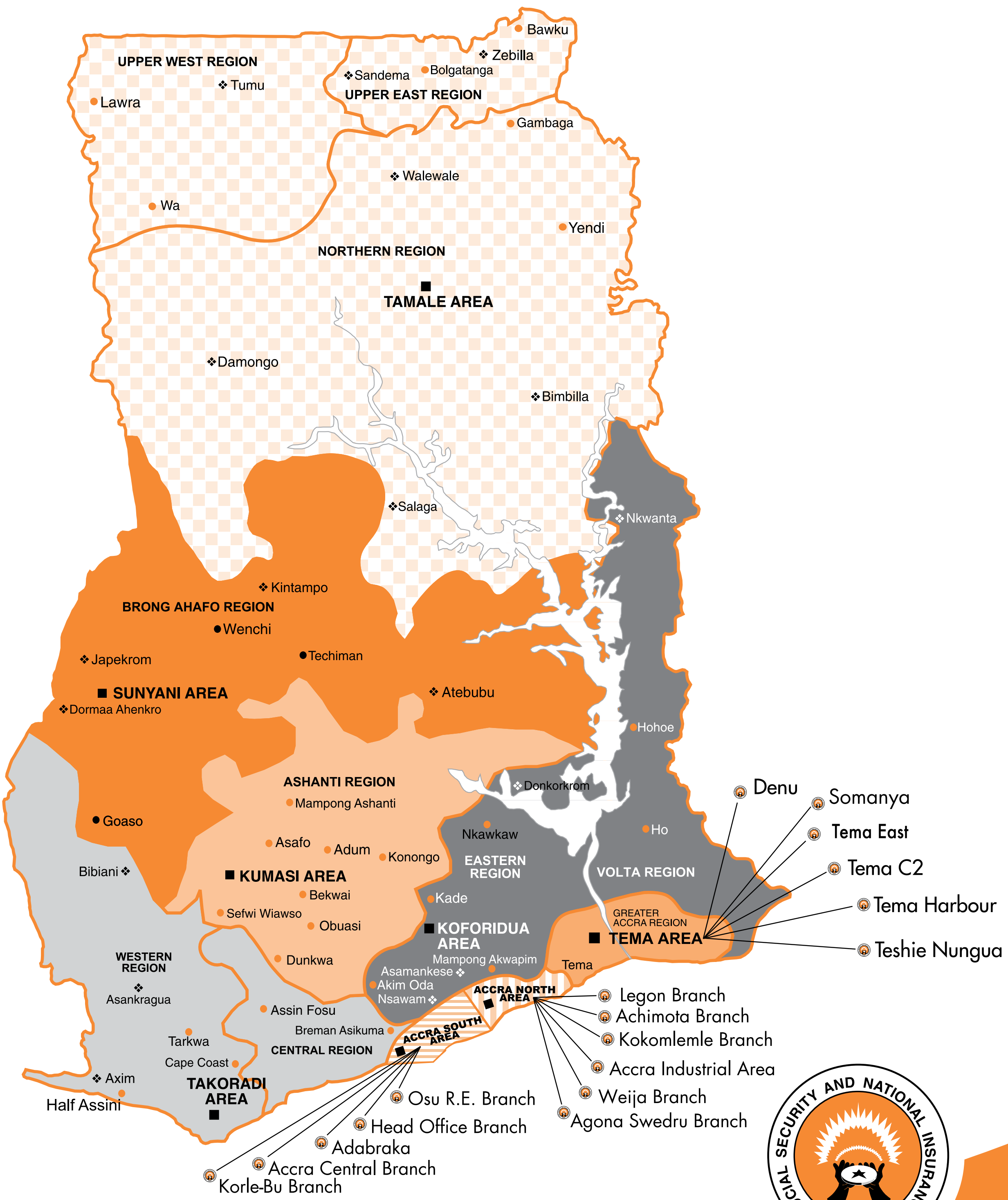

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