



REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2015

**DATABANK ARKFUND LIMITED
REPORTS AND FINANCIAL STATEMENTS**

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DATABANK ARK FUND LIMITED
BOARD OF DIRECTORS, OFFICIALS AND REGISTERED OFFICE

BOARD OF DIRECTORS

Joyce R Aryee (Chairperson)
Kojo Addae –Mensah (Executive Director)
Adelaide Kastner (Non-Executive Director)
Keli Gadzekpo (*Resigned - August 2015*)
William Oppong – Bio (Non-Executive Director)
Daniel Ogbamey Tetteh (Non-Executive Director)

REGISTERED OFFICE

61 Barnes Road, Adabraka
Private Mail Bag
Ministries Post Office
Accra

CUSTODIAN

Stanbic Bank Ghana Limited
Head office branch
P. O. Box 2344
Cantonments
Accra

INVESTMENT MANAGER/ADVISOR

Databank Asset Management Services Limited
61 Barnes Road, Adabraka
Private Mail Bag
Ministries Post Office
Accra

SECRETARY

Deila Assimeh (*Resigned-November 2015*)*
61 Barnes Road, Adabraka
Private Mail Bag
Ministries Post Office
Accra

AUDITORS

Baker Tilly Andah + Andah
C645/3, 4th Crescent
Asylum Down
P. O. Box CT 5443
Cantonments, Accra

BANKERS

Zenith Bank Ghana Limited
Stanbic Bank Ghana Limited
United Bank for Africa Limited
Guaranty Trust Bank Limited

**Deila Assimeh resigned as Board Secretary effective November 2015. Dorcas Taylor was appointed Board Secretary effective March 2016.*

**REPORT OF THE DIRECTORS TO THE MEMBERS OF
DATABANK ARK FUND LIMITED**

The Directors present herewith their report together with the audited Financial Statements of the Fund for the year ended December 31, 2015.

Statement of Directors' Responsibilities

The Directors are responsible for the preparation of Financial Statements for each financial year which give a true and fair view of the state of affairs of the Fund and of the profit or loss and cash flows for that period. In preparing these Financial Statements, the Directors have selected suitable accounting policies and then applied them consistently, made judgements and estimates that are reasonable and prudent and followed International Financial Reporting Standards (IFRS) and complied with the requirements of the Companies Act, 1963 (Act 179), the Securities Industry Law, 1993 (PNDCL 333), and the Unit Trusts & Mutual Fund Regulations, 2001, L.I. 1695.

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

Principal Activities

The principal activity of the Fund is to invest the monies of its members for their mutual benefit and to hold and arrange for the management of money market securities acquired with such monies.

Financial Results


The results for the year are shown in the statement of comprehensive income in the Financial Statements. The Fund recorded a net investment income of **GHS 958,668** as against a net investment income of GHS615, 440 in 2014. The increase in net income can be attributed to higher volume of business during the year.

Auditors

Messrs Baker Tilly Andah + Andah have indicated their willingness to continue in office as auditors of the Company and in accordance with *section 134(5) of the Companies Act, 1963 (Act 179)* they so continue.

Appreciation

The Board of Directors would like to express its sincere appreciation to the customers of the Fund for their loyalty, to shareholders for their support, and to management and staff for their service during the year under review.



CHAIRPERSON
Joyce R. Aryee

April 14, 2016



DIRECTOR
Daniel Ogbarmey Tetteh

April 14, 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DATABANK ARK FUND LIMITED

Report on Financial Statements

We have audited the Financial Statements of Databank Ark Fund Limited, which comprise the Statement of Financial Position as at December 31, 2015, and the Statement of Comprehensive Income, the Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes set out on pages 11 to 34. The financial reporting framework that has been applied in their preparation is International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and in the manner required by the Companies Act, 1963 (Act 179) and for such internal control as the directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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 about 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 judgment, 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 Financial Statements give a true and fair view of the financial position of the Fund as at 31st December 2015 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and comply with the Companies Act, 1963 (Act 179), the Securities Industry Law, 1993 (PNDCL 333), and the Unit Trusts and Mutual Fund Regulations, 2001 (L.I. 1695).

Report on other Legal and Regulatory Requirements

The Companies Act, 1963 (Act 179) requires that in carrying out our audit work we consider and report on the following matters.

We confirm that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- in our opinion proper books of account have been kept by the Fund, so far as appears from the examination of those books; and
- the Fund's Statement of Financial Position and Statement of Comprehensive Income are in agreement with the books of account.



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K. B. ANDAH (ICAG/P/1098)

For and on behalf of Baker Tilly Andah + Andah **(ICAG/F/2016/122)**

Chartered Accountants

C645/3, 4th Crescent

Asylum Down

Accra

April 29, 2016

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Notes	2015 GHS	2014 GHS
INCOME			
Dividend Income	5	50,214	78,927
Interest Income	6	954,266	695,594
Unrealized Exchange Gains		790	932
Profit on Disposal of Securities		-	71,684
Other Income	7	148,936	-
		-----	-----
TOTAL INCOME		1,154,206	847,137
		-----	-----
EXPENSES			
Management Fees		(80,296)	(66,370)
Custodian Fees		(14,448)	(12,187)
General and Administrative Expenses	8	(100,794)	(153,140)
		-----	-----
TOTAL EXPENSES		(195,538)	(231,697)
		-----	-----
Net Investment Income for the Year		958,668	615,440
Other Comprehensive Income:			
Fair Value (Loss) / Gain of Available for Sale Equities	13a	(22,699)	98,347
		-----	-----
Total Comprehensive Income		935,969	713,787
		=====	=====
ACCUMULATED NET INVESTMENT INCOME			
Beginning Period		1,809,834	1,194,394
Net Investment Income at End of Period		958,668	615,440
		-----	-----
End of Period		2,768,502	1,809,834
		=====	=====

**STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2015**

	Notes	2015 GH¢	2014 GH¢
ASSETS			
Cash and Cash Equivalents	9	729,769	319,370
Held -To -Maturity Securities	10	3,714,741	2,608,549
Available -for -Sale Equities	11	1,900,932	1,494,410
Trade and Other Receivables	12	419,893	163,171
		-----	-----
TOTAL ASSETS		6,765,335	4,585,500
		=====	=====
 EQUITY			
Unit Holders' Capital		3,027,643	1,809,591
Retained Earnings		2,768,502	1,809,834
Other Reserves (AFS)		916,892	939,591
		-----	-----
TOTAL EQUITY		6,713,037	4,559,016
		=====	=====
 LIABILITIES			
Trade and Other Payables	13	52,298	26,484
		-----	-----
TOTAL LIABILITIES		52,298	26,484
		-----	-----
TOTAL EQUITY AND LIABILITIES		6,765,335	4,585,500
		=====	=====



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CHAIRPERSON
Joyce R. Aryee



.....
DIRECTOR
Daniel Ogbarmey Tetteh

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Unit Holders Capital GHS	Retained Earnings GHS	Other Reserves GHS	Total GHS
2015				
Opening Balance	1,809,591	1,809,834	939,591	4,559,016
Proceeds from issue of shares	2,649,679	-	-	2,649,679
Net Investment Income for the year	-	958,668	-	958,668
Fair value Loss of Available-For-Sale	-	-	(22,699)	(22,699)
Shares Redeemed	(1,431,627)	-	-	(1,431,627)
	<u>3,027,643</u>	<u>2,768,502</u>	<u>916,892</u>	<u>6,713,037</u>
	=====	=====	=====	=====
2014				
Opening Balance	1,968,649	1,194,394	841,244	4,004,287
Proceeds from Issue of Shares	1,043,312	-	-	1,043,312
Net Investment Income for the year	-	615,440	-	615,440
Fair value Gain of Available-For-Sale	-	-	98,347	98,347
Shares Redeemed	(1,202,370)	-	-	(1,202,370)
	<u>1,809,591</u>	<u>1,809,834</u>	<u>939,591</u>	<u>4,559,016</u>
	=====	=====	=====	=====

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2015

	2015	2014
	GHS	GHS
Cash Flows from Operating Activities		
Net Investment Income for the year	958,668	615,440
<i>Adjustments for:</i>		
Profit from Disposal of Securities	-	(71,684)
Other Income	(148,936)	-
	-----	-----
	809,732	543,756
Changes In Working Capital		
(Increase)/Decrease in Trade and Other Receivables	(256,722)	48,100
Increase/(Decrease) in Trade and Other Payables	25,814	(2,736)
	-----	-----
Net Cash Flow from Operating Activities	578,824	589,120
	-----	-----
Cash Flows from Investing Activities		
Purchase of Held-To-Maturity Securities	(2,308,751)	(2,292,907)
Purchase of Available-For-Sale Securities	922,274	-
Proceeds From Disposal of Securities	-	110,862
	-----	-----
Net Cash Flow from Investing Activities	(1,386,477)	(2,182,045)
	-----	-----
Cash Flows from Financing Activities		
Proceeds from Capital Transactions	2,649,679	1,043,312
Shares Redeemed	(1,431,627)	(1,202,370)
	-----	-----
Net Cash Flow from Financing Activities	1,218,052	(159,058)
	-----	-----
Net Increase in Cash and Cash Equivalents	410,399	(1,751,983)
Cash and Cash Equivalents at the Beginning of the Year	319,370	2,071,353
	-----	-----
Cash and Cash Equivalents at the End of the Year	729,769	319,370
	=====	=====

ANALYSIS OF CASH AND CASH EQUIVALENTS

Cash and Bank	494,769	319,370
Certificate of Deposits	235,000	-
	-----	-----
	729,769	319,370
	=====	=====

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

1. GENERAL INFORMATION

Databank ArkFund is a limited company incorporated in Ghana. The address of its registered office and principal place of business is 61 Barnes Road, Adabraka, Private Mail Bag, Ministries Post Office, Accra.

1.1. Description of Fund

ArkFund is licensed as Mutual Fund. The Fund was incorporated under Ghana Law on October 25, 2005. Arkfund is an open - ended long term equity mutual fund which seeks to achieve capital growth and income by integrating social ethical and environmental considerations in the investment process. The Fund does not purchase shares in companies involved in the production of tobacco, arms and alcoholic beverages as well as companies whose activities are considered harmful to the environment

The principal activity of the Fund is to invest the monies of its members for their mutual benefit and to hold and arrange for the management of securities and other assets acquired with such monies.

Most of the Fund's investments are listed and traded on the Ghana Stock Exchange, although the Fund also invests in unquoted equity securities.

The Fund's investment activities are managed by Databank Asset Management Services Limited (the Investment Manager). The Fund's custodian is Stanbic Bank Ghana Limited.

The Fund's shares are redeemable at the holder's option. The shares are not listed on the Ghana Stock Exchange.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1. Statement of Compliance

The Financial Statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

2.2. Basis of Preparation

The Financial Statements have been prepared on the historical cost basis except for financial instruments that are measured at fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The Financial Statements are presented in Ghana Cedi (GHS). The Fund presents its statement of financial position in order of liquidity.

2.3. Basis of consolidation

The Fund is an investment entity and, as such, is not required to own controlling interest in other entities. Instead, financial interests are classified as available for sale and measured at fair value.

2.4. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Fund.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Fund uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the Fund determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.5. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

2.5.1. Interest Revenue and Expense

Interest revenue and expense are recognised in the statement of comprehensive income for all interest-bearing financial instruments using the effective interest rate method.

2.5.2. Dividend Revenue and Expense

Dividend revenue is recognised on the date on which the investments are quoted ex-dividend or, where no ex-dividend date is quoted, when the Fund's right to receive the payment is established. Dividend revenue is presented gross of any non-recoverable withholding taxes, which are disclosed separately in the statement of comprehensive income. Dividend expense relating to equity securities sold short is recognised when the shareholders' right to receive the payment is established.

2.5.3. Fees and Commissions

Fees and commissions are recognised on an accrual basis. Fees and commission expenses are included in general and administrative expenses.

2.5.4. Net Gain or Loss on Financial Assets and Liabilities at Fair Value through Profit or Loss

This item includes changes in the fair value of financial assets and liabilities held for trading or designated upon recognition as at fair value through profit or loss and excludes interest and dividend income and expenses.

Unrealised gains and losses comprise changes in the fair value of financial instruments for the period and from reversal of prior period's unrealised gains and losses for financial instruments which were realised in the reporting period.

Realised gains and losses on disposals of financial instruments classified as at fair value through profit or loss are calculated using the first-in, first-out (FIFO) method. They represent the difference between an instrument's initial carrying amount and disposal amount.

2.6. Taxation

2.6.1. Taxes

Under the current legislation, mutual funds are not subject to taxes on income or capital gains, nor to any taxes on income distributions.

The investment income and capital gains are subject to withholding tax deducted at the source of the income. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income and is not significant for the Fund. The Fund presents the withholding tax separately from the gross investment income in the statement of comprehensive income. For the purpose of the statement of cash flows, cash inflows from investments are presented net of withholding taxes, when applicable.

Under the current legislation, Mutual Funds are not subject to taxes on income or capital gains, nor to any taxes on income distribution.

2.7. Foreign Currencies

In preparing the Financial Statements of the Fund transactions in currencies other than the Fund's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

2.8. Financial Instruments – Initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.8.1. Financial Assets

2.8.1.1. Initial Recognition and Measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

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

2.8.1.2. Subsequent Measurement

For purposes of subsequent measurement financial assets are classified in four categories:

- Financial assets at fair value through profit or loss
- Loans and receivables
- Held-to-maturity investments
- Available-for-sale financial investments

Financial assets at Fair Value through Profit or Loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments as defined by IAS 39. The Fund has not designated any financial assets at fair value through profit or loss. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value presented as finance costs (negative net changes in fair value) or finance income (positive net changes in fair value) in the statement of profit or loss.

Loans and Receivables

The Fund has not designated any financial assets as loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss in finance costs for loans and in cost of sales or other operating expenses for receivables.

Held-to-Maturity Investments

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Fund has the positive intention and ability to hold them to maturity. After initial measurement, held to maturity investments are measured at amortised cost using the Effective Interest Rate (EIR), less impairment.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss as finance costs.

Available-for-sale (AFS) Financial Investments

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

The Fund evaluates whether the ability and intention to sell its AFS financial assets in the near term is still appropriate. When, in rare circumstances, the Fund is unable to trade these financial assets due to inactive markets, the Fund may elect to reclassify these financial assets if the management has the ability and intention to hold the assets for foreseeable future or until maturity.

For a financial asset reclassified from the AFS category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on the asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the EIR. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the statement of profit or loss and other comprehensive income.

After initial measurement, AFS financial investments are subsequently measured at fair value with unrealised gains or losses recognised in OCI and credited in the AFS reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in other operating income, or the investment is determined to be impaired, when the cumulative loss is reclassified from the AFS reserve to the statement of profit or loss in finance costs. Interest earned whilst holding AFS financial investments is reported as interest income using the EIR method.

2.8.1.3. Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a Fund of similar financial assets) is primarily derecognised (i.e. removed from the Fund's statement of financial position) when:

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

When the Fund has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Fund continues to recognise the transferred asset to the extent of the Fund's continuing involvement. In that case, the Fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Fund has retained.

2.8.1.4. Impairment of Financial Assets

The Fund assesses, at each reporting date, whether there is objective evidence that a financial asset is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event'), has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include indications that the debtors or a third party borrower is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

2.8.2. Financial Liabilities

2.8.2.1. Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Fund's financial liabilities include trade and other payables, loans and borrowings including Fund overdrafts, financial guarantee contracts and derivative financial instruments.

2.8.2.2. Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

2.8.2.2.1. Financial Liabilities at Fair value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Fund that are not designated as hedging instruments in hedge relationships as defined by IAS 39. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IAS 39 are satisfied. The Fund has not designated any financial liability as at fair value through profit or loss.

2.8.2.2.2. Loans and Borrowings

The Fund has not designated any financial liability as loans and borrowings. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IAS 39 are satisfied. The Fund has not designated any financial liability as at fair value through profit or loss.

2.8.2.3. Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss and other comprehensive income.

2.8.3. Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.9. Unit Holders Capital

Shares in the Fund are owned by members of the Fund.

- The value of the shares (owned by members of the Fund) is represented by the share or Unit Holders Capital. Shares entitle the holder to a *pro rata* share of the Fund's net assets in the event of a shareholder liquidating his or her investment
- The shares of the Fund are not listed on the Stock Exchange. Applicants may set up a new account with the Fund to buy shares of the Fund. When applicants buy Fund shares, the shares are purchased at the last published price
- A Shareholder wishing to redeem his or her shares (investment) with the Fund can do so by submitting a request for redemption to the Fund. Redemptions shall be priced at the last published price.

2.10. Dividend Distributions

The Fund passes substantially its net income along to its investors as distribution, this distribution policy is to be adopted by the Directors of the fund from time to time such that the distribution will not jeopardise the Fund's ability to operate effectively.

The Fund does not declare the payment of dividends.

2.11. Cash and Short-term Investments

Cash and short-term investments in the statement of financial position comprise cash at banks and on hand and short term investments with a maturity of three months or less.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term investments, as defined above, net of the outstanding Fund's overdrafts.

2.12. New and Amended Standards and Interpretations

2.12.1. Standards and Interpretations Effective in the Current Period

The following standards, amendments to the existing standards and interpretations issued by the International Accounting Standards Board are effective for the current period:

- **Amendments to IFRS 10 “Consolidated Financial Statements”, IFRS 12 “Disclosures of Interests in Other Entities” and IAS 27 “Separate Financial Statements”** – Investment Entities (effective for annual periods beginning on or after 1 January 2014) 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.

- **Amendments to IAS 32 “Financial instruments: presentation”**
– Offsetting Financial Assets and Financial Liabilities (effective for annual periods beginning on or after 1 January 2014) 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 to IAS 36 “Impairment of assets”** - Recoverable Amount Disclosures for Non-Financial Assets (effective for annual periods beginning on or after 1 January 2014), published by IASB on 29 May 2013.

These narrow-scope amendments to IAS 36 address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. When developing IFRS 13 Fair Value Measurement, the IASB decided to amend IAS 36 to require disclosures about the recoverable amount of impaired assets. Current amendments clarify the IASB’s original intention that the scope of those disclosures is limited to the recoverable amount of impaired assets that is based on fair value less costs of disposal.

- **Amendments to IAS 39 “Financial Instruments: Recognition and Measurement”**
– Novation of Derivatives and Continuation of Hedge Accounting (effective for annual periods beginning on or after 1 January 2014), published by IASB on 27 June 2013.

The narrow-scope amendments allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met (in this context, a novation indicates that parties to a contract agree to replace their original counterparty with a new one).

- **IFRIC 21 “Levies”** (effective for annual periods beginning on or after 1 January 2014), published by IASB on 20 May 2013.

IFRIC 21 is an interpretation of IAS 37 Provisions, Contingent Liabilities and Contingent Assets. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The Interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.

The adoption of these amendments to the existing standards and interpretations has not led to any changes in the Entity’s accounting policies.

Standards and Interpretations in issue not yet adopted

At the date of authorisation of these Financial Statements the following standards, amendments to existing standards and interpretations were in issue, but not yet effective:

- **IFRS 9 “Financial Instruments”** (effective for annual periods beginning on or after 1 January 2018), issued on 24 July 2014 is the IASB's replacement of IAS 39 Financial Instruments:

Recognition and Measurement. IFRS 9 includes requirements for recognition and measurement, impairment, derecognition and general hedge accounting.

Classification and Measurement - IFRS 9 introduces new approach for the classification of financial assets, which is driven by cash flow characteristics and the business model in which an asset is held. This single, principle-based approach replaces existing rule-based requirements under IAS 39. The new model also results in a single impairment model being applied to all financial instruments.

Impairment - IFRS 9 has introduced a new, expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new Standard requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a more timely basis.

- **Hedge accounting** - IFRS 9 introduces a substantially-reformed model for hedge accounting, with enhanced disclosures about risk management activity. The new model represents a significant overhaul of hedge accounting that aligns the accounting treatment with risk management activities.

Own credit - IFRS 9 removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognised in profit or loss.

- **Amendments to IFRS 11 “Joint Arrangements”** – Accounting for Acquisitions of Interests in Joint Operations (effective for annual periods beginning on or after 1 January 2016), 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.

- **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.
- **IFRS 14 “Regulatory Deferral Accounts”** (effective for annual periods beginning on or after 1 January 2016), published by IASB on 30 January 2014.

This Standard is intended to allow entities that are first-time adopters of IFRS, and that currently recognise regulatory deferral accounts in accordance with their previous GAAP, to continue to do so upon transition to IFRS.

- **IFRS 15 “Revenue from Contracts with Customers”** (effective for annual periods beginning on or after 1 January 2017), published by IASB on 28 May 2014.

IFRS 15 specifies how and when an IFRS reporter will recognise revenue as well as requiring such entities to provide users of Financial Statements with more informative, relevant disclosures. The

standard supersedes IAS 18 “Revenue”, IAS 11 “Construction Contracts” and a number of revenue-related interpretations. Application of the standard is mandatory for all IFRS reporters and it applies to nearly all contracts with customers: the main exceptions are leases, financial instruments and insurance contracts. The core principle of the new Standard is for companies to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the company expects to be entitled in exchange for those goods or services. The new Standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.

- **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.
- **Amendments to IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures”** - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective for annual periods beginning on or after 1 January 2016), published by IASB on 11 September 2014.

The amendments address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business.

- **Amendments to IFRS 11 “Joint Arrangements”** – Accounting for Acquisitions of Interests in Joint Operations published by IASB on 6 May 2014. The amendments add new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The amendments specify the appropriate accounting treatment for such acquisitions.
- **Amendments to IAS 16 “Property, Plant and Equipment” and IAS 38 “Intangible Assets”** - Clarification of Acceptable Methods of Depreciation and Amortisation (effective for annual periods beginning on or after 1 January 2016), published by IASB on 12 May 2014.

Amendments clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. Amendments also clarify that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.

- **Amendments to IAS 16 “Property, Plant and Equipment” and IAS 41 “Agriculture”** - Agriculture: Bearer Plants (effective for annual periods beginning on or after 1 January 2016), published by IASB on 30 June 2014.

The amendments bring bearer plants, which are used solely to grow produce, into the scope of IAS 16 so that they are accounted for in the same way as property, plant and equipment.

- **Amendments to IAS 19 “Employee Benefits”** - Defined Benefit Plans: Employee Contributions (effective for annual periods beginning on or after 1 July 2014), published by IASB on 21 November 2013.

The narrow scope amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.

- **Amendments to IAS 27 “Separate Financial Statements”** - Equity Method in Separate Financial Statements (effective for annual periods beginning on or after 1 January 2016), Published by IASB on 12 August 2014.

The amendments reinstate the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate Financial Statements.

- **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.

revised requirements regarding: (i) meaning of effective IFRSs in IFRS 1; (ii) scope of exception for joint ventures; (iii) scope of paragraph 52 of IFRS 13 (portfolio exception) and (iv) clarifying the interrelationship of IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property. (Amendments are to be applied for annual periods beginning on or after 1 July 2014),

Annual Improvements to IFRSs 2010 – 2012 Cycle

These improvements are effective from 1 July 2014 and are not expected to have a material impact on the company. They include:

IFRS 2 Share-based Payment

This improvement is applied prospectively and clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions, including:

A performance condition must contain a service condition

A performance target must be met while the counterparty is rendering service

A performance target may relate to the operations or activities of an entity, or to those of another entity in the same group

A performance condition may be a market or non-market condition

If the counterparty, regardless of the reason, ceases to provide service during the vesting period, the service condition is not satisfied

IFRS 3 Business Combinations

The amendment is applied prospectively and clarifies that all contingent consideration arrangements classified as liabilities (or assets) arising from a business combination should be subsequently measured at fair value through profit or loss whether or not they fall within the scope of IFRS 9 (or IAS 39, as applicable).

IFRS 8 Operating Segments

The amendments are applied retrospectively and clarifies that:

- An entity must disclose the judgements made by management in applying the aggregation criteria in paragraph 12 of IFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics (e.g., sales and gross margins) used to assess whether the segments are ‘similar’
- The reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker, similar to the required disclosure for segment liabilities.

IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets

The amendment is applied retrospectively and clarifies in IAS 16 and IAS 38 that the asset may be revalued by reference to observable data on either the gross or the net carrying amount. In addition, the accumulated depreciation or amortisation is the difference between the gross and carrying amounts of the asset.

IAS 24 Related Party Disclosures

The amendment is applied retrospectively and clarifies that a management entity (an entity that provides key management personnel services) is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services.

Annual improvements 2011-2013 Cycle

These improvements are effective from 1 July 2014 and are not expected to have a material impact on the company. They include:

IFRS 3 Business Combinations

The amendment is applied prospectively and clarify for the scope exceptions within IFRS 3 that:

- Joint arrangements, not just joint ventures, are outside the scope of IFRS 3
- This scope exception applies only to the accounting in the Financial Statements of the joint arrangement itself

IFRS 13 Fair Value Measurement

The amendment is applied prospectively and clarifies that the portfolio exception in IFRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of IFRS 9 (or IAS 39, as applicable).

IAS 40 Investment Property

The description of ancillary services in IAS 40 differentiates between investment property and owner-occupied property (i.e., property, plant and equipment). The amendment is applied prospectively and clarifies that IFRS 3, and not the description of ancillary services in IAS 40, is used to determine if the transaction is the purchase of an asset or business combination.

Annual Improvements 2012-2014 Cycle

These improvements which were done in September 2014 are effective beginning on or after 1 January 2016 and are not expected to have a material impact on the company. They include:

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations

Adds specific guidance in IFRS 5 for cases in which an entity reclassifies an asset from held for sale to held for distribution or vice versa and cases in which held-for-distribution accounting is discontinued

IFRS 7 Financial Instruments: Disclosures

Additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset, and clarification on offsetting disclosures in condensed interim Financial Statements

IAS 19 Employee Benefits

Clarify that the high quality corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid

IAS 34 Interim Financial Reporting

Clarify the meaning of 'elsewhere in the interim report' and require a cross-reference

The Entity has elected not to adopt these standards, revisions and interpretations in advance of their effective dates. The Entity anticipates that the adoption of these standards, revisions and interpretations will have no material impact on the Financial Statements of the Entity in the period of initial application.

3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS.

The preparation of the Company's Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the Financial Statements:

Assessment as investment entity

Entities that meet the definition of an investment entity within IFRS 10 are required to measure their investments at fair value through profit or loss rather than consolidate them. The criteria which define an investment entity are, as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis

The Fund's prospectus details Its objective of providing investment management services to investors which includes investing in equities, fixed income securities and private equity for the purpose of returns in the form of investment income and capital appreciation

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting 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 described below. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing

fair values. The estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility.

Changes in assumptions about these factors could affect the reported fair value of financial instruments in the statement of financial position and the level where the instruments are disclosed in the fair value hierarchy. The models are tested for validity by calibrating to prices from any observable current market transactions in the same instrument (without modification or repackaging) when available. To assess the significance of a particular input to the entire measurement, the fund performs sensitivity analysis or stress testing techniques.

Fair Value Measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

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.

Contingent consideration, resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently re-measured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor.

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and changes in tax laws on foreign withholding tax. Given the wide range of international investments, differences arising between the actual investment income and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax expense already recorded.

The Fund establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it invests. The amounts of such provisions are based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective investment's domicile. As the Fund assesses the probability for litigation and subsequent cash outflow with respect to taxes as remote, no contingent liability has been recognised

4. CAPITAL MANAGEMENT

For the purpose of the Fund's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the Fund. The primary objective of the Fund's capital management is to maximise the shareholder value.

In order to achieve this overall objective, the Fund's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing investment and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the Fund to immediately call investments and borrowings. There have been no breaches in the financial covenants of any interest-bearing investments and borrowing in the current period.

	2015 GH¢	2014 GH¢
5. DIVIDEND INCOME		
GCB Bank Limited	6,624	4,347
Standard Chartered Bank Limited	1,890	13,110
Societe Generale Ghana Limited	-	9,568
Ecobank Ghana Limited	23,984	17,200
Enterprise Group Limited	2,717	24,005
Fan Milk Limited	1,926	1,926
Total Ghana Limited	7,544	7,024
Ghana Oil Company Limited	2,184	1,747
BOPP	1,274	-
	-----	-----
	48,143	78,927

Taxable

Enterprise Group Limited	2,071	-
	-----	-----
	50,214	78,927
	=====	=====

6. INTEREST INCOME

Interest on Call Accounts	20,887	9,084
Interest on Certificate Deposit	698,796	549,155
Interest on Commercial Paper	20,793	-
Interest on Floating Rate Notes	102,978	83,583
Interest on Bonds	110,812	53,772
	-----	-----
	954,266	695,594
	=====	=====

7. OTHER INCOME

This represents a write back to statement of comprehensive income of unallocated general ledger balances which could not be traced to specific items during systems migration.

	2015 GH¢	2014 GH¢
8. GENERAL AND ADMINISTRATIVE EXPENSES		
Marketing & Business Promotion	41,578	92,559
Fund Accounting Fees	3,600	1,800
Registrar Fees	5,028	4,470
Client Service Fees	5,028	4,470
Directors' Emolument	21,400	25,850
Audit Fees	9,400	7,638
Storage & Warehousing Expense	1,603	520
Professional & Consultancy Fees	2,500	4,700
Printing Publications & Stationery	3,946	5,941
Annual Statutory Fees	500	500
Software Maintenance Cost	963	-
Bank Charges	5,248	4,692
	-----	-----
	100,794	153,140
	=====	=====
9. CASH AND CASH EQUIVALENTS		
Cash at Bank	494,769	319,370
Certificates of Deposits	235,000	-
	-----	-----
	729,769	319,370
	=====	=====
10. HELD -TO -MATURITY SECURITIES		
182- Day Treasury Bills	204,184	206,022
3- Year Bond	400,000	200,000
182- Day Certificates of Deposit	872,457	1,259,073
1 and above Year Certificates of Deposit	1,783,100	943,454
1 and above Floating Rate Notes	455,000	-
	-----	-----
	3,714,741	2,608,549
	=====	=====

	2015	2014
	GH¢	GH¢
11. AVAILABLE - FOR - SALE EQUITIES		

Listed Equity Securities	1,900,932	1,494,410
	=====	=====

11a. Fair value movement of Available for Sale Equities

Market value of Investment	1,900,932	1,494,410
Cost of Investment	(984,040)	(554,819)
	-----	-----
Current Period Gains	916,892	939,591
Prior Period Gains	(939,591)	(841,244)
	-----	-----
Fair Value (Losses)/Gains	(22,699)	98,347
	=====	=====

11b. Portfolio Summary

Description	Shares	Price 31-Dec-15 (GHS)	Market Value (GHS)
Shares			
Banking			
GCB Bank Ltd	20,700	3.79	78,453
Standard Chartered Bank Ltd	11,400	16.29	185,706
Societe General Ghana Ltd	177,100	0.8	141,680
Ecobank Ghana Ltd	33,000	7.01	231,330
Food & Household Products			
Fan Milk Ltd	21,400	7.35	157,290
PBC Ltd	540,000	0.10	54,000
Insurance			
Enterprise Group Ltd	117,200	2.40	281,280
Petroleum Products			
Ghana Oil Company Ltd	109,200	1.40	152,880
Total Petroleum Company Ltd	40,000	5.10	204,000
Agriculture			
BOPP	31,400	2.50	78,500
Pharmaceuticals			
Intravenous Infusions Ltd	3,731,250	0.09	335,813
	-----		-----
Total Shares	4,832,650		1,900,932
	=====		-----

Description	Market Value (GHS)
182-Day Treasury bills	204,184
60-Day Certificates of Deposit	235,000
182-Day Certificates of Deposit	872,457
365-Day Certificates of Deposit	1,484,600
3-Year Treasury bills	400,000
3-Year Certificates of Deposit	298,500
3-Year Floating Rate Notes	205,000
7-Year Floating Rate Notes	250,000

	3,949,741

Grand Total	5,850,673
	=====

	2015 GH¢	2014 GH¢
12. TRADE AND OTHER RECEIVABLES		
Interest Receivables	387,579	163,171
Investments Receivables	32,314	-
	-----	-----
	419,893	163,171
		=====
	=====	

Trade receivables disclosed above include amounts that are past due at the end of the reporting period for which the company has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts (which include interest accrued after the receivable is more than 60 days outstanding) are still considered recoverable.

	2015 GH¢	2014 GH¢
13. TRADE AND OTHER PAYABLES		
Sales Commissions	2,360	445
Audit Fees	9,400	7,638
Registrar Fees	448	393
Client Service Fees	448	393
Withholding Tax	628	448
Due to Clients	22,016	2,750
Accounting Fees	300	300
Professional Fees	2,500	-
Management Fees	8,128	5,794
Custody Fees	6,070	8,323
	-----	-----
	52,298	26,484
	=====	=====

No interest is charged on the trade payables. The Fund has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

14. UNITHOLDERS' CAPITAL

A reconciliation of the number of shares outstanding at the beginning and at the end of each of the reporting periods is provided below.

(a) Number of shares issued and redeemed during the year is disclosed below;

	2015	2014
	Number of Shares	Number of Shares
Shares in Issue at 1 st January	15,053,744	15,643,367
Issued during the year	7,944,995	3,685,741
Redeemed during the year	(4,258,067)	(4,275,364)
	-----	-----
Shares in Issue at 31 st December	18,740,672	15,053,744
	=====	=====

15. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICY

The Fund's objective in managing risk is the creation and protection of shareholder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund is exposed to market risk (which includes currency risk, interest rate risk and price risk), credit risk and liquidity risk arising from the financial instruments it holds.

15.1 Risk Management Structure

The Fund's Investment Manager is responsible for identifying and controlling risks. The Board of Directors supervises the Investment Manager and is ultimately responsible for the overall risk management of the Fund.

15.2 Risk Measurement and Reporting System

The Fund's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses that are an estimate of the ultimate actual loss based on statistical models. The models make use of the probabilities derived from historical experience, adjusted to reflect the economic environment.

Monitoring and controlling risks is primarily set up to be performed based on limits established by the Board of Directors. These limits reflect the business strategy including the risk that the Fund is willing to accept and the market environment of the Fund. In addition, the Fund monitors and measures the overall risk in relation to the aggregate risk exposure across all risks type and activities.

15.3 Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

15.4 Foreign Currency Risk Management

The Fund undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed by holding a minimal forex position.

There was no foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period.

15.5 Price Risk

The Fund is exposed to equity securities price risk because of investments in quoted and unquoted shares classified as available-for-sale. To manage its price risk arising from investments in equity and debt securities, the Fund diversifies its portfolio. Diversification of the portfolio is done in accordance with limits set by the Fund. All quoted shares held by the Fund are traded on the Ghana Stock Exchange (GSE).

The following table demonstrates the sensitivity of the Fund's profit or loss for the year to a reasonably possible change in equity price, with all other variables held constant.

The sensitivity of the other comprehensive income for the year is the effect of the assumed changes in equity price.

The sensitivity analyses impact on equity is the same as the impact on profit or loss. In practice, the actual trading results may differ from the below sensitivity analysis and the difference could be significant.

Sensitivity Analysis

Increase/(Decrease)	Change in Basis Points	Sensitivity of Changes in Fair Value of Investments GH¢
Other comprehensive income	+100/-100	227/(227)

15.5.1. Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Board of Directors has established limits on the interest gaps for stipulated periods.

The following table demonstrates the sensitivity of the Fund's profit or loss for the year to a reasonably possible change in interest rates, with all other variables held constant.

The sensitivity of the profit or loss for the year is the effect of the assumed changes in interest rates on:

- The net interest income for one year, based on the floating rate financial assets held at the end of the reporting period
- Changes in fair value of investments for the year, based on revaluing fixed rate financial assets and liabilities at the end of the reporting period

The sensitivity analyses impact on equity is the same as the impact on profit or loss. In practice, the actual trading results may differ from the below sensitivity analysis and the difference could be significant.

Sensitivity Analysis

Increase/(Decrease)	Change in Basis Points	Sensitivity of Interest Income GH¢
Net Investment Income for the year	+100/-100	9,543/(9,543)

Maturity Analysis of Financial Liabilities

Prudent liquidity risk management includes maintaining sufficient cash balances, and the availability of funding from an adequate amount of committed credit facilities.

The table below analyses the financial liabilities into the relevant maturity grouping based on the remaining period at the reporting date to the contractual maturity date.

Less than one year	2015 GH¢	2014 GH¢
Trade and Other Payables	52,298	26,484

15.5.2. Liquidity Risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its shares earlier than expected. The Fund is exposed to cash redemptions of its shares on a regular basis. Shares are redeemable at the holder's option based on the Fund's NAV per share at the time of redemption, calculated in accordance with the Fund's scheme particulars.

The Fund manages its obligation to repurchase the shares when required to do so and its overall liquidity risk by:

- Requiring a 5-day notice period before redemptions
- The Fund's policy is to satisfy redemption requests by the following means (in decreasing order of priority):
- Searching for new investors
- Withdrawal of cash deposits

Disposal of highly liquid assets (i.e., short-term, low-risk debt investments)

- Either disposal of other assets or increase of leverage

The Fund invests primarily in marketable securities and other financial instruments which, under normal market conditions, are readily convertible to cash. In addition, the Fund's policy is to maintain sufficient cash and cash equivalents to meet normal operating requirements and expected redemption requests.

17.5.3. Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Fund by failing to discharge an obligation. The Fund is exposed to the risk of credit-related losses that can occur as a result of a counterparty or issuer being unable or unwilling to honour its contractual obligations. These credit exposures exist within financing relationships, and other transactions. It is the Fund's policy to enter into financial instruments with reputable counterparties.

The Investment Manager's policy is to closely monitor the creditworthiness of the Fund's counterparties (e.g. third party borrowers, brokers, custodian and banks) by reviewing their credit ratings, Financial Statements and press releases on a regular basis.

The carrying value of interest bearing investments, Money market funds and similar Securities, loan to related party, trade and other receivables and cash and cash equivalents, as disclosed in the statement of financial position represents the maximum credit exposure, hence, no separate disclosure is provided.

15.6. Fair Value of Financial Instruments

Fair value of financial instruments carried at amortised cost

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the Financial Statements approximate their fair values.

Financial Assets	Carrying	Fair Value	Carrying	Fair Value
	Amounts 2015 GH¢	2015 GH¢	Amounts 2014 GH¢	2014 GH¢
Cash and Cash Equivalents	729,769	729,769	319,370	319,370
Held-To-Maturity Securities	3,714,741	3,714,741	2,608,549	2,608,549
Available for Sale Equities	1,900,932	1,900,932	1,494,410	1,494,410
Trade and Other Receivables	419,893	419,893	163,171	163,171
	-----	-----	-----	-----
Total Financial Assets	6,765,335	6,765,335	4,585,500	4,585,500
	=====	=====	=====	=====

Financial liabilities

Trade and Other Payables	52,298	52,298	26,484	26,484
	=====	=====	=====	=====

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 GH¢	Level 2 GH¢	Level 3 GH¢
Available for Sale Equities	1,900,932	-	-
Held-to-Maturity Securities	-	3,714,741	-
	-----	-----	-----
	1,900,932	3,714,741	-
	=====	=====	=====

16. CONTINGENCIES AND COMMITMENTS

16.1. Legal Proceedings and Regulations

The Fund operates in the financial service industry and is subject to legal proceedings in the normal course of business. While it is not practicable to forecast or determine the final results of all pending or threatened legal proceedings, management does not believe that such proceedings (including litigation) will have a material effect on its results and financial position.

At the balance sheet date, there were no pending or threatened legal proceedings against the fund.

There are no contingencies associated with the Fund's compliance or lack of compliance with regulations.

16.2. Capital Commitments

The Fund has no capital commitments at the reporting date.

17. RELATED PARTY TRANSACTIONS

The following parties are considered related parties of the Fund:

Investment Manager

Databank Asset Management Limited (the investment manager) is entitled to receive a management and advisory fee for its respective services in terms of the agreement between the Fund and the Fund manager. These fees amount to of 1.5% per annum of the daily net assets of the Fund, (calculated in accordance with the scheme particulars of the Fund). Management fees are payable monthly in arrears. Total management fees for the year amounted to GH¢ 80,296 (2014: GH¢ 66,370).

Custodian: Stanbic Bank Ghana Limited

Stanbic Bank Ghana Limited is the Custodian of the Fund. The custodian carries out the usual duties regarding custody, cash and securities deposits without any restriction. This means that the custodian is, in particular, responsible for the collection of dividends, interest and proceeds of matured securities, the exercise of options and, in general, for any other operation concerning the day-to-day administration of the securities and other assets and liabilities of the Fund.

The custodian is entitled to receive from the Fund fees, payable monthly, equal to 0.025%. The total custodian fee for the year amounted to GH¢ 14,448 (2014: GH¢ 12,817), the custodian fee payable as at 31 December 2015 is GH¢ 6,070 (2014: GH¢ 8,323).

Stock Brokers

The Fund's transactions were made through the Databank Brokerage Services Limited, Stock Brokers

Transactions with Directors and key Management Personnel

Directors and key management personnel refer to those personnel with authority and responsibility for planning, directing and controlling the business activities of the Fund. These personnel are the Directors of the Fund.

During the period, there were no significant related party transactions with companies or customers of the Fund where a Director or any connected person is also a director or key management members of the Fund. The Fund did not make provision in respect of loans to Directors or any key management member during the period under review.

Directors Emolument

	2015	2014
	GH¢	GH¢
Directors Emoluments	21,400	25,580

Directors Shareholdings

The Directors below held the following number of shares in the Fund at December 31, 2015

	Shares	%of Fund
Adelaide Kastner	138,742	0.7403
Daniel Ogbarmey Tetteh	144,194	0.7694
Joyce R. Aryee	63,776	0.3403
William Oppong Bio	101,336	0.5407
Kojo Addae-Mensah	117,416	0.6265

18. EVENTS AFTER THE REPORTING PERIOD

There were no other material events after the reporting period.

19. APPROVAL OF FINANCIAL STATEMENTS

The Financial Statements were approved by the board of Directors and authorised for issue on **April 14, 2016**.

■ ■ **FOR MORE INFORMATION, CONTACT**
■ **DATABANK AT THE FOLLOWING ADDRESSES:**

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Partner locations (GTBank branches)

Accra

- **Airport:** 0577 702012
- **East Legon:** 0577 702013
- **Lapaz:** 0577 739461
- **Madina:** 0577 739462
- **Osu:** 0577 702014

Ashaiman: 0577 702015

Cape Coast: 0577 702016

Tamale: 0577 702017

Tarkwa: 0577 702010

Databank is Ghana's leading investment bank and one of the first to emerge from West Africa. Databank has been instrumental in the development of the Ghanaian capital market and has built a strong reputation for its pioneering works in the industry. Driven by the goal of helping Ghanaians achieve financial independence, Databank is emphatic about promoting financial literacy and offering a diverse range of investment products and services to suit the investment styles of different investors.