



Databank
ARKFund



Databank Ark Fund Limited
2011 Annual Report



Databank
Leadership

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"...were not attained by a sudden flight."

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Epack
Your #1 Investment Fund.

Databank Ark Fund Limited

**Annual report and
Financial Statements
for the Year Ended
31 December 2011**

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2nd Annual General Meeting of the shareholders of Databank Ark Fund Limited will be held at the International Conference Centre, Accra, Ghana on Thursday, 26th July 2012 at 3:00 p.m for the following purposes:

1. To consider the Directors' Report and the Report of the Auditors for the year ended December 31, 2011.
2. To receive and adopt the Statement of Assets and Liabilities and Statement of Operations for the year ended December 31, 2011
3. To re-elect Directors retiring by rotation.
4. To authorize the Directors to appoint and fix the remuneration of Auditors.
5. To approve Directors' Fees.
6. To transact any other business appropriate to be dealt with at any Annual General Meeting.

Dated this 16th day of May, 2012

BY ORDER OF THE BOARD

Kind regards,

Databank Ark Fund Ltd



Deila Assimeh
BOARD SECRETARY

CHAIRPERSON'S STATEMENT TO ARK FUND SHAREHOLDERS

Dear Valued Shareholders,

I am most pleased to welcome you to this year's Annual General Meeting, the second since the launch of your fund, Databank Ark Fund in 2009. On behalf of my colleague board members, staff and management of Databank, I would like to thank you for your continuous trust, support and patronage extended to the Databank Ark Fund, which is the only ethical fund in Ghana.

At the outset, I would like to dwell upon certain macro-economic developments of last year, particularly those which were of great significance to the financial industry and thereafter, give you an overview of the Fund's performance for the year 2011. I will conclude by highlighting our expectation about the performance of your fund in 2012.

The Global Economy

2011 was a challenging year for most developed economies of the world. The Euro zone area encountered a great challenge in its efforts to bail out debt-choked Greece. This led to the downgrade of some of its strongest economies; France was downgraded by Fitch Ratings while Italy was downgraded by Moody's. The United States, the world's highest rated country was downgraded by Standard and Poor's on account of its

debt crisis, which also necessitated an increase in the country's debt ceiling by \$1.3t. The earthquake and tsunami which plagued Japan resulted in a downturn of its economy; the economy shrunk by 0.5% in 2011, compared to a growth of 4% in 2010. We observed deterioration in the economic environment of most developed countries in 2011. Consequently, equity markets around the globe ended 2011 in the red zone.

Robust Growth in Africa

African economies were however marked with significant growth and relatively strong macroeconomic indicators in 2011. The Sub-Saharan African region is estimated by IMF to have grown by 4.9% compared to a world economic growth of 3.8%. Most economies especially those in the Sub-Saharan African region are estimated to have recorded economic growth above 5%. In addition, many countries experienced some level of stability in prices and in currency. For instance Zambia's inflation reached 7.2% in Dec-11, having fallen from 9% in Jan-11. Ghana's inflation rate reached 8.39% in Jul-11, its lowest level for the past decade.

However, the robust economic performance did not translate into performance of the stockmarkets. With the exception of about three stock markets which ended the year on a positive note, stock markets in Africa closed 2011 in the red zone. Markets such as the Egyptian Exchange (-51.2%), the Uganda Securities Exchange (-35.1%) and the Nairobi Stock Exchange (-31.4%) suffered significant losses over the year. The poor performance of the Egyptian Exchange was mainly as a result of the

political turbulence, which caused the market to stay closed for most parts of Q1-11. On the part of the East African market, most agricultural stocks tumbled on the back of the droughts which plagued the horn of Africa in 2011.

Economic Performance in Ghana

Economic growth in Ghana was very robust in 2011. On the back of the oil find which boosted the growth in the industrial sector by ~30%, the economy grew at a phenomenal rate of 14.4% in 2011. Inflationary pressures were highly subdued over the year. Throughout the year, inflation remained in the single digit band and ended the year 2011 at 8.6%. There was also an indication of relative stability in the cedi over the year; the Ghana cedi depreciated by 8.26% against the US dollar, 7.95% against the British pound and 5.35% against the Euro.

Interest rates also trended downwards over the year. The policy rate was reduced from 13.5% in Jan-11 to 12.5% in Jul-11 and was maintained at this rate for the rest of the year. On average, the benchmark 91-day Treasury bill was priced at 10.69% as compared to 13.98% in 2010, and fell from 12.25% in Jan-11

to 10.66% in Dec-11. Other treasury securities mimicked the downward trend. The stock market in Ghana began the year on a positive note, recording a return of 18.89% by the end of Jun-11. However, activities of foreign investors, who pulled out of the market in the second half of the year as global stock markets headed south, dipped the market in the red. The market recorded a return of -18.49% in the second half of 2011 and closed the year at -3.1% (-11.1% in dollar terms). Consequently, investment returns (both on fixed income and equity based securities) headed downwards.

Negative Stock Market Returns and Low Treasury Rates but Positive Returns on Ark Fund

These notwithstanding dear shareholders, your fund recorded some appreciable returns in 2011.

The Ark fund returned 5.88% in this challenging year; the blend of equity and fixed income securities in the portfolio ensured that your fund recognized some gains regardless of the negative return recorded on the Ghana Stock Exchange. The number of shareholders for Ark fund improved by 22% and assets under management climbed to GHS 2.83m.

Innovation

Databank continues to undertake several initiatives aimed at delivering gold standard service to our esteemed clients. Among the innovations introduced this year are:

Western Union: Western Union, the world's leading money transfer institution, has appointed Databank to act as a receiving agent. With time, clients in the Diaspora will be able to top up their investment accounts more easily via the Western Union platform.

Internet Web acquiring Verified by Visa (VbV): This provides Visa cardholders the opportunity to send and receive funds through the 1.8 billion Visa cards in market today. Clients will now be able to top up their investment account electronically from the comfort of their homes through a payment portal on our website similar to the Pay-pal structure.

Outlook

African economies are expected to drive global economic growth in 2012, and Ghana is expected to be one of the best performing economies in the world, projected to grow by over 8% in 2012. This is expected to boost corporate returns and boost investor participation in our capital market. Consequently, the Ghana Stock Exchange is expected to close 2012 on a positive note. By the end of Q1-12, the Exchange had recorded a year to date return of 8.03%. The fixed income market is also expected to return considerable gains as interest rates continue to trend upwards.

We have already seen signs of these with the upward adjustments of the policy rate by a 250 bps in the first half of the year. By Q2-12, the yield on the benchmark 91-day Treasury bill had increased to ~20% from 10.38% in Dec-11. On the back of increased government spending during

the electioneering period as well as efforts by the Bank of Ghana to meet its inflation target of 8.5% for 2012, we expect interest rates to continue to trend upwards in 2012. Against this background, we expect your fund to recognize substantial gains by the close of the year.

As the good book says in Proverbs 8:18, "With me are riches and honor, enduring wealth and prosperity", we believe ARK fund has enduring wealth and prosperity to offer all its shareholders. We encourage you to keep faith with the fund in order to partake in the anticipated earnings for the coming years. We wish you greater success and prosperity in 2012.

God Bless us all!



Dr. Joyce Aryee
CHAIRMAN

PERFORMANCE SUMMARY AS AT DECEMBER 31, 2011

Historical Returns¹

MONTH: Dec-09
RETURN

2.50%

MONTH: Dec-10
RETURN

38.23%

MONTH: Dec-11
RETURN

5.88%

MONTH: Inception to
Dec-11. RETURN

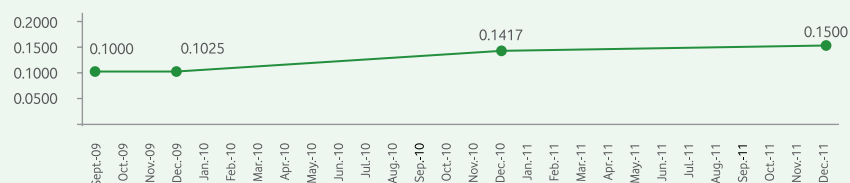
50.00%

Share Price Information

	Sept-09	Dec-09	Dec-10	Dec-11
Share Price GH¢	0.1000	0.1025	0.1417	0.1500
Number of Shares	2,381,035	3,024,590	12,994,189	18,830,575
Value GH¢	238,103.52	310,014.00	1,841,152.00	2,825,004.00

¹Return on investment reflects the return of the Fund taking into account cash inflows, cash outflows, reinvestment of dividends and changes in the share prices. This percentage is not an indication of the performance of a member's investment in the Fund due to the difference in timing between when a member makes contributions and the reference period of the Fund. Investment returns take into account the performance of the fund.

Share price movement from inception

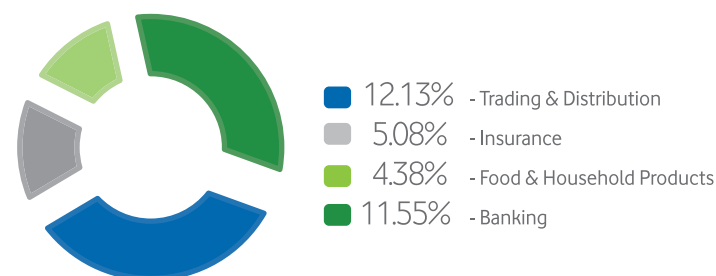


PORTFOLIO AT A GLANCE

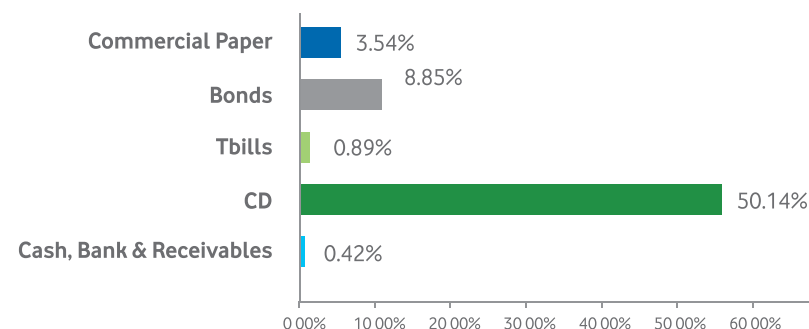
Top 5 Equity Holdings

Name of Company	Country	Percentage of Total Portfolio
Produce Buying Company	Ghana	4.78%
Ecobank Ghana Ltd	Ghana	4.52%
Fanmilk Ghana Ltd	Ghana	4.38%
Total Company Ltd	Ghana	4.28%
Ghana Oil Company Ltd	Ghana	3.07%

Industry Diversification of Stock Holdings (33.14%) % of Fund Value



Diversification of Fixed Income Instruments (63.84%) % of Fund Value





Interview With Your Arkfund Manager

Edna, could you bring us up to speed on the performance of the Ghana market?

The performance of the equity market was mixed in 2011. The Ghana Stock market started the year slowly, yielding negative returns in the early part of the year. It however peaked at a high of 18.9% in June but declined to -3.1% by year end. The fixed income market also witnessed a decline in interest rate, we saw the year commence with rates as high as 12.25% on 91 day treasury bills. This steadily declined to 9.03% in November and picked up again to close the year at 10.66%.

Can you trace the performance of the Ark Fund in 2011?

The fund gained 12.21% in eight months. However, over the last 3 months, there was significant selling pressure on equities listed on the Ghana Stock Market. This downward pressure affected the funds equity portfolio thereby causing the fund to end the year at 5.88%. Out of the Fund's 10 equity holdings, 6 experienced price declines. This was on account of profit taking by some investors who made significant gains on those equities in the previous year. The lack of active participation on the market by Non

Resident Institutional Investors in the second half of the year also contributed to the lack luster performance of the market as most Non Resident Institutional investors focused on dealing with the Euro crisis.

What investment decisions did you take to yield a positive return in spite of the relatively poor performance of the stock market?

First and foremost, our proposal and your acceptance to change the asset allocation were beneficial to preventing the fund from slipping into negative territory. The Fund appreciated in value on account of price rallies in the equity portfolio in the first three quarters. However, in the last quarter, returns began to decline as equities began a downward spiral; this was however cushioned by the returns on the fixed income portfolio which we built up to constitute approximately 64% of the entire fund.

Our decision to invest in Produce Buying Company translated into price appreciation in Ark Fund. We also decided to maintain an overweight position in Total Petroleum Ghana Ltd (TOTAL) which did 102% by year end.

On the fixed income front, although fixed income yields headed southwards, we invested a greater proportion of the fixed income portfolio in fixed deposits (Fixed deposits usually have higher rates than treasury bills) in order to boost returns. As a result, the fund grew by 54% from GH¢1.84m in 2010 to GH¢2.83m in 2011.

How did the security-selection affect the Fund's performance?

With PBC and TOTAL in the portfolio, returns experienced an up run. However, 6 out of 10 stocks began to decline in the last quarter of the year. Our overweight position in TOTAL, PBC, Fan Milk (FML), and GOIL Ghana Ltd (GOIL) countered the declines of the other stocks and supported the fund from declining into negative territory.

Is Ark Fund directly taking certain actions to live out its value of preserving the environment?

Databank Ark Fund is committed to living out its values of preserving the environment. You may recall at the last Annual General meeting, that we agreed to deploy ICT to communicate with shareholders. The benefits of this action are two pronged- not only is your value

enhanced with the cost reduction, but it also enables you as a socially responsible investor to contribute your quota towards preserving the environment.

The challenge however pertains to clients who have incomplete records [no email address] and wrong email addresses. We therefore encourage you to visit our offices or mail your address to clients@databankgroup.com to update your records.

Can a firm invest a portion of its pension funds in the Databank Ark Fund?

Yes, it is possible for a pension fund to invest up to 3% of its assets in Ark Fund. Mutual funds, according to the Pensions law, are permitted as an asset class. Pension funds may invest up to 3% in a single fund and no more than 5% in mutual funds managed by a manager. The Databank Ark Fund serves as an asset class for pension funds seeking diversification as well as offers the opportunity to align their ethical considerations with their investments. As a conservative portfolio, Ark Fund serves as a suitable asset class for pension funds as the risk on the portfolio is moderated.

What is your outlook for the African stock markets?

We expect profit taking in Zambia, which was the best performing African stock market in 2011.

We however, anticipate a recovery in markets which experienced significant sell offs in 2011, such as Egypt, Nigeria and Kenya. On the Ghana market, we have seen impressive full year company results and expect it to translate into stock market appreciation; albeit not a very strong market performance as trends indicates that election years witness a wait-and-see attitude by investors to the stock market. On the fixed income front, we anticipate yields on shorter dated government paper to pick up given the likelihood that government will use domestic borrowing to keep inflation at bay.

What is the outlook for the Fund?

Our prime objective is to deliver good returns to our shareholders in line with their risk appetite. We continue to favor stocks which give back to shareholders in terms of dividends. The Fund also seeks out stocks which have strong growth potential as these tend to deliver capital gains for price appreciation of the Fund. With respect to entering other

African markets, valuations are looking quite attractive. We will however keep an eye on currency risk as this tends to impact performance. On the fixed income portfolio, given that shorter dated fixed income returns are likely to be higher than those on longer dated fixed income securities, we shall maintain overweight positions in shorter dated fixed income investments.

Given our outlook for the performance of the market for 2012, we anticipate moderate returns on the Fund. We continue to encourage investors to grow wealth slowly and to look to the long term to realize their investment objectives.

I wish you a fruitful year and encourage you with a scripture from Proverbs 13:11 "Money wrongly gotten will disappear bit by bit; money earned little by little will grow and grow [Contemporary English Version]".

Build your financial ark little by little towards a bright future.

This has been an interview with your Arkfund manager.


Edna Ahunu

Report of The Directors

The Directors have the pleasure in submitting the financial statements of the Databank Ark Fund Limited for the year ended December 31, 2011.

Statement of Directors' Responsibilities

The Directors are responsible for the preparation of financial statements for the financial year, which give a true and fair view of the state of affairs of the Company and of the statement of operations for the period. In preparing those financial statements, the directors have selected suitable accounting policies which are to be applied consistently, made judgments and estimates that are reasonable and prudent and followed Ghana Accounting Standards.

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

Nature of Business

The nature of the business of the Company is to invest monies of its members for their mutual benefit and to hold and arrange for the management of securities and other property acquired with such monies.

The Company is licensed by the Securities and Exchange Commission to operate as an authorized mutual fund.

Financial Results

The results for the year ended December 31, 2011 are set out below:

	2011 GH¢	2010 GH¢
Total Income	280,945	116,899
Total Expenses	(107,261)	(44,759)
Net Investment Income	173,684	72,140

Distribution Policy

The Fund passes substantially its net income along to its investors as distributions. The dividend policy is to be adopted by the directors of the Fund from time to time such that any dividend distributions will not jeopardize the Fund's ability to operate effectively.



CHAIRPERSON
4th April, 2012

Dividend

The Directors do not recommend payment of a dividend for the year.

BY ORDER OF THE BOARD



DIRECTOR
4th April, 2012



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REPORT OF THE AUDITORS TO THE INVESTORS OF DATABANK ARK FUND LIMITED

We have audited the financial statements set out on pages 18 to 27. We have obtained all the information and explanations we required for the purposes of our audit.

Respective Responsibilities of Directors and Auditors

As stated on page 15 the directors are responsible for the preparation of the financial statements. Our responsibility is to express an independent opinion on those financial statements.

An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

Opinion

In our opinion, proper books of account have been kept and the financial statements which are in agreement therewith give a true and fair view of the state of affairs of the Databank Ark Fund Limited as at December 31, 2011 and of the results of its operations and changes in the net assets for the year ended and comply with the Ghana Accounting Standards, Unit Trust and Mutual Funds Regulations, 2001, (L.I. 1695) and the Ghana Companies Code, 1963, (Act 179).

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform our audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on test basis evidence supporting the amounts and disclosures in the financial statements.



Chartered Accountants
4th April, 2012

STATEMENT OF NET ASSETS AS AT DEC. 31, 2011

Description	Shares	Price 31-DEC-11 GH(¢)	Market Value GH(¢)	% Net Assets
SHARES				
Banking				
Ghana Commercial Bank	20,700	1.85	38,295	1.36
Standard Chartered Bank Ghana Ltd	1,900	45.48	86,412	3.06
SG-SSB Ghana Ltd	161,000	0.46	74,060	2.62
Ecobank Ghana Ltd	40,000	3.19	127,600	4.52
Food & Household Products				
Fan Milk Ghana Ltd	52,200	2.37	123,714	4.38
Produce Buying Company	540,000	0.25	135,000	4.78
Insurance				
SIC Company Ltd	174,200	0.40	69,680	2.47
Enterprise Group Ltd	194,300	0.38	73,834	2.61
Petroleum Products				
Ghana Oil Company Ltd	271,000	0.32	86,720	3.07
Total Petroleum Company Ltd	6,100	19.83	120,963	4.28
Total Shares (Cost GH¢785,382)			936,278	33.15
Medium Term Funds				
Bonds			250,000	8.85
			250,000	8.85
Short Term Funds				
Cash-Bank & Call			11,774	0.42
Short Term Investments				
Certificates of Deposit(CDs)			1,416,581	50.14
Commercial Paper (CP)			100,000	3.54
Treasury Bills				
182 Day Treasury Bills			25,235	0.89
Total Cash and Short Term Funds			1,553,590	54.99
Total Investments			2,739,868	96.99
Other Assets in Excess of Liabilities			85,136	3.01
Total Nets Assets			2,825,004	100.00

STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 31, 2011

ASSETS	Note	31 DEC 2011 GH¢	31 DEC 2010 GH¢
Total Investments		2,739,868	1,815,703
Current Assets:			
Interest Receivables		70,792	36,708
Redemption Receivables		37,612	276
Total		108,404	36,984
Current Liabilities			
Commission - (1% Front Load)		5,202	4,098
Management Fees		10,858	4,205
Audit fee		3,500	2,700
Custody		2,762	460
Withholding Tax		46	72
Directors' Emoluments		900	-
Total		23,268	11,535
Net Current Assets		85,136	25,449
Total Net Assets		2,825,004	1,841,152

The financial statements on page 18 to 27 were approved by Board of Directors on 4th May, 2012 and signed on its behalf by:


CHAIRPERSON
4th April, 2011


DIRECTOR
4th April, 2011

INCOME AND DISTRIBUTION ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011

	Note	31 DEC 2011 GH¢	31 DEC 2010 GH¢
Investment Income			
Gross Dividend Income		24,910	12,545
Less: Withholding Tax		-	(1,004)
Net Dividend Income	2	24,910	11,541
Interest Income	3	256,035	105,358
Total Income		280,945	116,899
Management Fees		(39,875)	(14,605)
Other Expenses	4	(67,386)	(30,154)
Total Expenses		(107,261)	(44,759)
Net Investment Income		173,684	72,140
Net Realized Gain on Investment		-	6,151
Change in Unrealized (Loss)/Gain	5	151,044	170,033
Net Increase/Decrease in Net Assets Resulting from Operations		324,728	248,324

ACCUMULATED NET INVESTMENT INCOME FOR THE YEAR ENDED DECEMBER 31, 2011

	31 DEC 2011 GH¢	31 DEC 2010 GH¢
Beginning Period	79,647	7,507
Net Investment Income for the period	173,684	72,140
End of period	253,331	79,647

STATEMENT OF MOVEMENT IN NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2011

	31 DEC 2011 GH¢	31 DEC 2010 GH¢
Increase in Net Assets Operations:		
Net Investment Income	173,684	72,140
Net Realized Gain/(Loss)	-	6,151
Unrealized Gain/(Loss)	151,044	170,033
Net Increase/Decrease in Net Assets from Operations	324,728	248,324
Capital Transactions:		
Proceeds from share issue	1,959,055	1,524,294
Shares redeemed	(1,299,931)	(241,480)
Net Proceeds from Capital Transaction	659,124	1,282,814
Total Increase/Decrease in Net Assets	983,852	1,531,138
Net Assets:		
Beginning of Period	1,841,152	310,014
End of Period	2,825,004	1,841,152

STATEMENT OF MOVEMENT IN ISSUED SHARES FOR THE YEAR ENDED DECEMBER 31, 2011

	Note	31 DEC 2011 Number of Shares	31 DEC 2010 Number of Shares
Shares in Issue at Beginning of Period		12,994,189	3,024,590
Net shares issued during the year	6	5,836,386	9,969,599
Net shares in issue at the end of the year		18,830,575	12,994,189

PORTFOLIO SUMMARY AS AT DECEMBER 31, 2011

DESCRIPTION	SHARES AS AT 31- DEC-11	VALUE AS AT 31-DEC-11 GH¢	SHARES AS AT 31- DEC-10	VALUE AS AT 31-DEC-10 GH¢	PURCHASES DURING YEAR '11 GH¢	SALES DURING YEAR '11 GH¢
Banking						
Ghana Commercial Bank	20,700	38,295	20,700	55,890	-	-
Ecobank Ghana Ltd	40,000	127,600	-	-	136,416	
Standard Chartered Bank Ltd	1,900	86,412	1,100	49,676	52,070	
SG-SSB	161,000	74,060	111,000	71,040	36,684	
Food & Household Products						
Fan Milk Ghana Ltd	52,200	123,714	45,000	110,250	18,562	-
Produce Buying Company	540,000	135,000	-	-	99,042	-
Insurance						
SIC Company Ltd	174,200	69,680	101,200	43,516	39,425	-
Enterprise Group Ltd	194,300	73,834	75,000	37,500	65,517	-
Petroleum Products						
Ghana Oil Company Ltd	271,000	86,720	171,000	49,590	30,570	-
Total Company Ltd	6,100	120,963	6,100	61,000	-	-
TOTAL	1,461,400	936,278	531,100	478,462	478,286	-

FINANCIAL HIGHLIGHTS

The following schedule presents financial highlights for one share of the Fund outstanding throughout the periods indicated.

FINANCIAL HIGHLIGHTS	2011	2010
Net assets value, January 1 (i.e. share price)	0.1417	0.1025
Net Investment Income	0.0092	0.0056
Net Realised and Unrealised gain / (loss)	(0.0009)	0.0336
Net Assets Value, Dec 31 (i.e. share price) GH¢	0.1500	0.1417
Total Return	5.88%	38.23%
Ratio of Expenses to average assets	3.80%	2.43%
Ratio of net investment income to average net assets	6.15%	3.92%

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

The Principal accounting policies adopted in the preparation of the fund's financial statements are:

i. Valuation of investments

Securities listed on a stock exchange or traded on any other organized market are valued at the last available market price on the relevant valuation day. Securities that are actively traded on the over the counter market are valued at the mean between the most recently quoted bid and offer prices provided by the principal brokers. Securities and assets for which, market quotations are not readily available are valued at fair value as determined in good faith by or under the direction of the Board of Directors. Other debt obligations including securities having maturity of ninety-one days or less are valued at amortized cost.

ii. Treatment of dividend income

The income of the Fund includes all net dividend income. Dividends are accrued if the qualifying date falls within the year under review.

iii. Investment income

Interest income is recorded on an accrual basis.

iv. Investment transactions and investment income

Investment transactions on the Ghana Stock Exchange and other African Stock Markets are accounted for on the trade date. Transactions in stocks listed on the other African Stock Markets are translated at the transaction date to cedis. Realized gains and losses on sale of investment securities are determined on the identified cost basis.

v. Foreign Currency

Assets and Liabilities denominated in foreign currency are translated into cedis at rates of exchange ruling at the date of the Statement of Assets and Liabilities.

vi. Bonus share

Bonus share are recognized when the right to holding is established.

2. Net Dividend Income

The schedule below itemizes the make-up of the net dividend income for the year ended December, 31 2011

Stock Market	2011 GH¢	2010 GH¢
Ghana	<u>24,910</u>	<u>11,541</u>

3. Interest Income

Interest on Bonds	13,918	-
Interest on Call Deposit	5,566	4,957
Interest on Commercial Paper	452	-
Interest on Certificates of Deposit	217,581	79,758
Interest on Treasury Bills	18,518	20,643
	<u>256,035</u>	<u>105,358</u>

4. Operating Expenses:

Stationery/Printing	16,362	2,760
Postage	5,119	3,499
Financial & Prof. Consultant	96	-
Statutory Fees	500	-
Audit Fees	3,500	2,700
Custody Fees	6,799	3,215
Bank Charges	4,014	1,446
Marketing & Promotion	18,950	6,484
Storage & Warehousing	226	-
Directors' Emoluments	11,820	10,050
	<u>67,386</u>	<u>30,154</u>

5. Change in Unrealized gains

DESCRIPTION	DEC. 2011 GH¢	DEC. 2010 GH¢
Market value of Investments	936,278	478,462
Cost of Investments	(785,382)	(307,195)
Unrealised Gain/ (Loss) on Investment	150,896	171,267
Add Unrealised Forex Gain	148	124
	151,044	171,391
Less: Gain from Previous Year	-	(1,358)
	<u>151,044</u>	<u>170,033</u>

6. Capital Transactions

DESCRIPTION	2011 Number of Shares	2010 Number of Shares
Issues during the year	15,255,469	11,855,612
Redemptions	(9,419,083)	(1,886,013)
Net Shares Issued During Year	<u>5,836,386</u>	<u>9,969,599</u>

7. Taxation

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

8. Purchases and Sales of Long Term Securities

Total purchases of long term securities for the year ended December 31, 2011 were as follows:

Stock Market	2011 Purchases GH¢	2010 Purchases GH¢	2011 Sales GH¢	2010 Sales GH¢
Ghana	<u>478,286</u>	<u>296,471</u>	-	<u>14,060</u>

9. Transactions through stockbrokers

The fund's transactions were through the following Stock Brokers

Stock Broker	Country of Operation	% of Transaction
Databank Brokerage Limited	Ghana	100%

10. Directors' Shareholding

The Directors below held the following number of shares in the company as at December 31, 2011.

Description	Shares	% of Funds
Adelaide Kastner	52,124	0.2768
Daniel Ogbarmey Tetteh	17,402	0.0924
Joyce Aryee	31,441	0.1670
Keli Gadzekpo	30,000	0.1593
Ken Ofori-Atta	11,998	0.0637
William Oppong-Bio	14,521	0.0771

11. Description of Company

Ark Fund Limited 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.

CUSTODIAN'S REPORT

Corporate and
Investment Banking

The Manager
Databank Ark Fund
No. 61 Barnes Road, Adabraka
P.M.B Ministries Post Office
Accra

Attn: The Manager

Date: 14th May 2012

Dear Sir/Madam,

REPORT OF THE CUSTODIAN TO THE INVESTORS OF DATABANK ARK FUND.

We as custodians of the Databank Ark Fund, write to confirm to investors the statement of holdings of the Fund as at close of business 31st December 2011.

In our independent opinion on the statement of holdings based on our audit, the statement reflects a true and fair view of the state of affairs of the Fund as at 31st December 2011.

Please see attached a statement of holdings of the Databank Ark Fund securities as at 31st December 2011.

Yours Faithfully,

William Sowah
Head, Investor Service

Stanbic Bank Ghana Limited

A member of the Standard Bank Group of South Africa

Directors: E. Asiedu-Mante (Chairman), A. Alhassan (Managing), D.W. Kennedy, Ms J.R. Aryee, K.A. Awotwi, Ms M Botsio Benvah.

SECURITY HOLDINGS - INVOICE FOR DATABANK ARK FUND
DECEMBER 2011

EQUITIES DESCRIPTION	QTY	PRICE/SHARE	AMOUNT GHANA CEDI
Ecobank Ghana Limited	40,000.00	3.19	127,600.00
Enterprise Group Limited	194,300.00	0.38	73,834.00
Fanmilk Ghana Ltd	52,200.00	2.37	123,714.00
Ghana Commercial Bank	20,700.00	1.85	38,295.00
SG-SSB	161,000.00	0.47	75,670.00
SIC	174,200.00	0.40	69,680.00
GOIL	271,000.00	0.32	86,720.00
SCB	1,900.00	45.48	86,412.00
Total Petroleum Ghana Ltd	6,100.00	19.83	120,963.00
Produce Buying Company	540,000.00	0.25	135,000.00
			937,888.00

ISSUER	AMOUNT	RATE	ISSUE DATE	MAT. DATE
NDK Financial Services Ltd	80,000.00	17.00%	1/10/11	1/11/12
Agricultural Development Bank	50,000.00	13.50%	5/20/11	5/20/12
UT Bank	35,000.00	15.00%	5/21/11	5/19/12
UT Bank	50,000.00	14.75%	6/23/11	6/22/12
First Capital Plus	30,000.00	15.00%	7/4/11	1/4/12
HFC Bank Ghana	100,000.00	12.50%	7/18/11	1/16/12
Fidelity Bank - Accra Ridge Church	250,000.00	14.50%	8/19/11	8/16/12
UT Bank	100,000.00	12.20%	8/26/11	2/25/12
Bond Financial Services	20,000.00	13.50%	9/1/11	3/1/12
UT Bank	20,000.00	11.86%	9/15/11	3/16/12
First Allied Savings and Loans	50,000.00	14.00%	9/16/11	9/15/12
Access Bank	150,000.00	12.00%	9/22/11	3/20/12
Unisecurities Ghana Ltd	50,000.00	15.00%	9/28/11	3/28/12
Bond Financial Services	50,000.00	13.50%	11/30/11	5/30/12
Access Bank	80,000.00	11.40%	12/2/11	6/1/12
Ivory Finance Company Ltd	100,000.00	15.00%	12/6/11	6/5/12
Pro Credit Savings and Loans	100,000.00	14.50%	12/14/11	6/14/12
Axis Pensions Admin Services	100,000.00	15.00%	12/21/11	12/20/12
UT Bank Limited	42,757.53	11.50%	12/25/11	6/25/12
Fidelity Bank Limited	42,592.88	12.25%	12/26/11	6/25/12
HFC Bank Ghana	106,382.47	12.25%	12/28/11	6/27/12
Unibank Ghana Limited	106,606.85	12.00%	12/28/11	6/28/12
Intercontinental Bank Ghana Limited	53,241.10	11.50%	12/29/11	6/28/12
				1,766,580.83

TREASURY BILLS				
GOG-BL-02/01/2012-2517-1230-11.36	11,347.00	11.36%	4-Jul-11	2-Jan-12
GOG-BL-19/03/2012-2571-1241-10.09	55,851.00	10.09%	19-Sep-11	19-Mar-12
GOG-BL-02/04/2012-2580-1243-9.94	13,888.00	9.94%	3-Oct-11	2-Apr-12
				81,086.00

SAFE CUSTODY **2,785,554.83**

CORPORATE INFORMATION

BOARD OF DIRECTORS

Joyce Aryee, Dr. (Chairperson)
Ken Ofori - Atta
Keli Gadzekpo
Daniel Ogbarmey Tetteh
William Oppong Bio
Adelaide Kastner, Dr.

REGISTERED OFFICE

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

CUSTODIAN

Stanbic Bank Ghana Limited
Valco Trust House
Castle Road, Ridge Accra
P. O. Box CT2344, Accra

AUDITORS

John Kay & Co
7th Floor, TrustTowers
Farrar Avenue, Adabraka
P. O. Box 16088
Airport, Accra

INVESTMENT MANAGER

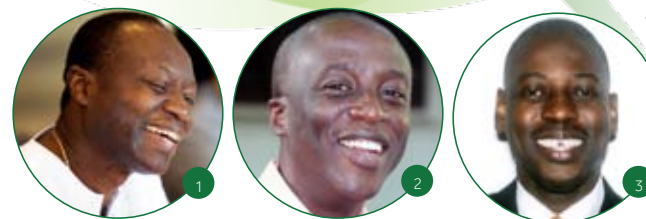
Databank Asset Management Services Limited
61 Barnes Road, Adabraka
Private Mail Bag
Ministries Post Office
Accra

BANKERS

Stanbic Bank Ghana Limited
Valco Trust House
Castle Road, Ridge Accra
P. O. Box CT2344, Accra

Zenith Bank Ghana Limited
PremierTowers
Liberia Road
Accra

United Bank for Africa (Ghana) Ltd
HeritageTowers
PMB 29
Ministries, Accra



DIRECTORS' AND OFFICERS' INFORMATION

The Interested Directors of the Fund are:

1	Name	Mr. Ken Ofori-Atta	
	Position	Director	
	Address	P.O. Box 3859, Accra	
	Occupation	Investment Banker	
Other affiliations		Board Chairman: <ul style="list-style-type: none"> Databank Financial Services Ltd. Databank Asset Management Services Ltd. Databank Epack Investment Fund Databank Money Market Fund Ltd Databank Balanced Fund Ltd. Trust Bank Ltd .Gambia 	Director: <ul style="list-style-type: none"> Enterprise Group Ltd
2	Name	Mr. Keli Gadzekpo	
	Position	Director	
	Address	P.O. Box M.298, Accra	
	Occupation	Investment Banker	
Other affiliations		Executive Vice Chairman <ul style="list-style-type: none"> Databank Asset Management Services Ltd. Databank Financial Services Ltd. Board Member <ul style="list-style-type: none"> Databank Epack Investment Fund Databank Money Market Fund Ltd Databank Balanced Fund Ltd. Enterprise Group Ltd. 	Chairman: <ul style="list-style-type: none"> Enterprise Properties Limited
3	Name	Daniel Ogbamey Tetteh	
	Position	Director	
	Address	P.O. Box AN 11749, Accra-North	
	Occupation	Investment Banker	
Other affiliations		Board Member: <ul style="list-style-type: none"> Databank Asset Management Services Ltd. XDS Data 	



DIRECTORS' AND OFFICERS' INFORMATION CONT.

The independent Directors of the Fund are:

4	Name	Dr. Joyce Aryee
	Position	Chairman
	Address	P.O. Box 991, Accra
	Occupation	Management and Environmental Consultant
	Other affiliations	<ul style="list-style-type: none"> • Stanbic Bank Ghana • Central University College • GLICO
5	Name	Dr. Mrs. Adelaide Kastner
	Position	Director
	Address	P.O. Box MB 115 Ministries
	Occupation	Senior Lecturer
	Other affiliations	<ul style="list-style-type: none"> • University of Ghana Business School
6	Name	William Oppong-Bio
	Position	Director
	Address	No. 20 Neoplan Street Avenor Near ECG Accra-West
	Occupation	Engineer & Business Executive
	Other affiliations	<ul style="list-style-type: none"> • SCL Supercare Group of Companies

The officers of the Fund are:

Name	Rev. Daniel Ogbarmey Tetteh
Position	Chief Investment Officer
Length of Time Served with Fund	2 years, 5 months
Occupations During the Past 5 Years	He is currently the Chief Investment Officer for Databank Asset Management Services Ltd. Daniel OgbarmeyTetteh has been the head of Databank Research since 2000. Under his leadership, Databank Research was awarded the Best Africa Research Team at the Africa Investor Ai Index award held at the London Stock Exchange in 2007. His previous experience includes lecturing at the University of Ghana Business School.
Name	Oladimeji Adedara
Position	Financial Controller
Length of Time Served with Fund	2 years, 5 months
Occupations During the Past 5 Years	Responsible for administering the finances of the Fund. A qualified Chartered Accountant responsible for Databank Accounts. His previous experience includes working with Excel Trust & Finance Limited and MMG Securities Ltd, both in Nigeria.
Name	Maamle Totimeh
Position	Vice President
Length of Time Served with Fund	2 years, 5 months
Occupations During the Past 5 Years	Maamle is responsible for the management of Mfund. She also prepares investment reports and financial statement to shareholders. She is a product of the University of Ghana with a First Degree in Economics and Geography. Prior to joining Databank Asset Management she worked as a Fixed Income Analyst with Databank Brokerage Limited. Maamle has completed an MBA programme at the University of Ghana Business School.

The officers of the Fund cont.

Name	Evelyn Oforu Darko
Position	Vice President
Length of Time Served with Fund	2 years, 5 months
Occupations During the Past 5 Years	Evelyn is in charge of both domestic and international marketing of DAMSEL's products, product development and fund management. She has been with Databank since 2000 and holds a first degree in Administration (Marketing option) from University of Ghana, Legon and an MSc. in International Marketing Management, University of Surrey, UK. Her previous experience was with Unilever Ghana Limited and Darko Farms.

Name	Edna Ahunu
Position	Senior Analyst
Length of Time Served with Fund	2 years, 5 months
Occupations During the Past 5 Years	Edna is responsible the management of the Fund. She prepares investment reports and financial reports for the Fund's shareholders. She is a product of the University of Ghana Business School and graduated with a Bachelor degree in Banking & Finance

Name	Deborah Lartey
Position	Asst. Vice President
Length of Time Served with Fund	3 months
Occupations During the Past 5 Years	Deborah is responsible for the management of Databank Balanced Fund. She is a qualified Chartered Accountant (ACCA) and holds an MSc in Accounting & Finance from the Manchester Business School (UK). She has been with Databank since 2005 after completing her first degree in Business Administration (Accounting) from the University of Ghana Business School,

Name	Matilda Eshun
Position	Fund Administrator
Length of Time Served with Fund	2 years, 5 months
Occupations During the Past 5 Years	Matilda is the head of Back Office Operations unit of Databank Asset Management. She is responsible for the Administration of the Fund. She also provides investment advice to clients. She is a product of the Methodist University College, Ghana and holds a BSc Administration (HRM). Prior to joining Databank Asset Management, she worked with Databank Financial Services Limited.

Name	Nana Ama Opinamang
Position	Fund Administrator
Length of Time Served with Fund	2 years, 5 months
Occupations During the Past 5 Years	Responsible for the administration of the Fund. She is a product of Central University College with a First Degree in Business Administration. Prior to joining Databank Asset Management, she worked with Databank Financial Services Ltd.

Name	Betty Nanewortor
Position	Accounts Officer
Length of Time Served with Fund	2 years, 5 months
Occupations During the Past 5 Years	Betty assists in the accounting function of the Fund. She is a product of Central University College with a First Degree in Business Administration (Accounting Option). Prior to joining Databank Asset Management, she worked with Databank Financial Services Ltd.

PROXY FORM

Databank Ark Fund Limited

I/We
 of.....
 being a member/members of Databank Ark Fund Limited hereby appoint

 or failing him the duly appointed chairman of the meeting, as my/our proxy to vote for me/
 us on my/our behalf at the Annual General Meeting of the Company to be held at the **Accra
 International Conference Centre, Accra, Ghana** on **July 26, 2012** at **3:00pm prompt** and
 any adjournment thereof.

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

RESOLUTIONS	FOR	AGAINST
1. Report of Directors and Auditors		
2. Receive and adopt the Accounts		
3. Re-election of the following Directors retiring by rotation: <ul style="list-style-type: none"> • Joyce Aryee • Daniel Ogbarmey Tetteh • William Oppong-Bio 		
4. Authorize the Directors to fix remuneration of Auditors		
5. To approve Directors' fees		

Signed this day of2012

Signature.....

Databank's Electronic Banking Solutions

Databank cares about you and continues to come up with new ways and collaborations that will make the investment experience more convenient for you...

Try Databank's Electronic Banking Solutions today!

❖ Databank's Distribution Channels

Pay into your Databank Mutual Fund account at any Zenith, Barclays, United Bank for Africa or Intercontinental Bank branch. The respective bank account numbers are as follows:



BANK	EPACK	BFUND	MFUND	Ark Fund
BARCLAYS	0482028675	0481147239	0481957397	
ZENITH	6010112737	6010121191	6010112729	6010132126
UBA	106225001580	106226901580	106225601580	110595402580
INTERCONTINENTAL	1051770017838	1051770017863	1051770017840	

Please remember to indicate your personal Databank account number and your name on the deposit slip.

❖ Databank Notification Alerts

An SMS & email notification system that allows you to monitor your Databank account using your mobile phone. (Please refer to the information on the reverse of this flyer)



❖ Electronic Transfer

Make withdrawals from your Mutual Fund account and have the proceeds paid into your commercial bank account or transferred to your e-zwich card.



❖ e-zwich

Link your e-zwich card to your Databank account to transfer money directly from your commercial bank account to your Databank Mutual Fund account and vice versa.

❖ MTN Mobile Money

Use your mobile phone to contribute to your Databank Mutual Fund account from the convenience of your home or office! (Please refer to the information on the reverse of this flyer)



Lookout for More Services!

❖ Airtel Money:

Top up your Databank Mutual Fund account using your Airtel Money wallet and save yourself the cost of transport and the inconvenience of being restricted to the 8:00 a.m. to 5:00 p.m. workday.

HOTLINE: (0302) 610610

LOCATION **Accra** #61 Barnes Road, Adabraka. Tel: (233-302) 610610
Kumasi Ground Floor, House of Excellence Annex-Adum, Kumasi. Tel: (233-322) 081487 / 80077
Tema Meridian Plaza, Room 206 & 207, 2nd Floor, Community 1. Tel: (233-303) 210050
Takoradi EIC Office, SSNIT Building. Tel: (233-3120) 25465 / 23628

Email: info@databankgroup.com, clientservices@databankgroup.com

 **Databank**
 Leadership
 Website: www.databankgroup.com

Databank Notification Alerts

An SMS & email notification system that allows you to monitor your Databank account using your mobile phone

MTN Mobile Money

Top up your Databank Mutual Fund account using MTN Mobile Money whether you are on the go, at home or at the office...

Register at any Databank office, MTN Service Center, Partner bank branches or Mobile Money authorized Merchants/Agents today!

A SMS Enquiries

Receive Mutual Fund prices, Treasury Bill rates, branch information and account balances by SMS.

■ Directions:

Simply text the following keywords to 1906:

Account Balances:

Step 1: Send *Reg[space]Account Number[space]Account Name* to 1906.
e.g. Reg 123456 Kofi Oppong

Step 2: Send *Bal[space]Account Number* to 1906
e.g. Bal 123456

Rates and Prices(Stocks on the GSE):

Stock[space]symbol e.g. Stock GCB

Fund Prices:

Fund[space]Fund Type
e.g. Fund[space] Epack

Treasury Bill Rates: Rates

Mutual Fund Prices: Funds

Branch Information: Branches

*Disclaimer: A fee of 30 Gp will be deducted per SMS.
This service is not supported by Tigo at the moment.*

B SMS Notification Alerts

Receive alerts to notify you of transactions on your account, stock market updates and current rates and prices.

■ Directions:

Please contact Databank for more information on how to register.

Disclaimer: The annual fee for this service is GH¢ 10.00.

Directions:

On your phone go to

"My MTN"

"Mobile Money"

"Transfer Money"

"Mobile User"

Enter and repeat Fund MM account number:

Databank Epack 0544 – 100 599

Databank Mfund 0544 - 100 699

Databank Ark fund 0544 – 100 799

Databank Bfund 0544 – 100 899

Please save these under "Favourites" on your phone

Input the amount

E.g. 10 for GH¢10, 10.5 for GH¢10 and 50p or 10.03 for GH¢ 10 and 3p.

Enter the reference:

Account Number (space) First Initial (space) Last Name
e.g. 111111 K ASANTE (this is not case sensitive, limit – 25 characters)

Confirm details

Finalise instructions by entering your Mobile Money PIN. You will receive a confirmation message of the successful transfer from MTN.

Your Databank account will be credited within 72 hours.
Service charges will apply

Terms and Conditions:

Payments / transfers made via MTN Mobile Money will take up to 72 hours to reflect on your Databank statement.

The following charges will apply:

MTN service charge of up to 1% of amount transferred.
(This charge will be deducted from your MTN Mobile Money wallet)

Convenience charge of 50Gp
(Databank will deduct this from the amount being transferred)

E.g. Mobile Money Wallet Balance GH¢6.00

Minus GH¢1.00 in Service Charges: 0.50Gp (MTN) +0.50Gp (Databank)


Amount invested in Databank Product GH¢5.00

All payments / transfers must be received by 4pm (Monday – Friday) to be processed on the same day.

The minimum transaction amount is GH¢5.00

The maximum transaction limit per day is GH¢200.00

(Please note these transactions exclude the service charges stated above)



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It takes hard work to get the right mix of investments for attractive and good returns. So do it the easy way with the Databank Balanced Fund (Bfund). Bfund gives you the benefits of both short-term and long-term investments so that you can enjoy good returns over time. Discover financial independence today.
Speak to a Databank Investment Advisor on:

Accra: (0302) 610610

Tema: (0303) 210050

Kumasi: (0322) 23487

Takoradi: (0301) 23628

Databank
BALANCEDFund

Databank
Leadership

Disclaimer: "Past performance of Bfund is not a guarantee of future performance."

Make your investment decision today!
Contact your Investment advisors



Databank

Leadership

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Accra, Ghana
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Fax : +233-30 2681443/2681442
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Internet <http://www.databankgroup.com>

KUMASI OFFICE

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House of Excellence Annex - Adum
PMB, Central Post Office - Adum, Kumasi
Tel.: +233-32 2081487/ 80077
+233-32 2080077/ 2080078
Fax: +233-32 2029740 / 2080074

TEMA OFFICE

Meridian Plaza Room 206 & 207
2nd Floor Community 1 Tema
Tel.: +233-30-3210050/3213240
Fax: +233-30-3203438

TAKORADI OFFICE

SSNIT House
1st Floor, Room 208
Tel.: +233-31 2025465/ 2023628

GAMBIA OFFICE

2nd Floor Trust Bank Building
Westfield Junction
P.O. Box 3189, Serrekunda
The Gambia
Tel.: (220) 4378014
Fax: (220) 4378016

Email: arkfund@databankgroup.com

website: <http://www.databankgroup.com>