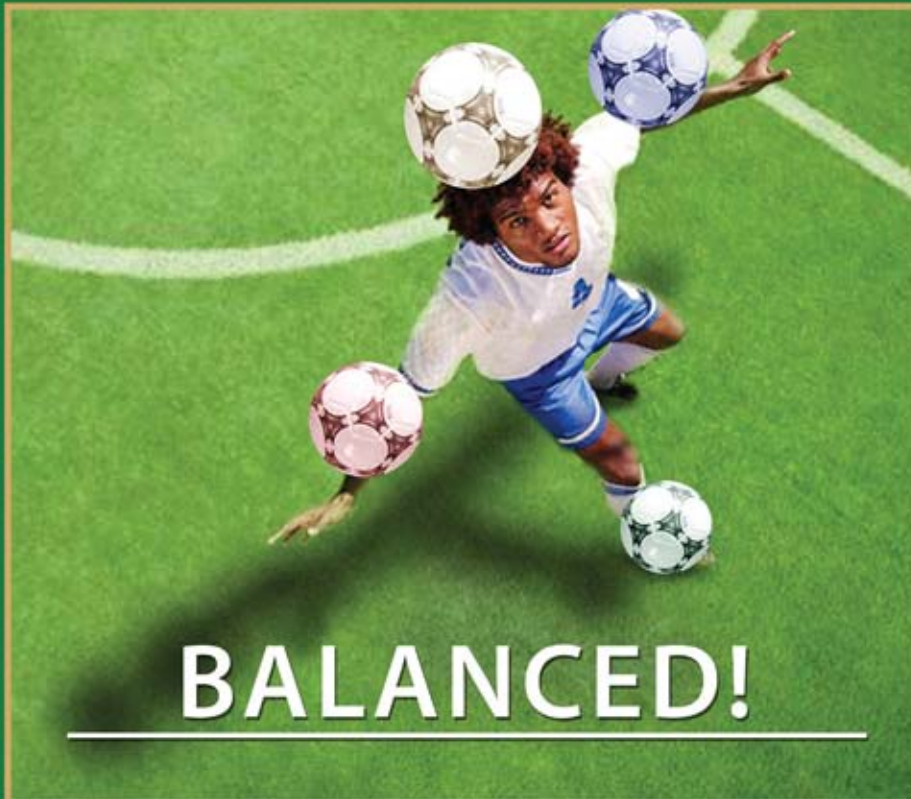


2011 Annual REPORT

**DATABANK
BALANCED FUND LIMITED**

 **Databank**
Leadership



BALANCED!

It takes exceptional talents, skills and a good balance to juggle a ball. No less expertise is required to construct the right mix of investments to achieve attractive and stable returns. But now you have an opportunity to achieve your medium-term investments goals through Databank Balanced Fund (Bfund). Bfund combines the benefits of short-term and long-term investments to enable you enjoy rewarding and stable returns over time. For more information, please call Databank Investment advisors on:

Accra: (030) 261 0610
Tema: (030) 321 0050

Kumasi: (030) 261 0610
Takoradi: (030) 321 0050

 **Databank**
BALANCEDFund

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Leadership

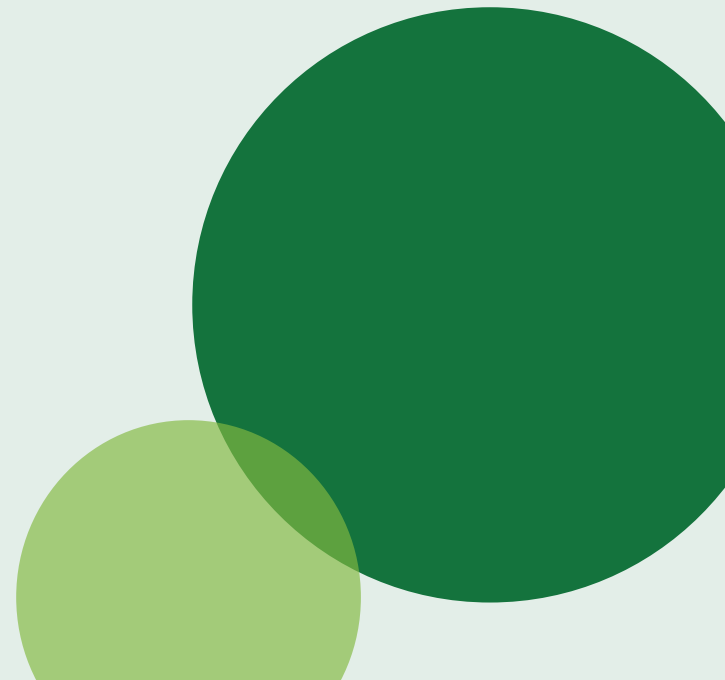
Disclaimer: "Past performance of Balancedfund is not a guarantee of future performance."

AUDITED FULL YEAR REPORT FOR
THE PERIOD ENDED DECEMBER 31, 2011

DATABANK

BALANCED FUND LTD

2011 Annual Report



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This report shall not constitute an invitation to buy shares of the Fund. Subscriptions are to be made only on the basis of the current scheme particulars, accompanied by a copy of the latest available annual report, and if published thereafter, the most recent half year report.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 4th Annual General Meeting of the shareholders of Databank Balanced Fund Limited will be held at the International Conference Centre, Accra, Ghana on Thursday the 26th of July 2012 at 11:00a.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 Balanced Fund Ltd



Dalia Assimeh
Board Secretary

CHAIRMAN'S STATEMENTS TO DATABANK BALANCED FUND SHAREHOLDERS

Dear Valued Shareholders,

You are warmly welcome to the fourth annual general meeting of your own Databank Balanced Fund. On behalf of the Board of Directors and Fund Managers, I would like to express my utmost appreciation to you, our most valued shareholders, for keeping faith with us all these years. Once again, the time has come for us to give account of our stewardship. I will take you through the occurrences in the global economy and Sub-Saharan Africa over the past year. I will then give you an account of the performance of Ghana's economy, after which I will elaborate on the performance of your Fund.

Overview of the Global Economy

The global economy encountered some challenges in 2011, mainly as a result of happenings in the developed world. The United States faced a debt crisis, which resulted in a downgrade of its credit rating, while its debt limit was raised by over a trillion dollars. The Eurozone has been battling with the debt crisis of Greece, a phenomenon which has not been fully solved till date, and that has caused some of its giants to have their credit ratings downgraded. Japan, another economic giant encountered a natural disaster early in the year, that stunted its growth to -0.5% (from 4% in 2010). Consequently, most developed stock markets around the globe ended the year in negative territory.

A Different Story for Sub-Saharan Africa

The story of Africa however was a bit different. Many economies in Africa reported growth of over 4%, mainly as a result of improved output and favorable commodity prices on the global front. Even though policy interest rate in the Sub-Saharan African Region trended downwards, as Central Banks in the region continued to embark on tighter monetary policies, high food and fuel prices exerted an upward pressure on prices. This, together with the drought that hit the Eastern African region resulted in the consumer price index of the region, rising slightly from 7.5% (in 2010) to 7.8% (in 2011), as per IMF estimates.

Nonetheless, inflationary pressures in countries such as Ghana, Zimbabwe and Zambia remained relatively stable over the year, mainly as a result of reduced food prices. Stable prices in Zimbabwe have been mainly as a result of the use of multiple currencies.

The strong economic growth however did not reflect in the performance of African stock markets. Apart from Zambia, Tanzania and Malawi which recorded positive returns over the year, stock markets in Africa ended the year in the red zone; markets like Egypt and Uganda lost almost half of their capitalization. The contagion effect of the events that occurred in the advanced economies during the year contributed significantly to the downturn of stock markets in Africa

The Story of the Ghanaian Economy

The Ghanaian economy grew by 14.4%, and was ranked among the best performing economies in the world in 2011. This growth was supported by crude oil production, though the service sector (48.5%) is the largest contributor to Ghana's GDP. The economy was also marked by significant macroeconomic stability. Inflation, which trended downwards over the year reached 8.6%, its lowest point over the past decade, in July-11, and ended the year in the single digit band. The low inflation was backed by subdued food prices and well managed utility and petroleum prices. The policy rate of the Central Bank mimicked this trend, falling from 13.5% to 12.5% over the past year. Consequently, interest rates in general trended downwards. The benchmark 91-day Treasury bill fell from 12.25% in Jan-11 to 10.66% in Dec-11, recording an average return of 10.69%, as compared to 13.98% in 2010. The Ghanaian bourse also recorded robust growth in the first half of the year. However, the market tumbled as foreign investors pulled out during the second half of the year. The market ended the year with a loss of 3.1% (-11.1% in dollar terms).

Performance of the Databank Balanced Fund in 2011

Despite the challenges in the equity market, your Fund recorded a return of 7.35% in 2011; the balance between fixed income and equity securities in the portfolio boosted the Fund's returns. Thus, although most equity focused investments recorded losses over the year; the Balanced Fund recognized some appreciable gain. The number of shareholders for your Fund increased by 22% over the year from 5,036 to 6,142.

Innovation

Databank continues to undertake several initiatives aimed at delivering gold standard service to you. 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 the 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

In Ghana, the economy is projected to grow by more than 8% during 2012, with crude oil production and the mining sector being the main catalysts for this growth. Being an election year, we expect increased spending for construction projects and electioneering activities, albeit on a subdued level, as the Central Bank continues to collaborate with the government to maintain the fiscal discipline and macroeconomic stability the country has chalked over previous years. We expect the favourable macroeconomic outlook to translate into improved corporate performance, which will ordinarily reflect in positive stock market performance.

Bank of Ghana is likely to maintain the tight money stance it has adopted (the policy rate has already been increased by 250pbs during the first half of 2012) to avoid heating up of the economy and keep inflation within the single-digit band, while interest rates trend upwards. The benchmark 91-day Treasury bill has been trending upwards since the beginning of the year, moving from 10.38% to ~20% within the first half of 2012. Other Treasury securities have mimicked this upward trend. Though valuations in the stock market appear cheap, a strong rebound in the market performance is likely to be constrained by negative investor sentiments, fueled by the cedi depreciation and the surge in money market yields. Consequently, we expect your Fund to register moderate returns by the close of the year.

As the Bible says in Ecclesiastes 11:2, "divide your investments among many places, for you do not know what risk might lie ahead", Databank Balanced Fund offers you this diversification benefit in a convenient and affordable manner. We encourage you, our dear shareholders to keep investing in Databank Balanced Fund as we capitalize on the opportunities in the market to return value to you.

Long live Databank!

Long live Databank Balanced Fund and Thank you all very much.

May the Lord bless us All!



Ken Ofori-Atta
Chairman

Divide your investments
among many places, for
you do not know what
risk might lie ahead

Ecclesiastes 11:2 (NLT)

PERFORMANCE SUMMARY AS AT DECEMBER 31, 2011

Historical Performance ¹

DEC 08	DEC 09	DEC 10
18.06%	-4.57%	37.62% ²
DEC 11	Inception/Jan 2008	
7.35%	66.50%	

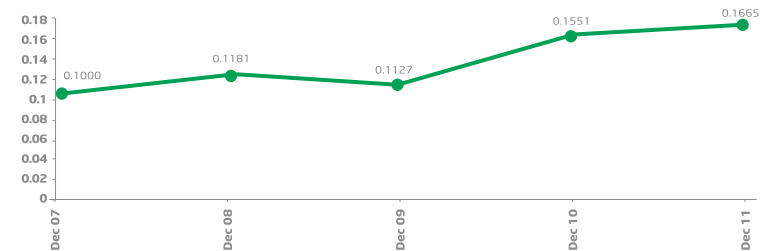
¹ Return on investment reflects the return of the Fund taking into account cash inflows, cash outflows, reinvestment of dividends and changes in the share prices. This percentage is not an indication of the performance of a member's investment in the Fund due to the difference in timing between when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

² 2010 return restated

Share Price Information

	Dec-08	Dec-09	Dec-10	Dec-11
Share Price (GH¢)	0.1181	0.1127	0.1551	0.1665
Number of Shares*	29,373,011	18,963,227	23,392,370	34,233,548
Value (GH)	3,469,227.00	2,136,466.00	3,629,314.00	5,700,590.00

Share Price from Inception to Dec 2011

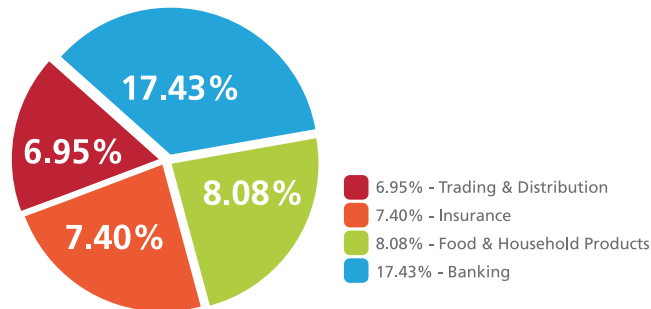


PORTFOLIO AT A GLANCE AS AT DECEMBER 31, 2011

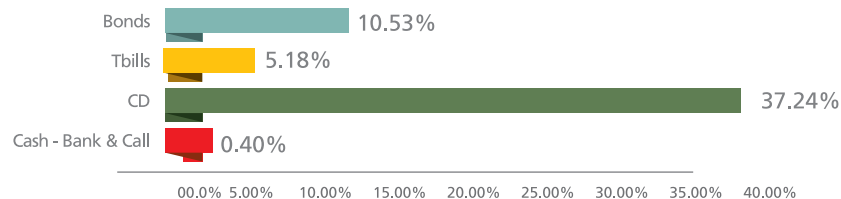
Top 5 Equity Holdings

Name of Company	Country	Percentage of Total Portfolio
Total Company Ltd.	Ghana	4.94%
Ecobank Ghana Ltd	Ghana	4.70%
Fanmilk Ghana Ltd	Ghana	4.61%
Standard Chartered Bank	Ghana	4.60%
SIC Company Ltd	Ghana	4.40%

INDUSTRY DIVERSIFICATION OF STOCK HOLDINGS (39.86% of Total Portfolio)



DIVERSIFICATION OF FIXED INCOME INSTRUMENTS (52.48%)



INTERVIEW WITH YOUR FUND MANAGER

How did the Databank Balanced Fund perform in a year when both the stock and fixed income markets were down?

The Databank Balanced Fund posted a return of 7.35% at the end of December, 2011 outperforming comparable funds on the local front. The regular interest income from the fixed income portion of the portfolio contributed to the performance of the Fund in spite of the downward trend in yields as the treasury rates headed south for the most part of the second half of the year. Our stock picks across the different sectors also helped the Fund to churn out this return; particularly, stocks within the trading & distribution sector namely Goil Ghana Ltd and Total Petroleum Ghana Ltd. The significant capital gains pulled by these stocks cushioned the fund from the impact of negative movements in the banking sector where the Fund is relatively overweight.

Despite the wavering of investor confidence in 2011, the Databank Balanced Fund recorded a 59% increase in Assets under Management (AUM). What accounted for this surge in AUM?

The increase in the Fund's AUM was as a result of significant increase in net inflows as well as dividend and interest income during the year. The shareholder base of the Fund increased from 5,036 investors to 6,142 representing a 22% growth. This development translated into an inflow of GH¢3.3m (2010: GH¢1.3m) which compares favorably to an outflow of GH¢1.5m (GH¢0.67m) during the year. This is evidence of the confidence investors continue to place in the managers of the Fund. It is also important to note that market returns comprising of dividends, capital gains and interest income accruing from the fixed income portfolio contributed to the growth in AUM.

Given the swings in the stock market during the year, how would you assess your strategy in managing the equity portfolio?

Our strategy to consolidate the Fund's holdings in stocks with good fundamentals and to review its positions in those equities with marginal impact on the performance of the Fund significantly impacted the Fund. Your

Fund benefited from the appreciation in equity prices from the beginning of the year through to the third quarter. This was however short-lived as prices began to trend downwards in the last quarter of the year due to massive profit taking by investors and the reduction in foreign participation on the stock market partly due to the depreciation of the Ghanaian cedi against the major trading foreign currencies. We decided to book some profits in Total Ghana Ltd as we believed the price had reached its peak. We also increased our holdings in the food & household sectors.

With the relatively marginal increment in interest rates in 2011, what strategy did you adopt to manage the Fixed Income portfolio of your Fund?

The monetary policy rate¹ which began the year 2011 at 13.5% trended downwards to close the year at 12.5%. As a result, fixed income instruments at the longer end of the yield curve appeared more attractive than those at the shorter end. To take advantage of these rates, the Fund increased its exposure to longer dated bills and bonds.

What progress have you made on the electronic communication with your shareholders?

We have made some progress by upgrading our software to be able to accommodate this change. However we still have a long way to fully update our records with clients email addresses. We therefore urge all clients to go to the link clients@databankgroup.com on our website (www.databankgroup.com) to update their records with valid email addresses to enable us use this platform effectively. Shareholders having challenges with accessing internet services could walk into any of our offices to update their details with our retail service personnel's so the Fund's objective to reduce operating expenses in order to maximize shareholders returns could be realized.

What are your expectations for the stock and Fixed Income Markets in 2012?

We expect significant recovery in markets such as Egypt, Uganda, Kenya and Nigeria, which recorded negative returns 2011. In Ghana however, though we expect good 2011 full year company results to translate into share price

¹ This is a signal rate which serves as a reference for all other rates

appreciation, we do not expect a very strong rebound of the Ghana market in 2012 due to softening of demand on the market partly due to the election year factor. Meanwhile, on the fixed income front, we expect yields on shorter dated bills to pick up on account of anticipated spike in prices on the back of wage pressures, infrastructural spending, currency weakness and election effects.

Given your outlook for 2012, what should we expect for our Fund?

To start with, we will like to assure shareholders that their Fund will not depart from its objective of achieving growth in income whilst providing them with a vehicle for diversifying their financial assets. We shall continue to invest in high value stocks as well as those that return regular dividends to the Fund. On the strategy of going outside Ghana, we are exploring investment opportunities in other African countries with a critical eye on currency risk. With regards to fixed income, given our expectations, we shall increase our exposure to shorter- dated instruments.

Any final thoughts you wish to share with investors?

We take this opportunity to thank all our valued shareholders for the trust and confidence you continue to repose in us since the inception of this Fund. Given our expectations for the market, though we expect your Fund to yield moderate gains in 2012, we assure you that your Fund managers will not rest on their oars but continue to strive for excellence in managing your Fund. We therefore encourage you, to focus on building a long-term portfolio through regular weekly or monthly investments in Bfund, for as the Bible says: they that sow in tears shall reap in joy (Psalm 126:5).

This has been an interview with your Fund Manager.



Deborah Lartey

REPORT OF THE DIRECTORS

The Directors have the pleasure in submitting the financial statements of the Databank Balanced 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 are as set out in the financial statements

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.

Dividend

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

BY ORDER OF THE BOARD



Keli Gadzekpo
Director



Betty Elizabeth Naayi Zormelo
Director



John Kay & Co

7th Floor, Trust Towers
Farrar Avenue, Adabraka
P.O.Box 16088
Airport, Accra

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+233 30-2238370
Fax: +233 30-2238371
E-mail: jkayal@wwwplus.com

REPORT OF THE AUDITORS TO THE INVESTORS OF DATABANK BALANCED FUND INVESTMENT 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 16 the directors are responsible for the preparation of the financial statements. Our responsibility is to express an independent opinion on those financial statements.

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. 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 Balanced 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).


Chartered Accountant
April, 2012

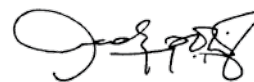
STATEMENT OF NET ASSETS AS AT DECEMBER 31, 2011

Description	Notes	Shares	Price 31-DEC-11 GH(¢)	Market Value GH(¢)	% Net Assets
Shares					
Banking					
Ghana Commercial Bank		64,327	1.85	119,005	2.09
CAL Bank Ltd		262,115	0.28	73,392	1.29
UT Bank Ltd		400,000	0.32	128,000	2.25
Standard Chartered Bank Ghana Ltd		5,772	45.48	262,511	4.60
SG-SSB Ghana Ltd		310,100	0.46	142,646	2.50
Ecobank Ghana Ltd		84,000	3.19	267,960	4.70
Food & Household Products					
Fan Milk Ghana Ltd		111,000	2.37	263,070	4.61
P Z Cussons (Ghana)Ltd		555,444	0.24	133,307	2.34
Insurance					
SIC Company Ltd		627,700	0.40	251,080	4.40
Enterprise Group Ltd		450,000	0.38	171,000	3.00
Petroleum Products					
Ghana Oil Company Ltd		559,200	0.32	178,944	3.14
Total Petroleum Company Ltd		14,200	19.83	281,585	4.94
Total Shares					
(Cost GH¢1,978,011)				2,272,500	39.86
Medium Term Funds					
Bonds	2			600,000	10.53
Short Term Funds					
				GH¢	% Net Asset
Cash-Bank & Call				(22,746)	(0.40)
Short Term Investments					
Certificates of Deposit(CD)				2,122,716	37.24
Commercial Paper (CP)				200,000	3.51
Treasury Notes& Bills					
1 Year Treasury Notes				146,264	2.57
182 Day Treasury Bills				148,810	2.61
Total				2,617,790	45.92
Total Investments				5,467,544	95.91
Other Assets in Excess of Liabilities				233,046	4.09
Total Nets Assets				5,700,590	100.00

STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 31, 2011

	Note	31 DEC -11 GH(¢)	3 1DEC -10 GH(¢)
ASSETS			
Total Investments		5,467,544	3,560,503
Account Receivables:			
Receivable -Interest		245,560	100,847
Receivable-Money Systems	3	29,682	29,682
Receivables-others		315	30,000
Total Receivables		275,557	160,529
LIABILITIES			
Payables:			
Commission - (1% Front Load)		1,017	6,489
Management Fees		16,422	12,211
Audit fee		8,000	5,000
Custody		4,341	0
Withholding Tax		(48)	(36)
Payable -Others		12,779	68,050
Total Liabilities		42,511	91,714
Net Current Assets		233,046	68,815
Net Assets		5,700,590	3,629,318

The financial statements on pages 18 to 27 were approved by the board of directors on 27th April 2012 and signed on its behalf by:



Keli Gadzekpo
Director



Betty Elizabeth Naayi Zormelo
Director

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

	Note	31 DEC -11 GH(¢)	3 1DEC -10 GH(¢)
Investment Income			
Gross Dividend Income		69,399	60,577
Less: Withholding Tax		-	(4,846)
Net Dividend Income	5	69,399	55,731
Interest Income	6	424,996	282,389
Total Income		494,395	338,120
Expenses			
Management Fees		(73,095)	(40,230)
Other Expenses	7	(100,033)	(160,070)
Total Expenses		(173,128)	(200,300)
Net Investment Income		321,267	137,820
Net Realized Gain on Investment	8	179,995	(17,219)
Change in Unrealized (Loss)/Gain	9	292,937	407,476
Net Increase in Net Assets Resulting from Operations		794,199	528,077

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

	Note	31 DEC -11 GH(¢)	3 1DEC -10 GH(¢)
Investment Income			
Beginning Period		578,158	440,338
Net Investment Income for the period		321,267	137,820
End of period		899,425	578,158

ACCUMULATED NET REALIZED GAINS

	Note	31 DEC -11 GH(¢)	3 1DEC -10 GH(¢)
Beginning Period		(138,438)	(121,219)
Net realized gain/(Loss) for the period		179,994	(17,219)
Change in Realized Gain		41,556	(138,438)

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

	Note	31 DEC -11 GH(¢)	3 1DEC -10 GH(¢)
Change in Net Assets			
Operations:			
Net Investment Income		321,267	137,820
Net Realized Gain	8	179,995	(17,219)
Unrealized Gain/(Loss)	9	292,936	407,476
Change in net assets from operations		794,198	528,077
Capital Transactions:			
Proceeds from share issue		2,889,396	1,492,371
Shares redeemed		(1,612,322)	(527,600)
Net Proceeds from Capital Transaction		1,277,074	964,771
Total Increase in Net Assets		2,071,272	1,492,850
Net Assets :			
Beginning of Period		3,629,318	2,136,468
End of Period		5,700,590	3,629,318

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

	Note	31 DEC -11 Number of Shares	31 DEC -10 Number of Shares
Shares in Issue at Beginning of Period		<u>23,393,370</u>	<u>18,963,227</u>
Shares in Issue at December 31	10	<u>34,233,548</u>	<u>23,392,370</u>

PORTFOLIO SUMMARY AS AT DECEMBER 31, 2011

DESCRIPTION	SHARES AS AT 12/31/11	VALUE AS AT 12/31/11 GH¢	SHARES AS AT 12/31/10	VALUE AS AT 12/31/10 GH¢	PURCHASES DURING YEAR '11 GH¢	SALES DURING YEAR '11 GH¢
Banking						
Ghana Commercial Bank	64,327	119,005	64,327	173,683	-	-
Cal Bank Ltd	262,115	73,392	262,115	81,255	-	-
UT Bank Ltd	400,000	128,000	400,000	120,000	-	-
Ecobank Ghana Ltd	84,000	267,960	20,000	60,000	220,864	
Standard Chartered Bank Ltd	5,772	262,511	2,000	90,320	189,489	
SG-SSB	310,100	142,646	248,200	158,848	45,573	
Food & Household Products						
Fan Milk Ghana Ltd	111,000	263,070	96,000	235,200	39,435	-
P Z Cussons (Ghana)Ltd	555,444	133,307	92,574	111,089	-	-
Insurance						
SIC Company Ltd	627,700	251,080	276,400	118,852	180,487	-
Enterprise Group Ltd	450,000	171,000	450,000	225,000	-	-
Petroleum Products						
Ghana Oil Company Ltd	559,200	178,944	339,500	98,455	71,499	-
Total Company Ltd	14,200	281,585	25,200	252,000	-	90,881
TOTAL	3,443,858	2,272,500	2,276,316	1,724,702	747,347	90,881

FINANCIAL HIGHLIGHTS

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

FINANCIAL HIGHLIGHTS	2011	2010	2009	2008
Net assets value, January 1 (i.e. share price)	0.1551	0.1127	0.1181	0.1000
Net Investment Income	0.0137	0.0059	0.013	0.0066
Net Realised and Unrealised gain	-0.0024	0.0366	-0.0184	0.0115
Net Assets Value, Dec 31 (i.e. share price) GH¢	0.1665	0.1551	0.1127	0.1181
Total Return	7.35%	37.62%	-4.57%	18.06%
Ratio of Expenses to average assets	3.04%	5.52%	4.94%	3.47%
Ratio of net investment income to average net assets	5.64%	3.80%	11.58%	5.56%

NOTES TO THE FINANCIAL STATEMENTS

Accounting Policies

1. 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. Bonds	2011 GH¢	2010 GH¢
Accra Ridge Church	500,000	-
Bank of Ghana	100,000	100,000
	<u>600,000</u>	<u>100,000</u>

3. Receivable Money Systems

There has not been any change in this balance because Money Systems has made several deposits in the Fund Manager's bank account during the year with insufficient details/ instruction. Management is awaiting details regarding these deposits in order to credit the Fund's bank account accordingly.

4. Taxation

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

5. 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	69,399	55,731
	<u>69,399</u>	<u>55,731</u>

6. Interest Income

Interest Income is as follows:	2011 GH¢	2010 GH¢
Interest on Bonds	40,981	45,100
Interest on Call Deposit	7,047	2,468
Interest on Commercial Paper	904	80,268
Interest on Certificates of Deposit	350,310	135,170
Interest on Treasury Bills	25,754	19,383
	<u>424,996</u>	<u>282,389</u>

7. Operating Expenses:

	2011 GH¢	2010 GH¢
Stationery/Printing	22,214	14,316
Postage	7,363	9,459
Other Expenses	28	336
Statutory Fees	500	645
Audit Fees	8,000	4,872
Custody Fees	8,462	5,838
Bank Charges	4,085	2,629
Marketing & Promotion	35,877	116,645
Storage & Warehousing	454	0
Director's Fees	13,050	5,330
	<u>100,033</u>	<u>160,070</u>

8. Net Realized gains on Investment

The gains/losses on disposal of long-term securities during the year under review are as follows:

Realized Gains/Losses	2011 GH¢	2010 GH¢
Ghana	179,995	56,729
Uganda	0	(73,948)
	<u>179,995</u>	<u>(17,219)</u>

9. Unrealized gains/losses on investments

Description	2011 GH¢	2010 GH¢
Market value of Investments	2,272,500	1,724,702
Cost of Investments	(1,978,011)	(1,321,702)
Unrealised Gain/ (Loss) on Investment	294,489	(403,000)
Add Unrealised Forex Gain	(1,553)	4,476
Unrealized Gain/Loss as at Dec 31	<u>292,936</u>	<u>(407,476)</u>

10. Capital Transactions

Description	2011 Number of Shares	2010 Number of Shares
Balance as at beginning	23,393,370	18,963,227
Issues during the year	23,909,420	9,516,822
Redemptions	(13,069,242)	(5,087,679)
Balance	<u>34,233,548</u>	<u>23,392,370</u>

11. 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	747,347	857,585	90,881	523,635
Cost of Investments				
Uganda	-	-	-	194,259
	<u>747,347</u>	<u>857,585</u>	<u>90,881</u>	<u>717,894</u>

13. 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%

13. Description of Company

The Databank Balanced Fund Limited is a licensed mutual fund. The fund was incorporated under Ghanaian Law on 25th October, 2005. It has authorized shares of 500,000,000 common shares of no par value. Each share has one vote.

14. Directors' Shareholding

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

Description	Shares	% of Funds
Adelaide Ahwireng	46,239	0.1351
Keli Gadzekpo	1,108	0.0032
Ken Ofori-Atta	13,397	0.0391
Kojo Addae-Mensah	32,333	0.0944
Stephen Adei	10,000	0.0292

CUSTODIAN REPORT



May 23, 2012

The Manager

Databank Balanced Fund Limited
No. 61 Barnes Road, Adabraka
PMB Ministries Post Office
Accra, Ghana

Our ref. BfundReport 2011

Dear Sir,

REPORT OF THE CUSTODIAN TO THE INVESTORS OF DATABANK BALANCED FUND LIMITED

We refer to the Unit Trust and Mutual Funds Regulations, 2001 L.I. 1695 and attach a statement of holdings of securities in custody with Standard Chartered Bank Ghana Limited for the above fund as at 31st December, 2011.

Respective Investment Restriction imposed on the fund and the responsibility of custodians

Pages 10 to 11 of the scheme particulars specifies the funds investment restrictions. Our responsibility is to express an independent opinion on the statement of holdings based on our audit.

Opinion

In our opinion, the statement of holdings is in agreement therewith and give a true and fair view of the state of affairs of the fund as at December 31, 2011 and the Manager **Databank Balanced Fund Limited** has managed the fund for the full year ended December 31, 2011 in accordance with;

- The limitations imposed on the investment and borrowing powers of the manager; and
- Provision pursuant to the above mentioned regulations.

Yours Faithfully,

Samuel Enos Eghan
Head, Investment and Intermediaries
Standard Chartered Bank

Standard Chartered Bank Ghana Ltd.
 Head Office
 P.O. Box 768, Accra, Ghana

Tel (233-2 1) 664591 -8, 7692 10-221
 Fax (233 -21) 66775 1, 663560
 Telex 2671 (SCBACCGH)
 Cable STANCHART

Member of Standard Chartered Bank Group

Portfolio Valuation Report As at -30/12/2011 For Safekeeping Account : 1150639A - BBN/DATABANK BALANCED FUND LTD.

Date : 14/02/2012 22:09:55

Security Name	Security Code	Market Price	Nominal	Cumulative Cost	Value LCY
1YR AXIX PENSION ADMINISTRATION COMMERCIAL PAPER AT 15% DUE 20.12.2012	1YR AXIS PENSION CP	0.000000	200,000.00	200,000.00	200,739.73
TOTAL				200,000.00	200,739.73

CRPBND - CORP BOND

Security Name	Security Code	Market Price	Nominal	Cumulative Cost	Value LCY
7YR ARC BOND RIDGE CHURCH ISSUE AT 14.9% DUE 15.08.2018	7YR ARC BOND - 14.9%	0.000000	500,000.00	0.00	527,425.82
TOTAL				0.00	527,425.82

TOTAL

FDEP - FIXED DEPOSITS

Security Name	Security Code	Market Price	Nominal	Cumulative Cost	Value LCY
182 DAY PROCREDIT FIXED DEPOSIT AT 14% DUE 10.05.2012	182 DAY PROCREDIT FD-14%	0.000000	100,000.00	100,000.00	101,956.16
182DAY FIDELITY FIXED DEPOSIT AT 12.25% DUE 12.04.2012	182DAY FIDELITY FD-12.25	0.000000	60,000.00	60,000.00	61,590.82
182 DAY FIRST CAPITAL PLUS FIXED DEPOSIT AT 14% DUE 21.06.201	182DAY FIRST CAPITAL FD	0.000000	70,000.00	70,000.00	70,241.64
183 DAY UT BANK FIXED DEPOSIT DUE 27.06.2012 AT 11.7 %	183 DAY UT FD	0.000000	99,651.74	99,651.74	99,651.74
182 DAY IFS FIXED DEPOSIT AT 16% DUE 11.05.2012	182 DAY IFS - FD - 16%	0.000000	100,000.00	100,000.00	102,191.78
182 DAY HFC BANK FIXED DEPOSIT @ 12.5% DUE 16.01.2012	182 DAY HFC BANK	0.000000	100,000.00	100,000.00	105,684.93
1YR UT BANK FIXED DEPOSIT AT 15% DUE 25.05.2012	1YR UT BANK FD	0.000000	150,000.00	150,000.00	152,219.18
182 DAY HFC BANK FIXED DEPOSIT @ 12.25% DUE 28.06.2012	GH00025024	0.000000	150,000.00	150,000.00	0.00
182 DAY FIDELITY BANK FD @ 12.5% DUE 28.03.2012	GH00020623	0.000000	50,000.00	0.00	51,609.59
1YR NDK FINANCIAL SERVICES FD @17% DUE 12/01/2012	1YR NDK FD @17%	0.000000	200,000.00	200,000.00	232,975.34
1YR FIRST ALLIED SAVINGS AND LOANS FIXED DEPOSIT AT 14% DUE 15.09.2012	1YR FIRST ALLIED FD-14%	0.000000	100,000.00	100,000.00	104,065.75
182 DAY UNISECURITIES FIXED DEPOSIT AT 15% DUE 26.03.2012	182 DAY UNISECURITES FD	0.000000	150,000.00	150,000.00	155,917.81
TOTAL					1,388,104.75
1YR UNIBANK FIXED DEPOSIT AT 16% DUE 27.07.2012	1YR UNIBANK FD -16%	0.000000	250,000.00	250,000.00	267,095.89
182 DAY UNIBANK FIXED DEPOSIT AT 13% DUE 15.02.2012	182DAY UNIBANK FD	0.000000	50,000.00	50,000.00	52,166.66
1 YR FIRST ALLIED SAVINGS & LOANS LTD FD @ 16% DUE 14/03/2012	GH00011860	0.000000	200,000.00	200,000.00	209,468.49
182 DAY INTERCONTINENTAL BANK FIXED DEPOSIT AT 12% DUE	18 DAY IBG FD	0.000000	106482.19	106482.19	106771.77
182DAY CITY INVESTMENT FIXED DEPOSIT AT 14% DUE 06.06.2012	182DAY CITY INV FD	0.000000	100,000.00	100,000.00	100,920.55
1YR UT BANK FIXED DEPOSIT AT 15% DUE 21.05.2012	1YR UT BANK FD - 15%	0.000000	86,581.92	86,581.92	88,111.93
TOTAL					824,535.29

Portfolio Valuation Report As at -30/12/2011

For Safekeeping Account : 1150639A - BBGN/DATABANK BALANCED FUND LTD.

GDF - GOVERNMENT DEBT - FIXED

Security Name	Security Code	Market Price	Nominal	Cumulative Cost	Value LCY
5YR GOLDEN JUBILEE BOND @ 15PCT	GOLDEN J	1.123626	100,000.00	100,000.00	112,362.60
1YR TREASURY NOTE @ 12.50% DUE 05.03.2012	1YR T/NOTE - 1213	0.000000	40,000.00	40,000.00	40,000.00
TOTAL					152,935.74

GDT - GOVERNMENT DEBT - TBILLS

Security Name	Security Code	Market Price	Nominal	Cumulative Cost	Value LCY
1 YR GOVERNMENT TREASURY NOTE AT 11.20% DUE 06.08.2012	1YR TNOTE	0.000000	106,264.00	106,264.00	111,005.01
182 DAY T/ BILL - AUC1240 @ 9.63% DUE 12.03.2012	GH00019304	0.000000	44,651.00	42,501.01	42,935.74
182 DAY GOVERNMENT TREASURY BILL AUCTION 1233 AT 11.08% DUE 23.01.2012	182 DAY TBILL -1233	0.000000	112,199.00	106,309.00	110,568.62
TOTAL					264,509.37

TOTAL

EQ1B - EQUITIES - 1ST BOARD

Security Name	Security Code	Market Price	Nominal	Cumulative Cost	Value LCY
GHANA OIL COMPANY LIMITED	GOIL	0.320000	559,200.00	143,233.49	178,944.00
ECOBANK GHANA LIMITED	ECOBANK GH.	3.190000	84,000.00	298,155.98	267,960.00
UT FINANCIAL SERVICES LIMITED	UT	0.320000	400,000.00	400,000.00	128,000.00
SG-SSB LIMITED	SSB	0.470000	310,100.00	244,117.54	145,747.00
PATTERSON ZOCHONIS (GHANA) LIMITED	PZ	0.240000	555,444.00	112,014.17	133,306.56
					853,957.56
GHANA COMMERCIAL BANK	GCB	1.850000	64,327.00	80,827.52	119,004.95
SIC INSURANCE COMPANY LIMITED	SIC	0.400000	627,700.00	258,617.42	251,080.00
TOTAL PETROLEUM GHANA LIMITED	MOGL	19.830000	14,200.00	117,318.43	281,586.00
STANDARD CHARTERED BANK GHANA LIMITED	SCB	45.480000	5,772.00	191,488.94	262,510.56
FANMILK GHANA LIMITED	FML	2.370000	111,000.00	170,790.26	263,070.00
CAL BANK LIMITED	CAL	0.280000	262,115.00	78,692.43	73,392.20
ENTERPRISE GROUP COMPANY	EIC	0.380000	450,000.00	151,641.00	171,000.00
TOTAL					1,421,643.71

BOARD OF DIRECTORS BANKERS

Ken Ofori - Atta (Chairman)
KeliGadzekpo
Stephen Adei
Adelaide Ahwireng
KojoAddae-Mensah
Mrs. Betty Zormelo

Barclays Bank of
(Gh) Ltd
P.O.Box 2949
High Street
Accra

Zenith Bank (Gh)
Limited
Premier Towers
Accra

UBA (Gh) Ltd
Heritage
Towers
PMD 29

Standard
Chartered
Bank (Gh) Ltd
P.O. Box 768
High Street
Accra

REGISTERED OFFICE

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

CUSTODIAN

Ministries, Accra
Standard Chartered
Bank (Gh) Ltd
P.O. Box 768
High Street
Accra

AUDITORS

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

CORPORATE INFORMATION

INVESTMENT MANAGER

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

DIRECTORS AND OFFICERS INFORMATION

The business and affairs of the Fund are managed under the direction of the Fund's Board of Directors and the Fund's officers. The tables below list the directors and officers of the Fund and their principal occupations, other directorships held by directors and their affiliation, if any, with Databank Asset Management Services Limited.

Board of Directors:

The Interested Directors of the Fund are:

Board of Directors:

The Interested Directors of the Fund are:

Name Ken Ofori -Atta	Position Chairman	Other Affiliation Board Chairman Databank Financial Services Ltd Databank Asset Mgt. Services Ltd Databank Epack Investment Fund Ltd Databank Money Market Fund Ltd Director Enterprise Group Ltd Databank Arkfund Ltd Trust Bank Ltd. (Gambia)
Address P.O Box 3859, Accra	Time with Fund 4 years Occupation Investment Banker	
Name Keli Gadzekpo	Position Director	Executive Vice Chairman Databank Financial Services Ltd Databank Asset Mgt. Services Ltd. Chairman Enterprise Properties Ltd Director Enterprise Group Ltd. Board Member Databank Epack Investment Fund Ltd Databank Money Market Fund Ltd Databank Arkfund Ltd
Address P.O Box M 298, Accra	Time with Fund 4 years Occupation Investment Banker	



The Independent Directors of the Fund are:

Name Stephen Adei	Position Director	Other affiliation Director Chartered Institute of Marketing Centre for Economic & Policy Analysis (CEPA) Databank Money Market Fund Ltd Presbyterian Book Depot Ghana Christian International High School
Address P O Box 1015, Legon, Accra	Time with Fund 4 years Occupation Economist	
Name Adelaide Ahwireng	Position Director	Director Fio Enterprise Government of Ghana Economic Advisory Council
Address	Time with Fund 4 years Occupation Business Executive	
Name KojoAddae - Mensah	Position Director	Director Changing Life's Endowment Fund Chief Operating Officer Ghana Commercial Bank Ltd
Address Ghana Commercial Bank Ltd P.O. Box 134 Accra	Time with Fund 4 years Occupation Banker	
Name Mrs. Betty Zormelo	Position Director	Director Camelot Ghana
Address Zormelo & Associates 1st Floor, Heritage Towers, Accra	Time with Fund 3 months Occupation Consultant	



Officers:

Name	Position	Length of Time Served with Fund	Occupations During the Past 5 Years
Daniel Ogbarmey Tetteh	Chief Investment Officer	4 years	He is currently the Chief Investment Officer for Databank Asset Management Services Ltd. Daniel Ogbarmey Tetteh 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.
Oladimeji Adedara	Financial Controller	4 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.
Evelyn Ofosu Darko	Vice President	4 years	Evelyn is the head of the Operations unit of Databank Asset Management and also co-manages Epack. 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.
Deborah Lartey	Asst Vice President	3 Months	Responsible for the management of Databank Balanced Fund. Deborah 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.
Edna Ahunu	Senior Analyst	4 years	Edna is responsible the management of Databank Ark 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.

Maamle Totimeh	Vice President	4 years	Maamle is the head of the mutual funds unit and manages 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.
Matilda Eshun	Fund Administrator	4 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.
Nana Ama Opinamang	Fund Administrator	4 years	Nana Ama is with the Back Office Operations unit of Databank Asset Management. 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.
Anthony Degbato	Accounts Manager	4 years	Anthony manages the accounting functions of the Fund. Prior to joining Databank Balanced Fund Ltd he worked with Barclays Bank, Standard Chartered Bank and Portal Ltd. He is a member of Association of Chartered Certified Accountant, holds Bachelor of Commerce Degree, and currently pursuing an MBA in Finance at the Central University College.
Kwame Badu-Kaakyire Tenkorang	Senior Accounts Officer	4 years	Assist in the accounting function of the Fund. He holds a Bachelor of Science Degree in Administration from the University of Ghana Business School.

PROXY FORM

Databank Balanced Fund Limited

I/We _____
of _____

being a member/members of Databank Balanced 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 11:00am prompt and any adjournment thereof.

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

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"> • KojoAddae-Mensah • Keli Gadzekpo • Adelaide Ahwireng 		
4. Election of the Following Director Retiring: <ul style="list-style-type: none"> • Betty Elizabeth Zormelo 		
5. Authorize the Directors to fix remuneration of Auditors		
6. To approve Directors' fees		

Signed this _____ day of _____ 2012

Signature _____

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Electronic Transfer

Make withdrawals from your fund account and have the proceeds paid into your bank account or your e-zwich card

Databank Triple Play

Check Your Balance:

1. Online: <https://balance.databankgroup.com>

2. Phone: (+233-302) 610 610

3. SMS Text: Text "reg account number your name" e.g. "reg 1234 Kofi Mensah" to 1438 (MTN and Issapa only)

Premium Charges Apply



Contact Us: (+233-302) 610 610 clientservices@databankgroup.com www.databankgroup.com

Contact Us: (+233-302) 610 610 clientservices@databankgroup.com www.databankgroup.com

Make your investment decision today!
Contact your Investment advisors



Databank

Leadership

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