



## Withdrawal & Payment Instructions

# Co-Branded ATM Card



#### For Withdrawals:

- Complete withdrawal form at any Databank Branch.
  - Provide card details under "Debit Card Transfer Information".
  - Indicate "Co-branded ATM card" as type of card.
  - Provide the 16-digit card number.
- Funds will be loaded onto your card at the end of the withdrawal process
- ➤ Go to any Zenith Bank ATM
- Insert card and follow the withdrawal process

\*service charges apply

#### To transfer money from the card to your Mutual Fund account:

- Insert your card into any Zenith ATM
- > Select Language
- Select "Bill payments"
- Select the payment account (please note that all card accounts are default current accounts without the charges)
- Select "Utility Bills".
- ➤ Select "Databank" as the Utility Service
- Select mutual fund to be credited and enter your mutual fund account number (Please add zeros before your account number to obtain the minimum nine digit number required)
- > Enter payment amount
- > Confirm payment details
- Wait for payment receipt.

Funds will be credited to your account the next working day

Please
Call for information

# 61 Barnes Road, Adabraka P.M.B Ministries Post Office, Accra, Ghana **Tel:**(+233 302) 610610 • **Fax:**(+233 302) 681443 **Website:** www.databankgroup.com



## **Audited Full Year Report**

For The Period Ended December 31, 2012





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.

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## Notice Of Annual General Meeting

#### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 9th Annual General Meeting of the shareholders of Databank Money Market Fund Limited will be held at the Accra International Conference Centre, Ghana on Tuesday, July 23rd, 2013 at 9:00 a.m for the following purposes:

- 1. To consider the Directors' Report and the Report of Auditors for the year ended December 31, 2012
- 2. To receive and adopt the Statement of Assets and Liabilities and Statement of Operations for the year ended December 31, 2012.
- 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 an Annual General Meeting.

Dated this 23rd day of May, 2013

#### BY ORDER OF THE BOARD

Kind regards.

Databank Money Market Fund Ltd

**Deila Assimeh**Board Secretary

## **Chairman's Statement to MFUND Shareholders**

#### OPENING STATEMENT:

#### **Dear Valued Shareholders,**

It is with great pleasure that I welcome you all to the **9th Annual General Meeting of Databank Money Market Fund (Mfund)**. On behalf of my colleague board members, staff and management of Databank, I would like to thank you for your unflinching trust, support and patronage extended to the Databank Money Market Fund, which is recognized not only as the premier short-term mutual fund in Ghana but also as the largest collective investment scheme in Ghana

I would like to begin by highlighting certain macro-economic developments of the past year, particularly those which were of great significance to the financial industry and thereafter, I shall give you an overview of the Fund's performance for the year 2012. I will then conclude by outlining our expectations about the performance of your Fund in 2013 and beyond.

## Overview of the Economy and Money Market

The global economy remained fragile in 2012. A series of events tested the market confidence during the year, some of which included the recession in Japan and the persistent Euro-zone debt crises. The crisis resulted in some of the

members of the European Union being downgraded by rating agencies. Despite the slowdown in economic activity in most advanced countries, GDP growth remained relatively strong within sub-Sahara Africa. The global GDP growth rate stood at 3.2% as compared to the sub-Saharan Africa growth rate of 4.8%.

In Ghana, the economy recorded a slow down from a growth rate of 14.4% recorded in 2011 to 7.1% (current estimates) in 2012. The growth in 2012 was supported primarily by an 8.8% growth in the largest sector (services) along with a 7% growth in industry. Headline inflation, during the year, remained stable within the single digit band averaging and closing the year at 8.8% on a year-on-year basis mainly as a result of increased stability in food prices.

Interest rates also increased as the Central Bank increased the key policy rate cumulatively by 250 basis points to 15% in July and maintained this rate for the rest of the year. Yields on the benchmark 91-day Treasury bill rose to 23.2% from a year open of 10.81%. Similarly, yields on 1 and 2-year notes increased to 22.90% and 23.00% from 11.35% and 12.55% respectively. On the exchange rate movement, the Ghana Cedi lost its ground against the three major currencies. Increased volatility in the foreign exchange market led

to a sharp depreciation of the cedi by 16.6% (GHS/USD) in the first half of 2012. In the second half of 2012, policy measures by the Central Bank led to the stabilization of the cedi which has continued into the first quarter of 2013.

## Yields increase, shareholders up by 8%

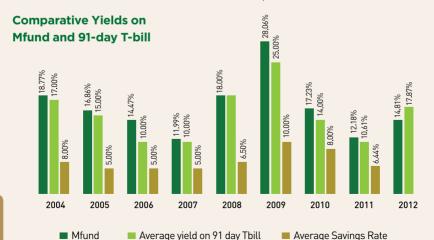
During the year, the base rate inched up significantly, which resulted in rising interest rates. Databank's Mfund closed the year at an annualized yield of 14.81%, an improvement over the 2011 yield of 12.18%. Unfortunately, the return on the Mfund was lower than the average annual yield of the 91day Treasury bill (18.63%).

Mfund's yield was low due to the fact that in 2012 Tbill rates rose very

quickly from 10.81% at the beginning of the year to 12.61% in March, 22% in June and 23% in September, 2012. The Mfund portfolio in March had about 79% of the portfolio invested in securities that had yields between 9% and 15% and thus the fund had to wait for these investments to mature before they can enjoy the high rates. Mfund was however able to enjoy better rates when all those investments with low rates matured.

We are however pleased to report that the Mfund has provided cumulative returns of 155.93% since its inception in 2004.

I am also glad to report that the number of investors in your Fund increased by 8.4% during the year 2012 from 50,640 to 54,894 clients.



#### Outlook for 2013

Fellow Shareholders, ladies and gentlemen, the world economy is expected to grow by 3.5% in 2013 (IMF World Economic Update, January 2013). Sub-Saharan African economies are expected to be marked by better economic growth rates than the world economy in 2013. The region is projected to grow at 5.8% (IMF World Economic Update, January 2013) in 2013. Against this backdrop, there is increased hope for the financial markets in Ghana. The Ghanaian economy is projected to grow at a rate of 8% in 2013 on the back of the continued contribution of the oil and gas, construction, mining and cocoa sub-sectors. There are indications. that, the government will issue a US\$1 billion sovereign bond in the second half of 2013, while a new calendar will be circulated for domestic treasury bills and notes in the second half of the year. Our expectation is that the rate of inflation will close the year within the 9% and 11% band (barring any drastic changes in the inflation basket).

The decision of the Bank of Ghana's Monetary Policy Committee in May 2013 to increase policy rate to 16% can be interpreted as an attempt to mop up liquidity in the economy and keep a firm lid on inflation. We expect policy tightening in 2HY2013 with the policy

rate likely to be between 16%-18% in 2013. Accordingly, we expect that interest rates will continue to remain relatively stable while trending upwards slightly. Currently, the returns on short term interest bearing instruments are high and we are optimistic that this will translate into good returns on your Mfund. We thus remain optimistic that the Mfund will continue to exhibit a sterling performance in 2013.

#### **Acknowledgement**

I wish to thank all shareholders for keeping faith with us over years. I also want to thank my fellow directors for their dedication. Thank you fund manager, management and the staff of Databank for your tireless efforts throughout the year

Thank you all very much and God bless us all!

J-2 90 8

**Keli Gadzekpo** Chairman

## **Performance Summary**

As At December 31, 2012

#### Historical Performance 1

All Data as at December 31 2011, Cumulative	MFUND Investments Fund	Savings Rate
Mfund Returns	14.81%	8.472

<sup>&</sup>lt;sup>1</sup> - Return on investment reflects the return of the Fund taking into account cash inflows, reinvestment of interest 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.

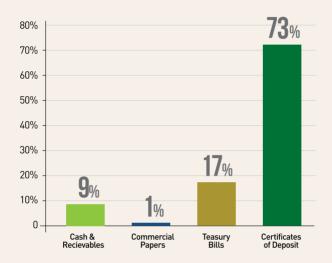
#### **Share Price Information**

Years	2004	2005	2006	2007	2008	2009	2010	2011	2012
Mfund Annualised Yield	18.77%	16.86%	14.47%	11.99%	18.00%	28.06%	17.23%	12.18%	14.81%
Avg. Yield on 91day Tbill	17%	15%	10%	10%	18%	25%	14%	10.61%	18.63%
Avg. Savings Rate	8%	5%	5%	5%	6.5%	10%	8%	6.44%	8.47%

<sup>&</sup>lt;sup>2</sup> – Savings rate

### Portfolio At A Glance

As At December 31, 2012





## Interview with your Mfund Manager

## What was Mfund's performance in 2012?

In 2012 the Databank Money Market Fund achieved a yield of 14.81%. This compares positively with average bank savings rates of 8.47% and the average 91 day treasury bill rate of 18.63%. The Mfund share price increased from GH¢0.3255 at the close of 2011 to GH¢0.3717 at the end of December 2012.

#### Why did Mfund's performance lag?

Mfund's performance was due to the fact that in 2012 Tbill rates rose very quickly from 10.81% at the beginning of the year to 12.61% in March, 22% in June and 23% in September, 2012. The Mfund portfolio in March had about 79% of the portfolio invested in certificates of deposit and treasury bills that had yields between 9% and 15% and thus the fund had to wait for these investments to mature before they could enjoy the high rates. Mfund was however able to enjoy better rates when all those investments with low rates matured.

## Has the structure of the portfolio changed?

The fund structure of the portfolio still includes Certificates of Deposit, Treasury Bills, Commercial Papers and Cash Equivalents. The distribution as at December 2012 was as follows:



Certificates of Deposit - (73%), Treasury Bills- (17%), Commercial Papers- (1%) and Cash Equivalents- (9%) compared to Certificates of Deposit - (64%), Treasury Bills- (28%), Commercial Papers- (2%) and Cash Equivalents- (6%) in 2011.

#### Did the value of the fund grow?

The fund witnessed a negative growth of 4.2% year on year growth in value (Dec 2011– Dec 2012) from GH¢89.7million to GH¢85.9 million. The decline in the Fund's size was driven by a combination of lower returns as compared to treasury bills which also elicited reduced inflows.

## What changes occurred in the clientele base of the fund?

The total number of shareholders as at December 2012 was 54,897 (Dec 2011: 50,640). 7305 new shareholders joined the Fund in 2012 translating into a monthly average of 609 compared to 9367 shareholders and a monthly average of 780 in 2011.

## What is your outlook for the economy and the money market in 2013?

We expect the Ghanaian economy to grow by 7-8% in 2013 mainly on the back of oil and gas production, construction, mining and cocoa subsectors.

Budgetary overruns in 2012 has eroded recent macroeconomic stability gains for Ghana, as the government battles to rein in spending and improve revenue in 2013. The GH¢8b deficit financing needs outlined in the 2013 budget implies that interest rates for Ghana are likely to remain high at least in the short term. Unless government issues medium term government securities which are open to foreign participation, domestic savings is not sufficient to absorb the financing needs of government in 2013 and we are inclined to believe that money market yields will remain above 20% in 2013

The outlook for inflation in 2013 will be impacted by the new revised inflation basket combined with energy and utility price hikes as well as public sector wage adjustments. The effect will be to push inflation into double digits; Ghana's inflation rate is likely to remain above 10% in 2013.

We expect further policy tightening and the Central Bank is likely to maintain the policy rate within the region of 16-18% in 2013.

## What will be the focus of the Fund's strategy in 2013?

Following the 2013 budget reading in March - which revealed extremely high budget deficit levels - we are of the view that the fixed income yields for the year would not experience a drop. We expect the yields to remain at their current levels (within the 20% - 22% band), though we believe they could rise further if the Government fully embraces its transformational agenda. Given the expectation of events in the short to medium term, I plan to gear investments towards to medium-term securities (91/182-Day instruments).

In order to record an upsurge in inflows, increase of funds under management and improve the performance of the fund we will aggressively advertise through the print, radio and television medium. The fund will also invest in high yielding instruments to ensure competitive returns.

This has been an interview with your Mfund Manager

Maamle Totimeh

## Report of the Directors

The Directors have the pleasure in submitting the financial statements of the Databank Money Market Fund Limited for the year ended December 31, 2012.

## **Statement of Directors' Responsibilities**

The Directors are responsible for the preparation of the financial statements for each financial year, which give a true and fair view of the state of affairs of the Fund and of the statement of operations for that year. In preparing these financial statements, the Directors have put suitable accounting policies in place and generally applied them consistently, made judgments and estimates that are reasonable and prudent and followed Ghana Accounting Standards.

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

#### **Nature of Business**

The nature of business of the Company is to invest the monies of its members for their mutual benefit and to hold and arrange for the management of money market securities acquired with such monies. 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, 2012 are set out below:

	2012 GH¢	2011 GH¢
Interest Income	13,534,995	9,699,942
Management and Operational Expenses	(1,333,050)	(1,402,679)
Transfer to Accumulated Net Investment Income	12,201,945	8,297,263

#### **Distribution Policy**

The Fund passes substantially all of its earnings along to its investors as "distributions". The Fund earns interest from fixed income investments. These amounts are passed along to fund shareholders as "income dividend distributions". The Fund may realize capital gains whenever it sells securities

for a higher price than it paid for them. These amounts may be passed along as "capital gain distributions." The Investment Manager does not anticipate that there will be significant capital gain distributions, because of the liquid nature of the assets.

BY ORDER OF THE BOARD

**KELI GADZEKPO** 

(Director)

30th April, 2013

STEPHEN ADEI

(Director)

30th April, 2013



John Kay & Co

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### **Report of The Auditors**

#### to the Investors of Databank Money Market Fund Limited

We have audited the financial statements set out on pages 15 to 23. 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 12 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 Money Market Fund Limited as at December 31, 2012 and of the results of its operations and changes in the net assets for the year ended and comply with the Ghana Accounting Standards, Securities Industry Law, 1993 (P.N.D.C.L. 333 as amended), Unit Trust and Mutual Funds Regulations, 2001, (L.I. 1695) and the Ghana Companies Code, 1963, (Act 179).

## Report on Other Legal and Regulatory Requirements

The Companies Code 1963 (Act 179) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

 i. We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit;

ii. In our opinion proper books of accounts have been kept by the Fund, so far as appears from our examination of the books:

iii. The Fund's statement of assets and liabilities and the income and distribution account are in agreement with the books of accounts

John Koyto

**Chartered Accountants** 

30th April, 2013

### **Statement Of Assets & Liabilities**

As At December 31, 2012

	Note	Market Value 2012 GH¢	% Net Assets	Market Value 2011 GH¢	% Net Assets
CASH AND SHORT TERM IN	VESTME	NTS			
Cash at Bank					
Cash at Bank	2	<u>7,658,255</u>	8.90	4,268,167	4.76
<b>Short Term Investments</b>					
Treasury Bills	3	14,515,998	16.88	25,302,395	28.20
Commercial Paper	4	500,000	0.58	1,281,664	1.43
Certificates of Deposit	5	60,682,792	70.57	57,797,060	64.41
Total Short Term Investments		75,698,790	88.03	84,381,119	94.04
Total Cash & Short Term Investments		83,357,045	96.93	88,649,286	98.80
CURRENT ASSETS					
Accrued Interest Receivable	6	4,774,629	5.55	3,751,963	4.18
Other Receivables	7	<u>5,653,694</u>	6.58	<u>428,950</u>	0.48
Total Current Assets	_	10,428,323	12.13	4,180,913	4.66
Total Assets		93,785,368	109.06	92,830,199	103.46
LIABILITIES					
Overdrawn Accounts	_	(7,619,657)	(8.86)	(2,893,258)	(3.22)
Sales Commission		-	-	(69,684)	(80.0)
Management Fee		(31,775)	(0.03)	-	-
Sundry Creditors	8	(4,418)	(0.01)	(4,821)	(0.01)
Custody Fees		(121,430)	(0.14)	(115,924)	(0.13)
Audit Fees		(15,000)	(0.02)	(13,460)	(0.02)
Total Liabilities		(7,792,280)	(9.06)	(3,097,147)	(3.46)
NET ASSETS		85,993,088	100.00	89,733,052	100.00

The financial statements on pages 15 to 23 were approved by the Board of Directors on 30th April, 2013 and signed on its behalf by:

**KELI GADZEKPO** 

(Director) 30th April, 2013 STEPHEN ADEI (Director) 30th April, 2013

### **Income And Distribution Accounts**

For The Year Ended December 31, 2012

	Note	2012 GH¢	2011 GH¢
Investment Income			
Interest Income	9	<u>13,534,995</u>	9,699,942
Total Income		13,534,995	9,699,942
Expenses			
Investment Management Fees		(884,431)	(760,671)
Operating Expenses	10	(448,619)	(642,008)
Total Expenses		<u>(1,333,050)</u>	(1,402,679)
Net Investment Income		12,201,945	8,297,263
Transfer to Accumulated Net Investment Income		12,201,945	8,297,263

### **Accumulated Net Investment Income**

For The Year Ended December 31, 2012

	Note	2012	2011
		GH¢	GH¢
Net Investment Income at the beginning		3,421,891	2,592,165
Transfer from Income and Distribution Accounts	_	12,201,945	8,297,263
Recommended Non-Cash Dividend	11	(10,981,750)	(7,467,537)
Net Accumulated Income		<u>1,220,195</u>	829,726
Net Investment Income at the end		4,624,086	3,421,891

### **Statement Of Movement In Net Assets**

For The Year Ended December 31, 2012

Increase in Net Assets	Note	2012 GH¢	2011 GH¢
Operations:	_		
Net Accumulated Income	_	<u>1,220,195</u>	829,726
Capital Transactions:	_		
Proceeds from share issue		56,563,621	81,686,273
Shares redeemed	_	(72,505,530)	(66,395,690)
Net Proceeds from Capital Transactions	_	(15,941,909)	15,290,583
Recommended Non-Cash Dividend	 11	10,981,750	<u>7,467,537</u>
	_	(4,960,159)	22,758,120
Total Increase in Net Assets	_	(3,739,964)	23,587,846
Net Assets:	_		
Beginning of Period	_	89,733,052	66,145,206
End of Period	_	85,993,088	89,733,052

#### **Statement Of Movement In Issued Shares**

For The Year Ended December 31, 2012

	Note	2012 No. of Shares	2011 No. of Shares
Shares in issue at beginning of Year	_	277,159,540	229,163,494
Net shares issued	12	(45,805,563)	47,996,046
Shares in Issue at End of Year		231,353,977	277,159,540

## Notes to Financial Statements

#### 1. Accounting Policies

The following principal accounting policies have been consistently applied during the year in accounting for items that are considered material in the preparation of the Fund's financial statements.

The financial statements are presented in Ghana cedi.

#### i. Income Recognition

Interest income is recognized on the accrual basis of accounting. Interest income comprises interest on treasury bills, commercial papers and certificates of deposit. The recognition of interest ceases when the payment of interest or principal is in doubt. Thereafter, interest is included in income only when it is received.

Commissions and fees are credited to income when earned.

#### ii. Expenses

Expenses are recognized when incurred, without regard to receipt or payment of cash.

#### iii. Investments

Valuation of the fund is determined by the amortized cost method. This involves the valuing of a debt obligation in reference to its cost rather than market value. In this regard, short-term securities having maturity of ninety-one days or less are valued at amortized cost.

#### iv. Foreign Currency

Transactions in foreign currencies during the period are converted into cedis at rates ruling at the transaction dates. Assets and liabilities denominated in foreign currencies are translated into cedis at exchange rates ruling at the financial year-end. The gains and losses resulting from exchanges are dealt with in arriving at the period's operating profit.

#### v. Commercial Paper

Commercial paper is stated in the Statement of Assets and Liabilities at the principal amount and interest less provision for doubtful debts. Provisions against commercial paper are based on an appraisal of the portfolio and are made having regard to specific risks. There is no provision for doubtful debts.

#### vi. Certificates of Deposit

Certificates of Deposit are stated in the Statement of Assets and Liabilities at the principal amount and interest less provision for doubtful debts. Provisions against Certificates of Deposit are made having regard to specific risks. There is no provision for doubtful debts.

#### 2. Cash and Balances with Bank

Cash and cash equivalents, comprise deposits held on call with banks and cash at bank. Cash at bank and call as at December 31, 2012 was GH¢7,658,255. This forms 8.90% (2011: 4.76%) of total net assets for the period.

#### 3. Treasury Bills

Treasury bills are stated at cost on the Statement of Assets and Liabilities. Treasury bills for the period under review total GH¢14,515,998 (2011: GH¢25,302,395). This represents 16.88 % of total net assets (2011: 28.20%).

Details	2012 GH¢	2011 GH¢
1 Year Treasury Bills	2,023,500	8,077,035
182 Day Treasury Bills	7,307,328	17,225,360
91 Day Treasury Bills	<u>5,185,170</u>	
	14,515,998	25,302,395

#### 4. Commercial Paper

Commercial Paper as at December 31, 2012 is as follows:

Details	2012 GH¢	2011 GH¢
1 Yr	500,000	1,281,664

Commercial Paper for the period under review forms 0.58% of total net assets (2011:1.43%).

#### **Analysis by Business Segments**

Details	2012 GH¢	2011 GH¢
Financial Services	500,000	180,000
Miscellaneous		1,101,664
	500,000	1,281,664

#### 5. Certificates of Deposit

Certificates of Deposit as at December 31, 2012 are as follow:

Details	2012 GH¢	2011 GH¢
365 day	19,476,000	14,631,104
182 day	39,828,166	41,565,956
91 day	1,378,626	1,600,000
	60,682,792	57,797,060

Certificates of Deposit for the period under review constitute 70.57% (2011: 64.41%) of total net assets.

## Notes to Financial Statements - continued

#### **Certificates of Deposit (contd.)**

#### **Analysis by Business Segments**

Details	2012 GH¢	2011 GH¢
Non-Bank Financial Institutions	36,624,075	12,350,000
Banks	24,058,717	45,447,060
	60,682,792	57,797,060

#### 6. Accrued Interest Receivable

Details	2012 GH¢	2011 GH¢
Interest on Certificates of Deposit	4,249,111	2,792,991
Interest on Commercial Paper	41,288	47,584
Interest on Treasury Bills	484,230	911,388
	4,774,629	<u>3,751,963</u>

Accrued Interest Receivable as at December 31, 2012 forms 5.55% of Net Assets (2011: 4.18%).

#### 7a. Other Receivables

*Included in the other receivables are the under listed related party transactions.* 

Description	2012 GH¢	2011 GH¢
Databank Epack Investment Fund Ltd	12,600	12,600
Databank Balanced Fund Ltd	15,111	15,110
Databank Financial Services Ltd	128,182	128,182
Databank Brokerage Limited	19,289	219,289
Databank Asset Management Services Ltd	25,822	25,822
Databank Ark Fund Ltd	50,000	-

#### 7b. Transactions through related parties during the year are made up of:

- i. Treasury Bills representing 16.88% (2011: 28.20%) of total net assets were executed through Databank Brokerage Limited (DBL).
- ii. Commercial Paper and Certificates of Deposit transactions representing 0.58% and 70.57% respectively (2011: 1.43% and 64.41%) of total net assets, were conducted through Databank Asset Management Services Limited (DAMSEL).

#### 8. Sundry Creditors

	2012 GH¢	2011 GH¢
Payable Withholding Tax	-	403
Payable General	<u>4,418</u>	<u>4,418</u>
	<u>4,818</u>	<u>4,821</u>

Sundry creditors as at December 31, 2012 represent 0.01% (2011: 0.01%) of total net assets. Payable General is a preliminary expense incurred on behalf of the fund at its inception.

#### 9. Interest Income

Description	2012 GH¢	2011 GH¢
Interest on Treasury Bills	2,893,928	2,571,156
Interest on Commercial Paper	126,736	54,386
Interest on Certificates of Deposit	10,353,271	6,995,832
Interest on Call Account	<u>161,060</u>	78,568
	13,534,995	9,699,942

## Notes to Financial Statements - continued

#### **10. Operating Expenses**

Included in operating expenses are the following:

Description	2012 GH¢	2011 GH¢
Administrative Expenses	321,131	382,467
Directors' Emoluments	39,650	19,740
Auditors' Remuneration	15,000	13,460

11. Non-Cash Dividend	2012 GH¢	2011 GH¢
Non-Cash Dividend Recommended	10,981,750	7,467,537

The non cash dividend is 90% of Net Investment Income and this is in line with the Fund's Dividend Policy.

#### **12. Capital Transactions**

Description	2012	2011
	Number of Shares	Number of Shares
New Issues	164,706,912	262,302,457
Redemption	(210,512,475)	(214,306,411)
Net Shares Issued	(45,805,563)	<u>47,996,046</u>

#### 13. Taxation

Mutual funds, under the current legislation, are not subject to taxes on interest income nor to any taxes on income distributions.

#### 14. Directors' Shareholding

The Directors named below held the following number of shares in the Fund as at December 31, 2012.

Name	Shares	% of Shares
Stephen Adei	21,845	0.0094
Keli Gadzekpo	354,837	0.1534
Benjamin Gogo	96,872	0.0419
Daniel Seddoh	101,590	0.0439
Ken (Resigned) and Angela Ofori-Atta	15,421	0.0292

#### 15. Description of the Fund

Databank Money Market Fund started operations on the 16th April 2004 as an authorized mutual fund to provide high current income with the maintenance of liquidity and preservation of capital. The Fund's investments include: treasury securities, commercial papers, bankers' acceptances, certificates of deposit, etc.

All securities purchased by the Fund present minimal credit risk in the opinion of the Manager (Databank Asset Management Services Limited) acting under the supervision of the Directors. In the interest of prudence and efficient management of the Fund, the Manager will maintain prudent levels of liquidity.

The Manager is responsible for the actual management of the Fund's portfolio and constantly reviews the holdings of the Fund in the light of its research analysis and research for other relevant services. The Fund pays the Investment Manager a monthly management fee of 0.083% for services provided to the Fund. The fee is based on the Fund's average daily net assets.

### **Custodian Report**



May 17, 2013

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

Our ref. MFundReport2012

Dear Sir,

#### REPORT OF THE CUSTODIAN TO THE INVESTORS OF DATABANK MONEY MARKET 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 Charted Bank Ghana Limited for the above fund as at December 31, 2012.

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

Page 9 of the fund's regulations specify 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, 2012 and the Manager **Databank Asset Management Limited** has managed the fund for the year ended December 31, 2012 in accordance with;

(a) the limitations imposed on the investment and borrowing powers of the manager; and  $% \left( 1\right) =\left( 1\right) \left( 1\right) \left$ 

(b) provisions pursuant to the above mentioned regulations.

Yours Faithfully.

Samuel Enos Eghan

Head, Investment and Intermediaries Standard Chartered Bank Ghana Ltd.

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

Tel (233-21) 664591 - 8, 769210 - 221 Fax (233-21) 667751, 663560 Telex 2671 (SCBACCGH)

Cable STANCHART

## **Standard Chartered Securities Services**



Portfolio Valuation Report As At 31/12/2012

Safekeeping Account: 1957397A - DATABANK MONEY MARKET FUND LIMITED

Date: 17/05/2013 21:23.02

3 21:23.02
Nominal
3,000,000.00
3,000,000.00
500,000.00
2,000,000.00
1,000,000.00
2,000,000.00
3,000,000.00
2,500,000.00
1,500,000.00
1,000,000.00
800,000.00
3,000,000.00
1,176,000.00
700,000.00
1,000,000.00
3,000,000.00
1,000,000.00
500,000.00
1,000,000.00
1,000,000.00
2,000,000.00
2,000,000.00
400,000.00
2,000,000.00
1,000,000.00
800,000.00
2,000,000.00

Security Name	Nominal
91 DAY AT	378,625.98
182 DAY B	700,000.00
182 DAY B	1,000,000.00
182 DAY B	700,000.00
182 DAY C	1,000,000.00
182 DAY FABL	1,500,000.00
182 DAY F A	1,000,000.00
182 F C P	3,000,000.00
182 F C P	1,500,000.00
182 FCP	700,000.00
182 FCP	800,000.00
182 DAY MAC	928,000.00
182 DAY MAC	741,448.63
182 DAY U	1,019,948.71
182 DAY U B	1,000,000.00
182 DAY U B	1,010,871.60
182 DAY UTB	1,328,000.00
1YR T' Note	2,023,500.00
182 DAY TBILL	1,395,859.00
182 DAY T'BIL	1,057,081.50
182 DAY	1,273,855.00
182 DAYS	1,782,729.00
182 DAY T BILLS	588,420.00
182 DAY	1,922,163.00
91 DAY T'BILL	1,300,111.54
91 DAY T'BILL	3,885,057.76

## **Corporate Information**

#### **Board Of Directors**

Ken Ofori-Atta (Resigned) Keli Gadzekpo Stephen Adei Dan Seddoh Benjamin Gogo

#### **Registered Office**

No. 61 Barnes Road, Adabraka Private Mail Bag Ministries Post Office Accra

#### Custodian

#### Standard Chartered Bank Ghana Limited

P.O. Box 768 High Street Accra

#### **Auditors**

John Kay & Co

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

#### **Investment Manager**

#### Databank Asset Management Services Limited

No 61 Barnes Road Adabraka Private Mail Bag Ministries Post Office, Accra

#### **Bankers**

#### Barclays Bank (Ghana) Ltd

P.O. Box 2949 High Street Accra

#### United Bank for Africa Ghana Ltd.

Heritage Towers Accra

#### **Ecobank Ghana Limited**

19 Seventh Avenue, Ridge West P. O. Box PMB GPO Accra

#### Zenith Bank Ghana

Premier Towers Liberia Road Ministries Accra

#### Ghana International Bank plc

9th Floor, Cedi House Bank of Ghana Liberia Road Accra. Ghana

#### Access Bank (Ghana) Limited

9 La Tebu Crescent, East Cantonments P.O. Box CT 1967 Cantonments, Accra, Ghana

## 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:

#### NAME: KEN OFORI-ATTA (Resigned)

ADDRESS P.O Box 3859, Accra

TIME WITH FUND 8 years 8 Months

OCCUPATION
Investment Banker

Ken Ofori-Atta regrettably resigned in February 2013 as Chairman and Director of Databank Money Market Fund Ltd after serving in that capacity for over 8 years. Further details will be provided in the 2013 annual report.



### NAME: **KELI GADZEKPO**

ADDRESS P.O Box M 298. Accra

**POSITION** Chairman

TIME WITH FUND 8 years 8 Months

OCCUPATION Investment Banker OTHER AFFILIATION
Chief Executive Officer
Databank Financial Services Ltd
Databank Asset Mgt. Services Ltd.

**Chairman** Enterprise Properties

Board Member
Enterprise Insurance
Databank Arkfund Ltd
The Roman Ridge School
Nature Conservation Research Centre

Board Chairman

Databank Epack Investment Fund Ltd

Databank Balanced Fund Ltd



## Directors' And Officers' Information Cont.

#### **Board Of Directors:**

The Independent Directors of the Fund are:

#### NAME: STEPHEN ADEI

#### ADDRESS P.O. Box 1015 LG, Legon, Accra

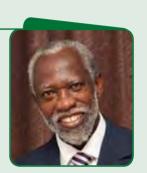
### **POSITION** Director

#### TIME WITH FUND 8 years 8 Months

OCCUPATION Economist

### OTHER AFFILIATION Director

- · IFS Financial Services Limited
- · ASADTEK Group of Companies
- Databank Balanced Fund Ltd (Bfund)
- Best Western Premier Hotel
- Ghana Christian International High School



#### NAME: DAN SEDDOH

#### ADDRESS P.O Box GP 50, Accra

### **POSITION** Director

#### TIME WITH FUND 8 years 8 Months

OCCUPATION Chartered Accountant

## OTHER AFFILIATION Director Merchank Bank

#### **Board Chairman**

- · Millennium Insurance
- Allterrain Services Inc.



### BENJAMIN GOGO

## ADDRESS P.O. Box AF 878 Adenta-Accra

#### POSITION Director

#### TIME WITH FUND 8 years 8 Months

**OCCUPATION** Consultant

## OTHER AFFILIATION Director

- · Secure Pensions Trust
- · La Community Bank









#### Officers' Information:

NAME	REV. DANIEL OGBARMEY TETTEH
Position	Chief Investment Officer
Time with Fund	4 years 4 months
NAME	OLADIMEJI ADEDARA (Resigned)

Ola was responsible for administering the finances
of the Fund. He is a qualified Chartered Accountant
who was responsible for Databank Accounts for
over 17 years. His previous experience includes
working with Excel Trust & Finance Limited and
MMG Securities Ltd, both in Nigeria. Ola regrettably
resigned in November, 2012.

Ghana Business School.

Occupations During the Past 5 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

02

01

Time With Fund	o years
NAME	FRANK SOCRATES DZAKUMA

8 years

Financial Controller

Financial Controller

Time with Fund 1 month

**Position** 

**Position** 

Time with Fund

Time with Fund

Responsible for administering the finances of the
fund. A Qualified Chartered Accountant and also
responsible for the finances of Databank Bank Group
of Companies. His previous experiences include
working with Ghana audit service, Ayew Agyemang
Turkson & Co, Ghana Commercial Bank, SG SSB
Bank.

NAME **EVELYN OFOSU DARKO Position** Vice President

8 years

Evelyn is the Chief of Operations of Databank Asset Management Services limited. She has been with Databank since 2000, working in various capacities including the management of the portfolios of High Net-Worth clients, Institutions and Mutual Funds. Her latest engagement was with Databank Epack as a co-Fund Manager. Evelyn holds a first degree in Administration (Marketing option) from University of Ghana, Legon and an MSc. in International Marketing Management, University of Surrey, UK. She worked with Unilever Ghana Limited and Darko Farms prior to joining Databank.

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### **Directors' And Officers' Information** Cont

#### Officers' Information: cont.

NAME	NII ANYETEI AMPA-SOWA		
Position	Vice President		
Time with Fund	3 months		

#### **Occupations During the Past 5 Years**

Nii Anyetei Ampa-Sowa is an investment strategist and recently took over the management of Databank's flagship pan-African mutual fund - Databank's Epack Investment Fund - in November 2012. Prior to assuming this role, he performed various critical tasks within the research department of the Databank Group, and eventually headed the department for almost four (4) vears. Nii has also had brief working stints with the Economics Department of the University of Ghana and as an equity analyst in UBA Capital (Europe) - the investment banking arm of United Bank for Africa, one of the largest Nigerian banks – based in London, UK. Nii has a degree in Economics (magna cum laude) from the University of Ghana, and an MSc Investments degree from the University of Birmingham in the UK.

NAME	MAAMLE TOTIMEH	
Position	Fund Manager	
Time with Fund	7 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.

06

NAME	EDNA AHUNU	
Position	Senior Analyst	
Time with Fund	5 years	

Edna is the Fund manager responsible for the management of Databank Ark Fund and Databank Balanced Fund. She also serves on the equity team of Databank Asset Management which is focused on selecting equity investments for DAMSEL's clients. In addition, she doubles as compliance officer for DAMSEL. Prior to her role as fund manager, she was responsible for DAMSEL's trading activities. Edna graduated from the University of Ghana Business School with a First Class honors in Business Administration (Banking and Finance option).

NAME	EMMANUEL OWUSU
Position	Analyst
Time with Fund	2 years

#### Occupations During the Past 5 Years

Emmanuel is an Investment Analyst at Databank Asset Management Services Ltd with focus on Fixed Income Dealing. He conducts due diligence and company visits to both prospective and existing issuers with the view of assessing their repayment abilities. He also assists in the management of Databank Money Market Fund and Epack Investment Fund. Emmanuel holds a degree in Economics (First Class Honours) from the University of Ghana.

08

NAME	MATILDA ESHUN
Position	Fund Administrator
Time with Fund	7 years

Matilda heads the Back Office operations of Databank Asset Management. She is responsible for the Administration of the mutual Funds. She also provides investment advice to clients. She is a product of the Methodist University College, Ghana and holds a BSc Administration. Prior to joining Databank Asset Management, she worked with Databank Financial Services Limited.

09

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or

5 years

Responsible for the administration of the Fund. She is a product of Central University College with a First Degree in Business Administration (HRM Option). Prior to joining Databank Asset Management, she worked with Databank Financial Services Ltd.

10

NAME	ANTHONY DEGBATO	
Position	Accounts Manager	

Time with Fund 5 years

Time with Fund

Anthony manages the accounting functions of the Fund. Prior to joining Databank Mfund, he worked with Databank Balanced Fund Ltd, Databank Brokerage Ltd, Databank Asset Management Ltd, 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.

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NAME	RUTH KORANTENG
Position	Senior Accounts Officer
Time with Fund	6 years

She assists in the accounting function of the fund. She is a graduate of Central University College with Bsc (Hons) degree in Business Administration- Accounting Option and part qualified CIMA student.

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## **Proxy Form**

#### **Databank Money Market Fund Limited**

beir app faili for i held	ng a member/members of Databank Money M oint	eting, as my/o	our proxy to vote ne Company to be
	e direct that my/our vote(s) be cast on the spe	cified resoluti	on as indicated by
an )	( in the appropriate space.		
RE	SOLUTIONS	FOR	AGAINST
1.	Report of Directors and Auditors		
2.	Receive and adopt the accounts		
3.	Re-election of the following Directors retiring by rotation; • Stephen Adei • Dan Seddoh		
4.	Authorize the Directors to fix remuneration of Auditors		
5.	To approve Directors' fees		
	ned this 2	012	

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How do I use the service?

Simply text the following keywords to 1906:

#### **Account Balances:**

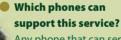
Step 1: Send Reg(space)account number(space)account name to 1906 e.g. Reg 123456 Kofi Oppong

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** 



## **SMS Notification**

- How do I sign up for the service? Kindly speak to our relationship managers
  - who will provide you with a registration form.
  - What kinds of transactions will this service cover?

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How many texts or e-mail messages will I get per month?

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## Leadership

#### **ACCRA OFFICE**

No. 61 Barnes Road PMB, Ministries Post Office Accra, Ghana

Tel.: +233-30 2610610

Fax: +233-30 2681443/2681442 E-mail: mfund@databankgroup.com Internet http://www.databankgroup.com

#### **KUMASI OFFICE**

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

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Meridian Plaza Room 201 & 202 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 2023628

#### **GAMBIA OFFICE**

2nd Floor Trust Bank Building Westfield Junction P.O. Box 3189, Serrekunda The Gambia

Tel.: (220) 4378014 Fax: (220) 4378016

**Email:** mfund@databankgroup.com **website:** http://www.databankgroup.com