



John Kay & Co

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

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

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.

Respective Responsibilities of Directors and Auditors

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

Opinion

In our opinion, proper books of account have been kept and the financial statements which are in agreement therewith give a true and fair view of the state of affairs of the Databank Ark Fund Limited as at December 31, 2010 and of the results of its operations and changes in the net assets for the year ended and comply with the Ghana Accounting Standards, Unit Trust and Mutual Funds Regulations, 2001, (L.I. 1695) and the Ghana Companies Code, 1963, (Act 179).

Basis of Opinion

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

John Kay & Co

Chartered Accountants
21st April, 2011

STATEMENT OF NET ASSETS AS AT DEC. 31, 2010

Description	Number of Shares	Price 31-Dec-10 GH¢	Market Value GH¢	Net Assets %
SHARES				
Banking				
Ghana Commercial Bank Ltd. (Ghana)	20,700	2.7000	55,890	3.03
Standard Chartered Bank Ghana Ltd. (Ghana)	1,100	45.1600	49,676	2.70
SG-SSB Limited (Ghana)	111,000	0.6400	71,040	3.86
Food & Household Products				
Fan Milk Ltd (Ghana)	45,000	2.4500	110,250	5.99
Insurance				
Enterprise Group Limited (Ghana)	75,000	0.5000	37,500	2.04
SIC Insurance Company Limited (Ghana)	101,200	0.4300	43,516	2.36
Petroleum				
Ghana Oil Company Limited (Ghana)	171,000	0.2900	49,590	2.69
Total Petroleum Ghana Limited (Ghana)	<u>6,100</u>	10.0000	61,000	<u>3.31</u>
Total Shares (Cost GH¢307,202.65)	531,100		478,462	<u>25.99</u>
Short Term Funds				
Cash at Bank & on Call			10,247	0.56
Short Term Investments				
Certificates of Deposit (CD)			1,158,000	62.90
Treasury Bills				
182-Day Treasury Bills			146,111	7.94
1 Year Note			22,883	1.24
			168,994	9.18
Total Short-Term Funds			1,337,241	
Total Investments			1,815,703	98.62
Net Current Assets			25,449	1.38
Total Net Assets			1,841,152	100.00

STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 31, 2010

ASSETS	Note	2010 GH¢	2009 GH¢
Total Investments		<u>1,815,703</u>	<u>282,888</u>
Current Assets			
Redemption Receivable		-	20,000
Interest Receivable		36,708	12,114
Dividend Receivable		<u>276</u>	-
Total		<u>36,984</u>	<u>32,114</u>
Current Liabilities			
Commission (1% Front Load)		4,098	681
Management Fees		4,205	1,482
Custody Fees		460	376
Audit Fees		2,700	2,300
Withholding Tax		<u>72</u>	<u>149</u>
Total		<u>11,535</u>	<u>4,988</u>
Net Current Assets		<u>25,449</u>	<u>27,126</u>
Total Net Assets		<u>1,841,152</u>	<u>310,014</u>

The financial statements on pages 18 to 27 were approved by the Board of Directors on 21st April 2011 and signed on its behalf by:


CHAIRPERSON
21st April, 2011


DIRECTOR
21st April, 2011

INCOME AND DISTRIBUTION ACCOUNTS FOR THE YEAR ENDED DECEMBER 31 2010

	Note	2010 GH¢	2009 GH¢
Investment Income			
Gross Dividend Income		12,545	-
Less: Withholding Tax		(1,004)	-
Net Dividend Income	2	11,541	-
Interest Income	3	105,358	14,229
Total Income		116,899	14,229
Management Fees		(14,605)	(1,482)
Operating Expenses	4	(30,154)	(6,598)
Total Expenses		(44,759)	(8,080)
Net Investment Income		72,140	6,149
Net Realised Gain on Investment		6,151	-
Change in Unrealised Gain	5	170,033	1,358
Increase in Net Assets Resulting from Operations		248,324	7,507

ACCUMULATED NET INVESTMENT INCOME FOR THE YEAR ENDED DECEMBER 31, 2010

	Note	2010 GH¢	2009 GH¢
Beginning of Year		7,507	-
Net Investment Income		72,140	7,507
End of Year		79,647	7,507

STATEMENT OF MOVEMENT IN NET ASSET FOR THE YEAR ENDED DECEMBER 31, 2010

	Note	2010 GH¢	2009 GH¢
Increase in Net Assets Operations:			
Net Investment Income		72,140	6,149
Net Realised Gain on Investment		6,151	-
Unrealised Gain		<u>170,033</u>	<u>1,358</u>
		<u>248,324</u>	<u>7,507</u>
Capital Transactions:			
Proceeds from Share Issue		1,524,294	314,817
Shares Redeemed		<u>(241,480)</u>	<u>(12,310)</u>
Net Proceeds from Capital Transactions		<u>1,282,814</u>	<u>302,507</u>
Total Increase in Net Assets		1,531,138	310,014
Beginning of Year		<u>310,014</u>	-
End of Year		<u>1,841,152</u>	<u>310,014</u>

STATEMENT OF MOVEMENT IN ISSUED SHARES FOR THE YEAR ENDED DECEMBER 31, 2010

		No. of Shares	No. of Shares
Shares in Issue at Beginning of Year		3,024,590	-
Net Shares Issued During Year	6	<u>9,969,599</u>	<u>3,024,590</u>
Shares in Issue at End of Year		<u>12,994,189</u>	<u>3,024,590</u>

PORTFOLIO SUMMARY AS AT DECEMBER 31, 2010

Description	Position at 31/12/09	Value at 31/12/09	Position at 31/12/10	Value at 31/12/10	Purchase During the Year	Sales During the Year
		GH¢		GH¢	GH¢	GH¢
Banking						
Ghana Commercial Bank Ltd. (Ghana)	30,200	22,348	20,700	55,890	-	14,060
Standard Chartered Bank Ghana Ltd. (Ghana)	1,100	33,000	1,100	49,676	-	-
SG-SSB Limited (Ghana)	35,000	15,750	111,000	71,040	48,640	-
Food & Household Products						
Fan Milk Ltd(Ghana)	4,500	24,975	45,000	110,250	99,225	-
Insurance						
Enterprise Group Limited	-	-	75,000	37,500	37,500	-
SIC Insurance Company Limited	100,000	24,975	101,200	43,516	516	-
Petroleum						
Ghana Oil Company Limited	-	-	171,000	49,590	49,590	-
Total Petroleum Ghana Limited	-	-	6,100	61,000	61,000	-
Total	170,800	121,048	531,100	478,462	296,471	14,060