



Accountants &
business advisers

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HFC EQUITY TRUST FOR THE YEAR ENDED 31 DECEMBER 2011

Report on the Financial Statements

We have audited the accompanying financial statements of HFC Equity Trust which comprise the statement of assets and liabilities as of December 31, 2011, the income and distribution accounts, statement of movement in net assets and issued share for the year then ended, and a summary of significant accounting policies and other explanatory notes.


Trustee's Responsibility for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with Ghana Accounting Standards and in the manner required by the Unit Trust and Mutual Funds Regulations, 2001, (L.I. 1695) and the Companies Code, 1963 (Act 179). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the



circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Trustee, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of HFC Equity Trust as of December 31, 2011 and of its financial performance for the year then ended in accordance with Ghana Accounting Standards and comply with the Companies Code, 1963 (Act 179) and have been properly prepared in accordance with the Unit Trust and Mutual Funds Regulations, 2001, (L.I. 1695)

Report on Other Legal and Regulatory Requirements

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

- i) We have obtained all the information and explanations 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 Trust, so far as appears from our examination of those books, and
- iii) The Trust's Statement of assets and liabilities and the income and distribution account are in agreement with the books of accounts.



CHARTERED ACCOUNTANTS

FARRAR AVENUE, ACCRA

20th April, 2012



PKF

Accountants &
business advisers

HFC EQUITY TRUST
FINANCIAL STATEMENTS
YEAR ENDED
31 DECEMBER 2011

HFC EQUITY TRUST

STATEMENT OF ASSETS AND LIABILITIES

AS AT 31 DECEMBER 2011

Description	Notes	Shares No	Market Value GH ₵	% Net Assets
Shares				
HFC		52,000	23,400	1.20
CAL		162,108	45,390	2.33
EBG		36,999	100,424	5.15
GCB		46,834	51,284	2.63
SCB		1,755	80,591	4.13
SG-SSB		112,758	55,346	2.84
UTB		200,000	64,000	3.28
ALW		127,075	16,520	0.85
EIC		277,640	138,820	7.11
ETI		498,696	49,87	2.56
FML		82,600	195,762	10.03
GOIL		252,068	80,662	4.13
GWEB		364,000	14,560	0.75
SPL		900,000	18,000	0.92
UNIL		29,137	201,292	10.31
GSR		2,000	5,500	0.28
SIC		200,000	80,000	4.10
BOPP		200,773	220,851	11.32
MLC		364,005	40,040	2.05
TOTAL		6,597	130,818	6.70
GGBL		75,456	139,594	7.15
TLW		1,400	43,400	2.22
TOTAL SHARES			1,796,124	92.03

SHORT TERM FUNDS

Cash at Bank and on Call	4	50,863	2.61
HFC Unit Trust		3,186	0.16
Fixed Deposit		<u>120,000</u>	<u>6.15</u>
		<u>123,186</u>	<u>6.31</u>
Total Short Term Funds		<u>174,049</u>	<u>8.92</u>
Total Investments		1,970,173	100.94
Other Liabilities in Excess of Assets		<u>(18,397)</u>	<u>(0.94)</u>
Total Net Assets		<u>1,951,776</u>	<u>100.00</u>

HFC EQUITY TRUST

STATEMENT OF ASSETS AND LIABILITIES

AS AT 31 DECEMBER 2011

Assets:	Notes	2011 GH c	2010 GH c
Total Investments		1,970,173	1,989,896
Receivables:			
Interest	6	4,382	4,831
Total Assets		1,974,555	1,994,727
Liabilities:			
Amount Due to Managers		6,834	9,742
Management Fund	7	(316)	262
Management Fees Payable		3,195	0
HFC ISL Current Account		66	0
HFC Unit Trust Current Account		0	1,347
Accrued Charges		13,000	14,301
Total Liabilities		22,779	25,652
Net Assets		1,951,776	1,969,075

SIGNED FOR HFC INVESTMENTS 12th April, 2012.


GENERAL MANAGER


DIRECTOR

HFC EQUITY TRUST INCOME AND DISTRIBUTION ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2011

Investment Income	Notes	2011 GH ¢	2010 GH ¢
Fixed Deposit		32,102	7,447
Dividends		57,732	54,088
Call Account		1,640	891
Profit on Disposal of Shares		25,906	40,673
Other Income		497	3,650
Total Income		<u>117,877</u>	<u>106,749</u>
Expenses			
Management Fees		42,250	30,579
Auditors Remuneration		13,000	11,000
Interest Paid on Disinvestments	3	37,290	26,551
Other Expenses		<u>13,773</u>	<u>12,466</u>
		<u>106,313</u>	<u>80,596</u>
		<u>11,564</u>	26,153
Transfer to Management Fund	5	<u>(116)</u>	<u>(262)</u>
Net Investment Income		<u>11,448</u>	<u>25,891</u>
Accumulated Net Investment Income		(329,312)	(355,203)
BALANCE AT 1 JANUARY			
Net Profit For the Year		<u>11,448</u>	<u>25,891</u>
BALANCE AT 31 DECEMBER		<u>(317,864)</u>	<u>(329,312)</u>

HFC EQUITY TRUST STATEMENT OF MOVEMENT IN NET ASSETS FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 GH ¢	2010 GH ¢
Net Investment Income		11,448	25,891
Change in Unrealised gain	5	<u>8,421</u>	<u>505,626</u>
Net Increase in Net Assets Resulting from Operations		<u>19,869</u>	531,517
Capital Transactions Value of Units Sold and Converted		283,592	590,857
Value of Units Disinvested		<u>(320,760)</u>	<u>(505,531)</u>
Net Proceeds from Capital Transactions		<u>(37,168)</u>	85,326
Total (Decrease) / Increase in Net Assets		<u>(17,299)</u>	<u>616,843</u>
Net Assets:			
Balance at 1st January		1,969,075	1,352,232
Total (Decrease) / Increase in Net Assets		<u>(17,299)</u>	<u>616,843</u>
Balance at 31 December		<u>1,951,776</u>	<u>1,969,075</u>

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

Number of Units at 1 January	9,912,611	9,380,572
Number of Units Issued during the year	<u>1,523,010</u>	<u>1,993,138</u>
	11,435,621	11,373,710
Number of Units disinvested during the year	<u>(1,717,526)</u>	<u>(1,461,099)</u>
Number of Units at 31 December	<u>9,718,095</u>	<u>9,912,611</u>

HFC EQUITY TRUST

PORTFOLIO SUMMARY

FOR THE YEAR ENDED 31 DECEMBER 2011

	No. of Shares 31/12/10	Value 31/12/10 GH ¢	No. Of Shares 31/12/11	Value 31/12/11 GH ¢	Purchase During the Year GH ¢	Sales During the Year GH ¢
HFC	52,000	22,880	52,000	23,400	0	0
CAL	162,108	50,253	162,108	45,390	0	0
EBG	31,481	94,443	31,481	100,424	0	0
GCB	51,284	138,467	51,284	51,284	0	0
SCB	1,772	80,024	1,772	80,591	0	0
SGSSB	117,758	75,365	117,758	55,346	0	0
UT	200,000	60,000	200,000	64,000	0	0
ALW	27,075	3,249	127,075	16,520	13,195	0
EIC	302,940	151,470	277,640	138,820	0	12,650
ETI	498,696	74,804	498,696	49,870	0	0
FML	102,000	249,900	82,600	195,762	0	47,530
GOIL	252,068	73,100	252,068	80,662	0	0
GWEB	364,000	18,200	364,000	14,560	0	0
SPL	900,000	45,000	600,000	18,000	0	15,000
UNIL	30,315	172,492	30,315	201,292	0	0
GOLD STAR	2,000	10,400	2,000	5,500	0	0
SIC	200,000	86,000	200,000	80,000	0	0
BOPP	200,773	150,579	200,773	220,851	0	0
MECHANICAL LOYD	364,005	36,400	364,005	40,040	0	0
TOTAL	6,597	65,970	6,597	130,818	0	0
GGBL	61,665	96,197	75,456	139,594	20,686	0
TLW	0	0	1,400	43,400	<u>43,400</u>	0
		<u>1,755,193</u>		<u>1,796,124</u>	<u>77,281</u>	<u>75,180</u>

HFC EQUITY TRUST CAPITAL ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2011

CAPITAL ACCOUNT	2011		2010	
	Units	GHC	Units	GHC
Balance at 1st January	9,912,611	1,792,761	9,380,572	1,707,435
Value of Units Sold and Converted	<u>1,252,010</u>	<u>283,592</u>	<u>1,993,138</u>	<u>590,857</u>
	11,164,621	2,076,353	11,373,710	2,298,292
Value of Units Disinvested	<u>(1,717,526)</u>	<u>(320,760)</u>	<u>(1,461,099)</u>	<u>(505,531)</u>
Value of the Trust Fund at 31 December	<u>9,447,095</u>	<u>1,755,593</u>	<u>9,912,611</u>	<u>1,792,761</u>