REPORT OF THE AUDITORS
TO THE INVESTORS OF
FIRSTBANC HERITAGE FUND.

Report on the Financial Statements

We have audited the financial statements set out on pages 16 to 20 which comprise the Statement of Asset and Liabilities for FirstBanC Heritage Fund for the first sixteen months ended 31 December 2011, Income and Distribution Account, Statement of Movements in Net Assets, Statement of Movement in Issued Shares for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Director's Responsibility for the Financial Statements
The Directors 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 Companies Code, 1963 (Act 179) and Unit Trust and Mutual Funds Regulations 2001. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and a fair presentation of financial statements that are free from material misstatement, 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 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 controls 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 Directors, 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, 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 First Fund 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. 1965) and the Ghana Companies Code, 1963 (Act 179).

Report on Other Legal and Regulatory Requirements
The Ghana 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 Fund, so far as appears from our examination of those books, and
III. The Fund's Statements of Assets and Liabilities and Income and Distribution Account of the Fund are in agreement with the books of accounts.

Pannell Kerr Forster

PANNEL KERR FORSTER CHARTERED ACCOUNTANTS APRIL 23, 2011

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Email: panel@4u.com.gh
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Ghana -West Africa

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FIRSTBANC HERITAGE FUND  
STATEMENT OF NET ASSETS  
SIXTEEN MONTHS PERIOD ENDED 31 DECEMBER 2011  

<table>
<thead>
<tr>
<th>DESCRIPTION OF SHARES</th>
<th>SHARES NUMBER</th>
<th>MARKET PRICE</th>
<th>MARKET VALUE</th>
<th>% NET ASSETS</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALW</td>
<td>26200</td>
<td>0.13</td>
<td>3,406</td>
<td>1.14</td>
</tr>
<tr>
<td>BOPP</td>
<td>17100</td>
<td>1.10</td>
<td>18,810</td>
<td>6.31</td>
</tr>
<tr>
<td>EBG</td>
<td>8200</td>
<td>3.19</td>
<td>26,158</td>
<td>8.77</td>
</tr>
<tr>
<td>FML</td>
<td>12500</td>
<td>2.37</td>
<td>29,625</td>
<td>9.94</td>
</tr>
<tr>
<td>GCB</td>
<td>10600</td>
<td>1.85</td>
<td>19,610</td>
<td>6.58</td>
</tr>
<tr>
<td>GOIL</td>
<td>10000</td>
<td>0.32</td>
<td>3,200</td>
<td>1.07</td>
</tr>
<tr>
<td>SCB</td>
<td>350</td>
<td>45.48</td>
<td>16,918</td>
<td>5.34</td>
</tr>
<tr>
<td>SG-SSB</td>
<td>50000</td>
<td>0.47</td>
<td>23,500</td>
<td>7.88</td>
</tr>
<tr>
<td>SIC</td>
<td>30500</td>
<td>0.40</td>
<td>12,200</td>
<td>4.09</td>
</tr>
<tr>
<td>TOTAL</td>
<td>500</td>
<td>19.83</td>
<td>9,915</td>
<td>3.33</td>
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<tr>
<td>UNIL</td>
<td>1100</td>
<td>6.64</td>
<td>7,304</td>
<td>2.45</td>
</tr>
</tbody>
</table>

NOTES  
TOTAL (Cost GH¢ 205,654)  
3 169,646 56.90

MEDIUM TERM FUNDS  
Cash & Bank  
182 - Day Fixed Income  
365 - Day Fixed Income  
Total Investments

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<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; Bank</td>
<td>2</td>
<td>27,602</td>
<td>9.26</td>
<td></td>
</tr>
<tr>
<td>182 - Day Fixed Income</td>
<td></td>
<td>22,627</td>
<td>7.59</td>
<td></td>
</tr>
<tr>
<td>365 - Day Fixed Income</td>
<td></td>
<td>78,291</td>
<td>26.26</td>
<td></td>
</tr>
<tr>
<td>Total Investments</td>
<td></td>
<td>128,521</td>
<td>43.10</td>
<td></td>
</tr>
</tbody>
</table>

Total Cost of shares  
Total Investments  
Total Portfolio Value in GH¢

169,646  
128,521  
298,167

Approved by the Board on 10th April, 2012
FIRSTBANC HERITAGE FUND
STATEMENT OF ASSET AND LIABILITIES
SIXTEEN MONTHS PERIOD ENDED 31 DECEMBER 2011

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GH¢</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Notes</strong></td>
<td></td>
</tr>
</tbody>
</table>

**CASH AND SHORT TERM INVESTMENTS**
- Bank and cash Balances  2  27,602
- Certificate of Deposit  270,565

**Total Cash and Short Term Investment**  298,167

**CURRENT ASSET**
- Dividend  2,579
- Accrued Interest  7,067

**Total Current Assets**  9,646

**Total Assets**  307,813

**CURRENT LIABILITIES**
- Back Load  (125)
- Management Fees  (656)
- Custodian Fees  (168)
- Transaction Fees  (220)
- Operation Expenses  (170)
- Due to FirstBanc Financial Services  (5,750)
- Other Payables  (7,981)

**Total Liabilities**  (15,070)

**292,743**

*Total Current Liabilities are Reimbursable Expenses to Manager*

Approved by the Board on 10th April 2012

**DIRECTOR**
# FIRSTBANC HERITAGE FUND

## INCOME AND DISTRIBUTION ACCOUNT

**SIXTEEN MONTHS PERIOD ENDED 31 DECEMBER 2011**

<table>
<thead>
<tr>
<th>Notes</th>
<th>2011</th>
<th>GH¢</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Investment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividend Income</td>
<td></td>
<td>2,579</td>
</tr>
<tr>
<td>Interest Income</td>
<td>4</td>
<td>17,589</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td></td>
<td>20,168</td>
</tr>
<tr>
<td>Operational Expense</td>
<td>6</td>
<td>7,572</td>
</tr>
<tr>
<td><strong>Total Expense</strong></td>
<td></td>
<td>7,572</td>
</tr>
<tr>
<td>Net Investment Income/(loss)</td>
<td></td>
<td>12,597</td>
</tr>
<tr>
<td>Net Unrealized Gain/(Loss) on Investment</td>
<td>7</td>
<td>(36,008)</td>
</tr>
<tr>
<td><strong>Net Decrease in Net Assets resulting from Operations</strong></td>
<td></td>
<td>(23,411)</td>
</tr>
</tbody>
</table>

## FIRSTBANC HERITAGE FUND

**ACCUMULATED NET INVESTMENT INCOME**

**SIXTEEN MONTHS PERIOD ENDED 31 DECEMBER 2011**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning of Period</strong></td>
<td><strong>12,597</strong></td>
</tr>
<tr>
<td>Net Investment Income /(loss)</td>
<td></td>
</tr>
<tr>
<td><strong>End of Period</strong></td>
<td><strong>12,597</strong></td>
</tr>
</tbody>
</table>

## FIRSTBANC HERITAGE FUND

**ACCUMULATED NET UNREALIZED GAINS/(LOSS)**

**SIXTEEN MONTHS PERIOD ENDED 31 DECEMBER 2011**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning of Period</strong></td>
<td>0</td>
</tr>
<tr>
<td>Change in Unrealized Gain/(Loss)</td>
<td><strong>(36,008)</strong></td>
</tr>
<tr>
<td><strong>End of Period</strong></td>
<td><strong>(36,008)</strong></td>
</tr>
</tbody>
</table>
FIRSTBANC HERITAGE FUND
STATEMENT OF MOVEMENTS IN NET ASSETS
SIXTEEN MONTHS PERIOD ENDED 31 DECEMBER 2011

2011
GH¢

INCREASE IN NET ASSETS
Operations:
Net Accumulated Investment Income 12,597
Net Unrealized Loss 8 (36,008)
Change in Unrealized Loss 0
Net Decrease in Net Assets Resulting from operations (23,411)

Capital Transactions
Proceeds from share issue 339,628
Shares Redeemed (23,475)
Net Proceeds from Capital Transaction 316,153

Total Decrease in Net Assets 292,742
Beginning of Period 0
End of Period 292,742

STATEMENT OF MOVEMENTS IN ISSUED SHARES
SIXTEEN MONTHS PERIOD ENDED 31 DECEMBER 2011

Shares issued at the beginning of period 9 599,103
Net Shares Issued/(Withdrawn) during the period 957,847
Shares in Issue at December 31, 2011 1,556,950