

# Report of the independent auditors to the unitholders of Stanbic Income Fund

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## **Report on the Financial Statements**

We have audited the financial statements of Stanbic Income Fund, which comprise the statement of assets and liabilities at 31 December 2011, income and distribution account, portfolio statement and capital account for the year then ended, and notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes as set out on pages 16 to 17.

## **Manager's Responsibility for the Financial Statements**

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with Ghana National Accounting Standards and in the manner required by the Unit Trusts and Mutual Funds Regulations, 2001 (L.I. 1695). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and 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 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 Manager, 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.

# Report of the independent auditors to the unitholders of Stanbic Income Fund (cont.)

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## Opinion

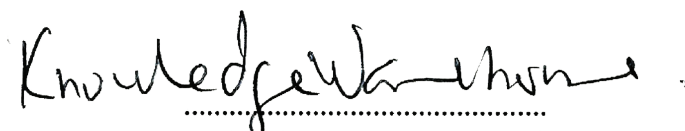
In our opinion, the financial statements give a true and fair view of the financial position of Stanbic Income Fund at 31st December 2011, and of its financial position and performance for the period ended in accordance with Ghana National Accounting Standards and in the manner required by the Unit Trusts and Mutual Funds Regulations, 2001 (L.I. 1695).

## Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Part 9 of schedule 8 of the Unit Trusts and Mutual Funds Regulations, 2001 (L.I. 1695).

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.

In our opinion, proper books of account have been kept, and the statement of assets and liabilities at 31 December 2011, income and distribution account, portfolio statement and capital account for the year then ended are in agreement with the books of account.



.....  
CHARTERED ACCOUNTANTS  
53 BAATSONA –SPINTEX ROAD  
P. O. BOX SK1016,  
TEMA.

Signed by: Prosper Asamoah (100526)

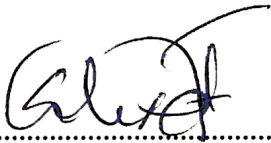
26<sup>th</sup> April

, 2012

# Statement of Net Assets as at 31st December 2011

Description	Note	No. Of Shares	Price at 31-Dec-11 (GHS)	Market Value at 31-Dec-11 (GHS)	% of Net Assets (%)
<b>Shares</b>					
<b>Banking</b>					
Standard Chartered Bank Limited		1,800	45.48	81,864	2.14
CAL Bank Ltd		15,000	0.28	4,200	0.11
<b>Food &amp; Household Products</b>					
Fan Milk Ltd		10,077	22.37	23,882	0.62
<b>Total Shares</b>				109,946	2.87
<b>Medium Term Funds</b>					
<b>Bonds</b>					
				1,081,144	28.21
<b>Short Term Funds</b>					
<b>Cash at Bank</b>					
				11,250	0.29
<b>Debentures</b>					
				350,000	9.13
<b>Fixed Deposits</b>					
				2,171,624	56.66
<b>Total</b>				2,532,874	66.08
<b>Total Investments</b>				3,723,964	97.16
Other Assets in Excess of Liabilities				108,839	2.84
<b>Total Net Assets</b>				3,832,803	100.00
				=====	=====

The financial statement on pages 9 to 15 were approved by **Stanbic investment Management Services Ltd.** and signed on it's behalf by:

  
.....  
**Director**

17-04-  
....., 2012

  
.....  
**Director**


17-04-  
....., 2012

The notes on pages 16 and 17 are an integral part of these financial statements.

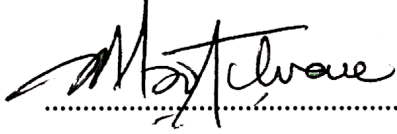
# Statement of Net Assets as at 31st December 2011 (cont.)

	Notes	2011 GHS
<b>ASSETS</b>		
Total Investments		3,723,964
<b>Receivables:</b>		
Interest Receivable – Fixed Deposits		54,952
Interest Receivable – Debentures		7,662
Interest Receivable – Bonds		61,388
<b>Total Receivables</b>		----- 124,002
<b>LIABILITIES</b>		
<b>Payables:</b>		
Accrued Fund Management Fee		5,939
Accrued Trustee Fees		4,724
Accrued Audit Fees		4,500
<b>Total Payables</b>		----- 15,163
<b>NET CURRENT ASSETS</b>		----- 108,839
<b>NET ASSETS</b>		----- 3,832,803 =====

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.....  
Director

17-04-  
....., 2012

  
.....  
Director

17-04-  
....., 2012

The notes on pages 16 and 17 are an integral part of these financial statements.

# Statement of Assets and Liabilities as at 31st December 2011

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		<b>2011 GHS</b>
<b>INCOME</b>		
Gross Dividend Income		400
Less: Withholding Tax		32
		----
Net Dividend Income		368
Interest Income	3	304,952
Other Income	4	5,284
		-----
<b>Total Income</b>		<b>310,604</b>
		-----
<b>EXPENSES</b>		
Fund Management Fees		36,442
Trustees Fees		4,724
Audit Fees		4,500
Other Expenses	5	7,285
		-----
<b>Total Expenses</b>		<b>52,951</b>
		-----
<b>NET INVESTMENT INCOME</b>		<b>257,653</b>
Net Realised Gain on Investments		2,550
Unrealised Loss on Investments		(14,767)
		-----
<b>NET INVESTMENT GAINS</b>		<b>245,436</b>
		=====

The notes on pages 16 and 17 are an integral part of these financial statements.

# Income and Distribution Accounts for the year ended 31st December 2011

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	2011 GHS
<b>Operations:</b>	
Net Investment Income	257,653
Net Realised Gain on Investments	2,550
Unrealised Loss on Investments	(14,767)
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Change in net assets from operations	245,436
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<b>Capital Transactions:</b>	
Proceeds from units issued	4,046,791
Units Redeemed	(459,424)
	-----
Net proceeds from capital transactions	3,587,367
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Total Increase in Net Assets	3,832,803
Net Assets at 1st January	-
Net Assets at 31st December	3,832,803

The notes on pages 16 and 17 are an integral part of these financial statements.

# Statement of Movement in Issued Units for the year ended 31st December 2011

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	2011
Number of Units in issue at 1st January	-
Number of Units issued during the year	3,619,236
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	3,619,236
Number of Units redeemed during the year	(431,130)
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Number of Units in issue at 31st December	3,188,106
	=====

The notes on pages 16 and 17 are an integral part of these financial statements.

# Capital Account for the year ended 31st December 2011

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	2011 GHS
Value of Units in issue at 1st January	-
Value of Units issued during the year	4,046,791
	-----
Value of Units redeemed during the year	4,046,791 (459,424)
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Value of Units in issue at 31st December	3,587,367
	=====

The notes on pages 16 and 17 are an integral part of these financial statements.



# Portfolio Summary as at 31st December 2011

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Description	No. of Shares at 31-Dec-11(GHS)	Value at 31-Dec-11(GHS)	Purchases During 2011	Sales During 2011
<b>Banking</b>				
Standard Chartered Bank Limited	1,800	81,864	95,548	-
CAL Bank Ltd	15,000	4,200	4,004	-
<b>Food &amp; Household Products</b>				
Fan Milk Ltd	10,077	23,882	49,938	27,327
<b>Total</b>		109,946	149,490	27,327
		=====	=====	=====

The notes on pages 16 and 17 are an integral part of these financial statements.