
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HFC EQUITY TRUST FOR THE YEAR ENDED 31 DECEMBER 2012

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, 2012, the income and distribution accounts, statement of movement in net assets and issued units for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Trustee's Responsibility for the Financial Statements

The Trustee 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 controls 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 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, 2012 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 Income and Distribution Account are in agreement with the books of accounts.



Signed by: F. Bruce-Tagoe (ICAG/P/1087)
 For and on behalf of PKF: (ICAG/F/2013/039)
 Chartered Accountants
 Farrar Avenue
 P. O. Box GP 1219,
 Accra.
 9th April, 2013

HFC EQUITY TRUST FINANCIAL STATEMENTS DECEMBER 31, 2012

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100%

HFC EQUITY TRUST STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 2012

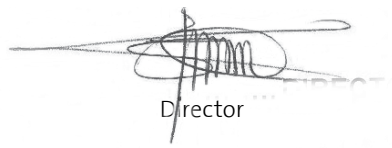
DESCRIPTION	Notes	Shares	Market Value	% Net Assets
		No.	GH c	
Shares				
HFC		52,000	23,400	0.99
CAL		100,000	38,000	1.61
EBG		31,481	94,443	4.01
GCB		26,284	55,196	2.34
SCB		13,332	153,318	6.51
SG-SSB		117,758	56,524	2.40
UTB		80,000	30,400	1.29
ALW		27,075	1,354	0.06
EIC		226,640	67,992	2.89
ETI		498,696	59,844	2.54
FML		65,100	231,105	9.81
GOIL		68	42	0.00
GWEB		364,000	14,560	0.62
SPL		600,000	30,000	1.27
UNIL		25,115	213,980	9.08
GSR		2,000	5,500	0.23
SIC		100,000	34,000	1.44
BOPP		99,673	139,542	5.92
MLC		204,005	30,600	1.30
TOTAL		6,597	154,963	6.58
GGBL		75,456	197,694	8.39
TOTAL SHARES			1,632,457	69.30
SHORT TERM FUNDS				
Cash at Bank and on Call	4		173,910	7.38
HFC Unit Trust			3,185	0.14
HFC Future Plan			20,000	0.85
Bonds			472,005	20.04
Fixed Deposit			61,892	2.63
			557,082	23.65
Total Short Term Funds			730,992	31.03
Total Investments			2,363,449	100.33
Other Liabilities in Excess of Assets			(7,850)	(0.33)
Total Net Assets			2,355,599	100.00

HFC EQUITY TRUST STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 2012

Notes			
		2012 GH c	2011 GH c
Assets:			
Total Investments		2,363,449	1,970,173
Receivables:			
Interest	7	19,729	4,382
Other Receivables		6,589	0
Total Assets		2,389,767	1,974,555
Liabilities:			
Amount Due to Managers		10,890	6,834
Management Fund	8	2,300	(316)
Management Fees Payable		3,898	3,195
HFC ISL Current Account		1,193	66
HFC UT Current Account		1,584	0
Accrued Charges		14,303	13,000
Total Liabilities		34,168	22,779
Net Assets			
		2,355,599	1,951,776

Signed For Hfc Investment Services Limited 9th April, 2013


General Manager


Director

HFC EQUITY TRUST INCOME AND DISTRIBUTION ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 GH ¢	2011 GH ¢
Investment Income			
Fixed Deposit		43,340	32,102
Treasury Bills		33,831	0
Dividends		46,661	57,732
Call Account		989	1,640
Profit on Disposal of Shares		318,521	25,906
Other Income		0	497
Total Income		443,342	117,877
Expenses			
Management Fees		41,133	42,250
Auditors Remuneration		14,300	13,000
Interest Paid on Disinvestments		33,052	37,290
Other Expenses	3	16,684	13,773
		105,169	106,313
		338,173	11,564
Transfer to Management Fund	5	(3,382)	(116)
Net Investment Income		334,791	11,448
ACCUMULATED NET INVESTMENT INCOME			
BALANCE AT 1 JANUARY		(317,864)	(329,312)
Net Investment Income		334,791	11,448
BALANCE AT 31 DECEMBER		16,927	(317,864)

HFC EQUITY TRUST INCOME AND DISTRIBUTION ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

		Notes	
		2012 GH ¢	2011 GH ¢
Net Investment Income		334,791	11,448
Change in Unrealised gain		127,047	8,421
Net Increase in Net Assets Resulting from Operations		461,838	19,869
Capital Transactions			
Value of Units Sold and Converted		170,656	283,592
Value of Units Disinvested		(228,671)	(320,760)
Net Proceeds from Capital Transactions		(58,015)	(37,168)
Total Increase / (Decrease) in Net Assets		403,823	(17,299)
Net Assets:			
Balance at 1 January		1,951,776	1,969,075
Total Increase / (Decrease) in Net Assets		403,823	(17,299)
Balance at 31 December		2,355,599	1,951,776
STATEMENT OF MOVEMENT IN ISSUED UNITS FOR THE YEAR ENDED 31 DECEMBER 2012			
Number of Units at 1 January		9,447,095	9,912,611
Number of Units Issued during the year		826,398	1,252,010
		10,273,493	11,164,621
Number of Units disinvested during the year		(1,148,465)	(1,717,526)
Number of Units at 31 December		9,125,028	9,447,095

HFC EQUITY TRUST PORTFOLIO SUMMARY FOR THE YEAR ENDED 31 DECEMBER 2012

	No. Of Shares 31/12/11	Value 31/12/11 GH ¢	No. Of Shares 31/12/12	Value 31/12/12 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	100,000	38,000	38,570	96,293
EBG	31,481	94,443	31,481	94,443	0	15,543
GCB	51,284	138,467	26,284	55,196	0	47,280
SCB	1,772	80,024	13,332	153,318	28,753	0
SGSSB	117,758	75,365	117,758	56,524	0	0
UT	200,000	60,000	80,000	30,400	0	38,214
ALW	127,075	3,249	27,075	1,354	0	5,910
EIC	277,640	151,470	226,640	67,992	0	0
ETI	498,696	74,804	498,696	59,844	0	0
FML	82,600	249,900	65,100	231,105	0	58,002
GOIL	252,068	73,100	68	42	0	101,770
GWEB	364,000	18,200	364,000	14,560	0	0
SPL	900,000	45,000	600,000	30,000	0	0
UNIL	30,315	172,492	25,115	213,980	0	42,577
GOLD STAR	2,000	10,400	2,000	5,500	0	0
SIC	200,000	86,000	100,000	34,000	0	38,091
BOPP	200,773	150,579	99,673	139,542	0	162,957
MECHANICAL LLOYD	364,005	36,400	204,005	30,600	3,300	17,463
TOTAL	6,597	65,970	6,597	154,963	0	0
GGBL	75,456	96,197	75,456	197,694	0	0
TLW	1,400	43,400	0	0	0	52,443
		1,755,193		1,632,457	70,623	676,543

**HFC EQUITY TRUST CAPITAL ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012**

CAPITAL ACCOUNT	2012		2011	
	Units	GH c	Units	GH c
	Balance at 1st January	9,447,095	1,755,593	9,912,611
Value of Units Sold and Converted	826,398	170,656	1,252,010	283,591
	10,273,493	1,926,249	11,164,621	2,076,353
Value of Units Disinvested	(1,148,465)	(228,671)	(1,717,526)	(320,760)
Value of the Trust Fund at 31 December	9,125,028	1,697,578	9,447,095	1,755,593