

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 Real Estate Investment Trust as of December 31, 2012 and of its financial performance and its cash flows 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 HFC REAL ESTATE INVESTMENT TRUST
FINANCIAL STATEMENTS DECEMBER 31, 2012**

HFC REAL ESTATE INVESTMENT TRUST

STATEMENT OF ASSETS AND LIABILITIES

AS AT 31 DECEMBER 2012

Description	Notes	Market Value GH c	% Net Assets
Properties			
Land		2,258,204	12.03
Investment Properties		2,344,238	12.49
TOTAL		4,602,442	24.52
SHORT TERM FUNDS			
Cash at Bank and on Call	4	845,574	4.51
Treasury Bills		4,820,006	25.68
Fixed Deposit		620,000	3.30
Bonds		7,295,370	38.87
HFC Equity Trust		315,346	1.68
		13,050,722	69.53
Total Short Term Funds		13,896,296	74.04
Total Investments		18,498,738	98.56
Other Assets in Excess of Liabilities		269,973	1.44
Total Net Assets		18,768,711	100.00

STATEMENT OF ASSETS AND LIABILITIES

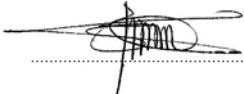
AS AT 31 DECEMBER 2012

	Notes	2012 GH c	2011 GH c
Assets:			
Total Investments		18,498,738	9,431,718
Receivables:			
Property Debtors		102,874	1,021,231
Deposit for Land		0	750,000
Interest	5	419,938	397,795
Other Receivables		1,774	4,095
Total Assets		19,023,324	11,604,839
Liabilities:			
Amount Due to Managers		40,072	22,000
HFC ISL Current Account		51,438	0
HFC UT Current Account		2,312	0
Other Creditors		101,056	370,471
Deposits	6	43,399	409,349
Accrued Charges		16,336	14,500
Total Liabilities		254,613	816,320
Net Assets		18,768,711	10,788,519

SIGNED FOR HFC INVESTMENT SERVICES LIMITED 9th April, 2013.



.....
GENERAL MANAGER



.....
DIRECTOR

INCOME AND DISTRIBUTION ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 GH c	2011 GH c
Investment Income			
Profit on Sale of Houses		601,654	136,542
Treasury Bills		320,391	367,030
Fixed Deposits		390,949	509,134
Bonds		1,095,495	90,790
Call Account		14,042	5,324
Interest		0	2,542
Rent Income		191,443	126,418
Other Income		81,419	93,709
Total Income		2,695,393	1,331,489
Expenses			
Management Fees		393,238	253,319
Trustees Fees		8,655	11,523
Auditors Remuneration		16,000	14,500
Other Expenses	3	1,384,930	1,090,983
		1,802,823	1,370,325
Net Investment Income		892,570	(38,836)

ACCUMULATED NET INVESTMENT INCOME

BALANCE AT 1 JANUARY		2,400,838	2,439,674
Net Investment Income		892,570	(38,836)
BALANCE AT 31 DECEMBER		3,293,408	2,400,838

STATEMENT OF MOVEMENT IN NET ASSETS FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 GH c	2011 GH c
Net Investment Income		892,570	(38,836)
Change In Unrealised Gains	7	1,352,121	392,892
Net Increase in Net Assets Resulting from Operations		2,244,691	354,056
Capital Transactions			
Value of Units Sold and Converted		9,350,063	4,100,712
Value of Units Disinvested		(3,614,562)	(2,888,867)
Net Proceeds from Capital Transactions		5,735,501	1,211,845
Total Increase in Net Assets		7,980,192	1,565,901
Net Assets:			
Balance at 1 January		10,788,519	9,222,618
Total Increase in Net Assets		7,980,192	1,565,901
Balance at 31 December		18,768,711	10,788,519

STATEMENT OF MOVEMENT IN ISSUED UNITS FOR THE YEAR ENDED 31 DECEMBER 2012

Number of Units at 1 January	12,077,716	10,682,157
Number of Units Issued during the year	8,435,109	4,259,042
	20,512,825	14,941,199
Number of Units disinvested during the year	(3,194,016)	(2,863,483)
Number of Units at 31 December	17,318,809	12,077,716

CAPITAL ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2012

CAPITAL ACCOUNT	2012 Units	2012 GH ¢	2011 Units	2011 GH ¢
Balance at 1st January	12,077,716	7,994,788	10,682,157	6,782,944
Value of Units sold & Converted	8,435,109	9,350,063	4,259,042	4,100,711
	20,512,825	17,344,851	14,941,199	10,883,655
Value of Units Disinvested	(3,194,016)	(3,614,562)	(2,863,483)	(2,888,867)
Balance at 31 December	17,318,809	13,730,289	12,077,716	7,994,788