



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

### Report on the Financial Statements

We have audited the accompanying financial statements of HFC Unit 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 Unit 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.

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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 UNIT TRUST  
FINANCIAL STATEMENTS DECEMBER 31, 2012**



# HFC UNIT TRUST STATEMENT OF ASSETS AND LIABILITIES

AS AT 31 DECEMBER 2012

Description	Notes	Shares No.	Market Value GH ¢	% Net Assets
Shares				
HFC		300,069	135,031	0.41
CAL		247,900	94,202	0.28
SCB		31,704	364,596	1.10
SG-SSB		25	12	0.00
ALW		22	1	0.00
FML		63,000	223,650	0.68
UNIL		6,572	55,993	0.17
GSR		7,080	19,470	0.06
TOTAL		3,083	72,420	0.22
<b>TOTAL SHARES</b>			<b><u>965,375</u></b>	<b><u>2.91</u></b>
<b>SHORT TERM FUNDS</b>				
Cash at Bank and on Call	4		572,836	1.73
Treasury Bills			9,225,210	27.85
Fixed Deposits			16,196,423	48.89
Bonds			4,842,000	14.62
HFC REIT			346,160	1.04
HFC Equity Trust			186,900	0.56
HFC Future Plan			150,000	0.45
			<b><u>30,946,693</u></b>	<b><u>93.42</u></b>
<b>Total Short Term Funds</b>			<b><u>31,519,529</u></b>	<b><u>95.15</u></b>
<b>Total Investments</b>			<b><u>32,484,904</u></b>	<b><u>98.06</u></b>
Other Assets in Excess of Liabilities			642,002	1.94
<b>Total Net Assets</b>			<b><u>33,126,906</u></b>	<b><u>100.00</u></b>



	Notes	2012 GH ¢	2011 GH ¢
<b>Assets:</b>			
<b>Total Investments</b>		<u>32,484,904</u>	<u>28,558,184</u>
<b>Receivables:</b>			
HFC REIT Current Account		2,312	0
HFC Equity Trust Current Account		1,584	0
HFC Future Plan Current Account		1,584	0
Interest	6	1,082,322	549,489
<b>Total Assets</b>		<u>33,572,706</u>	<u>29,107,673</u>
<b>Liabilities:</b>			
Management Fund	7	148,336	124,803
Accrued Charges		173,358	130,061
HFC ISL Current Account		124,106	0
<b>Total Liabilities</b>		<u>445,800</u>	<u>254,864</u>
<b>Net Assets</b>		<u>33,126,906</u>	<u>28,852,809</u>

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 ¢	2011 GH ¢
<b>Investment Income</b>			
Fixed Deposit		3,440,730	2,239,419
Treasury Bills		1,181,870	594,353
Dividends		79,146	80,268
Call Account		43,120	37,336
Bonds		640,341	275,134
Other Income		248,505	437,000
<b>Total Income</b>		<b><u>5,633,712</u></b>	<b><u>3,663,510</u></b>
<b>Expenses</b>			
Management Fees		661,864	582,629
Auditors Remuneration		17,800	16,500
Interest Paid on Disinvestments		523,660	388,091
Other Expenses	3	219,470	77,703
		<b>1,422,794</b>	1,064,923
		<b>4,210,918</b>	2,598,587
Transfer to Management Fund	4	(47,346)	(29,867)
Net Investment Income		<b><u>4,163,572</u></b>	2,568,720
<b>ACCUMULATED NET INVESTMENT INCOME</b>			
<b>BALANCE AT 1 JANUARY</b>		<b>11,868,982</b>	<b>9,300,262</b>
Net Investment Income		<b><u>4,163,572</u></b>	<b><u>2,568,720</u></b>
<b>BALANCE AT 31 DECEMBER</b>		<b><u>16,032,554</u></b>	<b><u>11,868,982</u></b>



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

	Notes	2012 GH c	2011 GH c
Net Investment Income		<b>4,163,572</b>	2,568,720
Realised Loss		<b>(3,073,701)</b>	(455,628)
Change in Unrealised gains / (losses)	5	<b>28,140</b>	(166,090)
Net Increase in Net Assets Resulting from Operations		<b><u>1,118,011</u></b>	<b><u>1,947,002</u></b>
Capital Transactions			
Value of Units Sold and Converted		<b>16,337,749</b>	14,591,188
Value of Units Disinvested		<b>(13,181,663)</b>	(13,013,952)
Net Proceeds from Capital Transactions		<b><u>3,156,086</u></b>	<b><u>1,577,236</u></b>
Total Increase in Net Assets		<b><u>4,274,097</u></b>	<b><u>3,524,238</u></b>
Net Assets:			
<b>Balance at 1 January</b>		<b>28,852,809</b>	25,318,571
Total Increase in Net Assets		<b>4,274,097</b>	3,534,238
<b>Balance at 31 December</b>		<b><u>33,126,906</u></b>	<b><u>28,852,809</u></b>

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

<b>Number of Units at 1 January</b>	<b>339,240,992</b>	329,748,320
Number of Units Issued during the year	<b><u>71,341,113</u></b>	<b><u>89,153,528</u></b>
	<b>410,582,105</b>	418,901,848
Number of Units disinvested during the year	<b><u>(71,295,645)</u></b>	<b><u>(79,660,856)</u></b>
<b>Number of Units at 31 December</b>	<b><u>339,286,460</u></b>	<b><u>339,240,992</u></b>



## PORTFOLIO SUMMARY FOR THE YEAR ENDED 31 DECEMBER 2012

	No. Of Shares 31/12/11	Value 31/12/11 GH c	No. Of Shares 31/12/12	Value 31/12/12	Purchase During the Year GH c	Sales During the Year GH c
HFC Bank	414,769	186,647	<b>300,069</b>	<b>135,031</b>	0	46,222
CAL Bank	367,900	103,012	<b>247,900</b>	<b>94,202</b>	0	30,046
Ecobank Ghana Limited	39,100	124,729	<b>0</b>	<b>0</b>	0	114,200
Ghana Commercial Bank	146,608	271,224	<b>0</b>	<b>0</b>	0	271,855
Standard Chartered Bank	13,804	627,806	<b>31,704</b>	<b>364,596</b>	0	32,469
SG SSB Bank	95,870	45,059	<b>25</b>	<b>12</b>	0	392,795
Aluworks	122,222	15,889	<b>22</b>	<b>1</b>	0	6,018
Fanmilk	73,000	173,010	<b>63,000</b>	<b>223,650</b>	0	18,912
Unilever Ghana	26,572	176,438	<b>6,572</b>	<b>55,993</b>	0	149,903
Gold Star	7,080	19,470	<b>7,080</b>	<b>19,470</b>	0	0
Benso Oil Palm Plantations	82,580	90,838	<b>0</b>	<b>0</b>	0	129,419
Guinness Ghana Breweries Limited	93,688	143,343	<b>0</b>	<b>0</b>	0	155,987
Total	9,948	197,268	<b>3,083</b>	<b>72,420</b>	0	146,381
Enterprise Insurance Company Ltd.	50,000	19,000	<b>0</b>	<b>0</b>	0	27,776
Ghana Oil Company Ltd.	50,000	16,000	<b>0</b>	<b>0</b>	0	17,730
		<b><u>2,209,733</u></b>		<b><u>965,375</u></b>	<b><u>0</u></b>	<b><u>1,539,713</u></b>





## CAPITAL ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2012

### 11 CAPITAL ACCOUNT

	Units	2012 GH ¢	Units	2011 GH ¢
Balance at 1st January	<u>339,240,992</u>	<u>16,337,749</u>	329,748,320	14,760,512
Value of Units Sold and Converted	<u>71,341,113</u>	<u>13,264,044</u>	<u>89,153,528</u>	<u>14,591,188</u>
	<u>410,582,105</u>	<u>29,601,793</u>	418,901,848	29,351,700
Value of Units Disinvested	<u>(71,295,645)</u>	<u>(13,181,663)</u>	<u>(79,660,856)</u>	<u>(13,013,951)</u>
Value of the Trust Fund at 31December	<u>339,286,460</u>	<u>16,420,130</u>	<u>339,240,992</u>	<u>16,337,749</u>