

# 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 Trust, which comprise the statement of assets and liabilities as of 31 December 2012, 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 14 to 15.

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

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the 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 controls 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 judgement, 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 controls. 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**

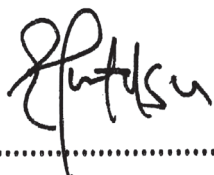
In our opinion, the financial statements give a true and fair view of the financial position of Stanbic Income Fund Trust as of 31st December 2012, and of its financial performance for the year then ended in accordance with the Ghana National Accounting Standards and in the manner required by the Unit 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 as of 31 December 2012, income and distribution account, portfolio statement and capital account for the year then ended are in agreement with the books of account.



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Patrick Kofi Dzakpasu (ICAG/P/1176)  
KnowledgeWarehouse(ICAG/F/0004)  
(Chartered Accountants)  
Accra - Ghana.

30<sup>th</sup> April 2013.

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# Statement of Net Assets as at 31st December 2012

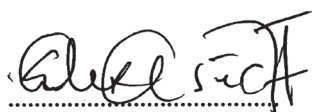
Description	Note	No. of Shares	Price at 31-Dec-12(GH¢)	Market Value at 31-Dec-12(GH¢)	% of Net Assets
Shares					
Banking					
Standard Chartered Bank Limited		10,800	11.50	124,200	2.62
SG-SSB Bank Ltd		50,000	0.48	24,000	0.51
Food & Household Products					
Fan Milk Ltd		10,077	3.55	35,773	0.75
Total Shares				183,973	3.88
Medium Term Funds					
GOG Bonds				2,236,700	47.12
Short Term Funds					
Cash at Bank				15,528	0.33
Corporate Bonds				800,000	16.85
Fixed Deposits				1,086,123	22.88
Treasury Bills & Notes				231,025	4.87
Total				2,132,676	44.93
Total Investments				4,553,349	95.93
Other Assets in Excess of Liabilities				193,226	4.07
Total Net Assets				4,746,575	100.00

The notes on pages 14 and 15 are an integral part of these financial statements.

# Statement of Assets and Liabilities as at 31st December 2012

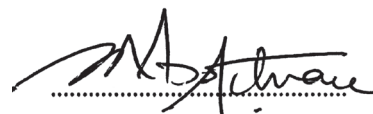
	Note	2012 GH¢	2011 GH¢
<b>ASSETS</b>			
Total Investments		4,553,349	3,723,964
<b>Interest Receivable:</b>			
Fixed Deposits		42,599	54,952
Corporate Bonds		50,581	7,662
GOG Bonds		114,614	61,388
Treasury Bills & Notes		12,024	-
<b>Total Receivables</b>		219,818	124,002
<b>Total Assets</b>		4,773,167	3,847,966
<b>LIABILITIES</b>			
Accrued Fund Management Fees		8,011	5,939
Accrued Trustee Fees		11,581	4,724
Accrued Audit Fees		7,000	4,500
<b>Total Liabilities</b>		26,592	15,163
<b>NET ASSETS</b>		4,746,575	3,832,803

The financial statements on pages 9 to 15 were approved by Stanbic Investment Management Services Ltd and signed on its behalf by:



Director

26-04-2013



Director

26-04-2013

The notes on pages 14 and 15 are an integral part of these financial statements.

# Income and Distribution Accounts for the year ended 31st December 2012

		2012 GH¢	2011 GH¢
<b>INCOME</b>			
Gross Dividend Income		9,805	400
Less: Withholding Tax		(784)	(32)
		-----	----
Net Dividend Income		9,021	368
Interest Income	4	794,595	304,952
Other Income	5	2,116	505
		-----	-----
<b>Total Income</b>		<b>805,732</b>	<b>305,825</b>
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<b>EXPENSES</b>			
Fund Management Fees		92,646	36,442
Trustees Fees		11,581	4,724
Audit Fees		7,000	4,500
Other Expenses	6	83,572	7,285
		-----	-----
<b>Total Expenses</b>		<b>194,799</b>	<b>52,951</b>
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<b>NET INVESTMENT INCOME</b>			
		610,933	252,874
Net Realised Gain on Investments		12,724	2,550
Unrealised Gain/(Loss) on Investments		54,012	(14,767)
		-----	-----
<b>NET INVESTMENT GAINS</b>		<b>677,669</b>	<b>240,657</b>
		=====	=====

The notes on pages 14 and 15 are an integral part of these financial statements.

# Statement of Movement in Net Assets for the year ended 31st December 2012

	2012 GH¢	2011 GH¢
<b>Operations:</b>		
Net Investment Income	610,933	252,874
Net Realised Gain on Investments	12,724	2,550
Unrealised Gain/(Loss) on Investments	54,012	(14,767)
	-----	-----
Net increase in net assets resulting from operations	677,669	240,657
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<b>Capital Transactions:</b>		
Proceeds from units issued	3,288,947	4,046,791
Units Redeemed	(3,052,844)	(454,645)
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Net proceeds from capital transactions	236,103	3,592,146
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	-----	-----
Total Increase in Net Assets	913,772	3,832,803
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<b>Net Assets:</b>		
Balance as of 1st January	3,832,803	-
Total Increase in Net Assets	913,772	3,832,803
	-----	-----
Balance as of 31st December	4,746,575	3,832,803
	=====	=====

The notes on pages 14 and 15 are an integral part of these financial statements.

# Statement of Movement in Issued Units for the year ended 31st December 2012

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	2012	2011
Number of Units in issue at 1st January	3,188,106	-
Number of Units issued during the year	2,653,269	3,619,236
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	5,841,375	3,619,236
Number of Units redeemed during the year	(2,440,214)	(431,130)
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Number of Units in issue at 31st December	3,401,161	3,188,106
	=====	=====

# Capital Account for the year ended 31st December 2012

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	<b>2012 GH¢</b>	<b>2011 GH¢</b>
Value of Units in issue at 1st January	3,592,146	-
Value of Units issued during the year	3,288,947	4,046,791
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Value of Units redeemed during the year	6,881,093 (3,052,844)	4,046,791 (454,645)
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Value of Units in issue at 31st December	3,828,249 =====	3,592,146 =====



# Portfolio Summary as at 31st December 2012

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Description	No. of Shares at 31-Dec-11	Value at 31-Dec-11(GH¢)	No. of Shares at 31-Dec-12	Value at 31-Dec-12(GH¢)	Purchases During The Year(GH¢)	Sales During The Year(GH¢)
<b>Banking:</b>						
Standard Chartered Bank	1,800	81,864	10,800	124,200	82,879	96,467
CAL Bank Ltd	15,000	4,200	0	-	-	3,989
SG-SSB Bank Ltd	0	-	50,000	24,000	24,868	-
<b>Food &amp; Household Products:</b>						
Fan Milk Ltd	10,077	23,882	10,077	35,773	-	-
<b>Total</b>		109,946		183,973	107,747	100,456

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