


John Kay & Co

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REPORT OF THE AUDITORS TO THE INVESTORS OF DATABANK ARK FUND LIMITED

We have audited the financial statements set out on pages 11 to 20. We have obtained all the information and explanations we required for the purposes of our audit.

Respective Responsibilities of Directors and Auditors.

As stated on page 9, the directors are responsible for the preparation of the financial statements. Our responsibility is to express an independent opinion on those financial statements.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform our audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

Opinion

In our opinion, the Fund has kept proper accounting records and the financial statements are in agreement with the records in all material respects and give in the prescribed manner, information required by the Unit Trust and Mutual Funds Regulations, 2001, (L.I. 1695) and the Companies Act, 1963

(Act 179). The financial statements give a true and fair view of the state of affairs of the Fund as at 31 December 2013, and of the financial performance and changes in the net assets for the year then ended and are drawn up in accordance with the Ghana National Accounting Standards (GNAS).

Report on Other Legal and Regulatory Requirements

The Companies Act 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 explanation 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 Fund, so far as appears from our examination of the books, and
- iii. The Fund's statement of assets and liabilities and the income and distribution account are in agreement with the books of accounts.

John Armstrong Yao Klinogo (ICAG/P/ 1116)

 For and on behalf of John Kay &
 Co. (IACG/F/2014/128)
 Chartered Accountants
 Accra

Dated: 29th April, 2014

STATEMENT OF NET ASSETS AS AT DECEMBER 31, 2013

ASSETS	31 DEC 2013 GH¢	31 DEC 2012 GH¢
Total Investments	<u>3,822,236</u>	<u>2,548,226</u>
Current Assets:		
Interest	211,271	116,095
Dividend Receivables	-	48,959
Total	<u>211,271</u>	<u>165,054</u>
Current Liabilities		
Commission – (Front Load)	2,550	5,489
Management Fees	16,768	19,695
Audit fee	5,875	4,000
Custody	3,600	2,138
Withholding Tax	428	750
Databank Money Market Fund	-	50,000
Total	<u>29,221</u>	<u>82,072</u>
Net Current Assets	<u>182,050</u>	<u>82,982</u>
Total Net Assets	<u>4,004,286</u>	<u>2,631,208</u>

The financial statements on pages 11 to 20 were approved by the board of directors on **23rd April, 2014** signed on its behalf by:



.....
Daniel OgbarmeyTetteh
Director



.....
Joyce Aryee
Chairperson

INCOME AND DISTRIBUTION ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013

	Note	31 DEC 2013 GH¢	31 DEC 2012 GH¢
Investment Income			
Gross Dividend Income		44,996	57,748
Less: Withholding Tax		—	—
Net Dividend Income	2	44,996	57,748
Interest Income	3	<u>557,314</u>	<u>287,897</u>
Total Income		<u>602,310</u>	<u>345,645</u>
Management Fees		(50,976)	(39,477)
Other Expenses	4	<u>(81,798)</u>	<u>(70,003)</u>
Total Expenses		<u>(132,774)</u>	<u>(109,480)</u>
Net Investment Income		469,536	236,165
Net Realized Gain on Investment		201,598	48,724
Change in Unrealized Gain	5	<u>591,766</u>	<u>249,545</u>
Net Increase/Decrease in Net Assets Resulting from Operations		<u>1,262,900</u>	<u>534,434</u>

ACCUMULATED NET INVESTMENT INCOME FOR THE YEAR ENDED DECEMBER 31, 2013

	31 DEC 2013 GH¢	31 DEC 2012 GH¢
Beginning of Period	489,495	253,330
Net Investment Income for the period	<u>469,536</u>	<u>236,165</u>
End of period	<u>959,031</u>	<u>489,495</u>

STATEMENT OF MOVEMENT IN NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2013

	31 DEC 2013	31 DEC 2012
	GH¢	GH¢
Increase in Net Assets		
Operations:		
Net Investment Income	469,536	236,165
Net Realized Gain	201,598	48,724
Unrealized Gain	<u>591,766</u>	<u>249,397</u>
Net Increase in Net Assets from Operations	<u>1,262,900</u>	<u>534,434</u>
Capital Transactions:		
Proceeds from share issued	851,347	804,020
Shares redeemed	<u>(741,169)</u>	<u>(1,532,250)</u>
Net Proceeds from Capital Transaction	<u>110,178</u>	<u>(728,230)</u>
Total Increase in Net Assets	<u>1,373,078</u>	<u>(193,796)</u>
Net Assets:		
Beginning of Period	<u>2,631,208</u>	<u>2,825,004</u>
End of Period	<u>4,004,286</u>	<u>2,631,208</u>

STATEMENT OF MOVEMENT IN ISSUED FOR THE YEAR ENDED DECEMBER 31, 2013

	Note	31 DEC 2013 Number of Shares	31 DEC 2012 Number of Shares
Shares in Issue at Beginning of Period		<u>15,068,488</u>	<u>18,830,575</u>
Shares in Issue at December 31	6	<u>15,643,367</u>	<u>15,068,488</u>

STATEMENT OF NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2013

Description	No. of Shares	Price 31-DEC-13 GH(¢)	Market Value GH(¢)	% Net Assets
Shares				
Banking				
GCB Bank Ltd	20,700	4.85	100,395	2.51
Standard Chartered Bank Ghana Ltd	11,400	14.94	170,316	4.25
Societe Generale (Ghana) Ltd	161,000	0.75	120,750	3.02
Ecobank Ghana Ltd	40,000	5.61	224,400	5.61
Food & Household Products				
Fan Milk Ltd	21,400	6.62	141,668	3.54
PBC Ltd	540,000	0.17	91,800	2.29
Insurance				
Enterprise Group Ltd	152,300	1.88	286,324	7.15
Petroleum Products				
Ghana Oil Company Ltd	109,200	0.89	97,188	2.43
Total Petroleum Ghana Ltd	40,000	5.06	202,400	5.05
Total Shares				
(Cost GH¢593,997)			<u>1,435,241</u>	35.85
Medium Term Funds				
Bonds			250,000	6.24
			<u>250,000</u>	6.24
Short Term Funds			GH¢	% NetAsset
Cash at Bank			51,265	1.28
Short Term Investments				
Certificates of Deposit (CDs)			2,020,88	50.44
Treasury Bills				
91 Day Treasury Bills			65,642	1.64
Total Cash and Short Term Funds			<u>2,136,995</u>	53.36
Total Investments			<u>3,822,236</u>	95.45
Other Assets in Excess of Liabilities			182,050	4.55
Total Net Assets			<u>4,004,286</u>	100.00

PORTFOLIO SUMMARY FOR THE YEAR ENDED DECEMBER 31, 2013

DESCRIPTION	NO. OF SHARES AS AT 31-DEC-13	VALUE AS AT 31- DEC-13 GH¢	NO. OF SHARES AS AT 31-DEC-12 GH¢	VALUE AS AT 31-DEC-12 GH¢	PUR- CHASES DURING YEAR '13 GH¢	SALES DURING YEAR '13 GH¢
Banking						
GCB Bank Ltd	20,700	100,395	20,700	43,470	-	-
Ecobank Ghana Ltd	40,000	224,400	40,000	120,000	-	-
Standard Chartered Bank (Ghana) Ltd	11,400	170,316	11,400	125,400	-	-
Societe Generale (Ghana) Ltd	161,000	120,750	161,000	77,280	-	-
Food & Household Products						
Fan Milk Ltd	21,400	141,668	26,200	93,010	-	5,753
PBC Company Ltd	540,000	91,800	540,000	97,200	-	-
Insurance						
SIC Insurance Company Ltd	-	-	174,200	59,228	-	68,927
Enterprise Group Ltd	152,300	286,324	314,300	150,864	-	70,636
Petroleum Products						
Ghana Oil Company Ltd	109,200	97,188	179,000	110,980	-	23,121
Total Petroleum Ghana Ltd	<u>40,000</u>	<u>202,400</u>	<u>6,100</u>	<u>143,289</u>	-	<u>9,195</u>
TOTAL	<u>1,096,000</u>	<u>1,435,241</u>	<u>1,472,900</u>	<u>1,020,721</u>	<u>-</u>	<u>177,632</u>

FINANCIAL HIGHLIGHTS

The following schedule presents financial highlights for one share of the Fund outstanding throughout the periods indicated.

	2013	2012	2011	2010
Net Assets Value, January 1	0.1746	0.1500	0.1417	0.1025
Net Investment Income	0.0300	0.0157	0.0092	0.0056
Net Realised and Unrealised gain	0.0513	0.0089	(0.0009)	0.0336
Net Assets Value (Dec 31)	0.2560	0.1746	0.1500	0.1417
Total Return	46.59%	16.39%	5.88%	38.23%
Ratio of Expenses to average assets	4.00%	4.01%	3.80%	2.43%
Ratio of net investment income to average net assets	14.15%	8.66%	6.15%	3.92%