



# Report of the Auditors to the Investors of Databank Balanced Fund Limited

We have audited the financial statements set out on pages 17 to 28. 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 16 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 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;
- 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.

(ICAG/F/2014/128)

Chartered Accountants

Accra

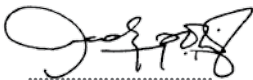
Dated: 29th April, 2014

# FINANCIAL STATEMENTS


# Statement Of Assets And Liabilities As At December 31, 2013

	Note	2013 GH¢	2012 GH¢
<b>ASSETS</b>			
Total Investments		<u>9,637,378</u>	<u>4,612,699</u>
<b>Account Receivables:</b>			
Receivable-Redemption		-	55,000
Receivable-Interest		<b>401,126</b>	251,999
Receivables-others	3	-	<u>29,997</u>
<b>Total Receivables</b>		<b>401,126</b>	<b>336,996</b>
<b>Liabilities</b>			
<b>Payables:</b>			
Commission		<b>9,991</b>	-
Management Fees		<b>56,999</b>	12,485
Audit fee		<b>11,750</b>	9,000
Custody		<b>6,987</b>	6,560
Withholding Tax		<b>1,567</b>	928
Payable -others		<u><b>3,820</b></u>	<u>11,665</u>
<b>Total Liabilities</b>		<b>91,114</b>	<b>40,638</b>
<b>Net Current Assets</b>		<b>310,012</b>	<b>296,358</b>
<b>Net Assets</b>		<b>9,947,390</b>	<b>4,909,057</b>

The financial statements on pages 17 to 28 were approved by the Board of Directors on 26th April, 2014 and signed on its behalf by:



Keli Gadzekpo



Stephen Adei

## Income And Distribution Accounts For The Year Ended December 31, 2013

	Notes	2013 GH¢	2012 GH¢
<b>Investment Income</b>			
Gross Dividend Income	5	<b>105,637</b>	106,486
Interest Income	6	<b>905,241</b>	444,903
<b>Total Income</b>		<b><u>1,010,878</u></b>	<u>551,389</u>
<b>Expenses</b>			
Management Fees	7	<b>(134,702)</b>	(76,481)
Other Expenses	8	<b>(131,366)</b>	(110,921)
<b>Total Expenses</b>		<b><u>(266,068)</u></b>	<u>(187,402)</u>
Net Investment Income		<b>744,810</b>	363,987
Net Realized Gain on Investment	9	<b>306,690</b>	113,701
Change in Unrealized (Loss)/Gain	10	<b><u>2,340,000</u></b>	<u>571,084</u>
<b>Net Increase in Net Assets Resulting from Operations</b>		<b><u>3,391,500</u></b>	<u>1,048,772</u>

### Accumulated Net Investment Income For The Year Ended December 31, 2013

	2013 GH¢	2012 GH¢
Beginning of Period	<b>1,263,412</b>	899,425
Net Investment Income for the period	<b>744,810</b>	363,987
End of period	<b><u>2,008,222</u></b>	<u>1,263,412</u>

### Accumulated Net Realised Gain

	2013 GH¢	2012 GH¢
Beginning Period	<b>155,257</b>	41,556
Net realized gain/(Loss)for the period	<b><u>306,690</u></b>	<u>113,701</u>
End of period	<b><u>461,947</u></b>	<u>155,257</u>

## Statement Of Movement In Net Assets For The Year Ended December 31, 2013

		2013	2012
		GH¢	GH¢
<b>Change in Net Assets</b>			
<b>Operations:</b>			
Net Investment Income		<b>744,810</b>	363,987
Net Realized Gain	9	<b>306,690</b>	113,701
Unrealized Gain/(Loss)	10	<b>2,340,000</b>	571,084
Change in net assets from operations		<b>3,391,500</b>	1,048,772
<b>Capital Transactions:</b>			
Proceeds from share issued		<b>3,168,087</b>	1,259,831
Shares redeemed		<b>(1,521,254)</b>	(3,100,136)
Net Proceeds from Capital Transaction		<b>1,646,833</b>	(1,840,305)
Total Increase/(Decrease) in Net Assets		<b>5,038,333</b>	(791,533)
<b>Net Assets:</b> Beginning of Period		<b>4,909,057</b>	5,700,590
: End of Period		<b>9,947,390</b>	4,909,057

## Statement Of Movement In Issued Shares For The Year Ended December 31, 2013

	Note	2013	2012
		Number of Shares	Number of Shares
Shares in Issue at Beginning of Period		<b>25,242,811</b>	34,233,548
Shares in Issue at December 31	11	<b>33,238,647</b>	25,242,811

# Statement Of Net Assets As At December 31, 2013

Description	No. of Shares	Price 31-Dec-13 GH(¢)	Market Value GH(¢)	% Net Assets
<b>Shares</b>				
<b>Banking</b>				
GCB Bank Ltd.	64,327	4.85	311,986	3.14
Ecobank Ghana Ltd.	84,000	5.61	471,240	4.74
UT Bank Ltd.	400,000	0.45	180,000	1.81
Standard Chartered Bank Ghana Ltd.	19,632	14.94	293,302	2.95
Societe Generale (Ghana) Ltd.	310,100	0.75	232,575	2.34
<b>Food &amp; Household Products</b>				
Fan Milk Ltd.	42,000	6.62	278,040	2.79
PZ Cussons (Ghana) Ltd.	660,804	0.79	522,035	5.25
<b>Insurance</b>				
Enterprise Group Ltd.	374,000	1.88	703,120	7.06
<b>Petroleum Products</b>				
Ghana Oil Company Ltd.	203,040	0.89	180,706	1.82
Total Petroleum Ghana Ltd.	84,000	5.06	425,040	4.27
<b>Total (Cost GH¢1,266,892)</b>			<b>3,598,044</b>	<b>36.17</b>
<b>Medium Term Funds</b>				
Bond			<b>700,000</b>	<b>7.04</b>

<b>Short Term Funds</b>	GH¢	% Net Asset
Cash at Bank	318,144	3.20
Short Term Investments		
Certificates of Deposit (CD)	4,662,170	46.87
Treasury Notes & Bills		
Treasury Bills	259,020	2.60
3 Year Treasury Notes	100,000	1.00
<b>Total</b>	<b><u>5,339,334</u></b>	<b><u>53.67</u></b>
<b>Total Investments</b>	<b><u>9,637,378</u></b>	<b><u>96.88</u></b>
Other Assets in Excess of Liabilities	310,012	3.12
<b>Total Net Assets</b>	<b><u>9,947,390</u></b>	<b><u>100.00</u></b>

# Portfolio Summary As At December 31, 2013

DESCRIPTION	NO. OF SHARES AS AT 12/31/13	SHARE VALUE AS AT 12/31/13 GH¢	NO. OF SHARES AS AT 12/31/12	SHARE VALUE AS AT 12/31/12 GH¢	PURCHASES AS AT YEAR '13 GH¢	SALES AS AT YEAR '13 GH¢
<b>Banking</b>						
GCB Bank Ltd	64,327	311,986	64,327	135,086	-	-
UT Bank Ltd	400,000	180,000	400,000	148,000	-	-
Ecobank Ghana Ltd	84,000	471,240	84,000	252,000	-	-
Standard Chartered Bank (Ghana) Ltd	19,632	293,302	34,632	380,952	155,720	-
Societe Generale (Ghana) Ltd	310,100	232,575	310,100	148,848	-	-
<b>Food &amp; Household Products</b>						
Fan Milk Ltd	42,000	278,040	53,000	188,150	61,093	-
PZ Cussons (Ghana)Ltd	660,804	522,035	660,804	118,944	-	-
<b>Insurance</b>						
SIC Insurance Company Ltd	-	-	275,000	93,500	86,502	-
Enterprise Group Ltd	374,000	703,120	605,000	290,400	193,405	-
<b>Petroleum Products</b>						
Ghana Oil Company Ltd	203,040	180,706	281,200	174,344	154,448	-
Total Petroleum Ghana Ltd	84,000	425,040	10,500	246,645	-	-
<b>TOTAL</b>	<b>2,241,903</b>	<b>3,598,044</b>	<b>2,778,563</b>	<b>2,176,869</b>	<b>651,168</b>	<b>-</b>



# Financial Highlights

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

	2013	2012	2011	2010
<b>Net asset value, January 1</b>	0.1945	0.1665	0.1551	0.1127
<b>Net Investment Income</b>	0.0141	0.0161	0.0137	0.0059
<b>Net Realised and Unrealised gain</b>	0.0906	0.0119	(0.0024)	0.0366
<b>Net Asset Value (Dec 31)</b>	0.2993	0.1945	0.1665	0.1551
<b>Total Return</b>	53.87%	16.80%	7.35%	37.62%
<b>Ratio of Expenses to average assets</b>	3.58%	3.53%	3.04%	5.52%
<b>Ratio of net investment income to average net assets</b>	10.03%	10.39%	5.64%	3.80%