

**John Kay & Co.**7<sup>th</sup> Floor, Trust Towers  
Farrar Avenue, Adabraka  
P. O. Box 16088  
Airport, AccraTel: +233-21-235406  
+233-21-238370  
Fax: +233-21-238371  
E-mail: jkayal@4u.com.gh  
jkayal@yahoo.com

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDC GHANA FIXED INCOME UNIT TRUST

### Report on the Financial Statements

We have audited the accompanying financial statements of EDC Ghana Fixed Income Unit Trust which comprise of a statement of net assets, statement of assets and liabilities and a statement of movements in net assets at 31 December 2014, a statement of income and distribution and accumulated net investment income, as well as statement of changes in equity and portfolio summary for the year then ended and notes to the financial statements, which include a summary of significant accounting policies, as set out on pages 12 to 19.

### Board of Directors' Responsibilities for the Financial Statement

The Board of Directors 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 Companies Act, 1963 (Act 179) and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### 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 the Board of Directors, 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 present fairly, in all material respects, the statement of assets and liabilities and the statement of movements in net assets of EDC Ghana Fixed Income Unit Trust at 31 December 2014 and its statement of income and distribution and statement of changes in equity for the year then ended in accordance with the Ghana National Accounting Standards and in the manner required by the Companies Act, 1963 (Act 179).

**John Kay & Co.**7<sup>th</sup> Floor, Trust Towers  
Farrar Avenue, Adabraka  
P. O. Box 16088  
Airport, AccraTel: +233-21-235406  
+233-21-238370  
Fax: +233-21-238371  
E-mail: jkayal@4u.com.gh  
jkayal@yahoo.com**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
EDC GHANA FIXED INCOME UNIT TRUST (CONT'D)****Report on Other Legal and Regulatory Requirements**

Compliance with the requirements of Section 133 of the Companies Act, 1963 (Act 179)

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, statement of movements in net assets, statement of income and distribution and statement of changes in equity are in agreement with the books of account.

**JOHN ARMSTRONG YAO KLINOGO  
PRACTICE NO. ICAG/P/1116****JOHN KAY AND CO.  
CHARTERED ACCOUNTANTS  
ACCRA  
PRACTICE NO. ICAG/F/2015/128**

..... 2015

**REPORT OF THE TRUSTEES TO THE UNIT HOLDERS OF THE  
EDC GHANA FIXED INCOME UNIT TRUST FOR THE YEAR ENDED  
31ST DECEMBER 2014**

In our opinion, according to the information made available to us and the explanations provided, we confirm that all in all material respects, the manager has managed the scheme during the year covered by these financial statements in accordance with the Trust Deed and all regulations for the time being in force under the Unit Trust and Mutual Funds Regulations, 2001, (L.I 1695)

Dated this 30th Day of April, 2015



**For: UNIVERSAL MERCHANT BANK LIMITED**

## STATEMENT OF NET ASSETS AS AT 31 DECEMBER 2014

**FIXED INCOME INSTRUMENTS**

91 Days Treasury Bills  
182 Days Treasury Bills

200,302  
380,786

2.02  
3.85

-----  
**581,088**  
-----

-----  
**5.87**  
-----

***Treasury Notes & Bonds***

2-Year Fixed Rate Notes  
3 Year Fixed Rate Notes  
5-Year Fixed Rate Notes

992,882  
418,200  
323,695

10.02  
4.22  
3.27

-----  
**1,734,777**  
-----

-----  
**17.51**  
-----

**Corporates Notes& Bonds**

1 -Year Fixed Rate Note  
1- Year Floating Rate Note  
2-Year Floating Rate Note  
3- Year Floating Rate Notes

302,241  
1,105,784  
550,459  
526,749

3.04  
11.16  
5.56  
5.32

-----  
**2,485,233**  
-----

-----  
**25.08**  
-----

***Certificates of Deposit***

91-Day Fixed Deposit  
182-Day Fixed Deposit

1,539,379  
3,295,437

15.54  
33.25

-----  
**4,834,816**  
-----

-----  
**48.79**  
-----

***Funds on Call***

Funds on Call

329,260

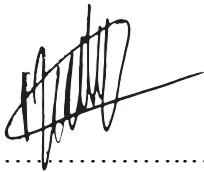
3.33

-----  
**329,260**

-----  
**3.33**

## STATEMENT OF NET ASSETS AS AT 31 DECEMBER 2014

	2014 GH¢	2013 GH¢
<b>ASSETS</b>		
Total Investments	9,381,617	5,437,882
	-----	-----
<b>CURRENT ASSETS</b>		
Interest Receivable	583,557	186,688
	-----	-----
	<b>583,557</b>	<b>186,688</b>
	-----	-----
<b>CURRENT LIABILITIES</b>		
Due to EDC Investments Limited	(533)	(13,285)
Audit Fees	(7,000)	(5,000)
Management and Trustee Fees	(46,789)	(34,122)
	-----	-----
	<b>(54,322)</b>	<b>(52,407)</b>
	-----	-----
<b>Net Current Asset</b>	<b>529,235</b>	<b>137,281</b>
	-----	-----
<b>NET ASSETS (FUND BALANCE)</b>	<b>9,910,852</b>	<b>5,575,163</b>
	=====	=====



.....  
**DIRECTOR**



.....  
**DIRECTOR**

ACCUMULATED NET INVESTMENT INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	2014 GH¢	2013 GH¢
<b>INVESTMENT INCOME</b>			
Interest Income	4	1,911,208	1,031,261
		-----	-----
<b>TOTAL INCOME</b>		<b>1,911,208</b>	<b>1,031,261</b>
		-----	-----
<b>EXPENDITURE</b>			
Investment Management Fees		(152,438)	(99,458)
Other Expenses	8	(52,997)	(38,773)
		-----	-----
<b>TOTAL EXPENDITURE</b>		<b>(205,435)</b>	<b>(138,231)</b>
		-----	-----
<b>NET INVESTMENT INCOME</b>		<b>1,705,773</b>	<b>893,030</b>
		=====	=====

ACCUMULATED NET INVESTMENT INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 GH¢	2013 GH¢
<b>Balance as at 1 January</b>	893,030	-
Transfer from Income and Distribution Statement	1,705,773	893,030
	-----	-----
<b>Balance at 31 December</b>	<b>2,598,803</b>	<b>893,030</b>
	=====	=====

STATEMENT OF MOVEMENTS IN NET ASSETS  
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 GH¢	2013 GH¢
<b>Change in net assets from operations</b>		
Change in: Net Investment Income	1,705,773	893,030
<b>Net change in net assets from operations</b>	<b>1,705,773</b>	<b>893,030</b>
<b>Change in net assets from capital transactions</b>		
Proceeds from Issue of Shares	6,959,243	6,860,380
Share Redemption	(4,329,327)	(2,178,247)
<b>Net change in net assets from capital transactions</b>	<b>2,629,916</b>	<b>4,682,133</b>
<b>Net additions to net assets</b>	<b>4,335,689</b>	<b>5,575,163</b>
<b>Analysis of changes in cash and cash equivalents for the year</b>		
At 1 January	5,575,163	-
Net additions to net assets	4,335,689	5,575,163
At 31 December	<b>9,910,852</b>	<b>5,575,163</b>

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2014

<b>31 December 2014</b>	<b>Capital Transactions GH¢</b>	<b>Investments GH¢</b>	<b>Total GH¢</b>
Balance at 1 Jan	4,682,133	893,030	5,575,163
Net Income from Operations		1,705,773	1,705,773
Share Issue	6,959,243	-	6,959,243
Shares Redemption	(4,329,327)	-	(4,329,327)
<b>At 31 December 2014</b>	<b>7,312,049</b>	<b>2,598,803</b>	<b>9,910,852</b>
	Capital Transactions GH¢	Investments GH¢	Total GH¢
31 December 2013			
Balance at 1 Jan	-	-	-
Net Income from Operations		893,030	893,030
Share Issue	6,860,380	-	6,860,380
Shares Redemption	(2,178,247)	-	(2,178,247)
<b>At 31 December 2013</b>	<b>4,682,133</b>	<b>893,030</b>	<b>5,575,163</b>

MOVEMENTS IN ISSUED SHARES  
FOR THE YEAR ENDED 31 DECEMBER 2014

	<b>2014 No. of Shares</b>	<b>2013 No. of Shares</b>
Balance at 1 January	4,037,988	-
Issued during the year	4,808,502	6,090,016
Redemption during the year	(2,864,365)	(2,052,028)
<b>Balance at 31 December</b>	<b>5,982,125</b>	<b>4,037,988</b>