

Report of the Auditor to the Investors of Heritage Fund

Report on the Financial Statements

We have audited the financial statements set out on pages 13 to 20 of FirstBanC Heritage Fund, which comprise the Statement of Net Assets, Statement of Assets and Liabilities as at December 31, 2014, Income and Distribution Account, Statement of Movements in Net Assets, and Statement of Movement in Issued Shares for the year ended, and a summary of significant accounting policies and other explanatory notes.

Director's Responsibility for the Financial Statements

The Directors 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 Companies Code, 1963 (Act 179) and Unit Trust and Mutual Funds Regulations 2001. This responsibility includes: designing, implementing and maintaining internal control 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 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 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, proper books of account have been kept and the financial statements which are in agreement therewith give a true and fair view of the state of affairs of the FirstBanC Heritage Fund as at December 31, 2014 and of the results of its operations and changes in the net assets for the year ended and comply with the Ghana Accounting Standards, Unit Trust and Mutual Funds Regulations 2001, (L.I. 1965) and the Companies Act, 1963 (Act 179).

Report on Other Legal and Regulatory Requirements.

The Ghana 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 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 Fund, so far as appears from our examination of those books, and

III. The Fund's Statements of Assets and Liabilities and Income and Distribution Account of the Fund are in agreement with the books of accounts.

PKF

Signed by: F. Bruce-Tagoe (ICAG/P1087)

For and on Behalf:

PKF (ICAG/F/039)

Chartered Accountants

Farrar Avenue

Accra

April 7, 2015

FINANCIAL STATEMENTS

FIRSTBANC HERITAGE FUND LTD

STATEMENT OF NET ASSETS
YEAR ENDED 31 DECEMBER 2014

DESCRIPTION OF SHARES	SHARES		GH¢	
	NUMBER	PRICE	MARKET VALUE	% NET ASSETS
BOPP	2,500	4.1	10,250	0.69
CAL	16,500	1.01	16,665	1.12
EBG	10,600	7.6	80,560	5.42
EGL	86,700	1.75	151,725	10.21
FML	13,000	5.25	68,250	4.59
GCB	29,700	5.3	157,410	10.59
GOIL	85,700	1.05	89,985	6.05
SCB	3,990	20.35	81,197	5.46
SOEGEH	125,400	1	125,400	8.44
TOTAL	23,500	6.10	143,350	9.65
UNIL	1,100	10.70	11,770	0.79

	NOTES		
TOTAL (Cost GH¢ 747,478.48 NOTE 4)		<u>936,562</u>	<u>63.02</u>

	31 Dec. 14		31 Dec. 13
	GH¢		GH¢
MEDIUM TERM FUNDS			
Cash & Bank	2	113,352	7.63
91 - Day Fixed Income		98,228	6.61
182 - Day Fixed Income		62,772	4.22
365 - Day Fixed Income		275,266	18.52
Total Investments		<u>549,618</u>	<u>36.99</u>
			<u>100.00</u>
Total Cost of shares		936,562	467,899
Total Investments		<u>549,618</u>	<u>383,699</u>
Total Portfolio Value in GH¢		<u>1,486,180</u>	<u>851,598</u>

FIRSTBANC HERITAGE FUND LTD
STATEMENT OF ASSET AND LIABILITIES
YEAR ENDED 31 DECEMBER 2014

	Notes	2014 GH¢	2013 GH¢
INVESTMENT IN SHARES		936,562	467,899
 CASH AND SHORT TERM INVESTMENTS			
Bank and cash Balances	2	113,352	77,038
Certificate of Deposit		383,946	306,611
Total Cash and Short Term Investment		497,298	383,649
 CURRENT ASSET			
Dividend Receivables		0	6,442
Accrued Interest		52,321	40,407
Total Current Assets		52,321	46,849
 Total Assets		1,486,181	898,397
 CURRENT LIABILITIES			
Back Load		(2,164)	(625)
Management Fees		(9,179)	(2,884)
Custodian Fees		(998)	(709)
Transaction Fees		(5,147)	(320)
Operation Expenses		(1,624)	(1,419)
Directors Emoluments		(5,300)	(4,500)
Auditors Fees		(5,000)	(5,000)
Total Liabilities		(29,412)	(15,457)
		1,456,769	882,940

*Total Current Liabilities are Reimbursable Expenses to Manager

Approved by the Board on7th April..... 2015



.....
DIRECTOR



.....
DIRECTOR

FIRSTBANC HERITAGE FUND LTD
INCOME AND DISTRIBUTION ACCOUNT
YEAR ENDED 31 DECEMBER 2014

	<i>Notes</i>	2014 GH¢	2013 GH¢
Investment			
Dividend Income	3	9,465	6,442
Interest Income	5	112,611	60,164
Total Income		<u>122,076</u>	<u>66,606</u>
Operational Expense	7	<u>53,409</u>	28,408
Total Expense		<u>53,409</u>	<u>28,408</u>
Net Investment Income/(loss)		68,667	38,198
Net Unrealized Gain/(Loss) on Investment	8,9	41,765	147,319
Net Increase in Net Assets resulting from Operations		<u>110,432</u>	<u>185,517</u>

FIRSTBANC HERITAGE FUND
ACCUMULATED NET INVESTMENT INCOME
YEAR ENDED 31 DECEMBER 2014

Beginning of Period		71,673	33,475
Net Investment Income		68,667	38,198
End of Period		<u>140,340</u>	<u>71,673</u>

FIRSTBANC HERITAGE FUND
ACCUMULATED NET UNREALIZED GAINS/(LOSS)
YEAR ENDED 31 DECEMBER 2014

Beginning of Period		110,434	(36,885)
Change in Unrealized Gain	8,9	<u>41,765</u>	<u>147,319</u>
End of Period		<u>152,199</u>	<u>110,434</u>

FIRSTBANC HERITAGE FUND LTD
STATEMENT OF MOVEMENTS IN NET ASSETS
YEAR ENDED 31 DECEMBER 2014

	2013	2013
	GH¢	GH¢
INCREASE IN NET ASSETS		
Operations:		
Net Accumulated Investment Income	68,667	38,198
Net Unrealized Loss	8,9 41,764	147,319
Change in Unrealized Loss		
Net Decrease in Net Assets Resulting from operations	<u>110,432</u>	<u>185,517</u>
Capital Transactions		
Proceeds from share issue	14 660,340	303,749
Shares Redeemed	15 (196,943)	<u>(111,147)</u>
Net Proceeds from Capital Transaction	<u>463,397</u>	<u>192,602</u>
Total Decrease in Net Assets	<u>573,829</u>	<u>378,119</u>
Beginning of Period	<u>882,940</u>	<u>504,821</u>
End of Period	<u>1,456,769</u>	<u>882,940</u>

STATEMENT OF MOVEMENTS IN ISSUED SHARES
YEAR ENDED 31 DECEMBER 2014

Shares issued at the beginning of period	2,423,216	1,855,709
Net Shares Issued/(Withdrawn) during the period	10 1,169,818	<u>567,507</u>
Shares in Issue at December 31, 2014	<u>3,593,034</u>	<u>2,423,216</u>