

HFC UNIT TRUST
**FINANCIAL
STATEMENTS**
AS AT 31 DECEMBER 2014

Report on the Financial Statements

We have audited the accompanying financial statements of HFC Unit Trust which comprise the statement of assets and liabilities as of December 31, 2014, the income and distribution accounts, statement of movement in net assets and issued units for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Trustees Responsibility for the Financial Statements

The Trustees 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 Unit Trust and Mutual Funds Regulations, 2001, (L.I. 1695) and the Companies Act, 1963 (Act 179).

This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 the Trustees, 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 give a true and fair view of the financial position of HFC Unit Trust as of December 31, 2014 and of its financial performance for the year then ended in accordance with Ghana Accounting Standards and comply with the Companies Act, 1963 [Act 179] and have been properly prepared in accordance with the Unit Trust and Mutual Funds Regulations, 2001, (L.I. 1695).

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 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 Trust, so far as appears from our examination of those books, and
- iii) The Trust's Statement of Assets and Liabilities and Income and Distribution Account are in agreement with the books of accounts.



Signed by: F. Bruce-Tagoe (ICAG/P/1087)
For and on behalf of
PKF: (ICAG/F/039)
Chartered Accountants
Farrar Avenue
P. O. Box GP 1219,
Accra.

18th March, 2015

HFC UNIT TRUST

STATEMENT OF ASSETS AND LIABILITIES

AS AT 31 DECEMBER 2014

Description	Notes	Shares No.	Market Value GH¢	% Net Assets
Shares				
GSR		7,080	16,568	0.03
TOTAL SHARES			<u>16,568</u>	<u>0.03</u>
SHORT TERM FUNDS				
Cash at Bank and on Call	4		<u>1,110,467</u>	<u>1.93</u>
Treasury Bills			3,696,874	6.41
Fixed Deposits			30,572,647	53.01
Bonds			17,309,250	30.01
HFC Future Plan			620,000	1.08
HFC Equity Trust			536,900	0.93
HFC REIT			346,160	0.60
			<u>53,081,831</u>	<u>92.04</u>
Total Short Term Funds			<u>54,192,298</u>	<u>93.97</u>
Total Investments			54,208,866	94.00
Other Assets in Excess of Liabilities			<u>3,462,508</u>	<u>6.00</u>
Total Net Assets			<u>57,671,374</u>	<u>100.00</u>

HFC UNIT TRUST

STATEMENT OF ASSETS AND LIABILITIES

AS AT 31 DECEMBER 2014

	Notes	2014 GH¢	2013 GH¢
Assets:			
Total Investments		54,208,866	40,217,604
Receivables:			
HFC REIT Current Account		0	14,682
HFC Equity Trust Current Account		0	4,037
HFC Future Plan Current Account		0	2,842
HFC ISL Current Account		10,105	0
Prepaid	6	27,871	17,666
Interest	7	3,969,769	2,592,821
Total Assets		58,216,611	42,849,652
Liabilities:			
Amount Due to Managers		65,820	0
Management Fund	8	239,316	197,838
Accrued Charges		240,101	204,668
HFC ISL Current Account		0	12,370
Total Liabilities		545,237	414,876
Net Assets		57,671,374	42,434,776

SIGNED FOR HFC INVESTMENT SERVICES LIMITED MARCH 18th, 2015.


 CHIEF EXECUTIVE OFFICER


 DIRECTOR

HFC UNIT TRUST INCOME AND DISTRIBUTION ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 GH¢	2013 GH¢
Investment Income			
Fixed Deposit		6,963,048	4,734,548
Treasury Bills		875,992	1,447,903
Dividends		97	41,893
Call Account		92,310	28,897
Bonds		3,694,592	2,347,699
Other Income		0	965,912
Total Income		<u>11,626,039</u>	<u>9,566,852</u>
Expenses			
Management Fees		1,053,250	802,300
Auditors Remuneration		24,000	20,643
Other Expenses	3	182,544	112,261
		<u>1,259,794</u>	<u>935,204</u>
		<u>10,366,245</u>	<u>8,631,648</u>
Transfer to Management Fund	5	(103,662)	(86,316)
Net Investment Income		<u>10,262,583</u>	<u>8,545,332</u>
ACCUMULATED NET INVESTMENT INCOME			
BALANCE AT 1 JANUARY		24,577,886	16,032,554
Net Investment Income		10,262,583	8,545,332
BALANCE AT 31 DECEMBER		<u>34,840,469</u>	<u>24,577,886</u>

HFC UNIT TRUST

STATEMENT OF MOVEMENT IN NET ASSETS

FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 GH¢	2013 GH¢
Net Investment Income		10,262,583	8,545,332
Change in Unrealised gains	5	(2,901)	(648,238)
Net Increase in Net Assets Resulting from Operations		10,259,682	7,897,094
Capital Transactions			
Value of Units Sold and Converted		24,822,375	17,810,970
Value of Units Disinvested		(19,845,459)	(16,400,194)
Net Proceeds from Capital Transactions		4,976,916	1,410,776
Total Increase in Net Assets		15,236,598	9,307,870
Net Assets:			
Balance at 1 January		42,434,776	33,126,906
Total Increase in Net Assets		15,236,598	9,307,870
Balance at 31 December		57,671,374	42,434,776

STATEMENT OF MOVEMENT IN ISSUED UNITS

FOR THE YEAR ENDED 31 DECEMBER 2014

Number of Units at 1 January	345,970,219	339,286,460
Number of Units Issued during the year	102,068,974	88,656,755
	448,039,193	427,943,215
Number of Units disinvested during the year	(81,957,112)	(81,972,996)
Number of Units at 31 December	366,082,081	345,970,219

HFC UNIT TRUST PORTFOLIO SUMMARY FOR THE YEAR ENDED 31 DECEMBER 2014

	No. Of Shares 31/12/13	Value 31/12/13 GH ¢	No. Of Shares 31/12/14	Value 31/12/14 GH ¢	Purchase During the Year GH ¢	Sales During the Year GH ¢
HFC Bank	0	0	0	0	0	0
Gold Star	7,080	19,470	7,080	16,568	0	0
		<u>19,470</u>		<u>16,568</u>	<u>0</u>	<u>0</u>

HFC UNIT TRUST CAPITAL ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2014

11. CAPITAL ACCOUNT

	2014		2013	
	Units	GH¢	Units	GH¢
Balance at 1st January	345,970,219	17,830,907	339,286,460	16,420,130
Value of Units Sold and Converted	102,068,974	24,822,375	88,656,755	17,810,971
	<u>448,039,193</u>	<u>42,653,282</u>	427,943,215	34,231,101
Value of Units Disinvested	<u>(81,957,112)</u>	<u>(19,845,459)</u>	<u>(81,972,996)</u>	<u>(16,400,194)</u>
Value of the Trust Fund at 31 December	<u>366,082,081</u>	<u>22,807,823</u>	345,970,219	17,830,907