

***DATABANK EDUCATIONAL INVESTMENT FUND
LIMITED***

***UNAUDITED HALF YEAR REPORT
30TH JUNE 2017***

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**DATABANK EDUCATIONAL INVESTMENT FUND LIMITED
BOARD OF DIRECTORS, OFFICIALS AND REGISTERED OFFICE**

BOARD OF DIRECTORS

Israel Titi Ofei (*Chairman, Non-Executive Director*)
Eudora Hilda Koranteng (*Non-Executive Director*)
Robert Ebo Hinson (*Non-Executive Director*)
Bill Buenar Puplampu (*Non-Executive Director*)
Roselyn Darkwa (*Non-Executive Director*)

SECRETARY

Dorcas Taylor
61 Barnes Avenue, Adabraka
Private Mail Bag
Ministries Post Office
Accra

REGISTERED OFFICE

61 Barnes Avenue, Adabraka
Private Mail Bag
Ministries Post Office
Accra

CUSTODIAN

Stanbic Bank Ghana Limited
Head office branch
P. O. Box 2344
Cantonments
Accra

FUND MANAGER

Databank Asset Management Services Limited
61 Barnes Avenue, Adabraka
Private Mail Bag
Ministries Post Office
Accra

AUDITOR

Baker Tilly Andah + Andah
C645/3, Borsue Lane
Asylum Down
P. O. Box CT 5443
Cantonments, Accra

BANKERS

GT Bank Ghana Limited
Stanbic Bank Ghana Limited
United Bank for Africa Limited
Zenith Bank Ghana Limited
GCB Bank Limited

REPORT OF THE DIRECTORS

The Directors present herewith their report together with the financial statements of the Fund for the half-year ended June 30, 2017.

Statement of Directors' Responsibilities

The Directors are responsible for the preparation of interim financial statements for each financial year which give a true and fair view of the state of affairs of the Fund and of the statement of comprehensive income and statement of cash flows for that period. In preparing these financial statements, the Directors have selected suitable accounting policies and then applied them consistently, made judgements and estimates that are reasonable and prudent and followed International Financial Reporting Standards (IFRS) and complied with the requirements of the Companies Act, 1963 (Act 179), the Securities Industry Act, 2016 (Act 929), and the Unit Trusts and Mutual Funds Regulations, 2001 (L.I. 1695).

The Directors are responsible for ensuring that the Fund keeps proper accounting records that disclose with reasonable accuracy, at any time, the financial position of the Fund. The Directors are also responsible for safeguarding the assets of the Fund and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal Activities

The principal activity of the Fund is to invest the monies of its members for their mutual benefit and to hold and arrange for the management of securities and other assets acquired with such monies.

Financial Results

The results for the half-year are shown in the statement of comprehensive income in the financial statements. The Fund recorded a Total Comprehensive Distributed Unitholders' Earnings of **GH¢1,214,427** as against a Total Comprehensive Distributed Unitholders' Earnings of GH¢539,825 for the same period in 2016.

Auditor

Messrs Baker Tilly Andah + Andah are auditors of the Fund and in accordance with *section 134(5) of the Companies Act, 1963 (Act 179)* they so continue.

.....
ISRAEL TITI OFEI
CHAIRMAN

.....
EUDORA HILDA KORANTENG
DIRECTOR

..... 2017

DATABANK EDUCATIONAL INVESTMENT FUND LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 30TH JUNE 2017

	Note	2017 GH¢	2016 GH¢
INVESTMENT INCOME			
Dividend Income	5	14,759	1,851
Interest Income	6	1,347,896	681,847
Gain on Sale of Investment	7	58,535	20,768
Exchange Gain/ (Loss)		6	(48)
TOTAL INCOME		----- 1,421,196 -----	----- 704,418 -----
EXPENSES			
Management Fees		(126,233)	(62,492)
Custodian Fees		(21,032)	(6,101)
General and Administrative Expenses	8	(138,090)	(87,351)
TOTAL EXPENSES		----- (285,355) -----	----- (155,944) -----
Net Distributed Unitholders' Earnings		1,135,841	548,474
Other Comprehensive Income:			
Fair Value Gain/(Loss) of Available-for-Sale	11b	78,586	(8,649)
Total Comprehensive Distributed Unitholders' Earnings		----- 1,214,427 =====	----- 539,825 =====

DATABANK EDUCATIONAL INVESTMENT FUND LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2017

	2017	2016
	GH¢	GH¢
ASSETS		
Cash and Cash Equivalents	9 2,292,757	672,610
Held-To-Maturity Securities	10 11,762,091	6,350,787
Available-For-Sale Equities	11a 1,804,835	545,176
Trade and Other Receivables	12 1,017,458	498,384
	-----	-----
TOTAL ASSETS	16,877,141	8,066,957
	=====	=====
UNITHOLDERS' EQUITY		
Unitholders' Principal	13,395,022	6,598,056
Distributed Unitholders' Earnings	3,226,788	1,283,492
Other Distributed Earnings	182,516	17,080
	-----	-----
TOTAL UNITHOLDERS' EQUITY	16,804,326	7,898,628
	=====	-----
LIABILITIES		
Trade and Other Payables	14 72,815	168,329
	-----	-----
TOTAL LIABILITIES	72,815	168,329
	-----	-----
TOTAL UNITHOLDERS' EQUITY AND LIABILITIES	16,877,141	8,066,957
	=====	=====

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ISRAEL TITI OFEI
CHAIRMAN

.....
EUDORA HILDA KORANTENG
DIRECTOR

..... 2017

DATABANK EDUCATIONAL INVESTMENT FUND LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 30TH JUNE 2017

2017

	Unitholders' Principal GH¢	Distributed Unitholders' Earnings GH¢	Other Distributed Earnings GH¢	Total GH¢
Balance at 1 January 2017	9,409,656	2,090,947	103,930	11,604,533
Proceeds from Issue of Shares	5,703,778	-	-	5,703,778
Net Distributed Unitholders' Earnings	-	1,135,841	-	1,135,841
Fair Value Gain of Available-for-Sale	-	-	78,586	78,586
Shares Redeemed	(1,718,412)	-	-	(1,718,412)
Balance at 30 June 2017	----- 13,395,022 =====	----- 3,226,788 =====	----- 182,516 =====	----- 16,804,326 =====

2016

Balance at 1 January 2016	4,658,274	735,019	25,728	5,419,021
Proceeds from Issue of Shares	2,538,094	-	-	2,538,094
Net Distributed Unitholders' Earnings	-	548,474	-	548,474
Fair Value Loss of Available-for-Sale	-	-	(8,649)	(8,649)
Shares Redeemed	(598,312)	-	-	(598,312)
Balance at 30 June 2016	----- 6,598,056 =====	----- 1,283,493 =====	----- 17,079 =====	----- 7,898,628 =====

DATABANK EDUCATIONAL INVESTMENT FUND LIMITED
STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED
30TH JUNE 2017

	2017	2016
	GH¢	GH¢
Cash Flows from Operating Activities		
Net Distributed Unitholders' Earnings	1,135,841	548,474
<i>Adjustments for:</i>		
Profit from Disposal of Securities	58,535	20,768
Exchange gain	6	48
	-----	-----
Total Adjustments to Reconcile Profits	1,194,382	569,290
Changes in Working Capital		
Increase in Trade and Other Receivables	(835,782)	(132,002)
Increase in Trade and Other Payables	8,595	30,929
	-----	-----
Net Cash Flow from Operating Activities	367,195	468,217
	-----	-----
Cash Flows from Investing Activities		
Purchase of Held-To-Maturity Securities	(6,096,008)	(5,001,045)
Purchase of Available-for-Sale Securities	(687,608)	(287,759)
Proceeds from Disposal of Securities	3,748,126	1,970,753
	-----	-----
Net Cash Flow from Investing Activities	(3,035,490)	(3,318,051)
	-----	-----
Cash Flows from Financing Activities		
Proceeds from Capital Transactions	5,703,778	2,547,074
Shares Redeemed	(1,718,412)	(592,889)
	-----	-----
Net Cash Flow from Financing Activities	3,985,366	1,954,185
	-----	-----
Net (Decrease)/Increase in Cash and Cash Equivalents	1,317,071	(895,649)
Cash and Cash Equivalents at the Beginning of the period	975,686	1,568,259
	-----	-----
Cash and Cash Equivalents at the End of the period 9	2,292,757	672,610
	=====	=====

DATABANK EDUCATIONAL INVESTMENT FUND LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30TH JUNE 2017

1. GENERAL INFORMATION

Databank Educational Investment Fund is a limited liability company incorporated in Ghana. The address of its registered office and principal place of business is 61 Barnes Avenue, Adabraka, Private Mail Bag, Ministries Post Office Accra.

Description of the Fund

The Databank Educational Investment Fund (EdIFund) Limited is a licensed mutual fund. The Fund was incorporated under Ghanaian Law on March 9, 2012.

The principal activity of the Fund is to invest the monies of its members for the mutual benefit and to hold and arrange for the management of EdIFund Investment securities acquired with such monies.

The investment activities of the Fund are managed by Databank Asset Management Services Limited (the Fund Manager). The Custodian of the Fund is Stanbic Bank Ghana Limited.

The shares of the Fund are redeemable at the holder's option. The shares are not listed on the Ghana Stock Exchange.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

2.2 Basis of Preparation

The financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial statements are presented in Ghana Cedi (GH¢).

The Fund presents its statement of financial position in order of liquidity.

2.3 Basis of Consolidation

The Fund is an investment entity and, as such, is not allowed to own controlling interest in other entities. Instead, financial interests are classified as available for sale and measured at fair value.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Fund.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Fund uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Recurring Fair Value Measurement of Assets and Liabilities

Financial Assets	Level 1 GH¢	Level 2 GH¢	Level 3 GH¢
Available for Sale Equities	965,513	839,322	-
Held-To-Maturity Securities	-	11,762,091	-

3.2 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

3.2.1 Interest Revenue and Expense

Interest revenue and expense are recognised in the statement of comprehensive income for all interest-bearing financial instruments using the effective interest method.

3.2.2 Dividend Revenue and Expense

Dividend revenue is recognised on the date on which the investments are quoted ex-dividend or, where no ex-dividend date is quoted, when the right of the Fund to receive the payment is established. Dividend revenue is presented gross of any non-recoverable withholding taxes, which are disclosed separately in the statement of comprehensive income. Dividend expense relating to equity securities sold short is recognised when the right of the shareholders to receive the payment is established.

3.2.3 Fees and Commissions

Fees and commissions are recognised on an accrual basis. Fees and commission expenses are included in general administrative expenses.

3.2.4 Net Gains or Loss on Financial Assets and Liabilities at fair value through profit or loss

This item includes changes in the fair value of financial assets and liabilities held for trading or designated upon recognition as at fair value through profit or loss and excludes interest and dividend income and expenses.

Unrealised gains and losses comprise changes in the fair value of financial instruments for the period and from reversal of prior period's unrealised gains and losses for financial instruments which were realised in the reporting period.

Realised gains and losses on disposals of financial instruments classified as at fair value through profit or loss are calculated using the first-in, first-out (FIFO) method. They represent the difference between an instrument's initial carrying amount and disposal amount.

3.3 Taxation

Under the current legislation, mutual funds are not subject to taxes on income or capital gains, nor to any taxes on income distributions.

3.4 Foreign Currencies

In preparing the financial statements of the Fund, transactions in currencies other than the Fund's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

3.5 Financial Instruments-Initial Recognition and Subsequent Measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.5.2 Financial Assets

3.5.2.1 Initial Recognition and Measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Fund commits to purchase or sell the asset.

3.5.2.2 Subsequent Measurement

For purposes of subsequent measurement financial assets are classified in four categories:

- Financial assets at fair value through profit or loss
- Loans and receivables
- Held-to-maturity investments
- Available-for-sale financial investments

Financial Assets at Fair Value through Profit or Loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments as defined by IAS 39. The Fund has not designated any financial assets at fair value through profit or loss. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value presented as finance costs (negative net changes in fair value) or finance income (positive net changes in fair value) in the statement of profit or loss.

Loans and Receivables

The Fund has not designated any financial assets as loans and receivables.

Held-To-Maturity Investments

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Fund has the positive intention and ability to hold them to maturity. After initial measurement, held to maturity investments are measured at amortised cost using the Effective Interest Rate (EIR), less impairment.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss as finance costs.

Available-for-Sale (AFS) Financial Investments

AFS financial investments include equity investments and debt securities. Equity investments classified as AFS are those that are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those that are intended to be held for an indefinite period of time and that may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial measurement, AFS financial investments are subsequently measured at fair value with unrealised gains or losses recognised in OCI and credited in the AFS reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in other operating income, or the investment is determined to be impaired, when the cumulative loss is reclassified from the AFS reserve to the statement of profit or loss in finance costs. Interest earned whilst holding AFS financial investments is reported as interest income using the EIR method.

The Fund evaluates whether the ability and intention to sell its AFS financial assets in the near term is still appropriate. When, in rare circumstances, the Fund is unable to trade these financial assets due to inactive markets, the Fund may elect to reclassify these financial assets if the management has the ability and intention to hold the assets for foreseeable future or until maturity.

For a financial asset reclassified from the AFS category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on the asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the EIR. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the statement of profit or loss and other comprehensive income

3.5.2.3 Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a Fund of similar financial assets) is primarily derecognised (i.e. removed from the Fund's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - i. the Fund has transferred substantially all the risks and rewards of the asset, or
 - ii. the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Fund has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Fund continues to recognise the transferred asset to the extent of the Fund's continuing involvement. In that case, the Fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Fund has retained.

3.5.2.4 Impairment of Financial Assets

The Fund assesses, at each reporting date, whether there is objective evidence that a financial asset is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event'), has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include indications that the debtors or a third party borrower is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

3.5.3 Financial Liabilities

3.5.3.1 Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The financial liabilities of the Fund include trade and other payables, loans and borrowings including Fund's overdrafts, financial guarantee contracts and derivative financial instruments.

3.5.3.2 Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

3.5.2.2.1 Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Fund that are not designated as hedging instruments in hedge relationships as defined by IAS 39. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

3.5.3. Financial Liabilities

3.5.3.1 Loans and Borrowings

The Fund has not designated any financial liability as loans and borrowings. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and

losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IAS 39 are satisfied. The Fund has not designated any financial liability as at fair value through profit or loss.

3.5.3.2 Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss and other comprehensive income.

3.5.4 Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.6 Unitholders' Principal

Shares in the Fund are owned by members of the Fund.

- The value of the units (owned by members of the Fund) is represented by the Unitholders Capital. Units entitle the holder to a *pro rata* share of the Fund's net assets in the event of a unitholder liquidating his or her investment
- The units of the Fund are not listed on the Stock Exchange. Applicants may set up a new account with the Fund to buy units of the Fund. When applicants buy Fund units, the units are purchased at the last published price
- A Unitholder wishing to redeem his or her units (investment) with the Fund can do so by submitting a request for redemption to the Fund. Redemptions shall be priced at the last published price

3.7 Dividend Policy

The Fund does not pay dividend.

3.8 Cash and Short-Term Deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short term deposits with a maturity of three months or less.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding Fund overdrafts.

3.9 New and Amended Standards and Interpretations

3.9.1 Standards and Interpretations effective in the current period

As at the balance sheet date, the following standards, amendments to existing standards and interpretations were in issue, but not yet effective:

- **IFRS 2 Share-based payments**
Amendments to clarify the classification and measurement of share-based payment transactions:
An entity choosing to apply the overlay approach retrospectively to qualifying financial assets does so when it first applies IFRS 9 *Financial Instruments*. An entity choosing to apply the deferral approach does so for annual periods beginning on or after 1 January 2018.
- **IFRS 7 Financial Instruments: Disclosures**
Annual Improvements 2012-2014 Cycle: Service Contracts:
Amendments clarifying the circumstances in which an entity will have continuing involvement in a transferred asset as a result of servicing contracts. IFRS 7 requires disclosure for all transferred financial assets that are not derecognised and for any continuing involvement in a transferred asset, existing at the reporting date, irrespective of when the related transfer transaction occurred. The application of this change is retrospective.
Annual Improvements 2012-2014 Cycle: Offsetting:
Amendment clarifying the applicability of previous amendments to IFRS 7 issued in December 2011 with regards to offsetting financial assets and financial liabilities in relation to interim financial statements prepared under IAS 34 *Interim Financial Reporting*. The application of this change is retrospective.
- **IFRS 9 “Financial Instruments” (effective for annual periods beginning on or after 1 January 2018).**
Classification and Measurement - IFRS 9 introduces new approach for the classification of financial assets, which is driven by cash flow characteristics and the business model in which an asset is held. This single, principle-based approach replaces existing rule-based requirements under IAS 39. The new model also results in a single impairment model being applied to all financial instruments.
Impairment - IFRS 9 has introduced a new, expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new Standard requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a more timely basis. The Fund is still in the process of assessing the full impact of requirement. However it anticipates that the new impairment requirements will have an impact on the Fund.
Hedge accounting - IFRS 9 introduces a substantially-reformed model for hedge accounting, with enhanced disclosures about risk management activity. The new model represents a significant overhaul of hedge accounting that aligns the accounting treatment with risk management activities.
Own credit - IFRS 9 removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains caused by the deterioration of an entity’s own credit risk on such liabilities are no longer recognised in profit or loss.

- **Amendments to IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture and further amendments (effective date was deferred indefinitely until the research project on the equity method has been concluded).**

Amendments to IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture issued by IASB on 11 September 2014 (on 17 December 2015 IASB deferred indefinitely effective date). The amendments address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business.

- **IFRS 15 “Revenue from Contracts with Customers” and further amendments (effective for annual periods beginning on or after 1 January 2018).**

IFRS 15 “Revenue from Contracts with Customers” issued by IASB on 28 May 2014 (on 11 September 2015 IASB deferred effective date of IFRS 15 to 1 January 2018). IFRS 15 specifies how and when an IFRS reporter will recognise revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard supersedes IAS 18 “Revenue”, IAS 11 “Construction Contracts” and a number of revenue-related interpretations. Application of the standard is mandatory for all IFRS reporters and it applies to nearly all contracts with customers: the main exceptions are leases, financial instruments and insurance contracts. The core principle of the new Standard is for companies to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the company expects to be entitled in exchange for those goods or services. The new Standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.

3.9.2 Critical Accounting Judgment, Estimates and Assumptions

The preparation of the Fund’s financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgments

In the process of applying the accounting policies of the Fund, management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements:

Assessment as Investment Entity

Entities that meet the definition of an investment entity within IFRS 10 are required to measure their investments at fair value through profit or loss rather than consolidate them. The criteria which define an investment entity are, as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis

The prospectus of the Fund details its objective of providing investment management services to investors which includes investing in equities, fixed income securities and private equity for the purpose of returns in the form of investment income and capital appreciation

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Fund based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Fund. Such changes are reflected in the assumptions when they occur.

Fair Value of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. The estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility.

Changes in assumptions about these factors could affect the reported fair value of financial instruments in the statement of financial position and the level where the instruments are disclosed in the fair value hierarchy. The models are tested for validity by calibrating to prices from any observable current market transactions in the same instrument (without modification or repackaging) when available. To assess the significance of a particular input to the entire measurement, the fund performs sensitivity analysis or stress testing techniques.

Fair Value Measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Contingent consideration, resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently re-measured to fair value at each reporting date. The determination of the fair value

is based on discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor.

4 CAPITAL MANAGEMENT

As a result of the ability to issue, repurchase and resell shares, the capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund. The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable shares beyond those included in the Fund's constitution.

The objective of the Fund for managing capital are:

- To invest the capital in investments meeting the description, risk exposure and expected return indicated in its prospectus
- To achieve consistent returns while safeguarding capital by investing in diversified portfolio
- To maintain sufficient liquidity to meet the expenses of the Fund, and to meet redemption requests as they arise
- To maintain sufficient size to make the operation of the Fund cost-efficient

Refer to financial risk management objectives and policies for the policies and processes applied by the Fund in managing its capital and its obligation to repurchase the shares.

	2017 GH¢	2016 GH¢
5. DIVIDEND INCOME		
Listed Equity Securities	14,759 =====	1,851 =====
6. INTEREST INCOME		
Interest on Certificates of Deposit	1,087,866	520,305
Interest on Call Deposit	13,939	5,449
Interest on Floating Rate Notes	116,005	27,366
Interest on Commercial Paper	3,248	86,982
Interest on Treasury Bills	126,838	41,745
	----- 1,347,896 =====	----- 681,847 =====
7. GAIN ON SALE OF INVESTMENTS		
Profit on Sale of Financial Instruments	58,535 =====	20,768 =====

	2017 GH¢	2016 GH¢
8. GENERAL AND ADMINISTRATIVE EXPENSES		
Audit Fees	11,650	8,594
Directors' Emoluments	23,850	24,338
Bank Charges	6,463	6,288
Stationery & Printing	13,577	6,147
Marketing, Business Promotion & Advertisement	36,130	22,887
Software Maintenance Cost	2,500	-
Insurance	31,719	16,269
Storage & Warehousing	473	-
Statutory and Legal Fees	620	620
Registrar Fees	3,304	1,104
Client Service Fees	3,304	1,104
Financial & Professional Consultant	1,500	-
Fund Accounting Fees	3,000	-
	-----	-----
	138,090	87,351
	=====	=====
9. CASH AND CASH EQUIVALENTS		
Cash at Bank	1,992,757	541,002
Certificates of Deposit	300,000	131,608
	-----	-----
	2,292,757	672,610
	=====	=====
10. HELD-TO-MATURITY SECURITIES		
Certificates of Deposit	7,924,396	4,911,711
Treasury Bills	1,188,167	819,076
Floating Rate Note	2,269,528	-
Commercial Paper	380,000	620,000
	-----	-----
	11,762,091	6,350,787
	=====	=====
11a. AVAILABLE FOR-SALE-EQUITIES		
Listed Equity Securities	965,513	310,299
Unlisted Equity Securities	839,322	234,877
	-----	-----
	1,804,835	545,176
	=====	=====

	2017 GH¢	2016 GH¢
11b. FAIR VALUE OF AVAILABLE-FOR-SALE SECURITIES		
Market Value of Available-For-Sale Assets	1,804,835	545,175
Cost Of Investment	(1,622,319)	(528,096)
	-----	-----
Current Period Gains	182,516	17,079
Prior Period Loss	(103,930)	(25,728)
	-----	-----
Fair Value Gain/(Loss)	78,586	(8,649)
	=====	=====

**Portfolio Summary
Description**

	Shares	Price 30-Jun-17 GH¢	Market Value GH¢
Shares			
Financials			
CAL Bank Limited	30,000	0.8500	25,500
Ecobank Ghana Limited	12,000	7.0000	84,000
Enterprise Group (Ghana)	10,000	2.3900	23,900
GCB Bank Limited	11,700	5.2000	60,840
Standard Chartered Bank Ghana Limited	5,440	17.0400	92,698
Healthcare			
Intravenous Infusions	1,250,000	0.0800	100,000
Energy			
Ghana Oil Company Ltd	68,500	1.8700	128,095
Total Petroleum Ghana	50,000	2.2200	111,000
Consumer Staples			
Unilever Ghana Limited	6,200	9.0000	55,800
Fan Milk Ltd (Ghana)	24,000	11.8200	283,680
Total Shares			----- 965,513 -----
Collective Investments Schemes			
Databank Money Market Fund	658,343	0.9559	629,310
Databank Epack Investment Fund	73,645	2.8517	210,012
			----- 839,322 -----

Fixed Income Instruments	
Certificates of Deposit	8,224,396
Commercial Paper	380,000
Floating Rate Notes	2,269,528
Treasury Bills	1,188,167

Total	12,062,091

Total Cash and Short Term Funds	12,901,413
	=====
Total Investments	13,866,926
	=====

2017	2016
GH¢	GH¢

12. TRADE AND OTHER RECEIVABLES

Interest Receivable	1,008,145	498,384
Sundry Debtors & Prepayments	9,313	-
	-----	-----
	1,017,458	498,384
	=====	=====

13. CAPITAL CONTRIBUTED

A reconciliation of the number of shares outstanding at the beginning and at the end of each of the reporting periods is provided below.

Number of shares issued and redeemed during the period is disclosed below

	2017	2016
	Number of Shares	Number of Shares
Shares in Issue at Beginning of Period	78,697,082	43,966,036
Issued during the period	36,834,238	20,147,499
Redeemed during the period	(10,993,106)	(4,715,707)
	-----	-----
Shares in Issue at June 30	104,538,213	59,397,828
	=====	=====

	2017	2016
	GH¢	GH¢
14. TRADE AND OTHER PAYABLES		
Audit Fees	11,869	8,594
Sales Commission	7,775	3,060
Registrar Fees	536	314
Client Services Fees	536	314
Management Fees	25,851	11,697
Custody Fees	24,289	10,394
Withholding Tax	1,457	1,485
Payable Brokers		11,250
Other Liabilities	502	121,221
	-----	-----
	72,815	168,329
	=====	=====

The Fund has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

15. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICY

The objective of the Fund in managing risk is the creation and protection of shareholder value. Risk is inherent in the activities of the Fund, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the continuing profitability of the Fund. The Fund is exposed to market risk (which includes currency risk, interest rate risk and price risk), credit risk and liquidity risk arising from the financial instruments it holds.

15.1. Risk Management Structure

The Investment Manager of the Fund is responsible for identifying and controlling risks. The Board of Directors supervises the Investment Manager and is ultimately responsible for the overall risk management of the Fund.

15.2. Risk Measurement and Reporting System

The risk of the Fund are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses that are an estimate of the ultimate actual loss based on statistical models. The models make use of the probabilities derived from historical experience, adjusted to reflect the economic environment.

Monitoring and controlling risks is primarily set up to be performed based on limits established by the Board of Directors. These limits reflect the business strategy including the risk that the Fund is willing to accept and the market environment of the Fund. In addition, the Fund monitors and measures the overall risk in relation to the aggregate risk exposure across all risks type and activities.

15.3. Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

15.4. Foreign Currency Risk Management

The Fund undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations may arise. Exchange rate exposures are managed by selling off forex cash as and when received.

15.5. Price Risk

The Fund is exposed to equity securities price risk because of investments in quoted and unquoted shares classified as available-for-sale. To manage its price risk arising from investments in equity and debt securities, the Fund diversifies its portfolio. Diversification of the portfolio is done in accordance with limits set by the Fund. All quoted shares held by the Fund are traded on the Ghana Stock Exchange (GSE).

The analysis below demonstrates the sensitivity of the unitholders' earnings of the Fund for the half-year to a reasonably possible change in equity price, with all other variables held constant.

The sensitivity of the earnings for the half-year is the effect of the assumed changes in equity price.

The sensitivity analysis impact on equity is the same as the impact on profit or loss. In practice, the actual trading results may differ from the below sensitivity analysis and the difference could be significant.

Sensitivity Analysis

	Change In Basis Points	Sensitivity Of Changes in Fair Value of Investments Increase/(Decrease GH¢
Other Comprehensive Income	+100/(100)	786/(786)

15.6. Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Board of Directors has established limits on the interest gaps for stipulated periods.

The analysis below demonstrates the sensitivity of the profit or loss of the Fund for the half-year to a reasonably possible change in interest rates, with all other variables held constant.

The sensitivity of the profit or loss for the period is the effect of the assumed changes in interest rates on:

- The net interest income for the period, based on the floating rate financial assets held at the end of the reporting period
- Changes in fair value of investments for the period, based on revaluing fixed rate financial assets and liabilities at the end of the reporting period

Sensitivity Analysis

	Change in basis points	Sensitivity of interest income Increase/(Decrease) GH¢
Total Comprehensive Distributed Unitholders' Earnings for the Period	+100/-100	13,479/(13,479)

Maturity Analysis of Financial Liabilities

Prudent liquidity risk management includes maintaining sufficient cash balances, and the availability of funding from an adequate amount of committed credit facilities.

The table below analyses the financial liabilities into the relevant maturity grouping based on the remaining period at the reporting date to the contractual maturity date.

Less than one year	2017 GH¢	2016 GH¢
Trade and Other Payables	72,815 =====	168,329 =====

15.7. Liquidity Risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its shares earlier than expected. The Fund is exposed to cash redemptions of its shares on a regular basis. Shares are redeemable at the holder's option based on the NAV per share of the Fund at the time of redemption, calculated in accordance with the scheme particulars of the Fund.

The Fund manages its obligation to repurchase the shares when required to do so and its overall liquidity risk by:

- Requiring a 5-day notice period before redemptions

The policy of the Fund is to satisfy redemption requests by the following means (in decreasing order of priority):

- Searching for new investors
- Withdrawal from new cash deposits
- Disposal of highly liquid assets (i.e., short-term, low-risk debt investments)
- Either disposal of other assets or use of leverage

The Fund invests primarily in marketable securities and other financial instruments which, under normal market conditions, are readily convertible to cash. In addition, the policy of the Fund is to maintain sufficient cash and cash equivalents to meet normal operating requirements and expected redemption requests.

15.8. Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Fund by failing to discharge an obligation. The Fund is exposed to the risk of credit-related losses that can occur as a result of a counterparty or issuer being unable or unwilling to honour its contractual obligations. These credit exposures exist within financing relationships, derivatives and other transactions. It is the policy of the Fund to enter into financial instruments with reputable counterparties.

The policy of the Fund Manager is to closely monitor the creditworthiness of the counterparties (e.g. third party borrowers, brokers, custodian and banks) by reviewing their credit ratings, financial statements and press releases on a regular basis.

The carrying value of interest bearing investments, money market funds and similar securities, loan to related party, trade and other receivables and cash and cash equivalents, as disclosed in the statement of financial position represents the maximum credit exposure, hence, no separate disclosure is provided.

15.9. Fair Value of Financial Instruments

Fair value of financial instruments carried at amortised cost

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Financial Assets	Carrying	Fair Value	Carrying	Fair value
	Amounts	2017	Amounts	2016
	2017	2017	2016	2016
	GH¢	GH¢	GH¢	GH¢
Cash and Cash Equivalents	2,292,757	2,292,757	672,610	672,610
Held-To-Maturity Securities	11,762,091	11,762,091	6,350,787	6,350,787
Available-for-Sale Equities	1,804,835	1,804,835	545,176	545,176
Trade and Other Receivables	1,017,458	1,017,458	498,384	498,384
Total Financial Assets	16,877,141	16,877,141	8,066,957	8,066,957

Financial Liabilities	Carrying	Fair Value	Carrying	Fair value
	Amounts	2017	Amounts	2016
	2017	2017	2016	2016
	GH¢	GH¢	GH¢	GH¢
Trade and Other Payables	72,815	72,815	168,329	168,329

16. CONTINGENCIES AND COMMITMENTS

16.1. Legal Proceedings and Regulations

The Fund operates in the financial service industry and is subject to legal proceedings in the normal course of business. As at the reporting date, there were no potential or threatened legal proceedings, for or against the Fund.

There are no contingencies associated with the compliance or lack of compliance with regulations by the Fund.

16.2. Capital Commitments

The Fund has no capital commitments at the reporting date.

17. RELATED PARTY TRANSACTIONS

The following parties are considered related parties of the Fund:

Investment Manager

Databank Asset Management Services Limited (the investment manager) is entitled to receive a management and advisory fee for its respective services. These fees amount to an aggregate of 2% per annum calculated on the daily the net assets of the Fund. Management fees are payable monthly in arrears. Total management fees for the half-year amounted to **GH¢126,233** (2016: GH¢62,492).

Custodian – Stanbic Bank Ghana Limited

The Custodian carries out the usual duties regarding custody, cash and securities deposits without any restriction. This means that the custodian is, in particular, responsible for the collection of dividends, interest and proceeds of matured securities, the exercise of options and, in general, for any other operation concerning the day-to-day administration of the securities and other assets and liabilities of the Fund.

The Custodian is entitled to receive from the Fund fees, payable quarterly, equal to 0.025% per annum calculated on the daily net assets of the Fund. The total custodian fee for the half-year amounted to **GH¢21,032** (2016: GH¢6,101), the custodian fee payable as at 30 June 2017 is **GH¢24,289** (2016: GH¢10,394).

Stock Brokers

The transactions of the Fund were made through the Databank Brokerage Limited.

Transactions with Related Parties

A number of related party transactions take place with related parties in the normal course of business. These include transactions and balances among related parties. The outstanding balances on such related party transactions are as follows:

Amounts due to Related Parties

	2017 GH¢	2016 GH¢
Databank Asset Management Services Limited	34,699	15,387

Transactions with Directors and Key Management Personnel

Directors and key management personnel refer to those personnel with authority and responsibility for planning, directing and controlling the business activities of the Fund. These personnel are the Executive and non-Executive Directors of the Fund.

During the half-year, there were no significant related party transactions with companies or customers of the Fund where a Director or any connected person is also a director or key management members of the Fund. The Fund did not make provision in respect of loans to Directors or any key management member during the period under review.

Directors' Emolument

	2017	2016
	GH¢	GH¢
Directors' Emolument	23,850	24,338
	=====	=====

Directors' Shareholding

The Directors below held the following number of shares in the Fund at June 30, 2017

Name	Shares	% of Fund
Israel Titi Ofei	353,214.90	0.3379
Eudora Hilda Koranteng	7,384.17	0.0071
Robert Ebo Hinson	149,685.30	0.1432
Bill Buenar Puplampu	142,571.81	0.1364
Roselyn Darkwa	62,937.15	0.0602

18. EVENT AFTER THE REPORTING PERIOD

No significant event occurred after the end of the reporting date which is likely to affect these financial statements.

19. APPROVAL OF FINANCIAL STATEMENTS

The Financial Statements were approved by the Board of Directors and authorised for issue on **August ..., 2017.**