



## **HFC FUTURE PLAN TRUST**

HFC INVESTMENT SERVICES LIMITED  
A SUBSIDIARY OF HFC BANK (GHANA) LIMITED

# **ANNUAL REPORT 2015**

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HFC FUTURE PLAN TRUST  
HFC INVESTMENT SERVICES LIMITED  
A SUBSIDIARY OF HFC BANK (GHANA) LIMITED

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## THE MANAGER

|   |  |
|---|--|
| <b>Name:</b>  | HFC Investment Services Limited (HFC Investments)  |
| <b>Country of Incorporation:</b>                          | Ghana  |
| <b>Registration Number:</b>                               | 50,533   |
| <b>Nature of Corporate Form:</b>                          | Limited liability, wholly-owned subsidiary of HFC Bank (Ghana) Limited   |
| <b>Registered Office:</b>                                 | Ebankese No. 35 Sixth Avenue,<br>North Ridge<br>P. O. Box CT. 4603<br>Cantonments, Accra.  |
| <b>Principal Place of Business:</b>                       | No. 48A Sixth Avenue.<br>North Ridge, Accra  |
| <b>Date of Incorporation:</b>                             | 7th July 1993 (Name changed from Home Finance Investment Fund Limited to HFC Investment Services Limited on 1 <sup>ST</sup> October 2001). |
| <b>Capitalization</b><br><b>(as at December 31, 2015)</b> | Authorized: 10,000,000 (Ten million)<br>Ordinary shares of no Par value  |
| <b>Issued:</b>  | 2,346,400 shares   |
| <b>Auditors:</b>  | Ernst and Young<br>G15 White Avenue<br>Airport Residential Area<br>P.O.Box 16009<br>Accra  |



# CONTENT

|  |    |
|--|----|
| Notice of Annual General Meeting       | 6  |
| Statement of Trustees Responsibilities | 7  |
| Trustees Report                        | 8  |
| Manager's Report                       | 9  |
| Auditors' Report                       | 14 |
| Financial Statements                   | 16 |
| Notes To The Financial Statements      | 22 |
| Admission Form                         | 30 |
| Proxy Form                             | 31 |



# NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Sixth Annual General Meeting of Unitholders will be held at the Osu Presby Church Hall, Accra at 9:00 am on Tuesday 31st May, 2016 to transact the following businesses:

## AGENDA

To receive the report of the Manager for the Year 2015.

To receive the Audited Statement of Income and Expenditure of HFC Future Plan Trust for the financial year ended December 31, 2015 together with the Trustees and Auditors report there on:

To authorize the Manager to fix the remuneration of the Auditors for the Year 2016.

A Unitholder has the right to appoint a proxy to attend and vote on his/her behalf at the Meeting. Such a proxy need not be a Unitholder. A copy of the instrument appointing the proxy may be deposited at any time prior to the commencement of the Meeting at the principal place of business of the Manager

HFC Investments  
No. 48 A, Sixth Avenue  
North Ridge, Accra

Dated 20th April, 2016  
By Order of the Manager  
HFC Investments



# STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trust Deed requires the Trustees to prepare financial statements for each financial period, which gives a true and fair view of the state of affairs of the HFC Future Plan Trust. In preparing the financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently,
- Make judgments and estimates that are responsible and prudent,
- State whether applicable accounting standards have been followed, subject to any material departures, disclosed and explain them in the financial statements, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Investment Trust will continue in business.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Future Trust Plan, which will ensure that the financial statements comply with the Trust Deed and Securities Industry Law, 1993 (PNDCL 333).

They are responsible for safeguarding the assets of the Investment Trust and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The statements should be read in conjunction with the statements of the Auditors' responsibilities as set out on page 12, the respective responsibilities of the Trustees and the Auditors in relation to the financial statement.



# REPORT OF THE TRUSTEES TO THE UNIT HOLDERS OF THE HFC FUTURE PLAN TRUST FOR THE YEAR ENDED 31 DECEMBER 2015

In our opinion, according to the information made available to us and the explanations provided, we confirm that in all material respects, the manager has managed the scheme during the period covered by these financial statements in accordance with the Trust Deed dated 6th October, 2008 and all regulations for the time being in force under the Unit Trust and Mutual Funds Regulations, 2001, (L.I. 1695).



Dated this 20th Day of April 2016

For: UNIVERSAL MERCHANT BANK (GHANA) LIMITED





# HFC FUTURE PLAN TRUST FUND MANAGER'S REPORT FOR THE YEAR ENDED DECEMBER 31, 2015

## ECONOMIC OVERVIEW:

Noteworthy from a global perspective for 2015 were slower growth prospects in China and other emerging economies which weakened the global economic environment. The slowdown chiefly impacted oil prices on the economies of oil exporting countries, as well as lower demand from China, the largest single trade partner of sub-Saharan Africa. Fears over a slowing global economic momentum together with concerns over falling oil and commodity prices, combined to pull down nervous global stock markets in 2015.

The economic environment of Ghana in 2015 fared no better, characterized by an unstable cedi, a debilitating energy crisis, high inflation, and reduced credit expansion by banks. The country recorded a GDP of 4.1% for 2015.

Highlights of key macroeconomic indicators were as follows;

### 1. INTEREST RATE

Money market rates declined marginally. The 91-Day, 182-Day and the 1-Year note ended the year with an average rate of 25.11%, 25.87% and 22.51% respectively.

### 2. INFLATION

Inflation which has been on an upward trajectory ended the year at 17.70% compared to the year-end inflation of 17.0% recorded in 2014.

### 3. EXCHANGE RATE

On the exchange rate front, the Ghana cedi depreciated by 15.7 percent compared to 31.3 percent recorded in 2014. The currency was noticeably volatile over the period as a result of foreign exchange control measures introduced and withdrawn.

### 4. GHANA STOCK EXCHANGE

The Ghana Stock Exchange experienced a bearish market, leading to investors recording significant capital losses. The GSE-Composite Index and the Financial Stock Index closed at negative 11.77% and negative 13.98% respectively. Comparatively, the GSE Composite Index and the Financial Stock Index closed at 5.40% and 25.58% respectively in 2014 reflecting a far better performance. The stock market closed the year with a capitalization of GH¢57.11 billion as compared to GH¢64.35 billion recorded in 2014.



# HFC FUTURE PLAN TRUST FUND MANAGER'S REPORT FOR THE YEAR ENDED DECEMBER 31, 2015

## FUND PERFORMANCE

HFC Future Plan Trust's assets grew by 16% over the year from GH¢3.79 million to GHS4.38 million, attributable to your continued patronage and investment returns.

Despite the bearish nature of the stock market, your fund managed to return a yield of 19.86% against a yield of 12.14% achieved in 2014. The number of unit holders increased from 1,330 to 1,406 in the year under review.

## PORTFOLIO REVIEW AND ASSET MIX

The portfolio consists of a diversified spread of investments in fixed income securities and listed equities. Investments in Money Market and Corporate Bonds dominated activities for the year, with recorded exposures at 76.56% and 11.40% of fund value respectively. The fund's holdings in Equities reduced by 26.70% in the year under review on account of weak macroeconomic environment and increased volatility on the stock market. The reduction in equity holdings were distributed in favour of money market investments. The fund's exposure to Government notes was 5.06%.

The portfolio strategy for the year was to maintain a portfolio mix of 60%:40% in favour of equities. However, as a result of the bearish nature of the market in 2015, equity portion of the fund was reduced to 10.44% to mitigate potential losses from declining stock prices.

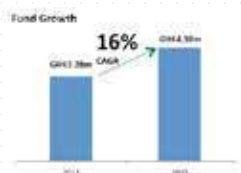
# HFC FUTURE PLAN TRUST HIGHLIGHTS OF FUND STATISTICS

## HFC Future Plan Trust vs. Benchmark Indicators

|                              | 2013  | 2014  | 2015    | 3 yr Avg |
|------------------------------|-------|-------|---------|----------|
| Future Plan Trust (%)        | 31.37 | 12.14 | 19.86   | 21.12    |
| GSE All-Share Index (%)      | 78.81 | 5.40  | (11.77) | 24.15    |
| GOG 1-Year Treasury Note (%) | 21.16 | 22.50 | 22.51   | 21.74    |

## Fund Value

**GHS 3.79m** → **GHS 4.38m**  
2014                      2015



## 2015 Return (YTD)

**19.86%**

## No. of Unit Holders

**1,406** (Dec 2015)  
6% Growth (y/y)

## Portfolio Mix (2015)



## Top Five Equities (2015)

| Stock | Value (GH¢) | Proportion of NFV |
|-------|-------------|-------------------|
| TOTAL | 97,940.40   | 2.23%             |
| SCB   | 65,200.00   | 1.48%             |
| EGL   | 64,800.00   | 1.47%             |
| ETI   | 43,200.00   | 0.98%             |
| GOIL  | 41,440.00   | 0.94%             |
|       | 312,580.40  | 7.10%             |



# HFC FUTURE PLAN TRUST FUND MANAGER'S REPORT FOR THE YEAR ENDED DECEMBER 31, 2015 (Cont.)

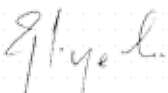
## FUND STRATEGY FOR 2016

Moving forward in 2016, we intend to increase our equity holdings cautiously, but we will remain active on the money market to optimize the yield of the fund. Strategies are also far afoot to boost the marketing activities of the fund in order to increase assets under management. The stock market is not expected to fare well in 2016, as a result we will seek to maintain holdings in specific stocks that have proven resilient and have good fundamentals. Overall however, the balance will be in favour of the money market for 2016.

## OUTLOOK FOR 2016

Ghana's economy slowed down for the fourth consecutive year to an estimated 4.1% growth rate in 2015, owing to a severe energy crisis, unsustainable domestic and external debt burdens, and deteriorating macroeconomic indicators. The economic arena in 2016 is expected to be a difficult one in the light of current fiscal and macroeconomic challenges persisting in the country. 2016 is an election year and the primary economic challenge is whether or not the government can demonstrate fiscal prudence in the run up to elections, especially as the risk factors that continue to undermine the economic fundamentals persist. We however remain hopeful considering the efforts at hand to improve the situation. The government and IMF are working to improve the current debt levels which are unsustainable. The Central Bank has adopted a tight monetary stance to curb inflation. Despite the difficulties faced by the stock market in the near term, regulators, the securities industry and the government are continuing to make progress and lay the groundwork for recovery.

We remain confident that your fund will once again excel in 2016, and therefore insist that you maintain HFC Future Plan Trust as part of your expansive investment portfolio to take advantage of the opportunities that will come up in the months and years ahead.



PETER LARBI-YEBOAH  
CHIEF EXECUTIVE OFFICER

# HFC FUTURE PLAN TRUST FINANCIAL STATEMENTS 31 DECEMBER 2015



# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HFC FUTURE PLAN TRUST FOR THE YEAR ENDED 31 DECEMBER 2015



## REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of HFC Future Plan Trust which comprise the statement of assets and liabilities as of December 31, 2015, 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.

## TRUSTEE'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting 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 Trustee, 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 Future Plan Trust as of December 31, 2015 and of its financial performance for the year then ended in accordance with International Financial Reporting 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)



# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HFC FUTURE PLAN TRUST FOR THE YEAR ENDED 31 DECEMBER 2015

## 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/2016/039)  
Chartered Accountants  
Farrar Avenue  
P. O. Box GP 1219,  
Accra.  
20th April 2016

# HFC FUTURE PLAN TRUST

## STATEMENT OF ASSETS AND LIABILITIES

### FOR THE YEAR ENDED 31 DECEMBER 2015

|   | Notes | 2015<br>Market<br>Value<br>GH ₵ | % Net<br>Assets<br>GH ₵ | 2014<br>Market<br>Value<br>GH ₵ | % Net<br>Assets<br>GH ₵ | 01-Jan-14<br>Market<br>Value<br>GH ₵ | % Net<br>Assets<br>GH ₵ |
|---|-------|---------------------------------|-------------------------|---------------------------------|-------------------------|--------------------------------------|-------------------------|
| Available for<br>Sale Invest-<br>ments      | 6     | 458,981                         | 10.55                   | 1,436,278                       | 37.90                   | 1,173,571                            | 35.84                   |
| <b>SHORT<br/>TERM<br/>FUNDS</b>             |       |                                 |                         |                                 |                         |                                      |                         |
| Cash at Bank<br>and on Call                 | 7     | 78,046                          | 1.79                    | 98,267                          | 2.59                    | 69,592                               | 2.13                    |
| Held to<br>Maturity<br>Investments          | 8     | 3,606,161                       | 82.90                   | 2,103,151                       | 55.50                   | 1,921,546                            | 58.68                   |
| <b>Total Short<br/>Term Funds</b>           |       | <b>3,684,207</b>                | <b>84.69</b>            | <b>2,201,418</b>                | <b>58.09</b>            | <b>1,991,138</b>                     | <b>60.81</b>            |
| Total<br>Investments                        |       | 4,143,188                       | 95.24                   | 3,637,696                       | 95.99                   | 3,164,709                            | 96.64                   |
| Other Assets<br>in Excess of<br>Liabilities |       | 206,904                         | 4.76                    | 151,835                         | 4.01                    | 109,873                              | 3.36                    |
| <b>Total Net<br/>Assets</b>                 |       | <b>4,350,092</b>                | <b>100.00</b>           | <b>3,789,531</b>                | <b>100.00</b>           | <b>3,274,582</b>                     | <b>100.00</b>           |

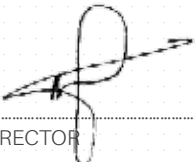


# HFC FUTURE PLAN TRUST STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31 DECEMBER 2015

|                                | Notes | 2015<br>GH¢      | 2014<br>GH¢      | 1 Jan.<br>2014<br>GH¢ |
|--------------------------------|-------|------------------|------------------|-----------------------|
| <b>Assets:</b>                 |       |                  |                  |                       |
| Total Investments              |       | 4,143,188        | 3,637,696        | 3,164,709             |
| <b>Receivables:</b>            |       |                  |                  |                       |
| Interest                       | 9     | 246,698          | 169,140          | 131,964               |
| HFC ISL Current Account        |       | 25,919           | 41,570           | 38,276                |
| Other Receivables              |       | 0                | 9,964            | 0                     |
| <b>Total Assets</b>            |       | <b>4,415,805</b> | <b>3,858,370</b> | <b>3,334,949</b>      |
| <b>Liabilities:</b>            |       |                  |                  |                       |
| Amount Due to Managers         |       | 28,587           | 15,189           | 8,304                 |
| Management Fund                | 10    | 15,946           | 7,909            | 3,694                 |
| HFC Unit Trust Current Account |       | 447              | 0                | 2,841                 |
| Accrued Charges                |       | 20,733           | 45,741           | 45,528                |
| <b>Total Liabilities</b>       |       | <b>65,713</b>    | <b>68,839</b>    | <b>60,367</b>         |
| <b>Net Assets</b>              |       | <b>4,350,092</b> | <b>3,789,531</b> | <b>3,274,582</b>      |

SIGNED FOR HFC INVESTMENT SERVICES LIMITED 20th April 2016.

  
.....  
Chief Executive Officer

  
.....  
DIRECTOR

# HFC FUTURE PLAN TRUST INCOME AND DISTRIBUTION ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

|   | Notes | 2015<br>GH¢      | 2014<br>GH¢      |
|---|-------|------------------|------------------|
| <b>Investment Income</b>  |       |                  |                  |
| Fixed Deposit   |       | 742,140          | 404,744          |
| Treasury Bills  |       | 2,475            | 0                |
| Dividends   |       | 26,413           | 40,328           |
| Call Account  |       | 2,523            | 119,022          |
| Bonds   |       | 134,246          | 3,625            |
| Other Income  |       | 33,276           | 357,647          |
| <b>Total Income</b>   |       | <b>941,073</b>   | <b>925,366</b>   |
| <b>Expenses</b>   |       |                  |                  |
| Management Fees   |       | 101,839          | 90,777           |
| Auditors Remuneration   |       | 20,400           | 17,400           |
| Other Expenses  | 5     | 15,065           | 16,954           |
|   |       | <b>137,304</b>   | <b>125,131</b>   |
|   |       | <b>803,769</b>   | <b>800,235</b>   |
| Transfers to the Management fund are made in accordance with the Trust Deed. The Trustees shall be paid out of this fund. | 10    | (8,037)          | (8,002)          |
| Net Investment Income   |       | <b>795,732</b>   | <b>792,233</b>   |
| <b>ACCUMULATED NET INVESTMENT INCOME</b>  |       |                  |                  |
| BALANCE AT 1 JANUARY  |       | 1,528,512        | 736,279          |
| Net Investment Income   |       | 795,732          | 792,233          |
| <b>BALANCE AT 31 DECEMBER</b>   |       | <b>2,324,244</b> | <b>1,528,512</b> |

# HFC FUTURE PLAN TRUST

## STATEMENT OF MOVEMENT IN NET ASSETS

### FOR THE YEAR ENDED 31 DECEMBER 2015

|  | Notes | 2015<br>GH¢ | 2014<br>GH¢ |
|--|-------|-------------|-------------|
| Net Investment Income                                |       | 795,732     | 792,233     |
| Change in Unrealised gains                           | 11    | (90,079)    | (376,727)   |
| Net Increase in Net Assets Resulting from Operations |       | 705,653     | 415,506     |
| <b>Capital Transactions</b>                          |       |             |             |
| Value of Units Sold and Converted                    |       | 432,802     | 651,204     |
| Value of Units Disinvested                           |       | (577,894)   | (551,760)   |
| Net Proceeds from Capital Transactions               |       | (145,092)   | 99,444      |
| <b>Total Increase in net Assets</b>                  |       | 560,561     | 514,950     |
| Net Assets:  |       |             |             |
| <b>Balance at 1 January</b>                          |       | 3,789,531   | 3,274,581   |
| Total Increase in net Assets                         |       | 560,561     | 514,950     |
| <b>Balance at 31 December</b>                        |       | 4,350,092   | 3,789,531   |

#### STATEMENT OF MOVEMENT IN ISSUED UNITS FOR THE YEAR ENDED 31 DECEMBER 2015

|   |           |           |
|---|-----------|-----------|
| <b>Number of Units at 1 January</b>         | 2,478,099 | 2,392,547 |
| Number of Units Issued during the year      | 286,809   | 505,424   |
|   | 2,764,908 | 2,897,971 |
| Number of Units disinvested during the year | (383,527) | (419,872) |
| <b>Number of Units at 31 December</b>       | 2,381,381 | 2,478,099 |

## HFC FUTURE PLAN TRUST PORTFOLIO SUMMARY FOR THE YEAR ENDED 31 DECEMBER 2015

|                               | No. Of<br>Shares<br>31/12/14 | Value<br>31/12/14 | No. Of<br>Shares<br>31/12/15 | Value<br>31/12/15<br>GH ¢ | Pur-<br>chase<br>During<br>the<br>Year<br>GH ¢ | Sales<br>During<br>the Year<br>GH ¢ |
|-------------------------------|------------------------------|-------------------|------------------------------|---------------------------|--|-------------------------------------|
| CAL Bank                      | 117,200                      | 118,372           | 27,200                       | 27,200                    | 0  | 90,900                              |
| Ecobank Ghana<br>Limited      | 20,300                       | 154,280           | 3,900                        | 27,339                    | 0  | 124,640                             |
| Ghana Commercial<br>Bank      | 35,862                       | 190,069           | 10,000                       | 37,900                    | 0  | 137,069                             |
| Standard Chartered<br>Bank    | 11,280                       | 229,548           | 4,000                        | 65,200                    | 0  | 148,148                             |
| SG SSB Bank                   | 92,400                       | 92,399            | 24,640                       | 19,712                    | 0  | 70,000                              |
| Enterprise Group Ltd.         | 57,000                       | 99,749            | 27,000                       | 64,800                    | 0  | 52,500                              |
| Fanmilk                       | 4,942                        | 25,946            | 0                            | 0                         | 0  | 25,946                              |
| Unilever Ghana                | 9,200                        | 98,440            | 0                            | 0                         | 0  | 98,440                              |
| Gold Star                     | 2,000                        | 4,680             | 0                            | 0                         | 0  | 4,680                               |
| Benso Oil Palm<br>Plantations | 13,700                       | 56,170            | 13,700                       | 34,250                    | 0  | 0                                   |
| Ghana Oil Company<br>Limited  | 41,600                       | 43,680            | 29,600                       | 41,440                    | 11,503   | 21,000                              |
| Total                         | 19,204                       | 117,144           | 19,204                       | 97,940                    | 0  | 0                                   |
| GGBL                          | 4,000                        | 12,800            | 0                            | 0                         | 0  | 12,800                              |
| ETI                           | 100,000                      | 28,001            | 160,000                      | 43,200                    | 18,270   | 0                                   |
| HFC                           | 110,000                      | 165,000           | 0                            | 0                         | 0  | 165,000                             |
|                               |                              | <u>1,436,278</u>  |                              | <u>458,981</u>            | <u>29,773</u>                                  | <u>951,123</u>                      |

# HFC FUTURE PLAN TRUST CAPITAL ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2015

## CAPITAL ACCOUNT

|  | Units     | 2015<br>GH¢      | Units     | 2014<br>GH¢ |
|--|-----------|------------------|-----------|-------------|
| Balance at 1st January                   | 2,478,099 | <b>2,193,306</b> | 2,392,547 | 2,093,862   |
| Value of Units Sold and Converted        | 286,809   | <b>432,802</b>   | 505,424   | 651,204     |
|  | 2,764,908 | <b>2,626,108</b> | 2,897,971 | 2,745,066   |
| Value of Units Disinvested               | (383,527) | <b>(577,894)</b> | (419,872) | (551,760)   |
| Value of the Trust Fund<br>at 31December | 2,381,381 | <b>2,048,214</b> | 2,478,099 | 2,193,306   |

# HFC FUTURE PLAN TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2015

#### 5. OTHER EXPENSES comprise the following:

|                                 | 2015<br>GH¢   | 2014<br>GH¢   |
|---------------------------------|---------------|---------------|
| Bank Charges                    | 7,049         | 2,247         |
| Loss on Revaluation             | 0             | 0             |
| Manager's Reimbursable Expenses | 8,016         | 17,320        |
|                                 | <b>15,065</b> | <b>19,567</b> |

#### 6. Available for sale Investments

|                            |                |                  |
|----------------------------|----------------|------------------|
| CAL Bank                   | 27,200         | 118,372          |
| Ecobank Ghana Limited      | 27,339         | 154,280          |
| Ghana Commercial Bank      | 37,900         | 190,069          |
| Standard Chartered Bank    | 65,200         | 229,548          |
| SG SSB Bank                | 19,712         | 92,399           |
| Enterprise Group Ltd.      | 64,800         | 99,749           |
| Fanmilk                    | 0              | 25,946           |
| Unilever Ghana             | 0              | 98,440           |
| Gold Star                  | 0              | 4,680            |
| Benso Oil Palm Plantations | 34,250         | 56,170           |
| Ghana Oil Company Limited  | 41,440         | 43,680           |
| Total                      | 97,940         | 117,144          |
| GGBL                       | 0              | 12,800           |
| ETI                        | 43,200         | 28,001           |
| HFC                        | 0              | 165,000          |
|                            | <b>458,981</b> | <b>1,436,278</b> |

# HFC FUTURE PLAN TRUST NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2015

|                                    | 2015<br>GH¢      | 2014<br>GH¢      |
|------------------------------------|------------------|------------------|
| <b>7. CASH AT BANK AND ON CALL</b> |                  |                  |
| Cash at Bank                       | 78,046           | 28,267           |
| Cash on Call                       | 0                | 70,000           |
|                                    | <b>78,046</b>    | <b>98,267</b>    |
| <b>8. HELD TO MATURITY</b>         |                  |                  |
| Treasury Bills                     | 220,000          | 0                |
| Fixed Deposits                     | 2,922,661        | 1,636,401        |
| Bonds                              | 463,500          | 466,750          |
|                                    | <b>3,606,161</b> | <b>2,103,151</b> |
| <b>9. INTEREST RECEIVABLE</b>      |                  |                  |
| Treasury bills                     | 2,475            | 0                |
| Fixed Deposit                      | 219,732          | 128,085          |
| Call                               | 144              | 240              |
| Bonds                              | 24,347           | 40,815           |
|                                    | <b>246,698</b>   | <b>169,140</b>   |
| <b>10. MANAGEMENT FUND</b>         |                  |                  |
| Balance at 1 January               | 7,909            | 3,694            |
| Payments made during the year      | 0                | -3,787           |
| Charge for the year                | 8,037            | 8,002            |
|                                    | <b>15,946</b>    | <b>7,909</b>     |



# HFC FUTURE PLAN TRUST NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2015 (Cont.)

## 11. CAPITAL SURPLUS

### UNREALIZED GAINS / (LOSSES) ON INVESTMENTS

|   |           |             |
|---|-----------|-------------|
| Market Value of Investments                 | 458,981   | 1,436,278   |
| Cost of Investments                         | (549,060) | (1,813,005) |
| Change in Unrealised loss                   | (90,079)  | (376,727)   |
| Add Unrealised gains from previous years    | 67,714    | 444,441     |
| Unrealised (loss) / gains as at 31 December | (22,365)  | 67,714      |

### CONTINGENT LIABILITIES

There were no contingent liability at the end of the year.



# HFC FUTURE PLAN TRUST NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2015

## 13A TRANSITION TO IFRS

HFC Future Plan Trust has reported under Ghana GAAP in its previous financial statements for the year ended 31 December 2014. The analysis below shows a reconciliation of total income statement and equity as reported under Ghana GAAP as at 31 December 2014 to the revised total Comprehensive income and equity under IFRS in these financial Statements. In addition there is reconciliation of equity under Ghana GAAP to IFRS at the transition date 1 January 2014.

The Income statement for the reporting period ended 31 December 2014 can be reconciled to amounts reported under previous Ghana GAAP as follows:

|                              | Previous<br>GAAP<br>GH¢ | Effects of<br>transition<br>to IFRS<br>GH¢ | IFRSs<br>2014<br>GH¢ |
|------------------------------|-------------------------|--|----------------------|
| <b>Investment Income</b>     |                         |  |                      |
| Fixed Deposit                | 404,744                 | 0  | 404,744              |
| Call Account                 | 40,328                  | 0  | 40,328               |
| Bonds                        | 119,022                 | 0  | 119,022              |
| Other Income                 | 3,625                   | 0  | 3,625                |
| <b>Total Income</b>          | <b>357,647</b>          | <b>0</b>                                   | <b>357,647</b>       |
|                              | <b>925,366</b>          | <b>0</b>                                   | <b>925,366</b>       |
| <b>Expenses</b>              |                         |  |                      |
| Management Fees              | 90,777                  | 0  | 90,777               |
| Auditors Remuneration        | 17,400                  | 0  | 17,400               |
| Other Expenses               | 16,954                  | 0  | 16,954               |
|                              | <b>125,131</b>          | <b>0</b>                                   | <b>125,131</b>       |
|                              | <b>800,235</b>          | <b>0</b>                                   | <b>800,235</b>       |
| Transfer to Management Fund  | (8,002)                 | 0  | (8,002)              |
| <b>Net Investment Income</b> | <b>792,233</b>          | <b>0</b>                                   | <b>792,233</b>       |

# HFC FUTURE PLAN TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2015

#### 13B TRANSITION TO IFRS (CONTINUED)

The Statement of Assets and Liabilities reported at 31 December 2014 can be reconciled to the amounts reported under previous Ghana GAAP as follows:

| Non Current Assets             | Notes  | Previous GAAP GH¢ | Effects of transition to IFRS GH¢ | IFRSs 2014 GH¢   |
|--------------------------------|--------|-------------------|-----------------------------------|------------------|
| Available for Sale Investments | 13b i  | 0                 | 1436278                           | 1,436,278        |
| CAL Bank                       | 13b i  | 118,372           | -118,372                          | 0                |
| Ecobank Ghana Limited          | 13b i  | 154,280           | -154,280                          | 0                |
| Ghana Commercial Bank          | 13b i  | 190,069           | -190,069                          | 0                |
| Standard Chartered Bank        | 13b i  | 229,548           | -229,548                          | 0                |
| SG SSB Bank                    | 13b i  | 92,399            | -92,399                           | 0                |
| Enterprise Group Ltd.          | 13b i  | 99,749            | -99,749                           | 0                |
| Fanmilk                        | 13b i  | 25,946            | -25,946                           | 0                |
| Unilever Ghana                 | 13b i  | 98,440            | -98,440                           | 0                |
| Gold Star                      | 13b i  | 4,680             | -4,680                            | 0                |
| Benso Oil Palm Plantations     | 13b i  | 56,170            | -56,170                           | 0                |
| Ghana Oil Company Limited      | 13b i  | 43,680            | -43,680                           | 0                |
| Total                          | 13b i  | 117,144           | -117,144                          | 0                |
| GGBL                           | 13b i  | 12,800            | -12,800                           | 0                |
| ETI                            | 13b i  | 28,001            | -28,001                           | 0                |
| HFC                            | 13b i  | 165,000           | -165,000                          | 0                |
| <b>TOTAL</b>                   |        | <b>1,436,278</b>  | <b>0</b>                          | <b>1,436,278</b> |
| <b>SHORT TERM FUNDS</b>        |        |                   |                                   |                  |
| Cash at Bank and on Call       |        | 98,267            | 0                                 | 98,267           |
| Held to Maturity Investments   | 13b ii | 0                 | 2,103,151                         | 2,103,151        |
| Fixed Deposits                 | 13b ii | 1,636,401         | (1,636,401)                       | 0                |
| Bonds                          | 13b ii | 466,750           | (466,750)                         | 0                |
|                                |        | 2,103,151         | 0                                 | 2,103,151        |
| <b>Total Short Term Funds</b>  |        | <b>2,201,418</b>  | <b>0</b>                          | <b>2,201,418</b> |

# HFC FUTURE PLAN TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2015 (CONT)

|                                       |                  |          |                  |
|---------------------------------------|------------------|----------|------------------|
| Total Investments                     | 3,637,696        | 0        | 3,637,696        |
| Other Assets in Excess of Liabilities | 151,835          | 0        | 151,835          |
| <b>Total Net Assets</b>               | <b>3,789,531</b> | <b>0</b> | <b>3,789,531</b> |
| <b>Total Investments</b>              | <b>3,637,696</b> | <b>0</b> | <b>3,637,696</b> |
| <b>Receivables:</b>                   |                  |          |                  |
| Interest                              | 169,140          | 0        | 169,140          |
| HFC ISL Current Account               | 41,570           | 0        | 41,570           |
| Other Receivables                     | 9,964            | 0        | 9,964            |
| <b>Total Assets</b>                   | <b>3,858,370</b> | <b>0</b> | <b>3,858,370</b> |
| <b>Liabilities:</b>                   |                  |          |                  |
| Amount Due to Managers                | 15,189           | 0        | 15,189           |
| Management Fund                       | 7,909            | 0        | 7,909            |
| Accrued Charges                       | 45,741           | 0        | 45,741           |
| <b>Total Liabilities</b>              | <b>68,839</b>    | <b>0</b> | <b>68,839</b>    |
| <b>Net Assets</b>                     | <b>3,789,531</b> | <b>0</b> | <b>3,789,531</b> |

13b i Under the previous GAAP Investments in Shares was shown separately but under IFRS all such investments are classified under Available for sale Investments.

13b ii Under the previous GAAP Investments in Treasury bills, fixed deposits and bonds are shown separately but under IFRS all such investments are classified under Held to Maturity investments.

# HFC FUTURE PLAN TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2015

#### 13c Transition to IFRS (Continued)

Equity reported at the date of transition can be reconciled to the the amounts reported under the previous

Ghana GAAP as follows:

| Non Current Assets             | Notes  | Previous GAAP GH¢ | Effects of transition to IFRS GH¢ | IFRSs 1 Jan. 2014 GH¢ |
|--------------------------------|--------|-------------------|-----------------------------------|-----------------------|
| Available for Sale Investments | 13c i  | 0                 | 1173571                           | 1,173,571             |
| CAL Bank                       | 13c i  | 97,194            | (97,194)                          | 0                     |
| Ecobank Ghana Limited          | 13c i  | 57,783            | (57,783)                          | 0                     |
| Ghana Commercial Bank          | 13c i  | 183,631           | (183,631)                         | 0                     |
| Standard Chartered Bank        | 13c i  | 92,329            | (92,329)                          | 0                     |
| SG SSB Bank                    | 13c i  | 31,500            | (31,500)                          | 0                     |
| Enterprise Group Ltd.          | 13c i  | 129,720           | (129,720)                         | 0                     |
| Fanmilk                        | 13c i  | 204,836           | (204,836)                         | 0                     |
| Unilever Ghana                 | 13c i  | 183,100           | (183,100)                         | 0                     |
| Gold Star                      | 13c i  | 5,500             | (5,500)                           | 0                     |
| Ghana Oil Company Limited      | 13c i  | 9,078             | (9,078)                           | 0                     |
| Total                          | 13c i  | 91,100            | (91,100)                          | 0                     |
| GGBL                           | 13c i  | 49,600            | (49,600)                          | 0                     |
| ETI                            | 13c i  | 19,000            | (19,000)                          | 0                     |
| HFC                            | 13c i  | 19,200            | (19,200)                          | 0                     |
| <b>TOTAL</b>                   |        | <b>1,173,571</b>  | <b>0</b>                          | <b>1,173,571</b>      |
| <b>SHORT TERM FUNDS</b>        |        |                   |                                   |                       |
| Cash at Bank and on Call       |        | 69,592            | 0                                 | 69,592                |
| Held to Maturity Investments   | 13c ii | 0                 | 1,921,546                         | 1,921,546             |
| Fixed Deposits                 | 13c ii | 1,421,546         | (1,421,546)                       | 0                     |
| Bonds                          | 13c ii | 500,000           | (500,000)                         | 0                     |
|                                |        | <b>1,921,546</b>  | <b>0</b>                          | <b>1,921,546</b>      |

# HFC FUTURE PLAN TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2015 (Contd)

|                                       |                  |          |                  |
|---------------------------------------|------------------|----------|------------------|
| <b>Total Short Term Funds</b>         | 1,991,138        | 0        | 1,991,138        |
| Total Investments                     | 3,164,709        | 0        | 3,164,709        |
| Other Assets in Excess of Liabilities | 109,873          | 0        | 109,873          |
| <b>Total Net Assets</b>               | <b>3,274,582</b> | <b>0</b> | <b>3,274,582</b> |
| <b>Total Investments</b>              | <b>3,164,709</b> | <b>0</b> | <b>3,164,709</b> |
| <b>Receivables:</b>                   |                  |          |                  |
| Interest                              | 131,964          | 0        | 131,964          |
| HFC ISL Current Account               | 38,276           | 0        | 38,276           |
| <b>Total Assets</b>                   | <b>3,334,949</b> | <b>0</b> | <b>3,334,949</b> |
| <b>Liabilities:</b>                   |                  |          |                  |
| Amount Due to Managers                | 8,304            | 0        | 8,304            |
| Management Fund                       | 3,694            | 0        | 3,694            |
| HFC Unit Trust Current Account        | 2,841            | 0        | 2,841            |
| Accrued Charges                       | 45,528           | 0        | 45,528           |
| <b>Total Liabilities</b>              | <b>60,367</b>    | <b>0</b> | <b>60,367</b>    |
| <b>Net Assets</b>                     | <b>3,274,582</b> | <b>0</b> | <b>3,274,582</b> |

13c i Under the previous GAAP Investments in Shares was shown separately but under IFRS all such investments are classified under Available for sale Investments.

13c ii Under the previous GAAP Investments in Treasury bills, fixed deposits and bonds are shown separately but under IFRS all such investments are classified under Held to Maturity investments.



# HFC FUTURE PLAN TRUST ADMISSION FORM

Annual General Meeting to be held at the Osu Presby Church Hall, Accra at 9:00 am on Tuesday, 31<sup>st</sup> May 2016.

A Unitholder who is unable to attend an Annual General Meeting (AGM) is allowed to vote by proxy. The Proxy form on the next page has been prepared to enable you to exercise your right to vote in case you cannot personally attend the meeting.

Provision has been made on the form for the Chairman of the meeting to act as your proxy, but if you wish, you may insist in the blank space on the form (marked\*\*) the name of any person whether a Unitholder or not, who will attend the meeting and vote on your behalf instead of the Chairman of the Meeting.

Please sign the proxy form on the next page and post it so as to reach the address in the front not later than 31<sup>st</sup> May 2016.

If executed by a Body Corporate, the proxy form should bear its common seal or be signed on behalf by a director.

## IMPORTANT:

- a. The name of the Unitholder must be written in BLOCK LETTERS on the Proxy form where marked (\*\*)
- b. This admission form must be produced by the Unitholder or his/her proxy in order to obtain admission to the Annual General Meeting.
- c. Unitholders or their Proxies are requested to sign the admission form before attending the meeting.
- d. In case of joint holders, each joint holder should sign.



# HFC FUTURE PLAN TRUST PROXY FORM

Annual General Meeting to be held at the Osu Presby Church Hall, Osu Accra at 9:45 am on Tuesday, 31<sup>st</sup> May 2016.

I/we \* \* ..... being a Unitholder(s) hereby appoint  
 .....or failing him/her the Chairman of the Meeting as my/our proxy to act and vote for me/us and on my/our behalf at the Annual General Meeting of the Fund to be held on Tuesday, 31<sup>st</sup> May 2016 and at any adjournment thereof

Dated this 31<sup>st</sup> day of May 2016

.....  
 Unit Holder(s) Signature

| Resolution   | For | Against |
|--|-----|---------|
| To adopt the 2015 Manager's Report   |     |         |
| To approve the accounts and distribution statement for the financial year ended 31st December, 2015. |     |         |
| To authorize the Manager to Fix the Auditor's Remuneration for 2016                                  |     |         |

Please indicate with an "X" in the appropriate square how you wish your votes to be cast on the resolution set out above.

Unless otherwise instructed the proxy will vote for or abstain from voting at his/her discretion.

**(Do not complete this form if you will attend the meeting)**



## **CORPORATE FINANCE & ADVISORY**

The Financial Advisory Department of HFC Investments Services Ltd offers unsurpassed corporate finance advisory services to companies and institutions. It has a rich performance history in the structuring of long-term debt instruments and undertaking equity financing transactions.

### **AREAS OF EXPERTISE**

- Raising of Funds (Private Placement/ Public Offerings)
- Investment Banking
- Corporate Restructuring and Valuations
- Takeovers, Mergers & Acquisitions
- Securities Issuance
- Industry & Investment Research
- Investment Appraisals

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