



DALEX VISION FUND



ANNUAL REPORT

FOR THE YEAR ENDED
DECEMBER 31,
2015



- Financial Independence
- Retirement Planning
- Home & Vehicle Purchase
- Children's College Education



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FOR THE YEAR ENDED

DECEMBER 31, 2015

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Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the first Annual General Meeting (AGM) of Dalex Vision Fund will be held on Thursday, September 29, 2016.

TIME: 10:00 am

VENUE: Miklin Hotel, East Legon, Accra

AGENDA:

1. To consider the Directors' Report for the year ended December 31, 2015.
2. To receive, consider and adopt the Accounts and Financial Report of operations for the year ended December 31, 2015.
3. To re-elect Directors
4. Appointment of Auditors
5. Fixing of Remuneration of Auditors
6. To approve Director's Fees
7. Any other matter

Dated this 8th day of August, 2016

BY ORDER OF THE BOARD

.....

Veritas Law

Board Secretary

Fund Managers' Report

What the Vision Fund is

The Dalex Vision Fund is a mutual fund which seeks to grow the wealth of its investors over the medium to long term. It is regulated by the Securities and Exchange Commission and managed by Dalex Capital.

Launch

The mutual fund was successfully launched on July 8, 2015, commencing with an IPO period which ended on August 18th 2015

Economy

In 2015, the Ghanaian economy slowed down marginally, compared to 2014. This was mostly due to the problems faced in the energy sector. Real Gross Domestic Product (GDP), grew by 3.9% compared with 4.0% in the previous year. Inflation started rising and mostly due to the factors below:

- a series of upward adjustments in utility tariffs and petroleum prices,
- and the depreciation of the Ghanaian Cedi.

Headline inflation at the end of 2015 was recorded at 17.7%, up from 17.0% in 2014. However, in 2016, inflation has seen a gradual drop from 19% in January to 16.7% in July. The cedi has held relatively still up until now. Utility prices have not seen any upward revision, although petroleum product prices have inched up marginally.

Interest rates rose sharply in 2015. The Policy Rate of the Monetary Policy Committee of the central bank was 26% at the end of the year, cumulatively rising 500 basis points above the 2014 rate. This increase was as a result of the Bank of Ghana's bid to rein in inflation. The rate has been maintained throughout 2016, with fears of inflationary pressures from Government overspending as elections draw near. Treasury rates have held relatively still, with Government striving to keep its promise of not over borrowing.

Activity on the Ghana Stock Market slowed in 2015. The main index, the GSE Composite Index, declined by 11.7%, as against a loss of 5.3% in the previous year. Total market capitalization declined similarly by 11.2%, compared with a growth of 5.2% in 2014. This was largely due to declines in the prices of most listed equities especially during the second half of the year. The story in 2016 so far has not been remarkably different. By the end of the first half of the year, the index had lost more than 10% of its value from the beginning of the year. Investors still find the high yielding money market instruments much more attractive. Weak macroeconomic fundamentals also contributed to the lackluster performance of most listed equities. The Bourse performance in the third quarter of the year, though has been quite promising. If third quarter financial reports indicate strong performance, especially from the banking stocks, it could mark the beginning of a slow rebound by the market.

Investment Objective

The objective of the Dalex Vision Fund is long-term capital appreciation, through investments principally in listed growth common stocks and high yield corporate debt instruments and medium- to long-term Government securities throughout Africa and the rest of the world.

Fund Details

| | |
|--------------------------------|----------------------------------|
| Fund Type | Open end, long term |
| Risk Level | Medium to high |
| Launch Date | July 8, 2016 |
| Fund Manager | Dalex Capital Management Limited |
| Auditors | Deloitte and Touche |
| Registrar | Dalex Capital Management Limited |
| Custodian | CAL Bank Limited |
| Solicitors | Veritas |
| Front end Load | 0% |
| Back end load | 0% |
| Charge of early redemption | 1% - 3% |
| Management Fee | 2% p.a. |
| Valuation days | Monday - Friday |
| Subscription / Redemption days | Monday – Friday 8am – 5pm |

As of August 18, 2016:

Fund Net Assets

| | |
|---------------------|------------|
| Net Assets (GHS) | 134,488.49 |
| NAV (GHS) | 0.24868 |
| Return (annualized) | 26% |

Asset Allocation:

| | |
|-------------------------|-------|
| Security Type | % |
| Shares | 0 |
| Bonds | 0 |
| Money market securities | 96.57 |
| Cash | 3.43 |

Number of Shareholders, % Shareholding

| | Number | % by number | % by Value |
|---------------|--------|-------------|------------|
| Institutional | 4 | 5.1 | 79.89 |
| Retail | 74 | 94.9 | 20.11 |
| Total | 78 | 100 | 100 |

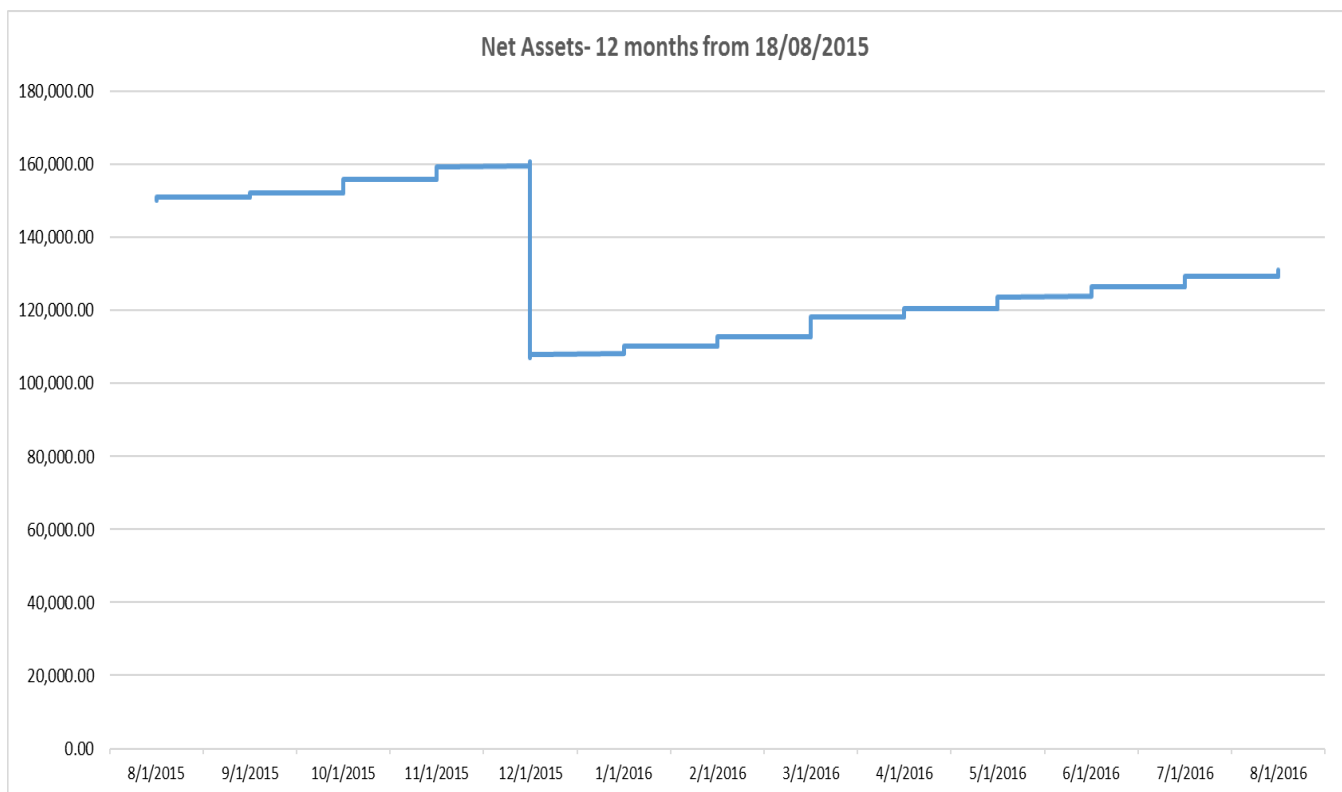
Going Forward

Strategy Re-formulation

To increase inflow of investor funds, management is adopting a new strategy which will, focus our drive towards our target market.

Sales Team

An active sales force has been recruited to reach our target markets in Accra and Kumasi. This is a commissioned sales team thus compensation is based on success.



Report of the directors

The directors in submitting the audited financial statements of the company for the year ended 31 December 2015.

1 Activities

The company's activities are those of investing the monies of its members for their mutual benefit and to hold and arrange for the management of securities and other property acquired with the monies, mutual fund management.

2 Financial statements

| | GH¢ |
|---|-----------------|
| Total net income | 5,589 |
| Increase in net assets attributable to Fund Investors | <u>(80,337)</u> |

3 Dividend

The directors do not recommend the payment of dividend For the year ended 31 December 2015.

4. Nature of business

There has been no change in the nature of business of the company during the year under review.

5 Commencement of operations

The company obtained its certification to commence business on 19th March 2014, but remained dormant until active operations started in January 2015.

6. Auditors

In accordance with Section 134 (5) of the Companies Code, 1963, the auditors, Messrs. Deloitte & Touche, continue in office as auditors of the company.

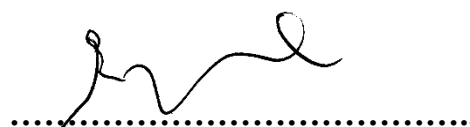
7. Conclusion

We wish to express our appreciation to the management and the entire staff for their hard work.

On behalf of the board



Director



Director

Statement of directors' responsibilities

The directors are responsible for preparing financial statements for each financial period which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgments and estimates that are reasonable and prudent
- State whether the applicable accounting standards have been followed.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with the International Financial Reporting Standards.

Independent auditors' report

We have audited the accompanying financial statements of Dalex Vision Fund Limited, which comprise the statement of financial position as at 31 December 2015, the statement of profit or loss and other comprehensive income, statement of changes in net assets attributable to fund investors and the statement of cash flows for the year then ended, and summary of significant accounting policies on pages 11 to 21 and other explanatory notes on pages 22 to 28.

Directors' responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with the Companies Code 1963, (Act 179) and the International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' 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 as to 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 judgement, 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 management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

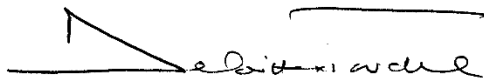
In our opinion, the financial statements present fairly, in all material respect, the financial position of the company as at 31 December 2015, and of its financial performance and cash flow for the year then ended in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board and in the manner required by the Companies Code, 1963 (Act 179).

Independent auditors' report (Cont'd)

Report on other legal requirements

The Companies Code, 1963 (Act 179) requires that in carrying out our audit work we consider and report 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 purposes of our audit;
- ii. in our opinion proper books of accounts have been kept by the company, so far as appears from our examination of those books; and
- iii. the statement of comprehensive income compare with statement of financial position of the company are in agreement with the books of accounts.

Signature.....

Deloitte & Touche
Licence No.
ICAG/F/2016/129
Chartered Accountants
4 Liberation Road
Accra, Ghana

30th May 2016

Andrew Opuni-Ampong
Practising Certificate: Licence No.
ICAG/P/1132

Statement of comprehensive income

For the year ended 31 December 2015

| | Notes | 2015 GH¢ |
|--|-------|------------------------|
| Income | 6 | 5,589 |
| Total income | | 5,589 |
| Expenses | | |
| Administrative expenses | 8 | (82,054) |
| Other net changes in fair value of financial assets at fair value through profit or loss | 7 | (3,167) |
| Management fees | 9 | (705) |
| Total operating expenses | | (85,926) |
| Increase in net assets attributable to Fund Investors from operations | | <u>(80,337)</u> |

Statement of changes in net assets attributable

As at 31 December 2015

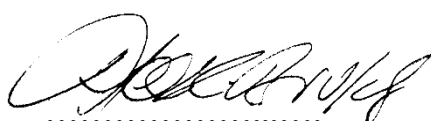
| | 2015 GH¢ |
|---|----------------------|
| Net assets attributable to Fund Investors at 1 January | - |
| Unitholder's capital | 120,550 |
| Increase in net assets attributable to Fund Investors from operations | (80,337) |
| Net assets attributable to Fund Investors at 31 December | <u>40,213</u> |

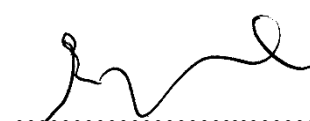
Statement of financial position

As at 31 December 2015

| Assets | Notes | 2015 GH¢ |
|--|-------|-----------------------|
| Current assets | | |
| Investments | 10 | 90,000 |
| Cash and cash equivalent | 11 | 16,177 |
| Total assets | | <u>106,177</u> |
| Liabilities | | |
| Current liabilities | | |
| Other payables and accrued expenses | 12 | <u>38,620</u> |
| Non-current liabilities | | |
| Directors account | | 27,344 |
| Net assets attributable to Fund Investors | 13 | <u>40,213</u> |
| | | <u>106,177</u> |

The financial statements were approved by the board of directors on 30th May 2016 and signed on its behalf by:


.....
Director


.....
Director

Statement of cash flows

For the year ended 31 December 2015

| | 2015 GH¢ |
|---|---------------------------|
| Operating activities | |
| Increase in net assets attributable to Fund Investors from operations | (80,337) |
| | ----- |
| Operating cash flow before movement in working capital | (80,337) |
| Increase in payables | 38,620 |
| Net cash used in operating activities | (41,718) |
| | ----- |
| Investing activities | |
| Investment in fixed deposits and treasury bills | (90,000) |
| | ----- |
| Net cash used in investing activities | (90,000) |
| | ----- |
| Financing activities | |
| Contributions from Fund Investors | 120,550 |
| Directors account | 27,344 |
| | ----- |
| Net cash generated from financing activities | 147,894 |
| | ----- |
| Net increase in cash and cash equivalent | 16,177 |
| Cash and cash equivalents at 1 January | - |
| | - |
| Cash and cash equivalents at 31 December | 16,177 |
| | ===== |

Notes to the financial statements

For the year ended 31 December
2015

1. General information

Dalex Vision Fund (the Fund) is an open-ended mutual fund investing primarily in shares, medium-to-long-term government treasuries and corporate bonds.

Dalex Vision Fund Limited is a company registered and domiciled in Ghana. The address of the company's registered office can be found on page 2 of the financial statements. The company's business is to invest funds on behalf of the members and to hold and arrange for the management of securities acquired with such funds.

2.1 Basis of preparation

The financial statements are prepared on the historical cost basis as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss.

2.2 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and its interpretations adopted by the International Accounting Standards Board (IASB).

2.3 Functional and presentational currency

The financial statements are presented in Ghana Cedi which is the company's functional and presentation currency.

3. Income

2015
GH¢

Interest income on call accounts

1,880

Interest income on Dalex 91 day

FDR

3,709

Total interest income

5,589

=====

4. Other Changes in fair value on financial assets at fair value through profit or loss

2015

| | | |
|----------|---------------------------------------|-------------|
| | | GH¢ |
| | Unrealised (loss)/gain on investments | 3,167 |
| | | ===== |
| 5 | Administrative expenses | 2015 |
| | | GH¢ |
| | Allowance | 2,640 |
| | Business promotion & advertisement | 25,156 |
| | Communication | 880 |
| | Entertainment | 7,902 |
| | Permit & renewals | 1,100 |
| | Printing & stationery | 6,126 |
| | Travelling & transportation | 100 |
| | Audit fee | 38,150 |
| | | ----- |
| | | 82,054 |
| | | ===== |
| 6 | Management fees | 2015 |
| | | GH¢ |
| | Custodian fee | 705 |
| | | ===== |

7. Financial risk management

The objective of the Fund is to achieve medium to long-term capital growth through investing in a selection of financial instruments. The Fund's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

**2015
GH¢**

Financial asset designated at fair value through profit or loss:

| | |
|----------------|---------------|
| Fixed deposits | 90,000 |
| | ----- |
| Total | 90,000 |

The Fund's maximum exposure to credit risk is detailed in the table below:

| | |
|---------------------------|------------------------|
| | 2015 GH¢ |
| Cash and cash equivalents | 16,177 |
| Total | <u>16,177</u> ===== |

8 Cash and cash equivalent

For the purpose of the cash flow statement, cash and cash equivalents comprise the following balances with original maturity of less than 90 days:

| | |
|--|------------------------|
| | 2015 |
| (i) Cash and short term funds | GH¢ |
| CAL Bank - Dollar | - |
| CAL Bank - Cedi | 16,177 |
| | ----- |
| Total cash and cash equivalents | 16,177 ===== |

9 Other payables and accrued expenses

| | |
|---------------------------|------------------------|
| | 2015 GH¢ |
| Custodian fee outstanding | 470 |
| Audit fee | 38,150 |
| | 38,620 ===== |

10. Net assets attributable to fund investors

| | |
|---|-----------------|
| The table below gives details about the Fund investor's capital | 2015 |
| | GH¢ |
| Unitholders' capital | 120,550 |
| Transfer from statement of comprehensive income | (80,337) |
| | ----- |
| | 40,213 |
| | ===== |

14 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Dalex Capital Management Limited, the Fund Manager is a related party of the Fund, being responsible for the financial and operating decisions of the Fund.

The Fund Manager is entitled to receive a management fee. The management fee shall be calculated in respect of successive calendar monthly periods and shall not exceed a maximum of 2.0 % per annum the average value of the property of the Fund divided by 365 (or in a leap year 366) and multiplied by the number of days comprised in the relevant payment period. The management fee shall be accrued daily and paid at the end of the month out of the property of the Fund.

The fees and charges that will be incurred in setting up the Fund, including the Fund Manager's initial administrative charge, fees payable to Receiving Agents, the Commission and Professional parties, and all other related expenses, are payable by the Fund and deductible from the Fund. These costs (charges and fees) of the public offer will not exceed 15% of the offer proceeds and are to be amortised over a period of two(2) years by the Fund.

15 Outstanding commitment

There were no outstanding commitments to Investee companies as at December 2015.

Custodian's Report



April 4, 2016

The Senior Analyst
Dalex Capital Management Limited
12th Ollenu Street, East Legon - Accra
P.O. Box CT 10091, Cantonments, Accra

Attention: Mr. Kwadwo Acheampong

Dear Sir,

DALEX VISION FUND CASH BALANCES AND VALUATIONS

AS AT THE YEAR ENDED DECEMBER 31, 2015

We write in reference to the above subject and provide as follows:-

A. Cash Account

| No. | Account Name | Account No. | Balance as at Dec- 31, 2015 |
|-----|--|--------------|-----------------------------|
| 1. | CBN/Dalex Vision Fund Cash Account | 021016528711 | 0.00 |
| 2. | CBN/Dalex Vision Fund Call Account | 021016528721 | 16,177.01 |
| 3. | CBN/Dalex Vision Fund Withdrawal Account | 021016528731 | 0.00 |

B. Safe-Keeping Account


| No. | Description | Nominal (GHc) | Cost (GHc) | Market Value (GHc) | % of Total |
|-----|----------------|---------------|-------------------|--------------------|---------------|
| 1. | Fixed Deposits | 90,000.00 | 90,000.00 | 98,255.34 | 85.86 |
| 2. | Cash | 16,177.01 | 16,177.01 | 16,177.01 | 14.14 |
| | | | 106,177.01 | 114,432.35 | 100.00 |

Please do not hesitate to contact us for further clarification on this issue should the need arise.

Yours faithfully,



Mark Amenu
Head, CAL Bank Custody Services



Nan Opoku (Ms.)
Client Relationship Manager

CORPORATE INFORMATION

BOARD OF DIRECTORS

Emmanuel Quarshie(Chairman)
Alex KwasiBruks
Jarjisu Sa-Aadu
Sandy OseiAgyemang
Elizabeth EsiBremang
Victor OwusuAkyaw

REGISTERED OFFICE

12 Ollenu Street
East Legon
Accra, Ghana

CUSTODIAN

CAL Bank (Gh) Limited
P.O. Box 14596
Accra - Ghana

FUND MANAGER

Dalex Capital Management Ltd
12 Ollenu Street
East Legon
Accra, Ghana

AUDITORS

Deloitte &Touche
Ibex Court
4 Liberation Road
Accra, Ghana

SOLICITORS

Veritas Law
No. 110, Kanda
Accra, Ghana

BANKERS

CAL Bank (Gh) Limited
P.O. Box 14596
Accra – Ghana

SECRETARY

Akyaa Arhin
ACP Estate
Pokuase, Accra

Ecobank (Gh) Limited
19 Seventh Avenue, Ridge West
P.O. Box AN 16746
Accra, Ghana

Directors Information

The business and affairs of the Fund are managed under the direction of the Fund's Board of Directors. The tables below list the directors of the Fund and their principal occupations, other directorships held by directors and their affiliation, if any, with Dalex Capital Management Limited.

The Directors of the Fund are:

| Name | Other affiliation | Occupation |
|-----------------------|--|----------------------|
| Alex Kwasi Bruks | <i>Executive Chairman</i> Dalex Finance, Accra <i>Chief Executive Officer</i> Garden City Mall Ltd, Kumasi Reliance Personnel Ltd, Accra RPS Engineering Ltd, Accra <i>Board Member</i> Accra Mall Ltd | Investment Banker |
| Victor Owusu Akyaw | <i>Director</i> Enda Foods Accra, Ghana | Actuary |

Independent Directors of the Fund are:

| Name | Other Affiliations | Occupation |
|------------------------------|--|-------------------------|
| Emmanuel Quarshie | <i>Chief Executive Officer</i> Wealth Management Limited Accra, Ghana <i>Other Affiliations</i> Institute of Packaging, Ghana Ghana Institute of Management, Accra Rotary Club, Accra-Ghana | Chartered Accountant |
| Dr. Jay Sa-Aadu | <i>Professor of Finance and Real Estate</i> The University of Iowa USA | Professor of Finance |
| Ms. Elizabeth Esi Bremang | <i>Director</i> Bremco Money Lending West Coast Brands Ltd Accra, Ghana | Retired Banker |
| Sandy Osei- Agyeman | <i>Chief Executive Officer</i> Slid Industries Accra, Ghana | Entrepreneur |

PROXY FORM

Dalex Vision Fund

I/We.....

of.....

being a member/members of Dalex Vision Fund hereby appoint

.....
or failing him the duly appointed chairman of the meeting, as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at the Accra, onthe.....2016 atam prompt and any adjournment thereof.

I/We direct that my/our vote(s) be cast on the specified resolution as indicated by an X in the appropriate space.

| RESOLUTIONS | FOR | AGAINST |
|--|-----|---------|
| 1. To consider the Directors' Report | | |
| 2. To receive, consider, and adopt the Accounts and Financial Report of operations | | |
| 3. To re-elect Directors | | |
| 4. Appointment of Auditors and fixing of remuneration of Auditors | | |
| 5. To approve Directors' Fees | | |

Signed this day of2016

Signature.....



#12 Ollenu Street, East Legon, Accra

Tel: 0302 544 178 / 0302 544 179
0556485431, 0540122274

Web: www.dalexcapitalgh.com

Email: info@dalexcapitalgh.com

Follow us on:





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