



DALEX
VISION FUND

ANNUAL
REPORT
2018



Children's
College
Education

INVEST
in your children's future

#12 Asmara Street, East Legon, Accra
Tel: +233 302 544 179/9. 0540122278
www.dalexcapital.com | info@dalexcapital.com



Dalex Vision Fund **Annual Report**

FOR THE YEAR ENDED DECEMBER 31, 2018

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Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the fourth Annual General Meeting (AGM) of Dalex Vision Fund will be held on September 12, 2019.

Time: 10: am Prompt

Venue: Dalex Capital Management Limited Offices, East Legon, Accra

Agenda:

1. To receive the Report of the Directors, the Financial Statements for the year ended December 31, 2018 and the Report of the Auditors.
2. To retire Directors by rotation
3. To re-elect Directors
4. To approve Director's fees
5. To authorize Directors to fix the remuneration of the Auditors
6. To appoint a Fund Administrator

A member of the Company is entitled to appoint a proxy to attend and vote instead of him. A proxy need not also be a Shareholder. A proxy form can be obtained from their Registrars, Dalex Capital Limited offices and for it to be valid for the purpose of the meeting it must be completed and deposited at the Registrars offices not less 48 hours before the meeting.

Dated this 2nd day of August, 2019

By order of the Board



Equitas Law

Board Secretary

Chairman's Report 2018

Dear Stakeholders,

I am pleased to present to you the 2018 Chairman's Report. It is aimed at providing you with a concise and transparent overview of our business activities as well as our impact and performance against industry standards and best practices.

Introduction

Over the past years as Chairman of Dalex Vision Fund Limited, I have continued to see many great successes. We hit the ground running last year and concentrated on three key areas that we felt were most important to achieve:

1. Growing our fund Net Asset Value substantially, (2) Growing operating income, and (3) Complying with SEC's new guidelines. Due to the efforts of our very committed team, Dalex Vision Fund was ranked as one of the top performing Funds in 2018. As Directors, we will continue to build good value into our services, and leverage this achievement to market the Fund.

Review of the Year

Some key activities we engaged in during the year under review included:

- Recruitment of excellent sales team to boost mobilization of funds.
- Pooled all invested funds less than GHC100,000.00 together.
- Initiated steps to align asset mix with Investment objectives.

As a result of the above decisions, we are pleased with Dalex's performance during the year. Some highlights include:

- A growth of 1,125% in our asset base, increasing from GHS 1.2 million (2017) to GHS14.7 million (2018).
- A growth of 630% in Operating Cash Flow (Profit), increasing our net operating income from GHS 113,020 (2017) to GHS 824,285 (2018).

Governance

Dalex Vision Fund remains committed to the highest standards of governance, with accountability and transparency being key guiding principles in all our business activities. The Fund has a zero tolerance approach to unethical behaviour and we will continue to apply appropriate levels of thinking to governance execution, thereby enhancing value for all investors and stakeholders.

Staff and Employees

In order to maintain a quality workforce, the company will constantly strive to invest in staff that deliver our performance expectations. We embrace performance competencies through a competitive remuneration regime to reward and retain the best talent.

In our efforts to beef up sales and deliver on our performance expectations, we shall not relent in our quest to offer extensive training especially to the sales team.

Projections

While signs of improved levels of confidence are evident in Ghana, we still anticipate turbulent financial markets by potential domestic and global shocks for the economic year ahead. We expect that the recent merging of banks will strengthen the

banking sector, and outperform last year and post solid growth in 2019.

It is our objective in 2019, to capitalize on the longer-dated Government bond instruments, which will result in less risk in the future. In doing so, we will leverage our momentous position in the industry to target institutional funds, especially pension funds. Our sights are focused on integrating technology to enhance the convenience for retail investors to use the Fund as their preferred investment for long-term wealth growth.

Conclusion

We are repositioning Dalex Vision Fund as less risky in the industry. This strategy will enhance the portfolio and reduce susceptibility to market uncertainty. We shall continue to make investment decisions focused on long-term growth and also improve the alignment between the cash earnings from operations and the distributions paid to investors.

We will strive together as a company to provide value in the services we offer. We are gaining momentum and with your continuous input, we will be successful at changing the choice of potential investors today. We are all strong and naturally independent individually, but we are never as strong as a group, as a company, and as a team working together.

Appreciation

Finally, I would like to offer my appreciation to you, our shareholders for your loyalty and entrusting us with your funds. Kudos to the staff who continue to ably manage our clients' funds through a world of constant change. I am grateful to my fellow Board members for the support in taking decisions that seek to ensure the sustainability of Dalex Vision Fund Limited. I look forward, with anticipation, to the challenges and opportunities that the future offers our company.



.....
Emmanuel Quarshie

Fund Manager's Report 2018

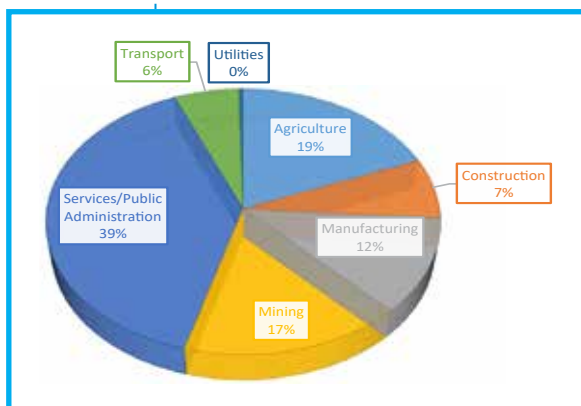
Dear Investor,

Macroeconomic performance

The year 2018 continued with a strong GDP growth of 6.2% (AEO 2019 est.). Although this was lower than the 2017 growth rate of 8.5%, it underscored a departure from the sluggish growth of 2014 to 2016. Growth continued to be driven mainly by the oil and gas sector. The fiscal account deficit improved marginally, from 5.9% in 2017

to an estimated 5.7% in 2018, as did the current account deficit, from 4.5% in 2017 to an estimated 4.4% in 2018. Inflation declined to the single digits at 9.8%, dragging down average lending interest rates by 4.71 percentage points to 16.23% in September 2018. The Ghanaian cedi was mainly stable in the year under review, as a result of strong inflows from exports. In September 2018, Ghana rebased its GDP from 2006 to 2013.

Sector Contribution to GDP - 2018



Financial Markets

The financial sector experienced shocks during the year, largely due to a deteriorated loans quality portfolio and acute liquidity challenges. The deadline for stated capital increase for commercial banks elapsed at the end of the year. Five distressed banks were pooled together to form a consolidated bank. Two other banks had their licenses withdrawn by the Central Bank and were liquidated. It is hoped that a cleaner, leaner and stronger financial sector will perform better in 2019.

Interest rates for the year were largely stable. Inflation decreased from 10.3% in January and ended the year in single digits, 9.3%. The Ghanaian Cedi depreciated by 8.35%, 3.05% and 3.54% against major trading currencies the US Dollar, the Pound Sterling and the Euro respectively. It also lost ground against the Chinese Reminbi by 3.25%.

Performance on the stock exchange was relatively flat. The GSE Composite Index recorded a year-to-date change of -0.29% but the Financial Stock Index showed a slightly bigger drop of 6.79% at the end of the year.

Outlook

The Ghanaian economy is still threatened by potential domestic and global headwinds. The wide gap between financing needs and domestic

revenues plus the over-exposure to international commodity prices shocks could weaken GDP growth and the current account balance. Ghana is gradually building industrial capacity; Growth in industry is projected at 9.8% in 2019 and 5.9% in 2020. This should reduce reliance on raw commodity exports, increase productivity and increase employment.

Although the turbulence in the financial markets that began in 2018 has continued in 2019, it is expected that the strengthened banks will outperform last year and post solid growth in 2019. This is expected to renew interest in the stock market, buoy the stock market and attract investor funds.

Fund Review

Investment Objective

The Fund intends to realise long-term capital appreciation by investing in high-yielding corporate bonds and growth equities in Africa and the rest of the world.

Strategy

Sixty to Sixty-five percent of the Fund will be invested in corporate bonds, 30-35% in growth equities, up to 10% in money market instruments and up to 5% in cash and cash equivalents.

Fund Details

Fund Type	Open End
Risk level	Medium-High
Launch Date	July 8, 2015
Fund Manager, Registrar	Dalex Capital Management Ltd.
Custodian	Cal Bank Custody Services
Auditor	JOP Consult
Solicitor	Equitas Law
Front-end/Back-end Loading	None
Fund Category	Balanced Fund
Leverage	None
Listing	None
Valuation Days	Monday - Friday; 4:30 pm
Management Fee	2% p.a.

Fund Net Assets

	Dec. 31, 2017	Dec. 31, 2018
Net Assets	GHS 1,268,149.98	GHS 14,705,567.24
NAV/unit	GHS 0.33470	GHS 0.42085

Asset Allocation (December 31, 2019)

Security	%
Equities	2.26
Bonds	85.77
Money Market Instruments + Cash	11.97

Sector Allocation

Healthcare	55.8%
Banking	11%
Insurance	12.8%
Real Estate	26.7%
Others	3.5%

Returns (Annualised)

Year	2015	2016	2017	2018
Return (%)	24.00	28.50	21.80	26.04
Benchmark (%)	25.10	22.00	13.30	13.70

Fund Outlook for 2019

We expect performance in 2019 to be driven principally from our bond portfolio. We intend to explore opportunities in the longer-dated Government bond instruments in both the primary and secondary markets. This will ensure growth with less risk in the future. We shall closely monitor movements on the stock market and

cautiously take positions in growth stocks on the market.

Our marketing effort shall target more institutional funds, especially pension funds. However, through the application of technology, we shall continue to make it increasingly convenient for retail investors to use the Fund as their preferred investment means to growth wealth over the long term.

Report of the Directors

The Directors submit their report together with the audited financial statements for the year ended December 31, 2018 which discloses the state of affairs of the company.

1. Statement of Directors' Responsibilities

The Directors are responsible for the preparation of the Company's financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of the Profit and Loss and 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 the Companies Act, 1963 (Act 179), International Financial Reporting Standards (IFRS) and the Securities Industries Act, 2016 (Act 929).

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

2. Principal Activities

The principal activities of the company are:

Investing members' monies for their mutual benefits and to hold and arrange for the management of securities and other properties acquired with the monies.

3. Results and Dividend

The Directors, in submitting to the shareholders the financial statements of the company for the year ended December 31, 2018 report as follows:

	2018	2017
	GH¢	GH¢
<hr/>		
The year's trading results were		
Increase in net assets attributable to Fund Investors	824,285	113,020
<hr/>		

4. Appointment of Auditors

Messrs JOP Consult are willing to continue in office as auditors to the Fund for the ensuing year in accordance with the provision of Section 134 (5a)

of the Companies Act, 1963 (Act 179) (as amended). The Directors hereby recommend their re-appointment.

The financial statements on pages 18 to 33 were approved by the Board on 11/07/2019 and signed on its behalf by:



.....

Director

Independent Auditors' Report

Opinion

We have audited the financial statements of Dalex Vision Fund Limited, which comprise the statement of financial position as at December 31, 2018, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 7 to 20.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with the Companies Act, 1963 (Act179), International Financial Reporting Standards (IFRS) and the Securities Industries Act, 2016 (Act 929).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Scheme in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current

period. These matters are addressed in the context of our audit of the financial statements as a whole, and in forming an opinion thereon, we do not provide a separate opinion on these matters.

Responsibilities of The Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and with the requirements of the Companies Act 1963, (Act 179) , and for such internal control as The Board of Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements,

The Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless The Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- i. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ii. Obtain an understanding of internal control relevant to the audit 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 Scheme's internal control.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by The Board of Directors.
- iv. Conclude on the appropriateness of The Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial

statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.

- v. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with The Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and have communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significant in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

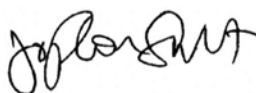
The Companies Act, 1963 (Act 179) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- ii. in our opinion proper books of account have been kept by the company, so far as appears from our examination of those books; and
- iii. the statement of financial position and statement of comprehensive income are in agreement with the books of account.

The engagement partner on the audit resulting in this independent auditor's report is **Joseph Yaw Odame (ICAG/P/2019/1217)**

**JOP Consult (ICAG/F/2019/123)
Chartered Accountants
Hse # 5, 32nd Avenue Tantra Hill
Accra, Ghana**



.....28/03/.....2019

Statement of Comprehensive Income for the year ended 31st December 2018

	Note	2018 GH¢	2017 GH¢
Income	6	1,187,596	132,824
Total Income		1,187,596	132,824
Expenses			
Administrative Expenses	8	(154,304)	(26,378)
Other net changes in fair value of financial assets at fair value through profit or loss	7	(27,983)	6,678
Management fees	9	(181,024)	(104)
Total Operating Expenses		(363,311)	(19,804)
Increase/(Decrease) in Net Assets attributable to Fund Investors from Operations		824,285	113,020

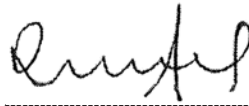
Statement of Financial Position as at 31st December 2018

	Note	2018 GH¢	2017 GH¢
ASSETS			
Bank Balance	4	1,528,318	73,347
Held-to-maturity	5	12,571,073	902,960
Available-for-sale Investment	6	332,968	284,585
Total Assets		14,432,359	1,260,891
LIABILITIES			
Directors' Account		37,344	37,344
Other payables and accrued expenses	10	114,140	27,963
Total Liabilities		151,484	65,307
REPRESENTED BY:			
Net Assets Attributable to Fund Investors		14,255,875	1,195,585
NET ASSETS ATTRIBUTABLE TO FUND INVESTORS		14,407,359	1,260,891

The financial statements on pages 18 to 33 were approved by the Board of Directors on 11/07/2019 and signed on its behalf by:



Director



Director

Statement of Cashflow for the year ended 31st December 2018

	2018	2017
	GH¢	GH¢
Increase/(Decrease) in Net Assets for the year	824,285	113,020
Cash flow from operating activities		
Increase/(Decrease) in Payables	86,177	(33,234.39)
Net Cash Generated from Operating Activities	910,463	79,785
Cash flow from investing activities		
Purchase of Fixed Deposits, Corporate Bonds & Treasury Bills	(11,716,496)	(1,046,471)
Net Cash Used in Investing Activities	(11,716,496)	(1,046,471)
Cash flow from financing activities		
Contributions from Fund Investors	12,261,005	1,027,185
Directors Account	-	-
Net Cash flow from financing activities	12,236,005	1,027,185
Net increase in/ (decrease) in cash & Equivalents	1,429,972	60,499
Balance b/f - cash and cash Equivalents	73,347	12,847
Prior year Adjustment	-	-
Cash and cash equivalent at 31 December	1,528,318	73,347

Notes to the Financial Statements for the year ended 31st December 2018

1. Scheme information

Dalex Vision Fund Limited is a company incorporated in Ghana on the 19th March 2014 under the Companies Act 1963, (Act 179). Its registered office and place of business are disclosed in the introduction of this report on page 2. The principal activities of the company did not change as stated on page 3.

2. Basis of preparation

The financial statements have been prepared on the historical cost basis except for the following assets and liabilities that are stated at their fair values: financial instruments that are at fair value through profit or loss; financial instruments classified as available-for-sale.

a). Statement of compliance

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

b). Foreign Currency Translation

a). Functional & presentational currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in Ghana cedi (GH¢), which is the functional presentation currency.

b). Transactions & balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss account. Foreign exchange

gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within finance income or costs'. All other foreign exchange gains and losses are presented in profit and loss within 'other (losses)/gains - net'.

c). Use of Estimates and Judgements

The preparation of financial statements in conformity with the IFRS, requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the financial statements, are disclosed in notes 4 to 11.

d). Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded on the statement of financial impairment loss was recognized. position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models.

The inputs to these models are derived from observable market data where possible, but if this is not available, judgement is required to establish fair value.

e) Impairment

a). Financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flow of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

Individual significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in the income

statement. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the

b). Non-financial assets

The carrying amounts of the company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the assets recoverable amount is estimated.

3. Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied, unless otherwise stated.

a). Investment Income

Dividend income from investments are recognised when the Fund's right to receive payment has been established.

Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate applicable.

b). Non-derivative financial instruments

These comprise investment in

shares, treasury bills, cash and cash equivalents, trade and other receivables, loans and borrowings and trade and other payables.

c). Financial assets

Initial recognition and measurement

Financial assets within the scope of IAS 39 are classified 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. The Trustees of the Scheme determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus transaction costs, in the case of assets not at fair value through profit or loss.

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

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- i). The rights to receive cash flows from the asset have expired.
- ii). The Company 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 (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of it, the asset is recognised to the extent of the Company's continuing involvement in it.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the

lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

d). Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

e). Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the Company 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 method, 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 in finance income in the income statement. The losses arising from impairment are recognised in the income statement in finance costs.

f). Available-for-sale financial investments

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

After initial measurement, available-for-sale financial investments are subsequently measured at fair value with unrealised gains or losses recognised as other comprehensive income in the available-for-sale reserve until the investment is derecognised, at which time, the cumulative gain or loss is recognised in other operating income, or determined to be impaired, at which time the cumulative loss is reclassified to the income statement in finance costs and removed from the available-for-sale reserve.

Interest income on available-for-sale debt securities is calculated using the effective interest method and is recognised in profit or loss.

g). Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, carried at amortised cost. This includes directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, bank overdrafts, loans and borrowings.

Derecognition

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 a derecognition of the original

liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

h). Provisions

Provisions are recognised when present obligations as a result of a past event will probably lead to an outflow of economic resources from the company and amounts can be estimated reliably.

i New standards and interpretations not yet adopted

a IFRS 9 Leases

Effective for annual periods beginning on or after 1 January 2019

Key requirements

The scope of IFRS 16 includes leases of all assets, with certain exceptions. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

IFRS 16 requires lessees to account for all leases under a single on-balance sheet model in a similar way to finance leases under IAS 17. The standard includes

two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset).

Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting is substantially unchanged from today's accounting under IAS 17. Lessors will continue to classify all leases using the same classification

principle as in IAS 17 and distinguish between two types of leases: operating and finance leases.

Impact

The lease expense recognition pattern for lessees will generally be accelerated as compared to today. Key balance sheet metrics such as leverage and finance ratios, debt covenants and income statement metrics, such as earnings before interest, taxes, depreciation and amortisation (EBITDA), could be impacted. Also, the cash flow statement for lessees could be affected as payments for the principal portion of the lease liability will be presented within financing activities. Lessor accounting will result in little change compared to today's lessor accounting.

b IFRS 15 Insurance Contracts

Effective for annual periods beginning on or after 1 January 2021.

Background

In May 2017, the IASB issued IFRS 17, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will

replace IFRS 4 Insurance Contracts. In September 2017, the Board established a Transition Resource Group (TRG) for IFRS 17 that will be tasked with analysing implementation - related questions on IFRS 17. The TRG has met twice so far, in February and May 2018.

Scope

IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

Key Requirements

The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers.

In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

1. A specific adaptation for contracts with direct participation features (the variable fee approach)

2. A simplified approach (the premium allocation approach) mainly for short-duration contracts

Impact

Application guidance is provided in IFRS 15 to assist entities in applying its requirements to certain common arrangements, including licences of intellectual property, warranties, rights of return, principal-versus-agent considerations, options for additional goods or services and breakage.

4 Bank balance	2018 GH¢	2017 GH¢
Call Accounts	1,503,995	66,133
Current Accounts	24,323	7,214
	1,528,318	73,347

5 Held-to-maturity Investment		
365-Day Fixed Deposits	247,374	196,436
2-Year Corporate Bonds	12,323,699	706,524
	12,571,073	902,960

6 Available-for-sale Investment

Portfolio summary as at 31st December 2018

EQUITY	No. of Shares 31/12/17	Market Value 31/12/2018 GH¢	Market Value 1/1/18 GH¢	Sale During the Year GH¢	Cap Gain / Loss GH¢
GOIL	38,500	120,120	103,565	-	16,555
GCB	23,000	105,800	116,150	-	(10,350)
EGH	4,000	30,000	30,400	-	(400)
EGL	13,000	29,120	48,100	-	(18,980)
MTN	24,000	18,960	18,000		960
SOGEGH	11,600	8,700	19,488		(10,788)
UNIL	600	10,668	10,686		(18)
FML	1,200	9,600	21,240		(11,640)
	332,968	367,629	-		(34,661)

Realised Capital Gain/(Loss)	-
Unrealised Capital Gain/(Loss)	(34,661)

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

	2018	2017
	GH¢	GH¢
Unrealised (Loss)/Gain on investments		
	(27,983)	6,678

6 Investment income	2018	2017
	GH¢	GH¢
Interest on Fixed Deposits and Corporate Bonds	1,168,366	117,376
Interest on Call Accounts	19,230	15,448
Total Interest Income	1,187,596	30,998

4.3 Prepayment Features with Negative Compensation Amendment to IFRS 9

Effective for annual periods beginning on or after 1 January 2019.

Key Requirements

Under IFRS 9, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to IFRS 9 clarify that a financial asset passes the SPPI criterion regardless of

the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

The basis for conclusions to the amendments clarified that the early termination can result from a contractual term or from an event outside the control of the parties to the contract, such as a change in law or regulation leading to the early termination of the contract.

Impact

The amendments are intended to apply where the prepayment amount approximates to unpaid amounts of principal and interest plus or minus an

amount that reflects the change in a benchmark interest rate. This implies that prepayments at current fair value or at an amount that includes the fair value of the cost to terminate an associated hedging instrument, will normally satisfy the SPPI criterion only if other elements of the change in fair value, such as the effects of credit risk or liquidity, are small. Most likely, the costs to terminate a 'plain vanilla' interest rate swap that is collateralised, so as to minimise the credit risks for

the parties to the swap, will meet this requirement.

Impact

The amendment of IFRS 11 increase the scope of transactions that would need to be assessed to determine whether they represent the acquisition of a business or an asset, which would be highly judgemental. Entities need to consider the definition carefully and select the appropriate accounting method based on the specific facts and circumstances of the transaction.

8 Administrative expenses

	2018	2017
	GH¢	GH¢
Utilities	2,164	-
Business Promotion & Advertisement	123,000	-
Communication	481	-
Entertainment	195	-
Permits & Renewals	500	540
Printing & Stationery	6,488	-
Travelling & Transportation	160	-
Fuel & Lubricant	130	-
Bank Charges	2,658	576
AGM Expenses	287	6,888
Donation & Subscription	1,500	-
Broker Charges	851	5,875
Repairs & Maintenance	890	-
	139,304	13,878
Audit Fees	15,000	12,500
	154,304	26,378

9 Management Fees

Custodian Fees	1,637	104
Management Fees	179,387	-
	181,024	104

10 Other Payables and accrued expenses	2018	2017
	GH¢	GH¢
Custodian fee	1,140	1,355
Fund Managers cost incurred on behalf of the Fund	98,000	14,108
Audit fee	15,000	12,500
	114,140	27,963

11 Financial risk management

i) Overview

The Fund has exposure to the following risk from its use of financial instruments:

1. Credit risk
2. Liquidity risk
3. Market risk
4. Foreign exchange risk
5. Operational risk

The objective of the fund is to achieve medium to long term capital growth through investing in a selection of financial instruments. This note presents information about the Fund's exposure to each of the above risks.

Risk management framework

The board of Directors has overall responsibility for the establishment and oversight of the Fund's risk management framework. The Directors is responsible for monitoring compliance with the Fund's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation with the risk faced by the Fund.

The Fund's risk management policies are established to identify and analyse the risk faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

i) Credit risk

Credit risk is the risk of financial loss to the Fund if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

ii) Liquidity risk

Liquidity risk is the risk that the Fund either does not have sufficient financial resources available to meet its obligations and commitments as they fall due, or can access them only at excessive cost. The Fund's approach to managing liquidity is to ensure that it will maintain adequate liquidity to meet its liabilities when due.

It is the Fund's policy to maintain adequate liquidity at all times, and for all currencies.

iii). Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Fund's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

iv). Foreign exchange risk

Foreign exchange risk is the risk that the value of recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates.

v). Operational risk

Operational risk is the risk of direct or indirect loss due to an event or action resulting from the failure of internal processes, people and systems, or from external events. The Fund seeks to ensure that key operational risks are managed in a timely and effective manner through a framework of policies, procedures and tools to identify, assess, monitor, control and report such risks.

12. Contingent Liabilities and commitments

i). Contingent liabilities

Pending legal suits:

There were no contingent liabilities as at the balance sheet date.

ii). Capital expenditure commitments

Under contract:

There were no capital commitments as at the balance sheet date.

13 Events after reporting period

Events subsequent to the balance sheet date are reflected in the financial statements only to the extent that they relate to the year under consideration and the effect is material.

14. Related Parties

Transactions with Key Management Personnel

There is no evidence that Key management personnel and their immediate relatives transacted business with the Fund during the year.

Transactions with Directors

There is no evidence that the Board of Directors transacted business with the Fund during the year. We are unable to determine the extent to which if any immediate relatives transacted business with the Fund.

Transactions with Other Employees

There is no evidence that other employees transacted business with the Fund during the year.

Custodian's Report

CAL BANK CUSTODY SERVICES
Portfolio Valuation Report

Client A/c CBN/DALEX VISION FUND A/s
on Date: 31/12/2018
Valuation Currency: GHS

User Id: DAKOWOAH
Date: 21/08/2019
Time: 04:21:20

Classification: CASH						
Security Name	Symbol	Nominal	Market Price	Cost	Valuation	% of Total
CBN/DALEX VISION FUND CALL A/C	021016528721	1503,99552		1503,99552	1503,99552	100,0000

Classification Total: 1503,99552 1503,99552 100,0000

Classification: Corporate Bonds						
Security Name	Symbol	Nominal	Market Price	Cost	Valuation	% of Total
VGRD PENS SCH 2YR NT @23% VD 24.418 MT 23.420	VRDNEW	750,000.00	11592	750,000.00	869,423.08	7.3629
RETAIL & RTY 2YR FXR NT @23% V D 24.418 MT 24.420	RETAIL2YRBNC	250,000.00	10436	250,000.00	260,899.73	2.2095
RETAIL & RTY 2YR FXR BD @23% VD 17.518 MT 185.20	RETAIL2YRBND	388,000.00	11447	388,000.00	4441,142.75	376.13
OASIS COURT 2YR FXR BD @23% VD 17.518 MT 16.0520	OASIS2YR	1552,000.00	11447	1552,000.00	1,776,570.99	15.0452
RETAIL & RTY 2YR FXR NT @24% VD 37.18 MT 6.720	RETAIL2YRNT	185,000.00	11200	185,000.00	207,200.00	1.7547
RETAIL & RTY 2YR FXR NT @24% VD 41.218 MT 31.220	RETAIL2YRDEC	395,000.00	10185	395,000.00	402,292.31	3.4069
RETAIL & RTY 2YR NT @24% VD 23.8 18 MT 24.820	RETAIL2YR	200,000.00	10864	200,000.00	217,274.73	1.8400
HEALTHCARE 2YR FXR NT @24% VD 23.818 MT 24.820	HEALTHCARE	1,800,000.00	10864	1,800,000.00	1,955,472.53	16.5603
HEALTHCARE 2YR FXR NT @24% VD 11.918 MT 10.920	HEALTHCARESE	180,000.00	1,0738	180,000.00	1,932,923.08	16.3693
HEALTHCARE 2YR FXR NT @24% VD 41.218 MT 31.220	HEALTH2YRDEC	1,568,160.00	1,0185	1,568,160.00	1,597,110.65	13.5254
RETAIL & RTY 2 YR NT @23% VD 24.318 MT 23.420	RTYRETA	250,000.00	11795	250,000.00	294,862.64	2.4971
HEALTHCARE 2YR FXR NT @24% VD 16.718 MT 15.720	HEALTHCAREBD	1,665,000.00	1,1111	1,665,000.00	1,850,020.27	15.6673

Classification Total: 10,803,160.00 11,808,192.76

Classification: Equities						
Security Name	Symbol	Nominal	Market Price	Cost	Valuation	% of Total
MTN GHANA SHS	MTNSHS	24,000.00	0.7900	18,000.00	18,960.00	5.6191
GHANA OIL COMPANY	GOIL	385,000.00	31200	10,485.00	12,010.00	35.5998
ECOBANK GHANA LIMITED	EGH	4,400.00	75000	30,200.00	33,000.00	9.7802
UNILEVER GHANA LIMITED	UNIL	600.00	17,7800	10,686.00	10,668.00	3.1617
ENTERPRISE GROUP LIMITED	EGL	13,000.00	22,400	50,525.00	29,120.00	8.6303
FAN MILK LIMITED	FML	12,000.00	8,0000	21,240.00	9,600.00	2.8451
GCB LIMITED	GCB	23,000.00	46,000	105,800.00	105,800.00	31.3558
SOGEGH	SOGEGH	13,533.00	0.7500	20,986.84	10,149.75	3.0081

Client A/c:
 CBN/DALEX VISION
 FUND As on Date:
 31/12/2018
 Valuation Currency: GHS

Classification: Equities		Symbol	Nominal	Market Price	Cost	Valuation	% of Total
Classification Total:					357,922.84	337,417.75	

Classification: Fixed Deposits		Symbol	Nominal	Market Price	Cost	Valuation	% of Total
YASORE FOREX 2 YR FD @ 23% VD 16/08/17 MT 16/08/19	YASORE365168		50,000.00	1.3170	50,000.00	65,847.95	6.7775
VIGUARD LIFE PROV 2 YR FD@ 23% V 16.817 M 16/8/19	VGD2YR16817		600,000.00	1.3170	600,000.00	790,175.34	81.3303
DALEX FINANCE 1YR FD @23% VD 15/09/18 MT 15/09/19	DALEX1YR1519		108,114.30	1.0687	108,114.30	115,540.12	11.8922
Classification Total:					758,114.30	971,563.41	

Client Total:					13,423,192.66	14,621,169.44	
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Description	Nominal	Cost	Market Value	% of Total
CORPORATE BONDS	10,803,160.00	10,803,160.00	11,808,192.76	80.7609
FIXED DEPOSITS	758,114.30	758,114.30	971,563.41	6.6449
EQUITIES	118,233.00	357,922.84	337,417.75	2.3077
CASH	1503,995.52		1,503,995.52	10.2864
Total:		13,423,192.66	14,621,169.44	100.0000

Corporate Information

Board Of Directors

Emmanuel Quarshie (Chairman)
Alex Kwasi Bruks
Jarjisu Sa-Aadu
Sandy Osei Agyemang
Elizabeth Esi Bremang
Victor Owusu Akyaw

Registered Office

12 Asmara Street
East Legon
Accra, Ghana

Custodian

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

Fund Manager

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

Auditors

JOP Consult
Chartered Accountants

P.O. Box TA 673
Taifa, Accra

Solicitor

Equitas Law
No. FF 3B
Vice-Chancellors' Ghana Office
Complex off UPSA Road, Legon, Accra

Receiving Bank

CAL Bank (Gh) Limited
23 Independence Ave.
Accra - Ghana

Secretary

Akyaa Arhin
Equitas Law
No. FF 3B
Vice-Chancellors' Ghana Office
Complex
Off UPSA Road, Legon, Accra

Bankers

Ecobank (Gh) Limited
Roman Ridge Branch,
Olusengu Obasanjo Highway
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
Emmanuel Quarshie	<p>Chief Executive Officer Wealth Management Limited Accra, Ghana</p> <p>Other Affiliations Institute of Packaging, Ghana Ghana Institute of Management, Accra Rotary Club, Accra-Ghana</p>	Chartered Accountant
Alex Kwasi Bruks	<p>Executive Chairman Dalex Finance, Accra</p> <p>Chief Executive Officer Garden City Mall Ltd, Kumasi Reliance Personnel Ltd, Accra RPS Engineering Ltd, Accra</p> <p>Board Member Accra Mall Ltd</p>	Investment Banker

Victor Owusu Akyaw	Director Enda Foods Accra, Ghana	Actuary
Dr. Jay Sa-Aadu	Professor of Finance and Real Estate The University of Iowa USA	Professor of Finance
Ms. Elizabeth Esi Bremang	Director GCB Bank (Formerly) Accra, Ghana	Retired Banker
Sandy Osei-Agyeman	Chief Executive Officer Slid Industries Ltd Accra, Ghana	Entrepreneur

Proxy Form

Dalex Vision Fund

..... 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
 Dalex Capital Management Limited offices, East Legon, Accra, on at
 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 of2019

Signature:.....

Notes

A series of 25 horizontal dashed lines for writing notes.

Registered Office:

12 Asmara Street, East Legon
Accra, Ghana.