



2013

Databank Ark Fund Limited

ANNUAL REPORT



Databank

Leadership

“An ethical fund that breathes, grows and is there for you when you need it”



“The Ark Fund is a safe haven for your investments, a place of protection, a place of increase. I recommend the Ark Fund”

- Dr. Joyce Aryee

Accra Tel: 0302 610610 | Tema Tel: 0303 213240
Kumasi Tel: 0322 080077 | Takoradi Tel: 0312 023628

Website: www.databankgroup.com
Facebook: [Databank Group](#) | Twitter: [Databankgroupgh](#)



**AUDITED FULL YEAR REPORT
FOR THE
PERIOD ENDED
DECEMBER 31, 2013**

Databank Ark Fund Limited
2013 Annual Report



“An ethical fund that..., grows and is there for you when you need it.”

Dr. Joyce Anyee



This report shall not constitute an invitation to buy shares of the Fund. Subscriptions are to be made only on the basis of the current scheme particulars, accompanied by a copy of the latest available annual report, and if published thereafter, the most recent half year report.

CONTENTS

Notice of Annual General Meeting.....	02
Chairman’s Statement to Shareholders.....	03
Performance Summary.....	05
Portfolio at a Glance.....	06
Interview with your Ark Fund Manager.....	07
Report of the Directors.....	09
Report of the Auditors.....	10
Statement of Net Assets.....	11
Statement of Assets and Liabilities.....	12
Income and Distribution Accounts.....	13
Statement of Movement in Net Assets and Issued Shares	14
Portfolio Summary.....	15
Financial Highlights.....	16
Notes to Financial Statements	17
Custodian’s Report.....	21
Corporate Information.....	25
Directors and Officers Information.....	26
Proxy Form.....	31

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 4th Annual General Meeting of the shareholders of Databank Ark Fund Limited will be held at the International Conference Centre, Accra, Ghana on Thursday, August 14th, 2014 at 3:00 p.m. for the following purposes:

1. To consider the Directors' Report and the Report of the Auditors for the year ended December 31, 2013.
2. To receive and adopt the Statement of Assets and Liabilities and Statement of Operations for the year ended December 31, 2013
3. To re-elect Directors retiring by rotation.
4. To confirm the rotation of the Auditors of the Fund
5. To authorize the Directors to appoint and fix the remuneration of Auditors.
6. To approve Directors' Fees.
7. Special Resolution to amend the Regulations of the Fund to determine the number of Directors (ie Reg. 49)
8. To transact any other business appropriate to be dealt with at any Annual General Meeting.

Dated this 20th day of June, 2014

BY ORDER OF THE BOARD

Kind regards,
Databank Ark Fund Ltd



Deila Assimeh
Board Secretary

CHAIRMAN'S STATEMENTS TO DATABANK ARK FUND SHAREHOLDERS

Dear Valued Shareholders,

It is with great pleasure that I welcome you to this year's Annual General Meeting of Databank Ark Fund Limited. On behalf of the Board of Directors, fund managers and staff, I would like to thank you for your unwavering commitment extended to the Databank Ark Fund, which is the only ethical mutual fund in Ghana.

I will start off by giving an overview of the global and African economy in the year under review, after which I will give you an overview of the Fund's performance. I will then conclude by detailing our expectation about the performance of the operating environment of the Fund in 2014.

The Global Economy

The world economy showed signs of recovery in 2013 although economic growth for the full year (3%) was suppressed by weak growth from Japan (1.5%) and prolonged stagnation in the peripheral Euro nations. Global activity strengthened in the second half of the year with developed economies led by the US being the main drivers of global economic growth. During the second half of 2013, economic activity in the US picked up fuelled by strong export growth and increases in inventory demand. Euro region growth turned positive early in 2013 and remained positive throughout all the quarters. Emerging and developing markets also put up a strong performance as they continued to contribute more than two-thirds of global growth. Growth in sub-Saharan Africa was also fairly strong during the year (4.9%).

Economic Performance in Ghana

Economic growth in Ghana slowed down to 7.1% in 2013 from 8.8% in 2012. Inflation crossed into double digits on 2013; from Jan-13 to Dec-13, headline inflation increased from 8.8% to 13.5%. Increased fuel and utility prices (+35.0%) and high transport costs (+25.6%) were primarily responsible for the increase in price levels. The Cedi depreciated against all three major trading currencies in 2013 fuelled by continued growth in demand for imports. On the interbank market, the Cedi depreciated by -13% against the US Dollar over the year and ended the year at 2.16 GH¢/USD.

The Bank of Ghana raised the monetary policy rate by 100bps to 16% in May 2013. Yields on Treasuries however decreased on average. The benchmark 91-day T-Bill yield, which started the year at the 23.03% mark, remained in the 22.5%-23% range for the first eight months. The yield initiated a decline in September and closed the year at 19.22%. Interest rates on the 1-yr and 2-yr Note followed a similar trend, opening the year at 22.9% and 23.0% respectively and closing at 17.0% and 16.8%. On average, the 91-day T-Bill was priced at 21.94% compared to 18.63% in

2012. The stock market in Ghana was bullish, recording a return of 79% in 2013, the highest since 2004 (and up from 24% in 2012).

Positive Returns on Ark Fund

Ark Fund recorded a return of 47% in 2013 on the back of strong stock returns and interest rates, outperforming its 2012 return of 16.4%. The Fund ended the year with assets under management worth GHS4.0 million compared to GHS2.6m at the end of 2012. This growth of 54% was largely attributable to returns garnered by the Fund. Growth in the number of shareholders within the year was however muted at 1.1% in spite of the Fund's strong performance.

Outlook

Growth in Sub-Saharan Africa and the world economy are expected to accelerate in 2014. The IMF estimates a growth rate of 3.6% for the world economy and 5.4% in Sub-Saharan Africa. Ghana is expected to pale in comparison to the Sub-Saharan average; and IMF projects a growth rate of 4.8% for Ghana, which is lower than both the sub-Saharan average of 5.4% and the government's target of 8%.

The subpar economic performance coupled with the recovery of developed economies is expected to affect foreign investor confidence and fuel capital flight from Ghana. Together with the recently introduced foreign exchange control measures, the sluggish economic performance has deterred foreign investors from capital market activity. The Cedi lost

~28% in the first half of the year and is expected to depreciate by a further 10% by the end of the year. Rising utility tariffs, driven by price hikes in fuel/utilities and transport coupled with the sharp depreciation of the Cedi, has translated into inflationary pressures; inflation climbed to 15% in June.

To address the deteriorating macroeconomic conditions, the Bank of Ghana increased its MPC rate by 300bps to 19% in July of 2014. Reducing government expenditure remains a challenge. Consequently, the fixed income market is expected to return significant gains as the Government of Ghana attempts to address the widening fiscal deficit.

Performance of the equity market is not likely to be strong as in 2013 as most investors are likely to consider booking profits realised in the previous year. Furthermore, with the bleak macroeconomic back drop affecting general business activity, listed equities are likely to face some challenges growing their bottom line. Under these conditions, we expect the fund's performance to be modest.

We remain dedicated to maintaining the ideal balance between fixed income and equity investments that will yield strong returns for you, our shareholders. Once again, thank you for your unremitting support and we wish you greater success and prosperity in 2014. God Bless us all!



Dr. Joyce Aryee
(Chairman)

PERFORMANCE SUMMARY AS AT DECEMBER 31, 2013

Historical Returns

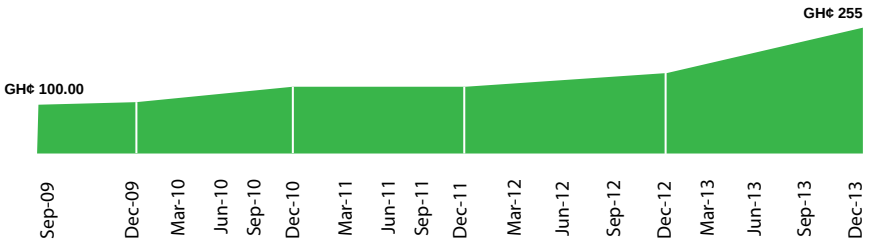
Year	2009	2010	2011	2012	2013	Inception to date
Return	2.50%	38.24%	5.88%	16.39%	46.59%	155.97%

Return on investment reflects the return of the Fund taking into account cash inflows, cash outflows, reinvestment of dividends and changes in share prices. This percentage is not an indication of the performance of a member's investment in the Fund due to the difference in timing between when a member makes contributions and the reference point of the Fund. Investment returns take into account the performance of Ark Fund.

Share Price Information

	Sep-09	31-Dec-09	31-Dec-10	31-Dec-11	31-Dec-12	31-Dec-13
Share Price GH¢	0.1000	0.1025	0.1417	0.1500	0.1746	0.2560
Number of Shares	2,381,035	3,024,590	12,994,189	18,830,575	15,068,488	15,643,367
ARKFUND Value GH¢	238,104.00	310,014.00	1,841,152.00	2,825,004.00	2,631,208.00	4,004,286.00

Value of GH¢100 from inception to December 2013

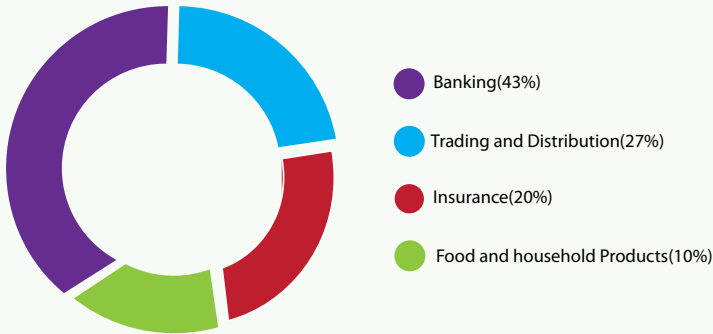


PORTFOLIO AT A GLANCE AS AT DECEMBER 31, 2013

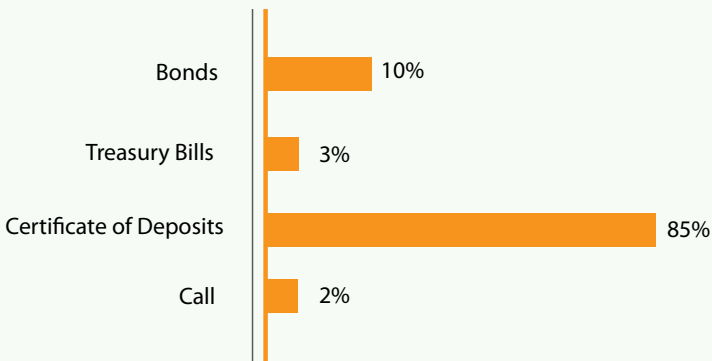
Top 5 Equity Holdings

Name of Company	Country	Percentage of Total Portfolio
Enterprise Group Ltd	Ghana	7.15%
Ecobank Ghana Ltd	Ghana	5.60%
Total Petroleum Ghana Company Ltd	Ghana	5.05%
Societe Generale Ghana Ltd	Ghana	4.25%
Fan Milk Ltd	Ghana	3.54%

INDUSTRY DIVERSIFICATION OF EQUITY HOLDINGS (36.84% of Total Portfolio)



DIVERSIFICATION OF FIXED INCOME INSTRUMENTS (64%)



INTERVIEW WITH YOUR FUND MANAGER

How would you describe the operating environment in 2013?

The Ghanaian equity market was marked by strong activity in 2013. Market activity reached an average of GH¢1.73m (\$880,524) shares being traded daily (2012 daily average: GH¢407,000 shares, \$226,335). Foreign investor participation accounted for ~60% of total market activity, though the budding pension industry supported local investor participation.

The strong performance of the market was on the back of low valuations that had persisted in previous years (the four year average equity return after the 2008 rally was -4.05% (CAGR)) together with strong investor appetite for good bargains in frontier African markets. The broad market index surged 79% in 2013 with PZ Cussons Ghana, Enterprise Group, CAL Bank, Mechanical Lloyd Co. and Guinness Ghana Breweries leading the rally.

Yields on the government paper declined from 2012 to 2013. In particular, the benchmark 91-day bill declined from 23.12% (Dec-2012) to 19.22% (Dec-2013) in spite of the pressure on the market during the period – the partial explanation for this is government's refinancing plans (NB: It used the August Eurobond proceeds to buy back old debt).

How would you rate the Fund's performance in view of the operating environment?

I would say that the Databank Ark Fund did well as it posted its strongest return since inception in 2013. We attribute the Fund's strong performance to our exposure to specific stocks as well as the high levels of interest rate on fixed income investments.

What are your expectations for the Stock Market and Fixed Income Markets in 2014?

For 2014, we expect to see profit taking on the Ghana stock market in 2014. This notwithstanding, we do not expect to see strong sell-offs on the market, especially within the first quarter of the current year.

We however, foresee the current macroeconomic conditions, particularly with respect to the currency situation, adversely influencing the level of foreign participation on the market. We also expect the pension industry to continue receiving funds, part of which is likely to be channeled to the stock market (return on the GSE-Composite Index is expected to be higher if the Bank of Ghana releases the Temporary Pension Fund (TPF) to pension fund managers within the year).



On the fixed income front, market sentiments indicate that interest rate levels will remain elevated in the short-term, and we are of the view that this trend will continue until the government issues another Eurobond or engages the IMF and World Bank for support.

Given your outlook for 2014, what should we expect for our Fund?

With a strong performance in two consecutive years [2012:24% and 2013:79%] we do not anticipate as sturdy a performance in 2014. Nevertheless, we shall not relent in our efforts to deliver sound returns to our valued shareholders. We believe that with profit taking expected to take center stage on the market, we will be able to ramp up our equity portfolio by purchasing stocks at significant discounts.

In view of our expectations of the fixed income market, we shall limit our exposure to the longer end of the yield curve and instead concentrate on the shorter end of the market where

yields are expected to be more attractive and where we may be nimble enough when a change in the direction of interest rates occurs.

What would be your take home points for shareholders?

2013 was a good year for Databank Ark fund as the best returns since inception was registered. Our expectation of a market correction gives an indication that returns will be modest in 2014. However, we urge shareholders to continue with their regular investment plan as well as to evangelise the Databank Ark Fund knowing that you will soon reap a harvest in due course.

Go to work in the morning and stick to it until evening without watching the clock. You never know from moment to moment how your work will turn out in the end. Ecclesiastes 11:6 [MSG]



This has been an interview with your Fund manager, *Edna Ahunu*

REPORT OF THE DIRECTORS

The Directors have the pleasure in submitting the financial statements of the Databank Ark Fund Limited for the year ended December 31, 2013.

Statement of Directors' responsibilities

The Directors are responsible for the preparation of financial statements for the financial year, which give a true and fair view of the state of affairs of the Company and of the statement of operations for the period. In preparing those financial statements, the directors have selected suitable accounting policies which are to be applied consistently, made judgments and estimates that are reasonable and prudent and followed Ghana National Accounting Standards.

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.

Nature of Business

The nature of business of the Company is to invest monies of its members for their mutual benefit and to hold and arrange for the management of securities and other property acquired with such monies. The Company is licensed by the Securities and Exchange Commission to operate as an authorized mutual fund.

Financial Results

The results for the year are as set out in the financial statements


Distribution Policy

The Fund passes substantially its net income along to its investors as distributions. The dividend policy is to be adopted by the directors of the Fund from time to time such that any dividend distributions will not jeopardize the Fund's ability to operate effectively.

Dividend


The Directors do not recommend payment of a dividend for the year.

BY ORDER OF THE BOARD



Daniel Ogbarmey Tetteh
Director

23RD April, 2014



Joyce Aryee
Chairperson

23RD April, 2014


John Kay & Co

 7th Floor, Trust Towers
 Farrar Avenue, Adabraka
 P.O.Box 16088
 Airport, Accra

 Tel: +233 30-2235406
 +233 30-2238370
 Fax: +233 30-2238371
 E-mail: jkayal@4u.com.gh
 jkayal@yahoo.com

REPORT OF THE AUDITORS TO THE INVESTORS OF DATABANK ARK FUND LIMITED

We have audited the financial statements set out on pages 11 to 20. We have obtained all the information and explanations we required for the purposes of our audit.

Respective Responsibilities of Directors and Auditors.

As stated on page 9, the directors are responsible for the preparation of the financial statements. Our responsibility is to express an independent opinion on those financial statements.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform our audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

Opinion

In our opinion, the Fund has kept proper accounting records and the financial statements are in agreement with the records in all material respects and give in the prescribed manner, information required by the Unit Trust and Mutual Funds Regulations, 2001, (L.I. 1695) and the Companies Act, 1963

(Act 179). The financial statements give a true and fair view of the state of affairs of the Fund as at 31 December 2013, and of the financial performance and changes in the net assets for the year then ended and are drawn up in accordance with the Ghana National Accounting Standards (GNAS).

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 explanation 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 Fund, so far as appears from our examination of the books, and
- iii. The Fund's statement of assets and liabilities and the income and distribution account are in agreement with the books of accounts.

John Armstrong Yao Klinogo (ICAG/P/ 1116)

 For and on behalf of John Kay &
 Co. (IACG/F/2014/128)
 Chartered Accountants
 Accra

Dated: 29th April, 2014

STATEMENT OF NET ASSETS AS AT DECEMBER 31, 2013

ASSETS	31 DEC 2013 GH¢	31 DEC 2012 GH¢
Total Investments	<u>3,822,236</u>	<u>2,548,226</u>
Current Assets:		
Interest	211,271	116,095
Dividend Receivables	-	48,959
Total	<u>211,271</u>	<u>165,054</u>
Current Liabilities		
Commission – (Front Load)	2,550	5,489
Management Fees	16,768	19,695
Audit fee	5,875	4,000
Custody	3,600	2,138
Withholding Tax	428	750
Databank Money Market Fund	-	50,000
Total	<u>29,221</u>	<u>82,072</u>
Net Current Assets	<u>182,050</u>	<u>82,982</u>
Total Net Assets	<u>4,004,286</u>	<u>2,631,208</u>

The financial statements on pages 11 to 20 were approved by the board of directors on **23rd April, 2014** signed on its behalf by:



.....
Daniel OgbarmeyTetteh
Director



.....
Joyce Aryee
Chairperson

INCOME AND DISTRIBUTION ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013

	Note	31 DEC 2013 GH¢	31 DEC 2012 GH¢
Investment Income			
Gross Dividend Income		44,996	57,748
Less: Withholding Tax		—	—
Net Dividend Income	2	44,996	57,748
Interest Income	3	<u>557,314</u>	<u>287,897</u>
Total Income		<u>602,310</u>	<u>345,645</u>
Management Fees		(50,976)	(39,477)
Other Expenses	4	<u>(81,798)</u>	<u>(70,003)</u>
Total Expenses		<u>(132,774)</u>	<u>(109,480)</u>
Net Investment Income		469,536	236,165
Net Realized Gain on Investment		201,598	48,724
Change in Unrealized Gain	5	<u>591,766</u>	<u>249,545</u>
Net Increase/Decrease in Net Assets Resulting from Operations		<u>1,262,900</u>	<u>534,434</u>

ACCUMULATED NET INVESTMENT INCOME FOR THE YEAR ENDED DECEMBER 31, 2013

	31 DEC 2013 GH¢	31 DEC 2012 GH¢
Beginning of Period	489,495	253,330
Net Investment Income for the period	<u>469,536</u>	<u>236,165</u>
End of period	<u>959,031</u>	<u>489,495</u>

STATEMENT OF MOVEMENT IN NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2013

	31 DEC 2013	31 DEC 2012
	GH¢	GH¢
Increase in Net Assets		
Operations:		
Net Investment Income	469,536	236,165
Net Realized Gain	201,598	48,724
Unrealized Gain	<u>591,766</u>	<u>249,397</u>
Net Increase in Net Assets from Operations	<u>1,262,900</u>	<u>534,434</u>
Capital Transactions:		
Proceeds from share issued	851,347	804,020
Shares redeemed	<u>(741,169)</u>	<u>(1,532,250)</u>
Net Proceeds from Capital Transaction	<u>110,178</u>	<u>(728,230)</u>
Total Increase in Net Assets	<u>1,373,078</u>	<u>(193,796)</u>
Net Assets:		
Beginning of Period	<u>2,631,208</u>	<u>2,825,004</u>
End of Period	<u>4,004,286</u>	<u>2,631,208</u>

STATEMENT OF MOVEMENT IN ISSUED FOR THE YEAR ENDED DECEMBER 31, 2013

	Note	31 DEC 2013 Number of Shares	31 DEC 2012 Number of Shares
Shares in Issue at Beginning of Period		<u>15,068,488</u>	<u>18,830,575</u>
Shares in Issue at December 31	6	<u>15,643,367</u>	<u>15,068,488</u>

STATEMENT OF NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2013

Description	No. of Shares	Price 31-DEC-13 GH(¢)	Market Value GH(¢)	% Net Assets
Shares				
Banking				
GCB Bank Ltd	20,700	4.85	100,395	2.51
Standard Chartered Bank Ghana Ltd	11,400	14.94	170,316	4.25
Societe Generale (Ghana) Ltd	161,000	0.75	120,750	3.02
Ecobank Ghana Ltd	40,000	5.61	224,400	5.61
Food & Household Products				
Fan Milk Ltd	21,400	6.62	141,668	3.54
PBC Ltd	540,000	0.17	91,800	2.29
Insurance				
Enterprise Group Ltd	152,300	1.88	286,324	7.15
Petroleum Products				
Ghana Oil Company Ltd	109,200	0.89	97,188	2.43
Total Petroleum Ghana Ltd	40,000	5.06	202,400	5.05
Total Shares				
(Cost GH¢593,997)			<u>1,435,241</u>	35.85
Medium Term Funds				
Bonds			250,000	6.24
			<u>250,000</u>	6.24
Short Term Funds			GH¢	% NetAsset
Cash at Bank			51,265	1.28
Short Term Investments				
Certificates of Deposit (CDs)			2,020,88	50.44
Treasury Bills				
91 Day Treasury Bills			65,642	1.64
Total Cash and Short Term Funds			<u>2,136,995</u>	53.36
Total Investments			<u>3,822,236</u>	95.45
Other Assets in Excess of Liabilities			182,050	4.55
Total Net Assets			<u>4,004,286</u>	100.00

PORTFOLIO SUMMARY FOR THE YEAR ENDED DECEMBER 31, 2013

DESCRIPTION	NO. OF SHARES AS AT 31-DEC-13	VALUE AS AT 31- DEC-13 GH¢	NO. OF SHARES AS AT 31-DEC-12 GH¢	VALUE AS AT 31-DEC-12 GH¢	PUR- CHASES DURING YEAR '13 GH¢	SALES DURING YEAR '13 GH¢
Banking						
GCB Bank Ltd	20,700	100,395	20,700	43,470	-	-
Ecobank Ghana Ltd	40,000	224,400	40,000	120,000	-	-
Standard Chartered Bank (Ghana) Ltd	11,400	170,316	11,400	125,400	-	-
Societe Generale (Ghana) Ltd	161,000	120,750	161,000	77,280	-	-
Food & Household Products						
Fan Milk Ltd	21,400	141,668	26,200	93,010	-	5,753
PBC Company Ltd	540,000	91,800	540,000	97,200	-	-
Insurance						
SIC Insurance Company Ltd	-	-	174,200	59,228	-	68,927
Enterprise Group Ltd	152,300	286,324	314,300	150,864	-	70,636
Petroleum Products						
Ghana Oil Company Ltd	109,200	97,188	179,000	110,980	-	23,121
Total Petroleum Ghana Ltd	<u>40,000</u>	<u>202,400</u>	<u>6,100</u>	<u>143,289</u>	<u>-</u>	<u>9,195</u>
TOTAL	<u>1,096,000</u>	<u>1,435,241</u>	<u>1,472,900</u>	<u>1,020,721</u>	<u>-</u>	<u>177,632</u>

FINANCIAL HIGHLIGHTS

The following schedule presents financial highlights for one share of the Fund outstanding throughout the periods indicated.

	2013	2012	2011	2010
Net Assets Value, January 1	0.1746	0.1500	0.1417	0.1025
Net Investment Income	0.0300	0.0157	0.0092	0.0056
Net Realised and Unrealised gain	0.0513	0.0089	(0.0009)	0.0336
Net Assets Value (Dec 31)	0.2560	0.1746	0.1500	0.1417
Total Return	46.59%	16.39%	5.88%	38.23%
Ratio of Expenses to average assets	4.00%	4.01%	3.80%	2.43%
Ratio of net investment income to average net assets	14.15%	8.66%	6.15%	3.92%

NOTES TO THE FINANCIAL STATEMENTS

Accounting Policies

I The principal accounting policies adopted in the preparation of the fund's financial statements are:

i) Valuation of investments

Securities listed on a stock exchange or traded on any other organized market are valued at the last available market price on the relevant valuation day. Securities that are actively traded on the over the counter market are valued at the mean between the most recently quoted bid and offer prices provided by the principal brokers. Securities and assets for which, market quotations are not readily available are valued at fair value as determined in good faith by or under the direction of the Board of Directors. Other debt obligations including securities having maturity of ninety-one days or less are valued at amortized cost.

ii) Treatment of dividend income

The income of the Fund includes all net dividend income. Dividends are accrued if the qualifying date falls within the year under review.

iii) Investment income

Interest income is recorded on an accrual basis.

iv) Investment transactions and investment income

Investment transactions on the Ghana Stock Exchange and other African Stock Markets are accounted for on the trade date. Transactions in stocks listed on the other African Stock Markets are translated at the transaction date to cedis. Realized gains and losses on sale of investment securities are determined on the identified cost basis.

v) Foreign currency

Assets and Liabilities denominated in foreign currency are translated into cedis at rates of exchange ruling at the date of the Statement of Assets and Liabilities.

vi) Bonus shares

Bonus shares are recognized when the right to holding is established.

**2. NET DIVIDEND INCOME**

This shows total net dividend income for the year ended December 31, 2013

Stock Market	2013 GH¢	2012 GH¢
Ghana	<u>44,996</u>	<u>57,748</u>
3. Interest Income		
Interest Income is as follows:		
Interest on Bonds	65,394	36,610
Interest on Call Deposit	6,703	1,662
Interest on Commercial Paper	30,587	15,477
Interest on Certificates of Deposit	426,851	217,733
Interest on Treasury Bills	<u>27,779</u>	<u>16,415</u>
	<u>557,314</u>	<u>287,897</u>
4. Operating Expenses:		
Stationery/Printing	7,684	16,061
Postage	-	1,410
Financial & Prof. Consultancy	1,494	III
Statutory Fees	175	500
Audit Fees	5,000	4,000
VAT on Audit Fees	1,389	-
Custody Fees	12,276	7,211
Bank Charges	3,550	2,755
Registrar Fees	4,770	2,379
Retail Services Fees	4,770	2,379
Marketing & Promotion	24,002	12,954
Storage & Warehousing	527	593
Software Development Cost	581	-
Directors' Emoluments	<u>15,580</u>	<u>19,650</u>
	<u>81,798</u>	<u>70,003</u>

5. UNREALIZED GAINS/LOSSES ON INVESTMENTS	2013 GH¢	2012 GH¢
Description		
Market Value of Investment	1,435,241	1,020,721
Cost of investments	(593,997)	(771,621)
Unrealised gain/loss on Investments	841,244	249,100
Add unrealised Forex Gain	<u>67</u>	<u>445</u>
	841,311	249,545
Less: Gain from previous year	<u>(249,545)</u>	<u>-</u>
	<u>591,766</u>	<u>249,545</u>

6. CAPITAL TRANSACTIONS		
Description	2013 Number of Shares	2012 Number of Shares
Issues during the year	3,930,957	5,153,818
Redemptions	<u>(3,385,216)</u>	<u>(8,915,905)</u>
Net Shares Issued/(Redeemed) During the Year	<u>545,741</u>	<u>(3,762,087)</u>

7. TAXATION

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

8. PURCHASES AND SALES OF LONG TERM SECURITIES

Total purchases of long term securities for the year ended December 31, 2013 were as follows:

Stock Market	2013 Purchases GH¢	2012 Purchases GH¢	2013 Sales GH¢	2012 Sales GH¢
Ghana	<u><u>-</u></u>	<u><u>41,575</u></u>	<u><u>177,632</u></u>	<u><u>104,060</u></u>

9. TRANSACTIONS THROUGH STOCKBROKERS

The fund's transactions were through the following Stock Brokers

Stock Broker	Country of Operation	% of Transaction
Databank Brokerage Limited	Ghana	100%

10. DIRECTORS' SHAREHOLDING

The Directors below held the following number of shares in the company as at December 31, 2013.

Description	Shares	% of Funds
Adelaide Kastner (Dr)	99,999	0.64
Daniel Ogbarmey Tetteh (Rev)	23,445	0.15
Joyce Aryee (Dr)	47,973	0.31
Keli Gadzekpo	30,000	0.19
William Oppong Bio	65,978	0.42

II. DESCRIPTION OF COMPANY

Databank Ark Fund Limited is an open-ended long term equity mutual fund which seeks to achieve capital growth and income by integrating social, ethical and environmental considerations in the investment process. The Fund does not purchase shares in companies involved in the production of tobacco, arms and alcoholic beverages as well as companies whose activities are considered harmful to the environment.

CUSTODIAN'S REPORT



Corporate and
Investment Banking

Databank Ark Fund
Databank Ghana
No. 61 Barnes Road
Adabraka
Accra

8th May 2014

Attention: Fund Manager

Dear Sir/Madam

REPORT OF THE CUSTODIAN TO THE INVESTORS OF DATABANK ARK FUND

We as Custodians of the Databank Ark Fund write to confirm to investors the statement of holdings of the fund as at close of business 31st December 2013.

In our independent opinion on the statement of holdings based on our audit, the statement reflects a true and fair view of state of affairs of the Fund as at 31st December 2013.

Please see attached statement of holdings of securities as at 31st December 2013.

Yours Faithfully,

.....
Eunice Amoo-Mensah
Relationship Manager

.....
William Sowah
Head, Investor Services

Stanbic Bank Ghana Limited, Stanbic Heights, 215 South Liberation Link, Airport, Accra, Ghana
P.O. Box CT 2344 Cantonments, Accra, Ghana www.stanbicbank.com.gh
SWIFT: SBICGHAC Telex: 2755 STNBICGH
Tel: Switchboard: +233 (0) 302 687670-8 Fax: +233 (0) 302 687669
email: stanbicghana@stanbic.com.gh

Stanbic Bank Ghana Limited
A member of the Standard Bank Group of South Africa
Directors: K. A. Awotwi (Chairman), A. Andani (Managing), Dr. J. R. Aryee, Ms. M. Botsio Benyah,
Prof. E. Aryeetey, K.A Wingfield, K.K Asomaning, K.S.A Mills, Dominic Bruynseels, C. Egan, A. Mohinani



VALUATION REPORT FOR DATABANK ARK FUND DECEMBER 2013

EQUITIES					
INSTRUMENT NAME	NO. OF SHARES	UNIT PRICE	COST	MARKET VALUE	
EBG	40,000	561	224,400,000	224,400,000	
EGL	152,300	188	286,324,000	286,324,000	
FML	21,400	662	141,668,000	141,668,000	
GCB	20,700	485	100,395,000	100,395,000	
SOGEGH	161,000	0.75	120,750,000	120,750,000	
GOIL	109,200	0.89	32,732,000	97,188,000	
SCB	11,400	14.94	170,316,000	170,316,000	
TOTAL	40,000	5.06	202,400,000	202,400,000	
PBC	540,000	0.17	91,800,000	91,800,000	
TOTAL			1,370,785.00	1,435,241.00	

INVESTMENT TYPE	VALUE DATE	MATURITY DATE	TERMURE (DAYS)	DAYS HELD	LAST INTEREST PAY DATE	NEXT INTEREST PAY DATE	RATE	COST	MARKET VALUE	MATURITY VALUE
FIXED DEPOSIT										
FIDELITY BANK - ACCRA RIDGE CHURCH	19-Aug-11	18-Aug-18	2,556	865	16-Aug-13	14-Feb-14	1450	250,000,000	263,643,54	268,075,34
IVORY FINANCE COMPANY LIMITED	29-Mar-13	29-Mar-14	365	277	N/A	29-Mar-14	2700	101,175,00	121,906,17	128,492,25
BEIGE FINANCIAL SERVICES	05-Jun-13	05-Jun-14	365	209	N/A	05-Jun-14	2900	100,000,000	116,605,48	129,000,000
UNISECURIITIES LTD	26-Jun-13	26-Jun-14	365	188	N/A	26-Jun-14	2700	50,000,000	59,953,42	63,500,000
UT BANK LTD	16-Jul-13	14-Jan-14	182	168	N/A	14-Jan-14	2600	100,000,000	111,967,12	112,964,38
IFS FINANCIAL SERVICES LIMITED	22-Jul-13	20-Jan-14	182	162	N/A	20-Jan-14	2650	70,000,000	78,233,15	79,249,59
FIRST ALLIED SAVINGS AND LOANS	09-Aug-13	07-Feb-14	182	144	N/A	07-Feb-14	2750	100,000,000	110,849,32	113,712,33
CITY INVESTMENT COMPANY LIMITED	22-Aug-13	20-Feb-14	182	131	N/A	20-Feb-14	2650	80,000,000	87,608,77	90,570,96
FIRST ALLIED SAVINGS AND LOANS	30-Aug-13	28-Feb-14	182	123	N/A	28-Feb-14	2650	100,000,000	108,930,14	113,213,70
ROYAL BANK LTD	30-Aug-13	28-Feb-14	182	123	N/A	28-Feb-14	2550	100,000,000	108,593,15	112,715,07
ACCENT FINANCIAL SERVICES	11-Sep-13	12-Mar-14	182	111	N/A	12-Mar-14	2850	100,000,000	108,667,12	114,210,96
FIRST ALLIED SAVINGS AND LOANS	14-Sep-13	15-Mar-14	108	182	N/A	15-Mar-14	2750	50,000,000	54,068,49	56,856,16
UNIBANK GHANA LIMITED	26-Sep-13	27-Mar-14	182	96	N/A	27-Mar-14	2400	106,606,85	113,336,22	119,364,62
CITY INVESTMENT COMPANY LIMITED	07-Oct-13	07-Oct-14	365	85	N/A	07-Oct-14	2700	100,000,000	106,287,67	127,000,000

UNIBANK GHANA LIMITED	14-Apr-14	14-Oct-13	182	78	N/A	14-Apr-14	2350	200000000	21004384	223,43562
MEGA CAPITAL	25-Oct-13	25-Apr-14	182	67	N/A	25-Apr-14	2550	128180000	13417988	144,47817
UNIBANK GHANA LIMITED	05-Dec-13	05-Dec-14	365	26	N/A	05-Dec-14	2100	112,465,75	1141,4811	136,08356
IVORY FINANCE COMPANY LIMITED	05-Dec-13	05-Dec-14	365	26	N/A	05-Dec-14	2500	12168146	123,848,39	152,10183
UNION SAVINGS & LOANS LTD	18-Dec-13	18-Dec-14	365	13	N/A	18-Dec-14	2700	200000000	201,923,29	254,000000
CITY INVESTMENT COMPANY LIMITED	20-Dec-13	20-Jun-14	182	11	N/A	20-Jun-14	2500	100000000	100,753,42	112,465,75
TOTAL								2,270,109,06	2,432,546,69	2,651,490,29
INVESTMENT TYPE	VALUE DATE	MATURITY DATE	TENOR	DAYS TO MATURITY	LAST INTEREST PAY DATE	NEXT INTEREST PAY DATE	DIS COUNT RATE	COST	MARKET VALUE	FACE VALUE
TREASURY BILLS										
182-DAY BOG TBILL	21-Oct-13	21-Apr-14	182	111	N/A	21-Apr-14	18,2453	65,64162	68,212,20	72,231,00
TOTAL								65,641,62	68,212,20	72,231,00
TOTAL FIXED INCOME INVESTMENTS								3,706,535,68	3,935,999,89	4,158,962,29

CORPORATE INFORMATION

BOARD OF DIRECTORS	BANKERS
Joyce Aryee (Dr.)	UBA (Gh) Ltd
Adelaide Kastner (Dr.)	Heritage Towers
Keli Gadzekpo	PMB 29
William Oppong Bio	Ministries, Accra
Daniel Ogbarmey Tetteh (Rev)	
REGISTERED OFFICE	Zenith Bank (Gh) Ltd
61 Barnes Road, Adabraka	Liberia Road
Private Mail Bag	Accra
Accra	
CUSTODIAN	Stanbic Bank (Gh) Ltd
Stanbic Bank (Gh) Ltd	Head Office Branch
Head Office Branch	Cantoments
P.O. Box CT 2344	Accra
Cantoments	
Accra	
AUDITORS	INVESTMENT MANAGER
John Kay & Co	Databank Asset Management Services Ltd
7th Floor, Trust Towers	61 Barnes Road, Adabraka
Farrar Avenue, Adabraka	Private Mail Bag Ministries Post Office
P.O. Box 16088	Accra
Airport, Accra	

DIRECTORS AND OFFICERS INFORMATION

The business and affairs of the Fund are managed under the direction of the Fund's Board of Directors and the Fund's officers. The table below lists the directors and officers of the Fund and their principal occupations, other directorships held by directors and their affiliation, if any, with Databank Asset Management Services Limited.



1



2



3



4



5



6

1. Daniel Ogbarmey Tetteh
2. Dr. Joyce Aryee
3. Mr. Keli Gadzekpo
4. Dr. Mrs. Adelaide Kastner
5. William Oppong Bio
6. Deila Assimeh

The Interested Director of the Fund is:

1

NAME	Daniel Ogbarmey Tetteh
POSITION	Board Member
OTHER AFFILIATIONS	Board Member: » Databank Asset Management Services Ltd. » XDS Data Ghana Ltd » UGBS Endowment Fund Board of Trustees
ADDRESS	P.O. Box AN 11749 Accra-North
OCCUPATION	Investment Banker

The independent Directors of the Fund are:

2

NAME	Dr. Joyce Aryee
POSITION	Board Chairman
	Board Member: » Stanbic Bank Ghana » Central University College » GLICO General » MAN Ghana Ltd » Newmont Gold (Gh) Ltd » Kinross Ltd » The Roman Ridge School » MBG Ltd
ADDRESS	Salt and Light Ministries, P.O. Box AN 15007, Accra North
OCCUPATION	Management and Environmental Consultant

DIRECTORS AND OFFICERS INFORMATION (contd)

		3
NAME	Mr. Keli Gadzekpo ⁴	
POSITION	Board Member	
	Group Chief Executive Officer : Enterprise Group Ltd. Board Chairman: <ul style="list-style-type: none"> » Databank Epack Investment Fund Ltd. » Databank Money Market Fund Ltd » Databank Balanced Fund Ltd. Non – Executive Director: <ul style="list-style-type: none"> » Databank Asset Management Services Ltd. » Databank Financial Services Ltd. » Databank Brokerage Ltd. » The Roman Ridge School » Nature Conservation Research Centre <small>Keli exited Databank as Chief Executive Officer and joined Enterprise Group Limited as CEO In June 2014</small>	
ADDRESS	P.O. Box M.298 Accra	
OCCUPATION	Investment Banker	
		4
NAME	Dr. Mrs. Adelaide Kastner	
POSITION	Board Member	
	Chairman: <ul style="list-style-type: none"> » Ghana Immigration Service Board (Ag. Chairman) » Advisory Council, World Vision Ghana » Council of Ghana Christian University College 	Board Member: <ul style="list-style-type: none"> » Tariff Advisory Board, Ministry of Trade and Industry
ADDRESS	P.O. Box MB 115 Ministries	
OCCUPATION	Senior Lecturer	
		5
NAME	William Oppong Bio	
POSITION	Board Member	
	Director: <ul style="list-style-type: none"> » Supercare Group Ltd » SCL Technologies Ltd » Fruittiland Ltd » Fruittiland Beverages Ltd » Isopanel Ltd » Tradex Global Ltd 	<ul style="list-style-type: none"> » Supermart Interiors Services Ltd » Amantin Agro Processing Company Ltd » Amantin Starch Company Ltd » Central Sugar Company Ltd » Spam Agro Processing Company Ltd
ADDRESS	No. 20 Neoplan Street Avenor, Near ECG Accra-West	
OCCUPATION	Business Executive	
COMPANY SECRETARY		
NAME	Deila Assimeh	
POSITION	Board Secretary/Legal & Compliance	
LENGTH OF TIME SERVED WITH FUND	4 years, 5 months	
	Deila is the Databank Group's Legal and Compliance Manager. She is also the Board Secretary of the Four (4) Mutual Funds' Boards. Deila's role includes being responsible for the regulatory aspect of compliance within the Group. She also works as a lawyer for the Group. Deila was called to the Ghana Bar in 1998 and practiced law for 7 years in two chambers. She also worked as Company Secretary for Ghana Dock Labour Company for 3 years before joining Databank in 2006. She acted as Board Secretary for the Funds from when she joined Databank and was appointed formally for that role in 2011.	



OFFICERS INFORMATION

Name	Rev. Daniel Ogbarmey Tetteh
Position	Executive Director
Length of Time Served with Fund	4 years 5 months
Occupations During the Past 4 Years	Daniel is currently the Executive Director for Databank Asset Management Services Ltd. Prior to this role, he served as the head of Databank Research from 2000 to 2008. Under his leadership, Databank Research was awarded the Best Africa Research Team at the Africa Investor Ai Index award held at the London Stock Exchange in 2007. His previous experience includes lecturing at the University of Ghana Business School.
Name	Frank Socrates Dzakuma
Position	Financial Controller
Length of Time Served with Fund	1 Year 6 Months
Occupations During the Past 4 Years	Socrates is responsible for administering the finances of the fund. He is a member of the Association of Chartered Certified Accountants and also responsible for the finances of Databank Bank Group of Companies. His previous experiences include working with Ghana audit service, Ayew Agyemang Turkson & Co, Ghana Commercial Bank, SOGEGH Bank
Name	Nii Anyetei Ampa-Sowa
Position	Chief Investment Officer
Length of Time Served with Fund	1 year, 6 months
Occupations During the Past 4 Years	Nii is Databank Group's Chief Investment Officer. He manages Databank's flagship pan-African mutual fund – the Databank Epack Investment Fund. Prior to assuming this role, he performed various critical tasks within the research department of the Databank Group, and eventually headed the department for almost four (4) years. Nii has also had brief working stints with the Economics Department of the University of Ghana and as an equity analyst in UBA Capital (Europe) – the investment banking arm of United Bank for Africa, one of the largest Nigerian banks – based in London, UK. He has a degree in Economics (magna cum laude) from the University of Ghana, and an MSc Investments degree from the University of Birmingham in the UK.

Name	Evelyn Oforu Darko
Position	Chief Operations Officer
Length of Time Served with Fund	4 years 5 months
Occupations During the Past 4 Years	Evelyn is Chief operations Officer for Databank Asset Management Services Limited of the company. Working with the company for over twelve (12) years in various capacities, Evelyn has built for herself a solid background in the Asset Management business. She has over ten (10) years experience in Fund Management, managing funds for high net-worth clients, provident and pension funds of blue chip companies, endowment and insurance funds as well as mutual funds. She co-managed Databank's flagship fund (Databank Epack Investment Fund Limited) for four years. She also has hands-on experience in Fund Administration and general operations of the Asset Management business. Prior to joining the Databank group, Evelyn worked at Unilever Ghana Limited and Darko Farms. She holds an MSc. in International Marketing Management, University of Surrey, UK and a bachelor's degree from the University of Ghana Business School.
Name	Edna Ahunu
Position	Fund manager
Length of Time Served with Fund	4 years 5 months
Occupations During the Past 4 Years	Edna is the fund manager responsible for the management of Databank Ark Fund and Databank Balanced Fund. She also serves on the equity and fixed income strategy teams of Damsel. Prior to her role as fund manager, she was responsible for DAMSEL's trading activities. Edna graduated from the University of Ghana Business School with a First Class honors in Business Administration (Banking and Finance option).
Name	Sampson Akligoh
Position	Fund manager
Length of Time Served with Fund	7 months

DIRECTORS AND OFFICERS INFORMATION

Occupations During the Past 4 Years	Sampson has responsibility for managing the Databank Money Market Fund. Sampson joined Databank in 2007, and served as an economist and fixed income strategist within the Research unit for 5 years. In 2012, he assumed responsibility as Head of Research where he was responsible for the Group's capital market and economic research. While at Research, Sampson also had ancillary responsibilities within the Pensions and Asset Management units of the firm. Sampson's other work experiences include a stint at SIC Financial Services and Altira ADC Management GmbH in Frankfurt.
Name	Matilda Eshun
Position	Fund Administrator
Length of Time Served with Fund	4 years 5 months
Occupations During the Past 4 Years	Matilda heads the Back Office operations of Databank Asset Management Limited. She is responsible for the Administration of the Databank mutual funds. She is a product of the Methodist University College, Ghana and holds a BSc Administration. Prior to joining Databank Asset Management Limited, she worked with Databank Financial Services Limited.
Name	Emmanuel Quarm
Position	Accounts Manager
Length of Time Served with Fund	4 years 5 months
Occupations During the Past 4 Years	Emmanuel is responsible for the accounting functions of the Fund. He is a member of the Association of Chartered Certified Accountants, (ACCA). He holds a Bachelor of Commerce Degree from the University of Cape Coast.
Name	Nelson Worlanyo Afianu
Position	Accounts Officer
Length of Time Served with Fund	4 years 5 months
Occupations During the Past 4 Years	Nelson assists in accounting functions of the Fund. He has been with the Fund for the past six years and holds a BSc Administration (Accounting) from University of Ghana, Legon

PROXY FORM

Databank Ark Fund Limited

I/We
of
being a member/members of Databank Ark Fund Limited 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 International Conference Centre, Accra, Ghana on August 14, 2014 at 3:00pm 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. Report of Directors and Auditors		
2. Receive and adopt the Accounts		
3. Re-election of the following Directors who are retiring by rotation: <ul style="list-style-type: none"> • Joyce Aryee • William Opong-Bio • Daniel Ogbarmey Tetteh 		
4. Authorize the Directors to fix remuneration of Auditors		
5. Special resolution to amend the Regulations of the Company. (Reg 49)		
6. To approve Directors' fees		

Signed this day of2014

Signature.....

Databank Value Added Services

∨ Databank Premium Service

The Databank Premium service is one that affords the investor the opportunity to enjoy a higher standard of service at Databank. There are two categories, namely:

Databank Premium Platinum (minimum of GH¢500.00 monthly deposit or minimum lump sum of GH¢5,000.00 needed to qualify)

Databank Premium Platinum plus (minimum of GH¢1,000.00 monthly deposit or minimum lump sum of GH¢10,000.00 needed to qualify)

Both categories offer a host of benefits and other add-on services to customers who will sign up. Some of the benefits include:

- ⊙ Free monthly e-statements
- ⊙ Dedicated Relationship Manager
- ⊙ 50% off DNA subscription fee for Platinum clients
- ⊙ Free Databank Notification Alert (DNA) for Platinum Plus clients
- ⊙ Other free and enhanced services.

The convenience fee for Premium Platinum and Premium Platinum plus clients are GH¢60.00 and GH¢120.00 respectively.



Please
call for
information

ACCRA OFFICE
No. 61 Barnes Road
PMB, Ministries Post Office
Accra, Ghana
Tel.: +233-30 2610610
Fax: +233-30 2681443/2681442

KUMASI OFFICE
Ground Floor
House of Excellence Annex - Adam
PMB, Central Post Office - Adam, Kumasi
Tel.: +233-32 2080077/ 2080078
Fax: +233-32 2029740 / 2080074

TEMA OFFICE
Meridian Plaza Room 201 & 202
2nd Floor Community 1 Tema
Tel.: +233-30-3210050/3213240
Fax: +233-30-3203438

TAKORADI OFFICE
SSMIT House
1st Floor, Room 208
Tel.: +233-31 2023628



Databank Educational Investment Fund

It's every parent's dream to provide the best education for their children. The Databank Educational Investment Fund can help you take that first step to making that dream a reality.

Visit or call a Databank office near you to get started!

Accra Tel: 0302 610610 | Tema Tel: 0303 213240
Kumasi Tel: 0322 080077 | Takoradi Tel: 0312 023628

Website: www.databankgroup.com
Facebook: Databank Group | Twitter: Databankgroupgh

**Make Your Investment Decision Today!
Call us or visit one of our branches.**



Databank

Leadership

Accra office

No. 61 Barnes road
PMB, Ministries post office
Accra, ghana
Tel.: +233-30 2610610
Fax : +233-30 2681443/2681442
E-mail: arkfund@databankgroup.com
Website://www.databankgroup.com

Kumasi office

Ground Floor
House Of Excellence Annex - Adum
PMB, Central Post Office - Adum, Kumasi
Tel.: +233-32 2080077/2080078
Fax: +233-32 2029740/2080074

Tema Office

Meridian plaza room 201 & 202
2nd floor Community 1 Tema
Tel.: +233-303210050/3213240
Fax: +233-303203438

Takoradi office

Ssnit House
1st Floor, Room 208
Tel.: +233-31 2023628

Gambia office

2nd Floor Trust Bank Building
Fiestfield Junction
P.o. Box 3189, Serrekunda
The Gambia
Tel.: (220) 4378014
Fax: (220) 4378016

Email: arkfund@databankgroup.com
Website: <http://www.databankgroup.com>