



STANLIB Cash Trust

Annual Report 2016



STANLIB





**Where
others see
challenge,
we see
opportunity.**



STANLIB

The Manager

Name:	STANLIB Ghana Limited
Country of Incorporation:	Ghana
Registration Number:	CS68127015
Nature of Corporate Form:	Limited liability, wholly-owned Subsidiary of Liberty Holdings Ltd (South Africa)
Registered Office:	Stanbic Heights, Plot 215 South Liberation Link, Airport City, Accra
Principal Place of Business:	Stanbic Heights, Plot 215 South Liberation Link, Airport City, Accra
Date of Incorporation:	12 APRIL 2007
Capitalisation (as at 31 December 2015)	
Authorised:	500,000,000 Shares
Issued:	2,167,843 Shares
Auditor:	KPMG (Chartered Accountant) 13 Yiyiwa Drive P. O. Box GP 242 Abelenkpe, Accra

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STANLIB Cash Trust Trustees and Officials, Etc.

TRUSTEES:

Universal Merchant Bank (Ghana) Ltd
57 Examination Loop
North Ridge, P. O. Box 401
Accra –Ghana

LEGAL ADVISORS:

Doreen Iliasu
Stanbic Bank Ghana Limited
Stanbic Heights
Plot 215 South Liberation Link
Airport City, Accra

INDEPENDENT AUDITORS:

KWGH
(Chartered Accountants)
2nd Floor, The Glorious Majesty House
Okpoi Gonno, Spintex –Road
P. O. Box SK1016
Tema –Ghana

MANAGER:

STANLIB Ghana Ltd
Stanbic Heights
Plot 215 South Liberation Link
Airport City, Accra

BANKERS:

Stanbic Bank Ghana Limited
Stanbic Heights
Plot 215 South Liberation Link
Airport City, Accra

Report of the Manager to the Unitholders of STANLIB Cash Trust

The Manager and the Trustees present the audited financial statements and report on the performance of the STANLIB CASH TRUST for the year ended 31 December 2016.

Nature of Fund

The STANLIB CASH TRUST is an authorised unit trust as defined in the Unit Trusts and Mutual Funds Regulations, 2001 (L.I. 1695). The Fund offers and redeems units to subscribers and from unit holders respectively on an ongoing basis. Units are sold and redeemed at a price computed in accordance with the terms of the scheme particulars.

Investment Policy and Objectives

The STANLIB Cash Trust is an open-ended unit trust fund. The primary objective of the Fund is to maximise short term income while preserving capital through investing in a portfolio of money market securities including treasury bills, fixed deposits and certificate of deposits and debt securities with maturity not exceeding 13 months.

The Manager's Responsibility for the Financial Statements

The Manager is responsible for the preparation and fair presentation of the financial statements, comprising the statement of assets and liabilities at 31 December 2016, income and distribution accounts and statement of movement in net assets for the year then ended, and notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes in accordance with the International Financial Reporting Standards (IFRSs) and in the manner required by the Securities Industry Law, 1993 (PNDCL 333) as amended, the Unit Trust and Mutual Funds Regulations, 2001 (L.I. 1695) and the Companies Act, 1963 (Act 179).

This responsibility includes; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, making accounting estimates that are reasonable in the circumstances.

The Manager is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Trust, and ensure that the financial statements comply with the Trust Deed and Securities Industry law, 1993 (PNDCL 333). The Manager is responsible for safeguarding the assets of the Trust and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Manager and the Trustees have made an assessment of the Fund's ability to continue as a going concern and have no reason to believe the Fund will not operate into the foreseeable future. The results for the year are as set out in the financial statements. The Manager and the Trustees consider the state of affairs of the Fund to be satisfactory.

The statement should be read in conjunction with the statement of the Auditor's responsibilities as set out on page 13, the respective responsibilities of the Manager and the Auditor in relation to the financial statements.

Report of the Manager to the Unitholders of STANLIB Cash Trust (Cont'd)

PERFORMANCE SUMMARY AS AT 31 DECEMBER, 2016

Historical Performance

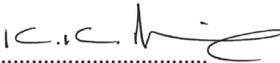
Year/Period	2012	2013	2014	2015	2016	CAGR	Since Inception
Return	0.7%	22.7%	22.8%	25.9%	24.6%	24.0%	138.0%
Benchmark	0.7%	18.6%	21.9%	25.1%	22.20%	22.2%	122.6%

Share Price Information

Description	31-Dec-13	31-Dec-14	31-Dec-15	31-Dec-16
Share price (GHS)	1.23	1.52	1.92	2.38
No. of Shares	3,212,287	3,466,767	5,536,635	11,829,161
Value (GHS)	3,950,306	5,263,243	10,603,062	28,182,437

Description	2013	2014	2015	2016
Net Assets	3,950,306	5,263,243	10,603,062	28,182,437
Interest	3,212,287	3,466,767	5,536,635	11,829,161
Net Asset/ Interest	1.23	1.52	1.92	2.38

Signed on behalf of STANLIB Ghana Ltd by:


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Director

28 - 04 , 2017
.....


.....
Director

28 - 04 , 2017
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Report of the Fund Manager to the Unitholders of STANLIB Cash Trust

Introduction

You are very welcome to the 2016 Annual General Meeting of the STANLIB Cash Trust (SCT). General economic outcomes for 2016 improved compared to 2015. The STANLIB Cash Trust returned 25%, 300 basis points above the benchmark of 22%.

Economic outturn

2016 provided better economic outcomes than 2015. Economic and consumer sentiments improved as better fiscal stability and the marginally improving energy dynamic boosted consumer and investor sentiments. IMF supported reforms can be partly credited with the uptick in fortunes. The emphasis on fiscal discipline created a virtuous cycle of relative budgetary stability, a lower rate of cedi depreciation as well as declining inflation and interest rates.

The cedi may have shaved off another 9.6% of its value in the year 2016 but half of this drop only occurred in the month of December, triggered by a mix of election related speculation and Trumpian inspired dollar strengthening. This currency decline was still less than the 15.7% drop recorded in 2015. Inflationary pressures accordingly also eased down with the consumer price index (CPI) closing the year at 15.4%, down from 17.7% in 2015.

It was not all (relatively) good news. Shortfalls in oil production due to technical glitches on Tullow Oil's offshore production facility offset the inflows from the commencement of production from the Atuabo plant. Global cocoa prices also declined, contributing overall to a drop in GDP growth from 4.8% in Q1 2016 to 2.5% in Q2 2016. The stock market also continued its downward trajectory, dragged down by the poor quality of banking assets and reflecting the broader malaise still afflicting the economy. It lost another 15.3% in 2016 adding to the 11.8% decline in 2015.

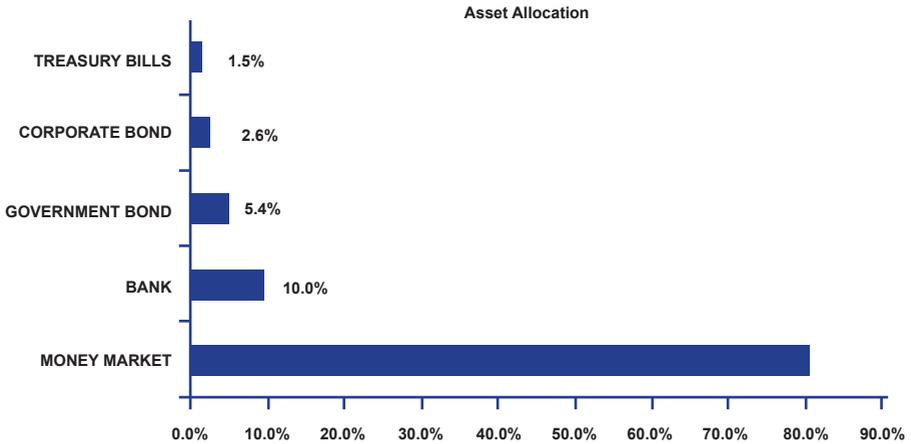
On balance, though, a corner may have been turned. The Central Bank seemed to signal this when it reduced its monetary policy rate in November 2016 by 50 basis points, the first rate cut in 5 years. Short-term rates also fell to the 22-24% band on the average, a sign of increasing investor confidence and a more benign macroeconomic environment.

Investments and Performance

Portfolio Asset Mix

Asset under management (AUM) as at the end of 2016 grew to GHS 24.4m from GHS 10.7m in 2015. This represents a year on year growth in assets of 166% with earnings contributing 25% to the growth. The earnings for 2016 more than doubled to GHS4.3m from GHS 1.7m in 2015. The fund had approximately 80% of assets in money market instruments with 7% in Government securities. Corporate notes with maturities of less than 13 months made up 3% of Fund assets, 10% of the Fund was held in cash and near-cash for liquidity purposes.

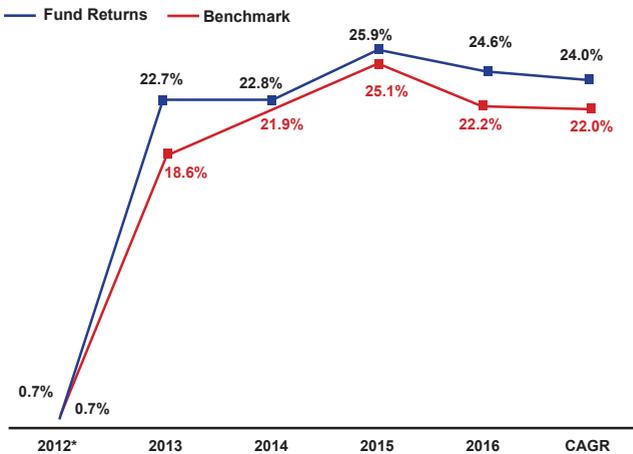
Report of the Fund Manager to the Unitholders of Stanlib Cash Trust (Cont'd)



Returns

Full year 2016 return was 25%, 3 percentage points above the benchmark return of 22%. The tactical investments in 6-month and 1-year paper while interest rates decreased accounted for the outperformance of the benchmark. Net investment income distributed in the year also grew by 240% to GHS4.19m in 2016 from GHS1.7m. The decline in interest rates on the short end of the market impacted 2016 fund returns of 25% compared to 26% of 2015.

Performance over a 4 year period



*Fund started on 20th December 2012

Report of the Fund Manager to the Unitholders of STANLIB Cash Trust (Cont'd)

Outlook

The peaceful election and power transfer should send positive signals to investors. It is expected that the new administration (NPP) will continue with the IMF reform programme that ends in 2018. Economic prospects are favourable for 2017/18 with GDP growth projected at 7.0% and 6.5% in 2017 and 2018 respectively. This will be driven by, amongst others, the onset of new oil and gas production. The first oil from the Tweneboa, Enyenra and Ntomme (TEN) project came on-stream in August 2016 with the main impact being felt in 2017 as production reaches full capacity. Gas production from the Sankofa fields will also commence in 2018. Furthermore, production from Ghana's first oilfield, Jubilee, is expected to recover after a series of technical problems in 2016. Revenues from cocoa and gold production will however be subdued by declining global prices. The balance of risks will however be on the downside and though there may be early upward pressure on utility prices the CPI is expected to decline and flatline in the early double digits during the year. Consequently, treasury yields and broader interest rates should remain a few basis points above inflation should the cedi's recent volatility subside.

Going forward, our strategy in the year ahead will be to keenly monitor the yield curve to achieve competitive returns.

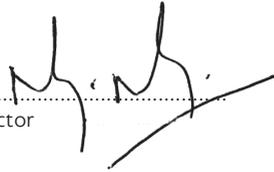
Thank you
Brenda Kissi
Fund Manager

Report of the Trustees to the Unitholders of STANLIB Cash Trust

In our opinion, according to the information made available to us and the explanations provided, we confirm that in all material respects the Manager has managed the scheme during the period covered by these financial statements in accordance with the Trust Deed dated 16 November, 2011 and all regulations for the time being in force under the Unit Trust and Mutual Funds Regulations, 2001, (L.I. 1695).

Signed on behalf of **Universal Merchant Bank (Ghana) Ltd** by:

.....
Director



.....28 - 04 , 2017.....
Date

Report of the Independent Auditors to the Unitholders of STANLIB Cash Trust

Opinion

We have audited the financial statements of STANLIB CASH TRUST, which comprise the statement of assets and liabilities as of 31 December 2016, income and distribution account, portfolio statement and capital account for the year then ended, and notes to the financial statements which include a summary of significant accounting policies and other explanatory notes as set out on pages 23 to 35.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at 31 December 2016, and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards and in the manner required by the Unit Trust and Mutual Funds Regulations, 2001 (L.I. 1695) and the Companies Act, 1963 (Act 179).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 Trust in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Manager for the Financial Statements

The Manager is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards (IFRSs) and in the manner required by the Securities Industry Law, 1993 (PNDCL 333) as amended, the Unit Trust and Mutual Funds Regulations, 2001 (L.I. 1695) and the Companies Act, 1963 (Act 179), and for such internal control as management determines 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 Manager is responsible for assessing the Trust'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 trustees either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Manager and the Trustees' are responsible for overseeing the Trust'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 ISAs 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 ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Report of the Independent Auditors to the Unitholders of STANLIB Cash Trust (Cont'd)

- 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.
- 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 Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Manager.
- Conclude on the appropriateness of Manager's 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 Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- 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 Manager and the Trustees 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.

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:

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.

In our opinion, proper books of account have been kept by the Trust, so far as appears from our examination of those books; and the Trust's Statement of Assets and Liabilities and Income and Distribution Account are in agreement with the books of accounts.



Patrick K. Dzakpasu
Practising Certificate Licence No: ICAG/P/1176
For and on behalf of KWGH
Firm Licence Number: ICAG/F/2016/093
Chartered Accountants
Accra, Ghana.

28th April, 2017
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STANLIB Cash Trust Statement of Net Assets

as of 31 December 2016

Note	2016		2015		1 Jan. 2015	
	Value (GH¢)	Market % of Net Assets	Value (GH¢)	Market % of Net Assets	Value (GH¢)	Market % of Net Assets
Short Term Funds						
Cash at Bank Available for Sale Investments	29,752	0.11	38,808	0.37	8,720	0.17
	2,614,744	9.28	2,057,299	19.40	914,027	17.37
Loans and Receivables						
Investments	24,297,078	86.21	8,015,516	75.60	3,885,166	73.82
	26,941,574	95.60	10,111,623	95.37	4,807,913	91.36
	-----	-----	-----	-----	-----	-----
Total Investments	26,941,574	95.60	10,111,623	95.37	4,807,913	91.36
Other Assets in Excess of Liabilities						
	1,240,861	4.40	491,439	4.63	455,331	8.64
	-----	-----	-----	-----	-----	-----
Total Net Assets	28,182,435	100.00	10,603,062	100.00	5,263,243	100.00
	=====	=====	=====	=====	=====	=====

The notes on pages 22 to 34 are an integral part of these financial statements.

STANLIB Cash Trust Statement of Assets and Liabilities as of 31 December 2016

	2016 GH¢	2015 GH¢	1 JAN. 2015 GH¢
ASSETS			
Total Investments	26,941,574	10,111,623	4,807,913
<hr/>			
Interest Receivable:			
Fixed Deposits	1,429,139	462,754	435,830
Corporate Bonds	18,487	113,078	70,995
GOG Bonds	22,674	641	1,071
Treasury Bills & Notes	25,498	23,391	6,599
<hr/>			
Total Receivables	1,495,798	599,864	514,495
<hr/>			
Total Assets	28,437,372	10,711,487	5,322,408
<hr/>			
LIABILITIES			
Accrued Fund Management Fees	159,351	63,579	31,649
Accrued Trustee Fees	76,291	28,721	21,519
Accrued Audit Fees	9,000	7,500	5,500
Others	10,295	8,625	497
<hr/>			
Total Liabilities	254,937	108,425	59,165
<hr/>			
NET ASSETS	28,182,435	10,603,062	5,263,243
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The financial statements on pages 11 to 16 were approved by **STANLIB Ghana Ltd** and signed on its behalf by:



Director

28 - 04 , 2017

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Director

28 - 04 , 2017

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The notes on pages 22 to 34 are an integral part of these financial statements.

STANLIB Cash Trust Income and Distribution Account for the Year Ended 31 December 2016

		2016 GH¢	2015 GH¢
INCOME			
Interest Income	4	4,752,963	1,895,826
Other Income	7	15,777	6,042
		-----	-----
Total Income		4,768,740	1,901,868
		-----	-----
EXPENSES			
Fund Management Fees		477,542	179,507
Trustees Fees		76,407	28,721
Audit Fees		9,000	7,500
Other Expenses	8	17,094	18,606
		-----	-----
Total Expenses		580,043	234,334
		-----	-----
NET INVESTMENT INCOME		4,188,697	1,667,534
		=====	=====

ACCUMULATED NET INVESTMENT INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 GH¢	2015 GH¢
Beginning of period	3,227,046	1,559,512
Net Investment Income for the period	4,188,697	1,667,534
	-----	-----
End of period	7,415,743	3,227,046
	=====	=====

The notes on pages 22 to 34 are an integral part of these financial statements.

STANLIB Cash Trust Statement of Movement in Net Assets for the Year Ended 31 December 2016

	2016 GH¢	2015 GH¢
Operations:		
Net Investment Income	4,188,697	1,667,534
	-----	-----
Net increase in net assets resulting from operations	4,188,697	1,667,534
	-----	-----
Capital Transactions:		
Proceeds from units issued	32,106,300	9,369,415
Value of units redeemed	(18,715,624)	(5,697,130)
	-----	-----
Net proceeds from capital transactions	13,390,676	3,672,285
	-----	-----
Total Increase in Net Assets	17,579,373	5,339,819
	-----	-----
Net Assets:		
Balance as of 1 January	10,603,062	5,263,243
Total Increase in Net Assets	17,579,373	5,339,819
	-----	-----
Balance as of 31 December	28,182,435	10,603,062
	=====	=====

The notes on pages 22 to 34 are an integral part of these financial statements.

STANLIB Cash Trust Statement of Cash Flow for the Year Ended 31 December 2016

	Note	2016 GH¢	2015 GH¢
Cash flows from operating activities			
Net investment income		4,188,697	1,667,534
		-----	-----
		4,188,697	1,667,534
Change in:			
Interest receivable		(895,934)	(85,368)
Account payables		146,512	49,259
		-----	-----
Net Cash flow from operating activities		3,439,275	1,631,425
Cash flows from investing activities			
Purchase of Available for Sale Investments		(28,406,947)	(10,663,088)
Proceeds from Disposal of Investments		13,233,848	5,833,514
		-----	-----
Net cash flow from investing activities		(15,173,099)	(4,829,574)
Cash flows used in financing activities			
Proceeds from sale of units		32,106,300	9,369,415
Redemption of investments		(18,715,624)	(5,697,130)
		-----	-----
Net cash flow from financing activities		13,390,676	3,672,285
Net increase in cash and cash equivalents		1,656,852	474,136
Balance at 1 January		1,800,313	1,326,177
		-----	-----
Balance at 31 December		3,457,165	1,800,313
		=====	=====
CASH AND CASH EQUIVALENTS		3,457,165	1,800,313
		=====	=====

The notes on pages 22 to 34 are an integral part of these financial statements.

STANLIB Cash Trust Statement of Movement in Issued Units for the Year Ended 31 December 2016

	2016	2015
Number of Units in issue at 1 January	5,536,635	3,466,767
Number of Units issued during the year	15,006,343	5,463,424
	-----	-----
Number of Units redeemed during the year	20,542,978 (8,713,816)	8,930,191 (3,393,433)
	-----	-----
Number of Units in issue at 31 December	11,829,162	5,536,758
	=====	=====

STANLIB Cash Trust Capital Account for the Year Ended 31 December 2016

	2016 GH¢	2015 GH¢
Value of Units in issue at 1 January	7,376,016	3,703,731
Value of Units issued during the year	32,106,300	9,369,416
	-----	-----
Value of Units redeemed during the year	39,482,316 (18,715,624)	13,073,147 (5,697,130)
	-----	-----
Value of Units in issue at 31 December	20,766,692 =====	7,376,016 =====

The notes on pages 22 to 34 are an integral part of these financial statements.

STANLIB Cash Trust Notes forming part of the Financial Statements for the Year Ended 31 December 2016

1. TRUST INFORMATION

STANLIB CASH TRUST (SCT) is authorised to operate a Unit Trust under the Securities Industry Act, 1993, PNDCL 333, and duly licensed by the Securities and Exchange Commission (SEC) with Licence No. SEC.CIS/UT.12/13. The address and scheme particulars of SCT can be found on page 6 of the annual report.

2. BASIS OF PREPARATION

a. Statement of compliance

The financial statements of STANLIB CASH TRUST have been prepared in accordance with the International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB). The significant accounting policies set out below have been applied consistently to all periods presented in these financial statements by the Trust other than the changes as stated below.

b. New Standards, amendments and interpretations not yet adopted

A number of new standards, amendments, and interpretations are effective for annual periods beginning after 1 January 2015, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements except for IFRS 9 Financial Instruments, which becomes mandatory from 1 January 2018.

The Trust is yet to assess IFRS 9's full impact. Given the nature of the operations, this standard is not expected to have a pervasive impact on the Trust's financial statements.

c. Use of estimates and judgment

The preparation of financial statements in conformity with IFRSs requires the Manager to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. There are no areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently in these financial statements by the Trust.

(a) Financial Instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise investment in shares, treasury bills, bonds, and fixed deposits.

STANLIB Cash Trust Notes forming part of the Financial Statements for the Year Ended 31 December 2016

Non-derivative financial instruments are recognized initially at fair value plus, for instrument not at fair value through profit or loss, any directly attributable transaction cost. Subsequent to initial recognition, non-derivative financial instruments are measured at fair value or amortised cost using the effective interest rate method, less any impairment losses, if any depending on the categorisation.

Non-derivative financial instruments are categorised as follows:

- Financial asset/liabilities at fair value through profit or loss – these are non-derivative financial assets or liabilities which are held for trading and are quoted in an active market. These assets/liabilities are subsequently measured at fair value, and any gain or loss is recognised in the statement of comprehensive income.
- Loans and receivables – these are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These assets are measured at amortised cost using the effective interest rate method, less any impairment losses. The Trust's investments in fixed deposits are classified under this category.
- Available-for-sale financial assets - The Trust's investments in shares, treasury bills, and bonds are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and any gain or loss is recognised directly in statement of movement in net assets. When an investment is derecognised, the gain or loss is recognised in the income and distribution account.
- Held to maturity – these are non-derivative financial assets with fixed or determinable payments that are quoted in an active market. These assets are measured at amortised cost using the effective interest rate method, less any impairment losses.
- Financial liabilities measured at amortised cost - this relates to all other liabilities that are not designated at fair value through profit or loss.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts, if any, are shown within borrowings in current liabilities on the Statement of Assets and Liabilities.

(d) Income Recognition

Income comprises interest income, dividends income, and other income. Interest income is recognised using the effective interest method, while dividend income is recognised when cash is received or receivable. Effective interest method is a method of calculating the amortised cost of a financial asset or liability and of allocating the interest income or interest expense evenly over the relevant period.

(e) Investment Income

The Trust designates its investments in equity securities as financial assets at fair value through profit or loss at inception as they are managed and their performance is evaluated on a fair value basis in accordance with the Trust's documented investment strategy.

STANLIB Cash Trust Notes forming part of the Financial Statements for the Year Ended 31 December 2016

The Trust's policy requires the Manager and the Trustees to evaluate information about financial assets on fair value basis together with other related information.

Regular purchase and sale of investments are recognised at the trade date, the date on which the Trust commits to purchase or sell the investment. Financial assets at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the income statement.

Financial assets are de-recognised when rights to receive cash flows from the investments have expired or the Trust has transferred substantially all the risk and rewards of ownership. Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from the changes in fair value of financial assets at fair value through profit or loss category are presented in the income statement.

The fair values of financial assets that are traded in an active market are based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Trust is the current bid price.

The Trust classifies all debt instruments initially as loans and receivables. These assets are measured at amortised cost using the effective interest rate method.

(f) Distribution

STANLIB Cash Trust does not distribute earnings. All earnings are reinvested in the Fund, which impacts on the net asset value of the Fund. Investors seeking to withdraw earnings will have to sell part of their units to realize their earnings.

(g) Accounts Payable

Liabilities are recognised for amounts to be paid in the future for services rendered, whether billed by the supplier or not.

(h) Events after the Reporting Period

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

(i) Comparatives

Where necessary the comparative information has been restated to agree to the current year presentation.

STANLIB Cash Trust Notes forming part of the Financial Statements for the Year Ended 31 December 2016

4. DETERMINATION OF FAIR VALUES

A number of the Trust's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The following sets out the Trust's basis of determining fair values of financial instruments.

(i) Quoted Investments

The financial assets at fair value through profit or loss are determined by reference to their quoted bid price at the reporting date. Changes in market values are recognised in the Income and Distribution Account.

(ii) Cash and cash equivalents

The fair value of cash and cash equivalents approximates their carrying values.

(iii) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. Instruments with maturity period of 6 months are not discounted as their carrying values approximate their fair values.

5. RISK MANAGEMENT OBJECTIVES AND POLICIES

5.1 Financial Risk Management

The Trust generates revenues for unit holders by investing in a portfolio of money market securities including treasury bills, fixed deposits and certificate of deposits and debt securities with maturity not exceeding 13 months. These activities expose the Trust to a variety of financial risks, including credit, liquidity risk and the effects of changes in market interest rates. The Trust's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance.

The Investment Manager under direction of the STANLIB Ghana Board carries out risk management. The Board works within policies approved by the Trustee and registered with the Securities & Exchange Commission (SEC). The Manager reviews the market trends and information available to evaluate the potential exposures. They then arrive at strategies to mitigate these risks. The Board provides the Manager with guidelines for appropriate investments. These guidelines are reviewed on a regular basis and are within the Collective Investment Scheme regulations issued by the SEC.

STANLIB Cash Trust Notes forming part of the Financial Statements for the Year Ended 31 December 2016

Unit holder balances are redeemable on demand at an amount equal to a proportionate share of the unit portfolio's net asset value. The balances are carried at the redemption amount that is payable at the balance sheet date if the holder exercised their right to redeem the balances.

5.2 Liquidity Risk

The Trust is exposed to daily cash redemptions of Units. It therefore invests in portfolio of money market securities including treasury bills, fixed deposits and certificate of deposits and debt securities with maturity not exceeding 13 months.

In accordance with the Trust's policy, the Manager monitors the Trust's liquidity position on a daily basis and has developed a comprehensive history of the Trust's daily and/or periodic liquidity requirements. Guided by this history, the Manager maintains sufficient cash and near cash investments to meet the day-to-day redemption requirements.

The table below illustrates the Trust's investments in cash and cash equivalents at 31 December 2016:

	2016 GH¢	2015 GH¢
Cash and Cash Equivalent		
Cash and Bank	29,752	38,808
Short Term Investment (3 Months)	3,427,413	1,761,505
	-----	-----
	3,457,165	1,800,313
	=====	=====

The Trust's approach to managing liquidity is to ensure, that it will always have sufficient liquidity to meet its liabilities when due.

	2016 GH¢	2015 GH¢
Fees payable	254,937	108,425
	-----	-----
	254,937	108,425
	=====	=====

5.3 Market risk

Interest rate risk

The Trust is subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. No limits are placed on the ratio of variable rate financial instruments to fixed rate financial instruments. Fixed interest rate financial instruments expose the Trust to fair value interest rate risk. Variable interest rate financial instruments expose the Trust to cash flow interest rate risk. The Trust's fixed interest rate financial instruments are government securities, fixed deposits with financial institutions.

STANLIB Cash Trust Notes forming part of the Financial Statements for the Year Ended 31 December 2016

5.4 Credit risk

The Trust takes on exposure to credit risk, which is the risk that counterparty will be unable to pay amounts in full when due. Credit risk arises from cash equivalents and fixed deposits held in banks, interest bearing investments with Government of Ghana (GoG) and corporate bonds with various entities.

The Government of Ghana (GoG) has a long term rating of B- (Stable) by Standard and Poors (S&P). GoG has not defaulted on debt obligation in the past. The Trust also undertakes further financial analysis and measures to ensure that the institutions issuing the securities are of sound financial health.

Fixed deposit investments are restricted to banking and non-banking financial institutions that meet set financial strength conditions.

The Trust's maximum exposure to credit risk in each of the above categories of assets as at 31 December 2016 is illustrated below:

Asset	2016 GH¢	2015 GH¢
Total Investment	23,537,114	8,355,839
Cash and Cash Equivalent	3,457,165	1,800,313
Interest Receivable	1,443,093	555,335
	-----	-----
Total Financial Asset	28,437,372	10,711,487
	=====	=====

STANLIB Cash Trust Notes forming part of the Financial Statements for the Year Ended 31 December 2016

6. INTEREST INCOME

	2016 GH¢	2015 GH¢
Interest on Fixed Deposits	4,045,777	1,518,486
Interest on GOG Bonds	22,033	4,063
Interest Corporate Bonds	277,417	314,459
Treasury Bills & Notes	416,631	58,818
	-----	-----
	4,761,858	1,895,826
	=====	=====

7. OTHER INCOME

	2016 GH¢	2015 GH¢
Interest on Call Deposits	15,777	6,042
	=====	=====

8. OTHER EXPENSES

	2016 GH¢	2015 GH¢
Bank Charges	6,049	3,010
AGM Expenses	11,045	15,596
	-----	-----
	17,094	18,606
	=====	=====

9. AVAILABLE FOR SALE INVESTMENTS

	2016 GH¢	2015 GH¢
GOG Bonds	1,000,000	-
Corporate Bonds	1,214,750	1,590,000
Treasury Bills & Notes	399,994	467,299
	-----	-----
	2,614,744	2,057,299
	=====	=====

STANLIB Cash Trust Notes forming part of the Financial Statements for the Year Ended 31 December 2016

10. LOANS AND RECEIVABLES INVESTMENT

	2016 GH¢	2015 GH¢
Fixed Deposits	24,297,078	8,015,516
	-----	-----
	24,297,078	8,015,516
	=====	=====

11. CASH AND CASH EQUIVALENTS

	2016 GH¢	2015 GH¢
Cash and Bank	29,752	38,808
Cash Equivalent	3,427,413	1,761,505
	-----	-----
	3,457,165	1,800,313
	=====	=====

12. RELATED PARTIES

STANLIB CASH TRUST is managed by STANLIB Ghana Limited. STANLIB Ghana Limited and Stanbic Bank Limited are Sister Companies, that is, they belong to the same group.

(a) Purchases of units by related parties

The Securities and Exchange Commission (SEC) requires the Manager of the Trust to guarantee and hold the initial minimum subscription of 5% of the scheme. The related party investment in Units of the Trust amounted to GH¢ 1,070,423 (2015: GH¢ 66,182).

(b) Investments in related parties

The Trust invested GH¢ 2,827,467 in securities issued by related parties at the end of the year (2015: GH¢ 757,440).

(c) Service fees

Service fees to related parties were as follows:

	GH¢
Management fees	477,542
	=====
(c) Balances due to related parties	
Fees payable to STANLIB Ghana Limited	159,351
	=====

STANLIB Cash Trust Notes forming part of the Financial Statements for the Year Ended 31 December 2016

13. BID PRICE OF UNITS

The bid price of units on the accounting date ended 31 December 2016 was GH¢2.38 (2015: GH¢1.91).

14. NUMBER OF UNITHOLDERS

The number of unit-holders as of 31 December 2016 was 1,266 (2015: 697).

15. CONTINGENT LIABILITIES

There were no contingent liabilities as of the reporting date, and as of 31 December 2016.

16. TRANSITION TO IFRS

(a) STANLIB Cash Fund Trust has reported under Ghana GAAP in its previous financial statements for the year ended 31 December 2015. The analysis below shows a reconciliation of total income statement and equity as reported under Ghana GAAP as at 31 December 2015 to the revised total Comprehensive income and equity under IFRS in these financial Statements. In addition there is reconciliation of equity under Ghana GAAP to IFRS at the transition date 1 January 2015.

The Income statement for the reporting period ended 31 December 2015 can be reconciled to amounts reported under previous Ghana GAAP as follows:

		Ghana GAAP GH¢	Effects of transition to IFRS GH¢	IFRS 2015 GH¢
INCOME				
Interest Income	4	1,895,826	-	1,895,826
Other Income	5	6,042	-	6,042
		-----	--	-----
Total Income		1,901,868	-	1,901,868
		-----	--	-----
EXPENSES				
Fund Management Fees		179,507	-	179,507
Trustees Fees		28,721	-	28,721
Audit Fees		7,500	-	7,500
Other Expenses	8	18,606	-	18,606
		-----	--	-----
Total Expenses		234,334	-	234,334
		-----	--	-----
NET INVESTMENT INCOME				
		1,667,534	-	1,667,534
		=====	=	=====

STANLIB Cash Trust Notes forming part of the Financial Statements for the Year Ended 31 December 2016

16. TRANSITION TO IFRS (CONT'D)

(b) The Statement of Assets and Liabilities reported at 31 December 2015 can be reconciled to the amounts reported under previous Ghana GAAP as follows:

	Note	Ghana GAAP GH¢	Effects of transition to IFRS GH¢	IFRS 2015 GH¢
ASSETS				
Short Term Funds				
Cash at Bank		38,808	-	38,808
Available for Sale investments		-	2,057,299	2,057,299
Loans and receivables investments		-	8,015,516	8,015,516
GOG Bonds		365,408	(365,408)	-
Corporate Bonds		1,590,000	(1,590,000)	-
Treasury Bills & Notes		467,299	(467,299)	-
Fixed deposit		8,015,516	(8,015,516)	-
		-----	-----	--
Total Short Term Funds		10,111,623	-	10,111,623
		-----	--	-----
Total Investments		10,111,623	-	10,111,623
Other Assets in Excess of Liabilities		491,439	-	491,439
		-----	--	-----
NET ASSETS		10,603,062	-	10,603,062
		=====	=	=====

STANLIB Cash Trust Notes forming part of the Financial Statements for the Year Ended 31 December 2016

16. TRANSITION TO IFRS (CONT'D)

Total Investments	10,111,623	-	10,111,623
	-----	--	-----
Interest Receivable:			
Fixed Deposits	462,754	-	462,754
Corporate Bonds	113,078	-	113,078
GOG Bonds	641	-	641
Treasury Bills & Notes	23,391	-	23,391
	-----	--	-----
Total Receivables	599,864	-	599,864
	-----	--	-----
Total Assets	10,711,487	-	10,711,487
	-----	--	-----
LIABILITIES			
Accrued Fund			
Management Fees	63,579	-	63,579
Accrued Trustee Fees	28,721	-	28,721
Accrued Audit Fees	7,500	-	7,500
Others	8,625	-	8,625
	-----	--	-----
Total Liabilities	108,425	-	108,425
	-----	--	-----
NET ASSETS	10,603,062	-	10,603,062
	=====	=	=====

16(b)(i) Under the previous GAAP Investments in Treasury bills and bonds were shown separately but under IFRS all such investments are classified under Available for sale Investments.

16(b)(ii) Under the previous GAAP Investments in fixed deposits was shown separately but under IFRS all such investments are classified under Loans and Receivables investments.

STANLIB Cash Trust Notes forming part of the Financial Statements for the Year Ended 31 December 2016

16. TRANSITION TO IFRS (CONT'D)

(c) Equity reported at the date of transition can be reconciled to the amounts reported under the previous Ghana GAAP as follows:

ASSETS	Note	Ghana GAAP GH¢	Effects of transition to IFRS GH¢	IFRS 1 JAN. 2015 GH¢
Short Term Funds				
Cash at Bank		8,720	-	8,720
Available for Sale investments		-	914,027	914,027
Loans and receivables investments		-	3,885,166	3,885,166
Corporate Bonds		890,000	(890,000)	-
GOG Bonds		24,027	(24,027)	-
Fixed deposit		3,885,166	(3,885,166)	-
		-----	-----	-----
Total Short Term Funds		4,807,913	-	4,807,913
		-----	--	-----
Total Investments		4,807,913	-	4,807,913
Other Assets in Excess of Liabilities		455,331	-	455,331
		-----	--	-----
NET ASSETS		5,263,243	-	5,263,243
		=====	=====	

STANLIB Cash Trust Notes forming part of the Financial Statements for the Year Ended 31 December 2016

16. TRANSITION TO IFRS (CONT'D)

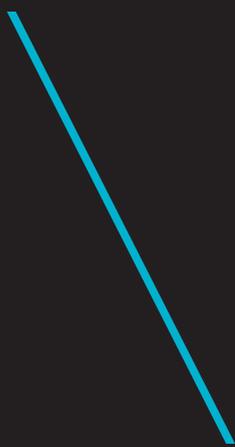
Total Investments	4,807,913	-	4,807,913
	-----	--	-----
Interest Receivable:			
Fixed Deposits	284,150	-	435,830
Corporate Bonds	70,995	-	70,995
GOG Bonds	1,071	-	1,071
Treasury Bills & Notes	6,599	-	6,599
	-----	--	-----
Total Receivables	514,495	-	514,495
	-----	--	-----
	-----	--	-----
Total Assets	5,322,408	-	5,322,408
	-----	--	-----
	-----	--	-----
LIABILITIES			
Accrued Fund			
Management Fees	31,649	-	31,649
Accrued Trustee Fees	21,519	-	21,519
Accrued Audit Fees	5,500	-	5,500
Others	497	-	497
	-----	-----	----
Total Liabilities	59,165	-	59,165
	-----	-----	-----
	-----	--	-----
NET ASSETS	5,263,243	-	5,263,243
	=====	=	=====

16(c)(i) Under the previous GAAP Investments in Treasury bills and bonds were shown separately but under IFRS all such investments are classified under Available for sale Investments.

16(c)(ii) Under the previous GAAP Investments in fixed deposits was shown separately but under IFRS all such investments are classified under Loans and Receivables investments.



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STANLIB

STANLIB Cash Trust

Proxy Form

Annual General Meeting to be held at Holiday Inn Accra Airport, Airport City, on Friday, June 30th, 2017 at 11:00am

I/we _____ being a Unitholder(s) hereby appoint
_____ or failing him/her the Chairman of the Meeting as my/
our proxy to act and vote for me/us and on my/our behalf at the Annual General Meeting of the
Fund to be held on 30th June 2017 and at any adjournment thereof

Dated this _____ day of _____ 2017

Unitholder(s) Signature

Resolution	For	Against
1.To receive the Report of the Manager of the Fund for the year ended December 31,2016.		
2. To consider the Trustees Report and the Report of Auditors for the year ended December 31, 2016.		
3. To receive and adopt the Audited Financial Statements for the year ended December 31, 2016.		
4. To authorise the Manager to fix the remuneration of the Auditor		

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

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

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

Signature : _____

Date: _____

