

**CONTENTS**

	<b>Page</b>
Corporate Information	1
Report of the Directors	2
Statement of Assets and Liabilities	3-5
Income and Distribution Accounts	6
Statement of Movement in Net Assets	7
Portfolio Summary	8
Notes to the Financial Statements	9-12

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Joyce Aryee, Dr. (Chairperson)  
Adelaide Kastner, Dr.  
Daniel Ogbarmey Tetteh  
Keli Gadzekpo  
William Oppong-Bio

### **REGISTERED OFFICE**

61 Barnes Road, Adabraka  
Private Mail Bag  
Ministries Post Office  
Accra

### **CUSTODIAN**

Stanbic Bank Ghana Limited  
P.O. Box CT2344  
Valco Trust House  
Accra

### **AUDITORS**

John Kay & Co  
7<sup>th</sup> Floor, Trust Towers  
Farrar Avenue, Adabraka  
P.O. Box 16088  
Airport, Accra

### **INVESTMENT MANAGER**

Databank Asset Management Services Limited  
61 Barnes Road, Adabraka  
Private Mail Bag  
Ministries Post Office  
Accra

### **BANKERS**

Stanbic Bank Ghana Limited  
P.O. Box CT2344  
Valco Trust House  
Accra

Zenith Bank Ghana Limited  
Premier Towers  
Liberia Road  
Accra

UBA Ghana Ltd  
Heritage Towers  
PMD 29  
Ministries, Accra

## **REPORT OF THE DIRECTORS**

The Directors have pleasure in submitting the financial statements of the Databank Arkfund Limited for the half year ended June, 30 2014

### **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 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 half 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.

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Date:.....

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Date:.....

**ATABANK ARKFUND LIMITED**  
**FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED JUNE 30, 2014**

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**STATEMENT OF NET ASSETS AS AT JUNE 30, 2014**

<b>Description</b>	<b>Shares</b>	<b>Price 30 JUN 14 GH(¢)</b>	<b>Market Value GH(¢)</b>	<b>% Net Assets</b>
<b>Shares</b>				
<i><b>Banking</b></i>				
GCB Bank Ltd	20,700	5.42	112,194	2.47
Standard Chartered Bank Ltd	11,400	18.10	206,340	4.55
Societe General Bank Ltd	161,000	0.83	133,630	2.95
Ecobank Ghana Ltd	33,000	7.37	243,210	5.36
<i><b>Food &amp; Household Products</b></i>				
Fan Milk	21,400	6.82	145,948	3.22
<i><b>Insurance</b></i>				
Enterprise Group Ltd	117,200	1.80	210,960	4.65
<i><b>Petroleum</b></i>				
Ghana Oil Company Ltd	109,200	0.95	103,740	2.29
Total Company Ltd	40,000	6.54	261,600	5.77
<i><b>Trading</b></i>				
Produce Buying Company	540,000	0.13	70,200	1.55
<b>Total Shares</b>			<b><u>1,487,822</u></b>	<b>32.82</b>
<i>(Cost GH¢ 554,819)</i>				
<i><b>Short Term Funds</b></i>				
Cash-Bank & Call			(91,480)	(2.02)
<i><b>Short Term Investments</b></i>				
Certificates of Deposit			2,385,277	52.61
Floating Rate Notes			350,000	7.72
<i><b>Treasury Bills</b></i>				
182-Day Treasury Bills			172,212	3.80
			<b><u>2,907,489</u></b>	<b>64.13</b>

***DATABANK ARKFUND LIMITED***  
***FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED JUNE 30, 2014***

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<b>Total Cash and Short Term Fund</b>	<b><u>2,816,009</u></b>	<b>62.11</b>
<b>Total Investments</b>	<b><u>4,303,831</u></b>	<b>94.93</b>
Other Assets in Excess of Liabilities	229,878	5.07
<b>Total Nets Assets</b>	<b><u>4,533,709</u></b>	<b>100.00</b>

***DATABANK ARKFUND LIMITED***  
***FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED JUNE 30, 2014***

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STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2014

	Note	30 JUN 2014	30 JUN 2013
<b>ASSETS</b>		<b>GH¢</b>	<b>GH¢</b>
Total Investments		<u>4,303,831</u>	<u>3,406,753</u>
<b>Account Receivables:</b>			
Investment Receivable		-	94,271
Interest		26,952	139,007
Dividend Receivable		<u>218,084</u>	-
<b>Total Receivables</b>		<u>245,036</u>	<u>233,278</u>
<b>Liabilities</b>			
<b>Payables:</b>			
Commission - (1% Front Load)		453	7,407
Management Fees		5,578	18,320
Custody		5,537	1,040
Audit fee		2,500	2,500
Registrar Fees		395	-
Retail Service Fees		395	-
Withholding Tax		300	751
Other Liabilities		<u>-</u>	<u>50,000</u>
<b>Total Liabilities</b>		<u>15,158</u>	<u>80,018</u>
<b>Net Current Assets</b>		<u>229,878</u>	<u>153,260</u>
<b>Total Net Assets</b>		<u>4,533,709</u>	<u>3,560,013</u>

**INCOME AND DISTRIBUTION ACCOUNTS  
FOR THE HALF YEAR ENDED JUNE 30, 2014**

	Note	30 JUN 2014 GH¢	30 JUN 2013 GH¢
<b>Investment Income</b>			
Interest Income-Call		5,033	3,169
Interest Income-Certificate of Deposit		246,328	202,955
Interest Income-Commercial Paper		30,587	-
Interest Income-Floating Rate Notes		49,043	-
Interest Income Treasury Bill		7,390	15,268
Dividend Income		59,678	24,570
<b>Total Investment Income</b>	2	<b><u>398,059</u></b>	<b><u>245,962</u></b>
Management Fees		(32,678)	(23,019)
Other Expenses	4	<u>(37,612)</u>	<u>(22,849)</u>
<b>Total Expenses</b>		<b><u>(70,290)</u></b>	<b><u>(45,868)</u></b>
Net Investment Income		327,769	200,095
Net Realized Gain		71,684	201,632
Unrealized (Loss)/Gain	3	<u>933,852</u>	<u>720,353</u>
<b>Net Increase in Net Assets Resulting from Operations</b>		<b><u>1,333,305</u></b>	<b><u>1,122,080</u></b>

**ACCUMULATED NET INVESTMENT INCOME FOR THE HALF YEAR  
ENDED JUNE 30, 2014**

	30 JUN 2014 GH¢	30 JUN 2013 GH¢
Net Investment Income at the beginning of the Period	538,675	338,581
Net Investment Income for the Period	327,769	200,094
Net Investment Income at the end of the Period	<u>866,444</u>	<u>538,675</u>

**STATEMENT OF MOVEMENT IN NET ASSETS FOR THE HALF YEAR ENDED  
JUNE 30, 2014**

	<b>30 JUN 2014</b>	30 JUN 2013
	<b>GH¢</b>	<b>GH¢</b>
<b>Increase in Net Assets</b>		
<b>Operations:</b>		
Net Investment Income	327,769	200,095
Net Realized Gain	71,684	201,632
Unrealized (Loss)/Gain	<u>933,852</u>	<u>720,353</u>
Net Increase in Net Assets Resulting from Operations	<u>1,333,305</u>	<u>1,122,080</u>
<b>Capital Transactions:</b>		
Proceeds from shares issued	600,094	654,157
Shares redeemed	<u>(959,703)</u>	<u>(797,344)</u>
Net Proceeds from Capital Transaction	<u>(359,609)</u>	<u>(143,187)</u>
Total Increase/Decrease in Net Assets	973,696	(978,893)
<b>Net Assets:</b> Beginning of Period	3,560,013	2,581,120
: End of Period	<u>4,533,709</u>	<u>3,560,013</u>

**STATEMENT OF MOVEMENT IN ISSUED SHARES FOR THE HALF YEAR ENDED  
JUNE 30, 2014**

	<b>Note</b>	<b>30 JUN 2014</b>	30 JUN 2013
		<b>Number of Shares</b>	<b>Number of Shares</b>
Shares in Issue at the Beginning of the Period		15,385,323	15,880,763
Net Shares Issued during the Period		483,281	(495,440)
Shares in Issue at the end of the Period	5	<u>15,868,604</u>	<u>15,385,323</u>



**ATABANK ARKFUND LIMITED**  
**FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED JUNE 30, 2014**

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**PORTFOLIO SUMMARY AS AT JUNE 30, 2014**

DESCRIPTION	SHARES AS AT 30/6/14	VALUE AS AT 30/6/14 GH¢	SHARES AS AT 30/6/13	VALUE AS AT 30/6/13 GH¢	PURCHASES DURING PERIOD GH¢	SALES DURING PERIOD GH¢
<b>Banking</b>						
Ghana Commercial Bank	20,700	112,194	20,700	94,392	-	-
Standard Chartered Bank Ltd	11,400	206,340	1,100	159,144	-	-
Societe Generale Bank Ltd	161,000	133,630	161,000	138,460	-	-
Ecobank Ghana	33,000	243,210	40,000	176,000	-	23,873
<b>Food &amp; Household Products</b>						
Fan Milk	21,400	145,948	21,400	124,120	-	-
<b>Insurance</b>						
Enterprise Group Limited	117,200	210,960	152,300	170,576	-	15,305
<b>Petroleum</b>						
Ghana Oil Company	109,200	103,740	91,000	113,750	-	-
Total Company Ltd	40,000	261,600	5,000	208,300	-	-
<b>Trading</b>						
Produce Buying Company	540,000	70,200	540,000	129,600	-	-
<b>TOTAL</b>	<b><u>1,053,900</u></b>	<b><u>1,487,822</u></b>	<b><u>1,042,800</u></b>	<b><u>1,314,342</u></b>	<b>=</b>	<b><u>39,178</u></b>

The Financial Statements are signed by:

Director

Director

Date:.....

Date:.....

## **NOTES TO THE FINANCIAL STATEMENTS**

### **Accounting Policies**

**1** 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 share are recognized when the right to holding is established

**2. Investment Income**

<b>Description</b>	<b>30 JUN 2014</b>	<b>30 JUN 2014</b>
	<b>GH¢</b>	<b>GH¢</b>
Interest on Call Deposit	5,033	3,169
Interest on Certificates of Deposit	246,328	202,955
Interest on Commercial Paper	30,587	-
Interest on Floating Rate Notes	49,043	-
Interest on Treasury Bills	7,390	15,268
Dividend Income	<u>59,678</u>	<u>24,570</u>
<b>Total Investment Income</b>	<b><u>398,059</u></b>	<b><u>245,962</u></b>

**3. Unrealized Gains/Losses on Investments**

<b>Description</b>	<b>30 JUN 2014</b>	<b>30 JUN 2014</b>
	<b>GH¢</b>	<b>GH¢</b>
Market value of Investments	1,487,822	1,314,342
Cost of Investments	<u>(554,812)</u>	<u>(593,989)</u>
Unrealised (Loss)/Gain on Investment	933,010	720,353
Unrealised Forex Gain/Loss	<u>842</u>	<u>34</u>
<b>Total Unrealised Gain</b>	<b><u>933,852</u></b>	<b><u>720,387</u></b>

**4. Other Expenses**

These include:

<b>Description</b>	<b>30 JUN 2014</b>	<b>30 JUN 2014</b>
	<b>GH¢</b>	<b>GH¢</b>
Custody Fees	5,500	-
Bank Charges	2,369	1,892
Marketing & Promotion	10,371	4,145
Other Operating Expenses	19,372	16,813
<b>Total</b>	<b><u>37,612</u></b>	<b><u>22,849</u></b>

**5. Capital Transactions**

<b>Description</b>	<b>30 JUN 2014 Number of Shares</b>	<b>30 JUN 2014 Number of Shares</b>
Issues at Beginning	15,385,323	15,880,763
Issues during the period	4,194,574	4,097,731
Redemptions during the period	(3,711,293)	(4,593,171)
<b>Total Number of Shares in issue</b>	<b><u>15,868,604</u></b>	<b><u>15,385,323</u></b>

**6. Taxation**

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

**7. Purchases and Sales of Long Term Securities**

Total purchases of long term securities for the year ended June 30, 2014 were as follows:

<b>Stock Market</b>	<b>30 JUN 2014 Purchases GH¢</b>	<b>30 JUN 2014 Purchases GH¢</b>
Purchases during the period	0	0
Sales during the period	39,178	177,633

**8. Transactions through Stockbrokers**

The fund's transactions were through the following Stockbrokers

<b>Stock Broker</b>	<b>Country of Operation</b>	<b>% of Transaction</b>
Databank Brokerage Limited	Ghana	100

<b>9. Directors' Shareholdings</b>	<b>Shares</b>	<b>% of Funds</b>
Joyce Aryee, Dr.	47,973	0.3023
Keli Gadzekpo	30,000	0.1891
Daniel Ogbarmey Tetteh	25,829	0.1628
William Oppong Bio	74,500	0.4695
Adelaide Kastner, Dr.	108,521	0.6839

**10. Description of Company**

Ark Fund is a 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 and alcoholic beverages as well as companies whose activities are considered harmful to the environment. The company got incorporated on the 27<sup>th</sup> of April, 2007 and was to commence business on 8<sup>th</sup> May, 2007; however Initial Public Offer (IPO) was launched on 10<sup>th</sup> July, 2009.