

DATABANK MONEY MARKET FUND LTD
FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED JUNE 30, 2014

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Keli Gadzekpo (Chairman)
Stephen Adei
Dan Seddoh
Benjamin Gogo

INVESTMENT MANAGER

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

REGISTERED OFFICE

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

BANKERS

Barclays Bank (Ghana) Ltd
P.O. Box 2949
High Street
Accra

CUSTODIAN

Standard Chartered Bank Ghana Limited
P.O. Box 768
High Street
Accra

United Bank for Africa (Ghana) Ltd.
Heritage Towers
Accra

AUDITORS

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

Ecobank Ghana Limited
19 Seventh Avenue, Ridge West
P. O. Box PMB GPO
Accra

Zenith Bank Ghana
Premier Towers
Liberia Road
Ministries, Accra

DATABANK MONEY MARKET FUND LTD
FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED JUNE 30, 2014

REPORT OF THE DIRECTORS

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

Statement of Directors' Responsibilities

The Directors are responsible for the preparation of the financial statements, which give a true and fair view of the state of affairs of the Fund and of the statement of operations for that year. In preparing these financial statements, the Directors have put suitable accounting policies in place and generally applied them consistently, made judgments and estimates that are reasonable and prudent and followed Ghana Accounting Standards.

The Directors are responsible for ensuring that the Fund keeps proper accounting records that disclose with reasonable accuracy at any time, the financial position of the Fund. The Directors are also responsible for safeguarding the assets of the Fund 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 the monies of its members for their mutual benefit and to hold and arrange for the management of money market securities 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 ended June 30, 2014 are set out below:

	June 2014	June 2013
	GH¢	GH¢
Investment Income	12,606,796	9,852,708
Management and Operational Expenses	<u>(933,834)</u>	<u>(584,433)</u>
Transfer to Accumulated Net Investment Income	<u>11,672,962</u>	<u>9,268,275</u>

Distribution Policy

The Fund passes substantially all of its earnings along to its investors as “distributions”. The Fund earns interest from fixed income investments. These amounts are passed along to fund shareholders as “income dividend distributions”. The Fund may realize capital gains whenever it sells securities for a higher price than it paid for them. These amounts may be passed along as “capital gain distributions.” The Investment Manager does not anticipate that there will be significant capital gain distributions, because of the liquid nature of the assets.

BY ORDER OF THE BOARD

(DIRECTOR)

..... August 2014

(DIRECTOR)

..... August 2014

DATABANK MONEY MARKET FUND LTD
FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED JUNE 30, 2014

STATEMENT OF ASSETS & LIABILITIES AS AT JUNE 30,2014

	Note	Market Value 2014 GH¢	% Net Assets	Market Value 2013 GH¢	% Net Assets
CASH AND SHORT TERM INVESTMENTS					
Cash at Bank					
Cash at Bank	2	<u>2,034,527</u>	1.70	<u>6,152,488</u>	6.34
Short Term Investments					
Treasury Bills	3	8,081,037	6.76	16,269,513	16.77
Commercial Paper	4	-	-	639,664	0.66
Floating Rate Notes	5	11,605,909	9.71	-	-
Certificates of Deposit	6	<u>91,271,556</u>	76.39	<u>64,163,437</u>	66.15
Total Short Term Investments		<u>110,958,502</u>	92.87	<u>81,072,614</u>	83.58
Total Cash & Short Term Investments		<u>112,993,029</u>	94.58	<u>87,225,102</u>	89.92
CURRENT ASSETS					
Accrued Interest Receivable	7	6,592,625	5.52	9,449,674	9.73
Other Receivables	8	<u>180,119</u>	0.15	<u>1,308,854</u>	1.35
Total Current Assets		<u>6,772,744</u>	5.67	<u>10,758,528</u>	11.08
Total Assets		<u>119,765,773</u>	100.24	<u>97,983,630</u>	101.00
LIABILITIES					
Management Fee		(97,250)	(0.08)	(478,684)	(0.49)
Sundry Creditors	10	(87,166)	(0.07)	(452,896)	(0.47)
Custody Fees		(99,641)	(0.08)	(51,575)	(0.05)
Audit Fees		<u>(8,000)</u>	(0.01)	<u>(4,135)</u>	(0.00)
Total Liabilities		<u>(292,057)</u>	(0.24)	<u>(987,290)</u>	(1.00)
NET ASSETS		<u>119,473,716</u>	100	<u>96,996,340</u>	<u>100.00</u>

The financial statements on pages 1 to 10 were approved by the Board of Directors on August, 2014 and signed on its behalf by:

(DIRECTOR)

..... August, 2014

(DIRECTOR)

..... August, 2014

DATABANK MONEY MARKET FUND LTD
FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED JUNE 30, 2014

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

	Note	2014 GH¢	2013 GH¢
Investment Income			
Interest Income	11	<u>12,606,796</u>	<u>9,852,708</u>
Total Income		<u>12,606,796</u>	<u>9,852,708</u>
Expenses			
Investment Management Fees		(555,224)	(446,909)
Operating Expenses	12	<u>(378,610)</u>	<u>(137,524)</u>
Total Expenses		<u>(933,834)</u>	<u>(584,433)</u>
Net Investment Income		<u>11,672,962</u>	<u>9,268,275</u>
Transfer to Accumulated Net Investment Income		<u>11,672,962</u>	<u>9,268,275</u>

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

	2014 GH¢	2013 GH¢
Net Investment Income at the beginning	6,625,392	4,624,086
Transfer from Income and Distribution Accounts	<u>11,672,962</u>	<u>9,268,275</u>
Net Investment Income at the end	18,298,354	13,892,361

DATABANK MONEY MARKET FUND LTD
FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED JUNE 30, 2014

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

Increase in Net Assets	2014	2013
	GH¢	GH¢
Operations:		
Net Accumulated Income	<u>11,672,962</u>	<u>9,268,275</u>
Capital Transactions:		
Proceeds from share issue	38,257,289	30,060,273
Shares redeemed	<u>(35,701,831)</u>	<u>(28,325,296)</u>
Net Proceeds from Capital Transactions	<u>2,555,458</u>	<u>(1,734,977)</u>
Total Increase in Net Assets	14,228,420	11,003,252
Net Assets:		
Beginning of Period	<u>105,245,296</u>	<u>85,993,088</u>
End of Period	<u>119,473,716</u>	<u>96,996,340</u>
	=====	=====

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

	Note	2014	2013
		No. of	No. of
		Shares	Shares
Shares in issue at beginning of Year		228,545,771	231,353,977
Net shares issued	13	<u>5,683,528</u>	<u>4,211,121</u>
Shares in Issue at End of Year		<u>234,229,299</u>	<u>235,565,098</u>
		=====	=====

NOTES TO FINANCIAL STATEMENTS

1. Accounting Policies

The following principal accounting policies have been consistently applied during the year in accounting for items that are considered material in the preparation of the Fund's financial statements.

The financial statements are presented in Ghana cedi.

i. Income Recognition

Interest income is recognized on the accrual basis of accounting. Interest income comprises interest on treasury bills, commercial papers and certificates of deposit. The recognition of interest ceases when the payment of interest or principal is in doubt. Thereafter, interest is included in income only when it is received.

Commissions and fees are credited to income when earned.

ii. Expenses

Expenses are recognized when incurred, without regard to receipt or payment of cash.

iii. Investments

Valuation of the fund is determined by the amortized cost method. This involves the valuing of a debt obligation in reference to its cost rather than market value. In this regard, short-term securities having maturity of ninety-one days or less are valued at amortized cost.

iv. Foreign Currency

Transactions in foreign currencies during the period are converted into cedis at rates ruling at the transaction dates. Assets and liabilities denominated in foreign currencies are translated into cedis at exchange rates ruling at the financial year-end. The gains and losses resulting from exchanges are dealt with in arriving at the period's operating profit.

v. Commercial Paper

Commercial paper is stated in the Statement of Assets and Liabilities at the principal amount and interest less provision for doubtful debts. Provisions against commercial paper are based on an appraisal of the portfolio and are made having regard to specific risks. There is no provision for doubtful debts.

vi. Certificates of Deposit

Certificates of Deposit are stated in the Statement of Assets and Liabilities at the principal amount and interest less provision for doubtful debts. Provisions against Certificates of Deposit are made having regard to specific risks. There is no provision for doubtful debts.

2. Cash and Balances with Bank

Cash and cash equivalents, comprise deposits held on call with banks and cash at bank. Cash at bank and call as at June 30, 2014 was GH¢2,034,527 (June 2013: 6,152,488). This forms 1.70% (June 2013: 6.34%) of total net assets for the period.

3. Treasury Bills

Treasury bills are stated at cost on the Statement of Assets and Liabilities. Treasury bills for the period under review total GH¢ 8,081,036 (June 2013: GH¢16,269,513). This represents 6.76% of total net assets (June 2013: 16.77%).

Details	June 2014	June 2013
	GH¢	GH¢
1 Year Treasury Bills	-	1,000,000
182 Day Treasury Bills	-	4,784,436
91 Day Treasury Bills	<u>8,081,037</u>	<u>10,485,077</u>
	<u>8,081,037</u>	<u>16,269,513</u>

DATABANK MONEY MARKET FUND LTD
FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED JUNE 30, 2014

4. Commercial Paper

Commercial Paper as at June 30, 2014 is as follows:

Details	June 2014 GH¢	June 2013 GH¢
1 Year	- =====	639,664 =====

Commercial Paper for the period under review forms 0.00% of total net assets (2013: 0.66%).

Analysis by Business Segments

Details	June 2014 GH¢	June 2013 GH¢
Non-Bank Financial Institution	0	639,664
Construction	<u>0</u>	<u>-</u>
	<u>0</u>	<u>639,664</u>

5. Floating Rate Notes

Floating Rate Notes are stated at cost on the Statement of Assets and Liabilities. Floating Rate Notes for the period under review total GH¢ 11,605,909 (June 2013: GH¢0.00). This represents 9.71% of total net assets (June 2013: 0.00%).

Analysis by Business Segments

Details	June 2014 GH¢	June 2013 GH¢
Non-Bank Financial Institution	<u>11,605,909</u>	<u>-</u>
	<u>11,605,909</u>	<u>-</u>

DATABANK MONEY MARKET FUND LTD
FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED JUNE 30, 2014

6. Certificates of Deposit

Certificates of Deposit as at June 30, 2014 are as follow:

Details	June 2014 GH¢	June 2013 GH¢
365 day	9,547,644	15,000,000
182 day	36,453,374	45,938,872
91 day	<u>45,270,538</u>	<u>3,224,565</u>
	<u>91,271,556</u>	<u>64,163,437</u>

Certificates of Deposit for the period under review constitute 76.39% (2013: 66.15%) of total net assets.

Analysis by Business Segments

Details	June 2014 GH¢	June 2013 GH¢
Non-Bank Financial Institutions	34,997,040	39,624,565
Banks	<u>56,274,516</u>	<u>24,538,872</u>
	<u>91,271,556</u>	<u>64,163,437</u>

7. Accrued Interest Receivable

Details	June 2014 GH¢	June 2013 GH¢
Interest on Certificates of Deposit	5,809,986	8,158,132
Interest on Commercial Paper	-	71,197
Interest on Floating Rate Notes	434,425	71,197
Interest on Treasury Bills	<u>348,214</u>	<u>1,220,345</u>
	<u>6,592,625</u>	<u>9,449,674</u>

Accrued Interest Receivable as at June 30, 2014 forms 5.52% of Net Assets (2013: 9.73%).

DATABANK MONEY MARKET FUND LTD
FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED JUNE 30, 2014

8. Other Receivables

Included in the other receivables are the under listed related party transactions.

Description	June 2014	June 2013
	GH¢	GH¢
Databank Epack Investment Fund Ltd	360	12,600
Databank Balanced Fund Ltd	155	13,814
Databank Financial Services Ltd	179,553	128,182
Databank Brokerage Limited	0	19,289
Databank Asset Management Services Ltd	0	25,822
Databank Ark Fund Ltd	52	50,000

9. Transactions through related parties during the year are made up of:

- i. Treasury Bills representing 6.76% (2013: 16.77%) of total net assets were executed through Databank Brokerage Limited (DBL).
- ii. Floating Rate Notes, Commercial Paper and Certificates of Deposit transactions representing 9.71%, 0.00% and 76.39% respectively (2013: 0.00%, 0.66% and 66.15%) of total net assets, were conducted through Databank Asset Management Services Limited (DAMSEL).

DATABANK MONEY MARKET FUND LTD
FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED JUNE 30, 2014

10. Sundry Creditors

	June	June
	2014	2013
	GH¢	GH¢
Load Payable	57,470	251,711
Withholding Tax	270	-
Payable to clients	5,163	196,767
Registrar & Client Service Fees	24,262	-
Payable General	<u>-</u>	<u>4,418</u>
	<u>87,166</u>	<u>452,896</u>

Sundry creditors as at June 30, 2014 represent 0.07% of total net assets.

Payable General is a preliminary expense incurred on behalf of the fund at its inception.

11. Investment Income

Description	June 2014	June 2013
	GH¢	GH¢
Interest on Treasury Bills	1,711,076	1,870,586
Interest on Commercial Paper	160,336	67,410
Unrealised Gain on Forex Account	101,725	-
Interest on Floating Rate Notes	1,407,068	-
Interest on Certificates of Deposit	9,109,150	7,851,856
Interest on Call Account	<u>117,441</u>	<u>62,855</u>
	<u>12,606,796</u>	<u>9,852,707</u>

DATABANK MONEY MARKET FUND LTD
FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED JUNE 30, 2014

12. Operating Expenses

Description	June 2014	June 2013
	GH¢	GH¢
Administrative Expenses	356,360	120,789
Directors' Emoluments	14,250	12,600
Auditors' Remuneration	<u>8,000</u>	<u>4,135</u>
	<u>378,610</u>	<u>137,524</u>

13. Capital Transactions

Description	June 2014	June 2013
	Number of Shares	Number of Shares
New Issues	78,907,844	76,337,574
Redemption	<u>(73,224,315)</u>	<u>(72,126,453)</u>
Net Shares Issued	<u>5,683,528</u>	<u>4,211,121</u>

14. Taxation

Mutual funds, under the current legislation, are not subject to taxes on interest income nor to any taxes on income distributions.

15. Directors' Shareholding

The Directors named below held the following number of shares in the Fund as at June 30, 2014.

Name	Shares	% of Shares
Stephen Adei	51,494	0.0220
Keli Gadzekpo	21,193	0.0090
Benjamin Gogo	126,521	0.0540
Daniel Seddoh	29,700	0.0127

16. Description of the Fund

Databank Money Market Fund started operations on the 16th April 2004 as an authorized mutual fund to provide high current income with the maintenance of liquidity and preservation of capital. The Fund's investments include: treasury securities, commercial papers, bankers' acceptances, certificates of deposit, etc.

All securities purchased by the Fund present minimal credit risk in the opinion of the Manager (Databank Asset Management Services Limited) acting under the supervision of the Directors. In the interest of prudence and efficient management of the Fund, the Manager will maintain prudent levels of liquidity.

The Manager is responsible for the actual management of the Fund's portfolio and constantly reviews the holdings of the Fund in the light of its research analysis and research for other relevant services. The Fund pays the Investment Manager a monthly management fee of 0.083% for services provided to the Fund. The fee is based on the Fund's average daily net assets.