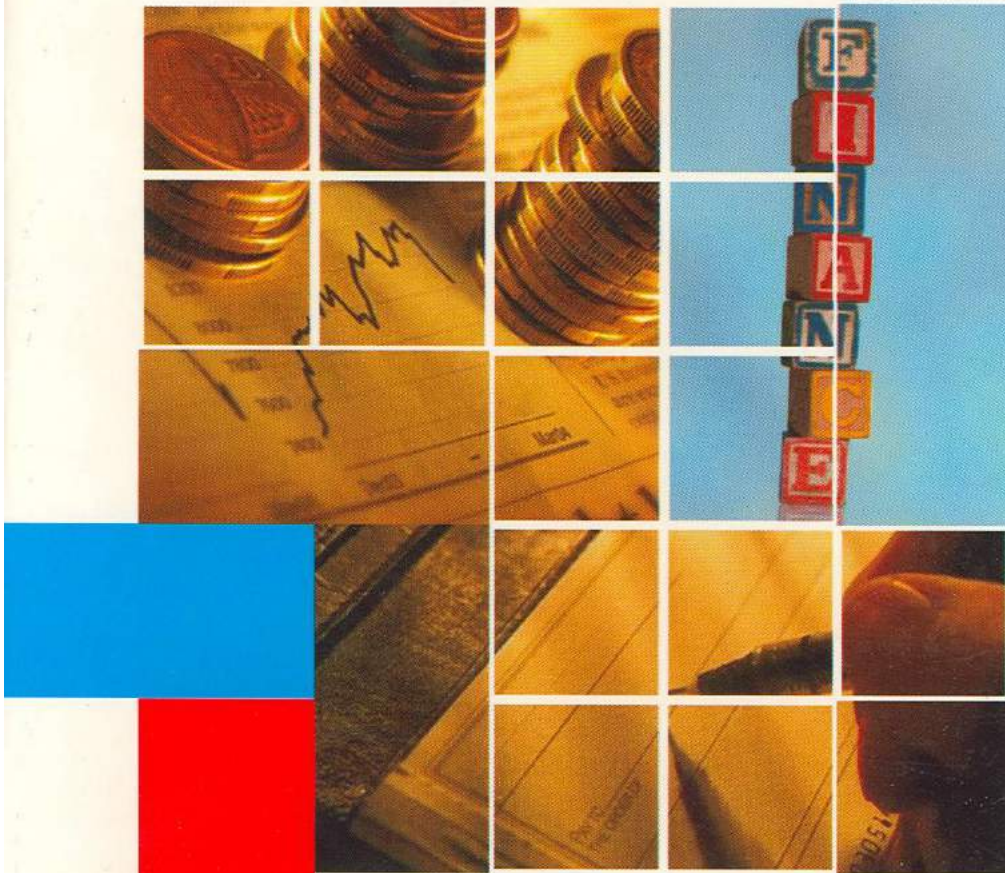


2006

ANNUAL REPORT



SAS Fortune Fund
An Authorized Mutual Fund Company

SAS FORTUNE FUND LIMITED

REPORTS AND FINANCIAL STATEMENTS

December 31, 2006

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CORPORATE INFORMATION

The Manager:	SAS Investment Management Ltd. (SAS-IM) 2nd Ridge Link, North Ridge Accra Tel: +233-21-251546-9 +233-21-7011770 Fax: +233-21-251550-1, 7011774 E-mail: sasim@sas-ghana.com Website: www.sas-ghana.com
Directors of the Fund:	Fred Oware (Chairman) Togbe Afede XIV Adu Anane Antwi (Resigned 25/11/2005) Reginald France Ruben Atekpe Maxwell Logan Herbert Aidoo (Resigned 1/12/2006)
The Custodian:	Barclays Bank of Ghana Ltd Barclays House, High Street P. O. Box 2949 Accra.
Auditors:	Nexia Debrah & Co. # 5 off Cola Street Kokomlemle, Accra P. O. Box CT 1552 Cantonments, Accra.
Solicitors:	R. S Agbenoto and Associates 4th Floor Mobil House 25 Liberia Road.
Secretary:	Accra Nominees Cedar House No. 13 Samora Machel Road Asylum Down, Accra.

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the Members of SAS Fortune Fund Limited will be held at the British Council Hall on Monday, December 10th, 2007, at 10:00 AM

AGENDA

1. To receive and consider the Reports of the Directors and Auditors and the Financial Statements of the Fund for the year ended December 31, 2006.
2. Retirement and re-election of Directors.
3. To approve Directors' remuneration.
4. To authorize the Directors to fix the remuneration of Auditors.

BY ORDER OF THE BOARD

ACCRA NOMINEES LIMITED
COMPANY SECRETARIES

Dated this 10th day of December, 2007

Registered Office

2nd Ridge Link, North Ridge
Accra

A shareholder of the Fund entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him/her self. A proxy need not also be a member. Completed proxy forms should be deposited at the Registered Office 2nd Ridge Link, North Ridge Accra, not less than 48 hours before the appointed time of the meeting.

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CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear Shareholders,

I am delighted to welcome you to the 2nd Annual General Meeting of SAS Fortune Fund Limited, and to present to you the annual reports and accounts for the year ended December 31st, 2006.

The Ghanaian economy was fairly stable in 2006. Year-on-year inflation stood at 10.2% which compares favorably with 14.8% in 2005. The cedi also exhibited mixed performance against the country's major external trading currencies. These underlying factors continue to present a favorable environment for fund management business.

The year 2006 was an improvement for investors on the capital market compared to the previous year. The Ghana Stock Exchange (GSE) which lists all our equity investments started recovering from the bear market experienced during the last two (2) years and recorded a gain of 4.50%. During the same period, three (3) Government of Ghana bonds and one (1) corporate bond were successfully listed on the GSE.

Your Fund benefited from the improved performance of the GSE and recorded a gain of 9.95% as compared to negative 11.05% made in the previous year. Total income which comprises dividend, interest income and other income declined from ₵722 million in 2005 to ₵537 million in 2006. The value of the Fund also declined from ₵5.22 billion in 2005 to ₵4.95 billion in 2006. The declines were largely attributable to withdrawals by investors from the fund.

As we have always been indicating, the Fund is a long term fund, hence the need for you not to be discouraged by short term price fluctuations. We would like to thank our investors who have kept faith with the Fund and maintained their investments or even increased them.

The performance of your Fund depends on our strategies going forward. The energy crises poses a great challenge to the real sectors of the economy and the stock market in general. However, your fund managers have devised strategies to mitigate the effect on the performance of the Fund. Among others, they plan:

- to increase investors' access to the Fund by liaising with banks and other non-bank financial institutions to serve as receiving agents for your Fund;
- to reduce exposure to the Ghanaian market and generally reduce market risk by diversifying geographically and across product lines. We intend to invest in other African markets as well as take advantage of new opportunities that arise on our market ; and
- to aggressively market and promote the Fund to Ghanaians at home and abroad. It is believed less than 2% of Ghanaians invest on the stock market.

CHAIRMAN'S LETTER TO SHAREHOLDERS CONTINUED

We want to assure you that, the managers of the fund will continue to watch the market very closely and will continue to serve your best interests. As I have already mentioned, the Fund will reduce its exposure to the Ghanaian market through geographical diversification.

We wish to remind you that our plans could best be realized if we are able to mobilize additional investments into the Fund. I therefore encourage you to stick to a regular investment plan for investing in the Fund for us to be able to continue to build and diversify your portfolio.

Once again, we thank you for choosing SAS Fortune Fund as part of your regular investment plan.

God Bless you all

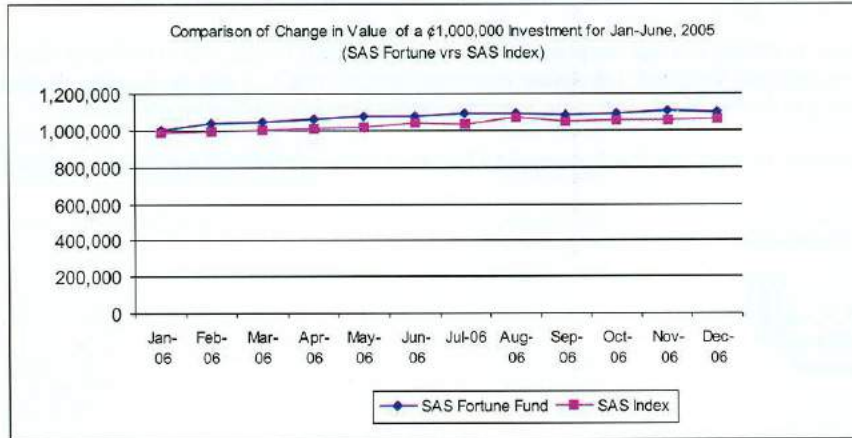


Fred Oware
Chairman

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PERFORMANCE AND PORFOLIO AT A GLANCE

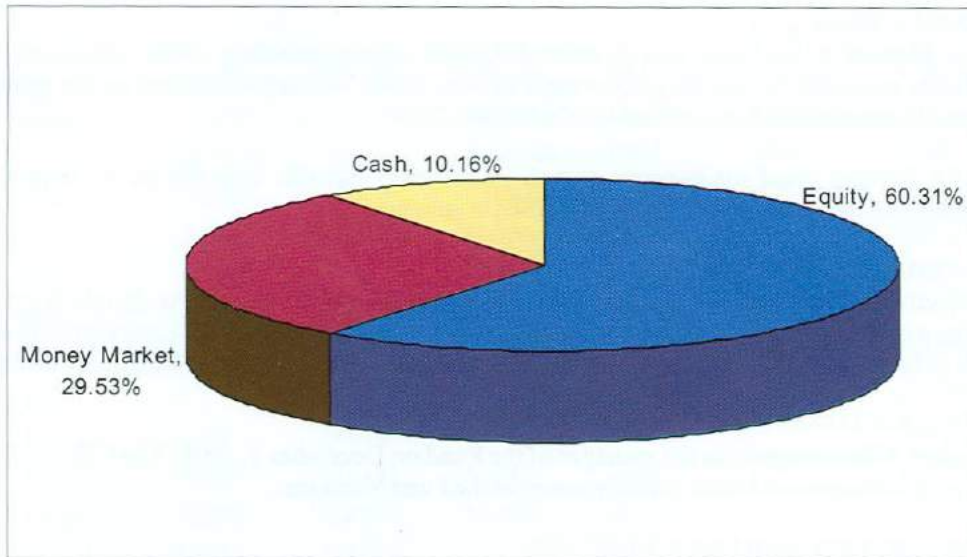
Performance Summary as at Dec 31, 2006



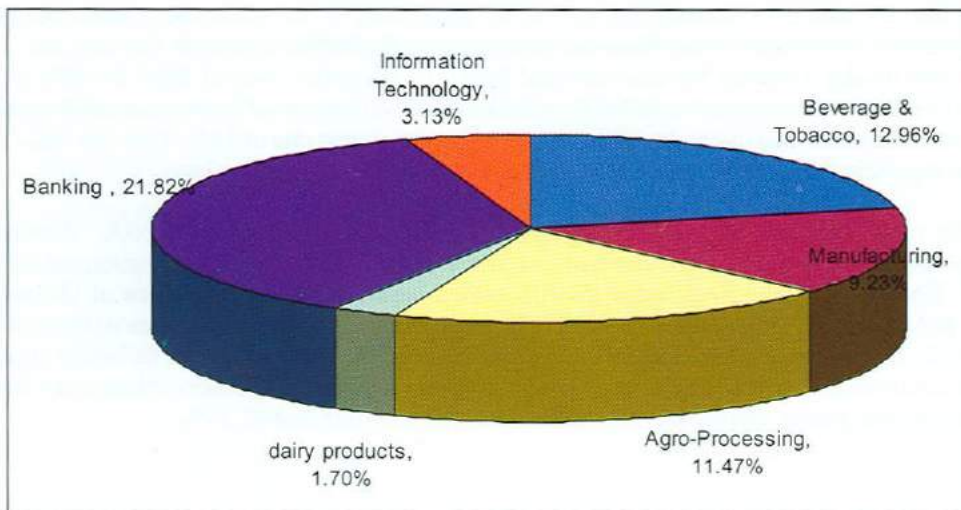
Performance data quoted represents past performance, which is no guarantee of future results. Current performance may be lower or higher than the figures shown. Investment returns and principal value may fluctuate and fund shares, when redeemed, may be worth more or less than of their original cost.

Top 5 Equity Holdings (Value) as at Dec 31, 2006		
1	Benso Oil Palm Plantation (BOOP)	11.47%
2	Guinness Ghana Breweries Ltd	10.08%
3	Aluworks Ghana Ltd	9.23%
4	Ghana Commercial Bank Ltd	6.80%
5	Ecobank Ghana Ltd	4.74%

Portfolio Structure as at Dec 31, 2006



Sector Allocation as at Dec 31, 2006



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FUND MANAGER'S REPORT

INTRODUCTION

It is our pleasure to welcome you to another Annual General meeting which affords us the opportunity to present to you the performance of your Fund. This report focuses on the general business environment and performance of the Fund in 2006.

The SAS Fortune Fund made some growth in its price and this was driven by improved performance of the Ghana Stock Exchange (GSE) in general

INVESTMENT OBJECTIVE AND POLICY

The objective of the Fund is to achieve long term capital appreciation for its shareholders by investing a greater portion of its assets in companies with strong fundamentals, capital growth and income potential. The Fund provides liquidity by investing in short-term fixed income securities.

CHANGES IN OFFICERS OF THE FUND

Mr. Herbert Aidoo resigned as the manager of the Fund on December 1, 2006. The CEO of SAS Investment Management Ltd is currently acting as the Fund Manager.

ECONOMIC AND MARKET OVERVIEW

The Ghanaian economy remained fairly stable as at the close of 2006. GDP grew at 6.2% compared to 5.8% the previous year. General Price levels remain relatively stable compared to the previous year, with a year-on-year inflation of 10.2% compared to 14.6% in the previous year. The cedi also showed mixed performance, depreciating against the US dollar by 1.32%, the British pound by 11.16% and the euro by 13.31%.

Falling interest rates have resulted in a shift in the preference of investors from treasury bills to capital market investments which have the potential to make higher returns in the long run. The bench mark 91-day Treasury bill rate declined from 11.53% at the close of 2005 to 9.8% at the close of 2006. The Government in its bid to facilitate the development of the bond market issued a five-year bond which was oversubscribed and closed at an interest rate of 14%. This was followed by a corresponding drop in the rates on all other money market instruments.

The bear market experienced in 2005 spilled over into the first quarter of 2006. However, improved results released by listed companies and new listings generated some excitement on the market. Consequently the SAS Index (SASI), which measures the performance of Ghanaian stocks, ended the year with a gain of 5.72%. The improvement in the performance of the market was mainly due to improved performance of manufacturing stocks which were followed closely by financial stocks. There were thirteen (13) gainers and fourteen (14) losers. Aluworks Ghana Ltd, the top price gainer, gained 44.93% while SPPC, the top loser, lost 42.31%.

FUND MANAGER'S REPORT (CONTINUED)

The listing of Ecobank Ghana Ltd and Ecobank Transnational Incorporated in 2006 increased the size of the market by 22.47% to ₵112,493.38 billion. Total volume increased by 20.42% to 98,106,754 compared to the volume recorded in 2005. However, the market was still confronted with selling pressure in most listed equities as most investors were realising their gains in some of the listed equities.

FUND PERFORMANCE

The Fund returned 9.98% for the year ending December 31, 2006 compared to the loss of 11.7% in the previous year. This compares favorably with the return on the SAS Index. The equity component of the portfolio generated a return of 5.45% while money market generated an average return of 18.5%.

Our equity holdings declined marginally from 69.34% to 63.09% of total Fund portfolio over the period because we reduced our holdings in CAL and SG-SSB and also sold our BAT shares during the tender offer made by BAT International to shareholders. During the period, we also took advantage of market conditions to increase our holdings in SCB and purchased Ecobank Ghana Ltd and Transaction Solutions Ltd shares during their initial public offers.

Total inflows for 2006 amounted to ₵ 507,335,131.71 compared to ₵530,157,300 for 2005. Total outflow for 2006 decreased by 24.82% to ₵1,201,476,226.50. ALW (44.93%) was the highest gainer in the portfolio and it was followed closely by GGBL (19.48%).

We will continue to modify your Fund's portfolio to provide you with maximum return in the long run. We manage your Fund by investing in companies that are in our opinion, under-valued by the market but have positive growth prospects.

LOOKING AHEAD

The future is very challenging considering the current energy crisis confronting the country. We expect the economy to remain fairly stable. Interest rates continue to decline. However, the persistence of the energy crisis will pose a danger to the real sectors of the economy. Companies' cost of production is increasing as a result of increasing cost of power. Most manufacturing companies are also producing below their capacities and all these have negative implications for profits.

On the Ghana stock market, we expect to see an increase in activity. Government plans to use the GSE to divest her shares in State Insurance Company (SIC), Ghana Telecommunication Ltd (GT), Western Telesystems Ltd (WESTEL) and Tema Oil Refinery (TOR). Declining interest rates are also expected to continue to generate interest in equities as alternative investments. On the other hand, companies will also be able to borrow at a lower cost for their expansion programmes.

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FUND MANAGER'S REPORT (CONTINUED)

BOG's planned cedi redenomination exercise is also expected to reduce transaction costs as well as make payment systems like ATM's more useful. However, depending on how the whole exercise is managed, redenomination can be inflationary. Consequently, we intend to maintain a close watch on events, and will invest bearing in mind the possible inflationary effect of the redenomination.

The future remains very bright for your Fund given the fundamentals of the companies we invest in. In line with our objective of diversifying geographically, and across product lines, we intend to invest in other African markets in 2007 while taking advantage of new opportunities that arise in our market.

Thank you and God bless you.



Togbe Afede XIV

2006 ANNUAL REPORT

REPORT OF THE DIRECTORS TO THE MEMBERS OF SAS FORTUNE FUND LIMITED

We the directors have the pleasure in submitting the annual report and audited Financial Statements of SAS Fortune Fund Limited for the year ended December 31, 2006 and report thereon as follows:

As directors, we are responsible for the preparation of financial statements for each financial year, which give a true and fair view of the state of affairs of the Fund and of the statement of operations for the year. In preparing these financial statements, we have selected suitable accounting policies and applied them consistently, made adjustments and estimates that are reasonable and prudent and followed Ghana National Accounting Standards.

As directors, we are also responsible for ensuring that the Fund keeps proper accounting records that disclose with reasonable accuracy at any time its financial position and performance. We 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

There was no change in the nature of business of the company during the year under review.

The Company is licensed by the Securities and Exchange Commission to operate as an authorised mutual fund and is regulated by Unit Trusts and Mutual Funds Regulations L.I 1695.

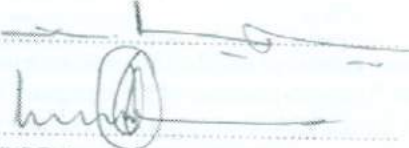
FINANCIAL RESULTS & INCOME DISTRIBUTION

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

The Fund does not distribute income and thus all income earned is reinvested.

AUDITORS

Messrs Nexia Debrah & Co have indicated their willingness to continue in office as auditors in accordance with Section 134(5) of the Companies Code 1963 Act 179.


ACCRA
13th July, 2007

Directors

**REPORT OF THE AUDITORS
TO THE MEMBERS OF
SAS FORTUNE FUND LIMITED**

We have audited the Financial Statements on pages 13 to 21, which have been prepared under the accounting policies set out on page 18.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As indicated in the Report of the Directors on page 11, the directors are responsible for the preparation of the financial statements in accordance with standards applicable under Ghanaian Laws. Our responsibility is to express an independent opinion on these Financial Statements based on our audit.

BASIS OF OPINION

We conducted our audit in accordance with auditing standards. An audit includes examination on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgment made by the Directors in preparing these Financial Statements, and of whether the accounting policies are appropriate to the company, consistently applied and adequately disclosed. We planned and performed the audit so as to obtain all the information and explanation which we considered necessary in order to provide us with sufficient evidence and reasonable assurance that the Financial Statements are free from material misstatements. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the Financial Statements and also had regard to the matter referred to below.

The Fund's system of operations and control is directly dependent on the involvement of certain parties including the Board of Directors, the Fund Manager and the Custodian. Where independent confirmation of the completeness of the accounting records was not available, we have accepted assurances from these parties that the company's transactions have been reflected in the records thereof.

OPINION

Subject to the above, in our opinion, proper books have been kept and the financial statements which are in agreement therewith present fairly, the financial position of the company as at December 31, 2006 and of the results of operations for the year then ended and comply with the Ghana National Accounting Standards, the Unit Trusts and Mutual Funds Regulations L.I 1695 and the Companies Code, 1963 (Act 179).



Nexia Debrah & Co.
Chartered Accountants
Konuah Houseun, Kokomlemlle
P.O Box CT 1552
Cantonments
16th July, 2007

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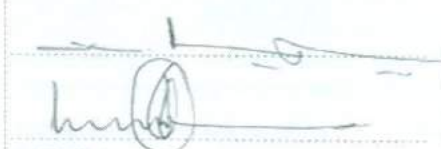
SAS FORTUNE FUND LIMITED STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 31, 2006

QUOTED EQUITY	%Net Assets	Number of Shares	2006 Market Value ¢	2005 Market Value ¢
Beverage & Tobacco	12.96%			
Accra Breweries Ltd (ABL)	2.88%	120,000	138,000,000	156,000,000
Guinness Ghana Breweries (GGBL)	10.08%	52,270	483,392,960	404,569,800
British American Tobacco (BAT)	-	-	-	34,434,500
			-----	-----
			621,392,960	595,004,300
Manufacturing	9.23%			
Aluworks (ALW)	9.23%	61,000	442,311,000	305,183,000
			-----	-----
Agro-processing	11.47%			
Benso Oil Palm Plantation (BOPP)	11.47%	100,000	550,000,000	550,000,000
			-----	-----
Dairy Products	1.70%			
Fan Milk Ltd (FML)	1.70%	4,530	81,549,060	71,574,000
			-----	-----
Banking	21.82%			
CAL Bank (CAL)	2.09%	45,400	100,107,000	290,800,000
Ghana Commercial Bank (GCB)	6.80%	53,045	326,226,750	357,523,300
Standard Chartered Bank (SCB)	4.51%	926	216,460,000	120,380,000
SG-SSB Bank (SG-SSB)	3.67%	29,310	175,860,000	422,064,000
Ecobank	4.74%	16,822	227,399,796	-
			-----	-----
			1,046,053,546	1,190,767,300
Information Technology Solutions	3.13%			
Transaction Solutions (Gh) Limited (TRANSOL)	3.13%	150,000	150,000,000	-
			-----	-----
Petroleum				
Mobil Oil Ghana Limited (MOGL)	-	-	-	391,818,000
			-----	-----
TOTAL QUOTED EQUITY	60.31%	633,747	2,891,306,566	3,104,346,600
			-----	-----
FIXED INCOME/ SHORT TERM				
2 YR Govt Note	-		-	305,324,176
SAS Income Account	4.35%		208,720,421	325,595,680
1 Year Commercial Paper	20.86%		1,000,000,000	1,290,060,441
91 Day Treasury Bill	4.32%		206,988,785	-
			-----	-----
			1,415,709,206	1,920,980,297
Cash at Bank and on Call	10.16%		487,258,236	135,434,557
			-----	-----
TOTAL FIXED INCOME/SHORT-TERM	39.69%		1,902,967,442	2,056,414,854
			-----	-----
TOTAL INVESTMENTS	100.00%		4,794,274,008	5,160,761,454
			=====	=====

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SAS FORTUNE FUND LIMITED STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 2006 (CONT'D)

	Note	2006 ¢	2005 ¢
ASSETS			
Total Investments		4,794,274,008	5,160,761,454
RECEIVABLES			
Dividends		9,150,000	9,150,000
Interest	8	211,355,049	425,754
Due from Brokers		1,714,764	6,034,764
Others (Schedule A)		8,934,512	4,543,520
Total Receivables		<u>231,154,325</u>	<u>20,154,038</u>
Total Assets		5,025,428,333	5,180,915,492
LIABILITIES			
Audit Fee		10,000,000	10,000,000
Management Fees		37,007,133	100,604,696
Others (Schedule B)		108,523,463	59,876,011
Total Liabilities		<u>(155,530,596)</u>	<u>(170,480,707)</u>
NET ASSETS		<u>4,869,897,737</u>	<u>5,010,434,785</u>
SHAREHOLDERS' FUND			
Capital Accounts	9	4,939,029,472	5,650,698,397
Accumulated Income Account		(69,131,735)	(640,263,612)
Balance at December 31st		<u>4,869,897,737</u>	<u>5,010,434,785</u>


 ACCRA
 13th July, 2007

Directors

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SAS FORTUNE FUND LIMITED INCOME AND DISTRIBUTION ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2006

	Notes	2006 €	2005 €
Investment Income			
Dividend Income		113,391,449	133,386,193
Interest Income	2	406,783,496	524,364,023
Other Income	3	17,157,621	64,250,418
		<u>537,332,566</u>	<u>722,000,634</u>
Expenses			
Management Fees		99,075,568	100,604,696
Other Expenses	4	152,824,918	94,034,876
		<u>251,900,486</u>	<u>194,639,572</u>
Net Investment Income before Capital Gains		285,432,080	527,361,062
Net Realised Gain	5	60,300,611	-
Gain on Redemptions	6	20,268,754	23,881,393
		<u>366,001,445</u>	<u>551,242,455</u>
Net Investment Income			
Unrealised Gain/ (Loss)	7	205,130,432	(1,332,659,972)
		<u>571,131,877</u>	<u>(781,417,517)</u>

ACCUMULATED INCOME ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2006

	2006 €	2005 €
Balance at January 1st	(640,263,612)	141,153,905
Net Income / (Loss) Transferred From Income and Distribution Account	571,131,877	(781,417,517)
	<u>(69,131,735)</u>	<u>(640,263,612)</u>

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SAS FORTUNE FUND LIMITED STATEMENT OF MOVEMENTS IN NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2006

INCREASE IN NET ASSETS	2006	2005
	€	€
From Operations:		
Net Investment Gains Before Capital Gains	285,432,080	527,161,062
Net Realised Capital Gain	60,300,611	-
Net Unrealised Gain/ (Loss)	205,130,432	(1,332,659,972)
Gains on Redemptions	20,268,754	23,881,393
Net Increase / (Decrease) From Operations	<u>571,131,877</u>	<u>(781,617,517)</u>
From Capital Transactions:		
Proceeds From Issue of Shares	527,233,676	510,055,407
Payments for Shares Redeemed	(1,238,902,601)	(1,669,351,352)
Net Payments for Capital Transactions	<u>(711,668,925)</u>	<u>(1,159,295,945)</u>
Net Decrease In Assets	(140,537,048)	(1,940,913,462)
Net Assets at January 1st	5,010,434,785	6,951,148,247
Net Assets at December 31st	<u><u>4,869,897,737</u></u>	<u><u>5,010,234,785</u></u>

STATEMENT OF MOVEMENTS IN ISSUED SHARES FOR THE YEAR ENDED DECEMBER 31, 2006

	2006	2005
	No. of Shares	No. of Shares
Balance at January 1st	5,578,309	6,728,881
Issue of Shares	529,819	497,358
	<u>6,108,128</u>	<u>7,226,239</u>
Redemption of Shares	(1,233,510)	(1,647,930)
Net Shares Outstanding at December 31st	<u><u>4,874,618</u></u>	<u><u>5,578,309</u></u>

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SAS FORTUNE FUND LIMITED

PORTFOLIO SUMMARY

AS AT DECEMBER 31, 2006

Equity	Position	Mkt Value	Position	Mkt Value	(Sales)/	
	31/12/05 No. of Sh.	31/12/05 €'000	31/12/06 No. of Sh.	31/12/06 €'000	Purchases During Yr €'000	Capital Gain (Loss) €'000
ABL	120,000	156,000	120,000	138,000	-	(18,000)
ALW	61,000	305,183	61,000	442,311	-	137,128
BAT	11,290	34,435	-	-	(34,274)	(161)
BOPP	100,000	550,000	100,000	550,000	-	-
CAL	145,400	290,800	45,400	100,107	(142,163)	(48,530)
ECO	-	-	16,822	227,400	198,940	28,460
FML	4,530	71,574	4,530	81,549	-	9,975
GCB	53,045	357,523	53,045	326,227	-	(31,297)
GGBL	52,270	404,570	52,270	483,393	-	78,823
MOGL	10,311	391,818	-	-	(548,326)	156,508
SCB	926	120,380	1,370	216,460	70,175	25,905
SG-SSB	58,620	422,064	29,310	175,860	(172,822)	(73,382)
TSL	-	-	150,000	150,000	150,000	-
	-----	-----	-----	-----	-----	-----
At Market	617,392	3,104,347	633,747	2,891,307	(478,471)	265,431
	=====	=====	=====	=====	=====	=====

Balance on Unrealised

Exchange Reserve	1,163,049	572,092
	-----	-----
At Cost	4,267,396	3,463,399
	=====	=====

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SAS FORTUNE FUND LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006

1. ACCOUNTING POLICIES

The following is a summary of accounting policies consistently followed by the Fund in the preparation of its financial statements. The preparation of the financial statements is in conformity with generally accepted accounting principles.

- a) **Securities Valuation**
Securities listed on the Ghana Stock Exchange are valued at the last quoted official market price at the end of the year. Unlisted securities are valued at the average of the latest bid and offer prices. Fixed-income securities are valued at the historical cost plus accrued interest. Where market prices are not readily available or the values as determined are not considered to represent true market values, a fair value is determined by the Manager under the direction of the Board of Directors of the Fund.
- b) **Security Transactions**
Security transactions are recorded on a trade date basis. Realized Capital Gains and Losses are determined on an identified cost basis.
- c) **Income**
Interest income is recognized on an accrual basis. Dividend Income is recorded if the qualifying date falls within the year under review. Other income is recorded when received rather than earned.
- d) **Foreign Exchange**
Transactions denominated in foreign currencies are translated into Cedis at the exchange rates ruling at the dates of transaction. Balances denominated in foreign currencies are translated into Cedis at the exchange rates ruling at the date of the Statement of Assets and Liabilities.

2. INTEREST INCOME	2006 ¢	2005 ¢
Interest on Call Deposit	21,069,201	24,079,437
Interest on Treasury Bills	320,432,152	23,013,593
Interest on Fixed Deposit	19,157,143	417,952,010
Interest on Bonds	46,125,000	59,318,983
	<u>406,783,496</u>	<u>524,364,023</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2006 (CONT'D)

	2006	2005
	€	€
3. OTHER INCOME		
Exit Charges	17,157,621	47,372,467
Others	-	16,877,951
	<u>17,157,621</u>	<u>64,250,418</u>
 4. OTHER EXPENSES		
Custodian Fees	7,725,918	8,597,052
Bank Charges	-	3,421,824
Audit Fee	15,000,000	10,000,000
Postage	5,899,000	4,760,000
Printing Costs	1,571,000	15,456,000
Directors Fees	62,400,000	46,800,000
Licenses	5,000,000	5,000,000
AGM Expenses	46,479,000	-
Vat on Audit Fees	1,500,000	-
Secretarial Fees	6,900,000	-
Sundries	350,000	-
	<u>152,824,918</u>	<u>94,034,876</u>
 5. REALISED GAIN ON INVESTMENTS		
Proceeds from Sale of Investment (Shares)	897,585,111	-
Average Costs of Investment (Shares) Sold	(1,223,111,346)	-
Transfer from Unrealised Gain/ (Loss)	385,826,846	-
	<u>60,300,611</u>	<u>-</u>
 6. GAIN ON REDEMPTION		
Sales Consideration	1,218,633,847	1,645,469,959
Cost of Shares Sold	1,238,902,601	1,669,351,352
	<u>20,268,754</u>	<u>23,881,393</u>

2006 ANNUAL REPORT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2006(CONT'D)

	2006 ¢	2005 ¢
7. UNREALISED GAIN/ (LOSS) RESERVE		
Balance at January 1st	(1,163,049,376)	169,610,615
Unrealised Gain / (Loss) for the Year		
Charged to Income & Distribution A/c	205,130,228	(1,332,659,991)
Realised Gain on Sale of Investment		
Transferred to Realised Gain on Invest.	385,826,846	-
	<u>(572,092,302)</u>	<u>(1,163,049,376)</u>

8. INTEREST RECEIVABLE

Call Interest	14,112,420	425,754
Fixed Deposit	182,355,129	-
GOG Bond	14,887,500	-
	<u>211,355,049</u>	<u>425,754</u>

9. CAPITAL ACCOUNTS

	2006		2005	
	No. of Shares	¢	No. of Shares	¢
Balance at January 1st	5,578,309	5,650,698,397	6,728,881	6,809,994,342
Issue of Shares	529,819	527,233,676	497,358	510,055,407
Redemption of Shares	(1,233,510)	(1,238,902,601)	(1,647,930)	(1,669,351,352)
	<u>4,874,618</u>	<u>4,939,029,472</u>	<u>5,578,309</u>	<u>5,650,698,397</u>

10. TAXATION

Under current Ghanaian legislation, mutual funds are not subject to taxes on income or capital gains. However, the required taxes are paid for investments done in jurisdictions where taxes on income or gains on investments apply.

11. INVESTMENT TRANSACTIONS

Total purchases and sale of investments in quoted equity were ¢419,114,238 and ¢897,585,111 respectively. (2005: ¢636,817,000 and nil respectively).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2006 (CONT'D)

12. REDEMPTION/EXIT FEES

The Fund is a long-term growth fund and its objective is to encourage shareholders to remain in the fund for at least three (3) years. The following withdrawal charges apply when investors redeem all or part of their shares within the first three (3) years.

REDEMPTION WITHIN YEAR(S)	CHARGES
1	3%
2	2%
3	1%
3+	None

13 TRANSACTIONS THROUGH AFFILIATES

The entire Fund's equity transactions were done through Strategic African Securities Limited, a company related to SAS Investment Management Limited, the Manager of the Mutual Fund.

14 COMMISSIONS AND LEVIES

Total Commissions and Stock Exchange Levies were € 17,755,127 at an average rate of 1.9%. (2005: €11,304,759 at 1.65%).

2006 ANNUAL REPORT

CUSTODIAN REPORT

April 24, 2007

The Manager
SAS Investment Management
PO Box KA 16446
Accra

Our ref. SASFortunefundReport1206

Barclays Securities Services
Barclays House
High Street
PO Box GP 2949
Accra, Ghana

Tel: +233 (0)21 669258
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Fax: +233 (0)21 667681

BARCLAYS

REPORT OF THE CUSTODIAN TO THE INVESTORS OF SAS FORTUNE FUND LIMITED

We refer to the Unit Trust and Mutual Funds Regulations, 2001 L.I. 1695 and attach a statement of holdings of securities in custody with Barclays Bank of Ghana Limited for the above fund as at 31 December 2006.

Respective Investment Restrictions imposed on the fund and the responsibility of custodians

Page 7 of the scheme particulars specifies the funds investment restrictions. Our responsibility is to express an independent opinion on the statement of holdings based on our audit.

Opinion

In our opinion, the statement of holdings is in agreement therewith and give a true and fair view of the state of affairs of the fund as at 31st December 2006 and the manager **SAS Investment Management Limited** has managed the fund for the year ended 31st December, 2006 in accordance with;

- (a) the limitations imposed on the investment and borrowing powers of the manager; and
- (b) provisions pursuant to the above mentioned regulations.

Yours Faithfully,


Mark Amenu
HEAD OF CUSTODY
BARCLAYS SECURITIES SERVICES GHANA

2006 ANNUAL REPORT

SAS FORTUNE FUND LIMITED

REPORT OF THE CUSTODIANS RE: SAS FORTUNE FUND LIMITED

As of Date 31/12/2006

Account 2623697A

BGN/ SAS FORTUNE FUND

Classification	EQ1B	EQUITIES – 1ST BOARD			
Security Name		Settled	Market	Valuation	%Total
Code		Position	(GHC)	GHC	Valuation
ABC	ACCRA BREWERIES LTD	120,000	1,150	138,000,000	4.89
ALW	ALUWORKS GHANA LTD	61,000	7,251	442,311,000	15.66
BOPP	BENSO OIL PALM PLANTATIONS	100,000	5,500	550,000,000	19.48
CAL	CAL BANK LIMITED	45,400	2,205	100,107,000	3.54
EBG	ECOBANK GHANA LIMITED	11,822	13,519	159,821,618	5.66
FML	FANMILK GHANA LIMITED	4,530	18,002	81,549,060	2.89
GCB	GHANA COMMERCIAL BANK	53,045	6,150	326,226,750	11.55
GGBL	GUINNESS GHANA LIMITED	52,270	9,248	483,392,960	17.12
SCB	STANDARD CHARTERED BANK	926	158,000	216,460,000	7.67
SSB	SG - SSB LIMITED	29,310	6,000	175,860,000	6.23
TRAN.	TRANSACTION SOLUTIONS (GH) LTD	150,000	1,000	150,000,000	5.31
				-----	-----
				2,823,728,388	100.00
				-----	-----
GRAND TOTAL		-	-	2,823,728,388	100.00
Cash Balance at Bank				526,155,874	

				3,349,884,262	
				=====	

2006 ANNUAL REPORT

SAS FORTUNE FUND LIMITED DIRECTORS AND OFFICERS INFORMATION

The business and affairs of the Fund are managed by the Fund Manager 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 and their affiliations.

Name, Address	Position	Time with Fund	Occupation	Other Affiliates
Independent Directors				
Reginald France (44) Boulders Advisors Ltd. P.O Box CT 3064 West Airport, Accra	Director	Since Inception (June 2004)	Investment Banker Consultant	CDH Financial Holdings HRK Associates Inc.
Maxwell Logan (40) Plot.5 & 8, Tabon Street Sedco House Annexe North-Ridge, Accra	Director	Since Inception (June 2004)	Legal Practitioner	Logan and Associates Office Support Project New Beach Realtors Ltd.
Dr. Ruben Atekpe (39) Advisors Ltd. 1 Soflo Link, Abelemkpe P.O Box AN 5269 Accra-North	Director (June 2004)	Since Inception Broker	Investment Arthur Energy	Pioneer Alum. Factory
Fred Oware (56) Equatorial Plaza 54 Old Achimota Road Accra	Director (June 2004)	Since Inception	Consultant	Manna Heights Hotel Choice FM Plus Image Printers
Interested Directors				
Togbe Afede XIV (49) P.O Box KA 16446 Accra	Director (June 2004)	Since Inception	Investment Banker	Strategic African Securities SASIM Strategic Initiatives Aluworks (Gh) Ltd Procredit National Theatre Bank of Ghana

2006 ANNUAL REPORT

PROXY FORM

SAS FORTUNE FUND LIMITED

I/We..... of

being a Shareholder of the above-named Company hereby appoint

..... of

or failing him the duly appointed chairman of the meeting as my/our Proxy to vote for me/us and on my/our behalf at an Annual General Meeting of the Shareholders to be held on December 10, 2007 at the British Council Hall at 10:00 AM or at any adjournment thereof

I/ We direct that my/our vote(s) be cast on the specified resolution as indicated by an X in the appropriate space

RESOLUTIONS	FOR	AGAINST
1. To adapt the Directors and Auditors Report		
2. To receive and consider the Reports of the Directors and Auditors and the Financial Statements of the Fund for the year ended December 31, 2006.		
3. To re-elect directors retiring by rotation		
• Mr Reuben Atekpe		
• Mr Maxwell Logan		
• Mr Reginald France		
4. To approve Directors' remuneration.		
5. To authorize the Directors to fix the remuneration of Auditors		

SAS | FORTUNE
FUND

Invest Today!

SAS FORTUNE FUND

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