

ANNUAL REPORT
SAS FORTUNE FUND



2007

SAS | Fortune Fund

SAS FORTUNE FUND LIMITED

REPORTS AND FINANCIAL STATEMENTS

DECEMBER 31, 2007

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CORPORATE INFORMATION

The Manager:	SAS Investment Management Ltd. (SAS-IM) 2 nd 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 Reginald France Ruben Atekpe Maxwell Logan
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 4 th Floor Mobil House 25 Liberia Road
Secretary:	Accra Nominees Cedar House No. 13 Samora Machel Road Asylum Down, Accra

SAS FORTUNE FUND LIMITED

NOTICE OF MEETING

NOTICE is hereby given that the 3rd Annual General Meeting of the Members of The SAS Fortune Fund will be held on Tuesday, August 12, 2008 at the British Council Hall, Accra at **10.00 a.m.** to transact the following ordinary business:-

1. To receive and adopt the Audited Financial Statements for the year ended December 31, 2007 together with the Reports of the Directors and Auditors thereon.
2. To fix Directors' Remuneration for the ensuing year.
3. To re-elect Directors
4. To authorise the Directors to negotiate and determine the remuneration of the Auditors for the ensuing year.

BY ORDER OF THE BOARD

**ACCRA NOMINEES LIMITED
COMPANY SECRETARY**

Registered Office,
Accra.

Dated this 8th day of July 2008

NOTE: A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him/her and such proxy need not be a member of the Fund. A proxy form is attached. Executed forms of proxy should be deposited at the Registered Office of the Fund Manager, 2nd Ridge Link, North Ridge, Accra, not less than 48 hours prior to the time of the meeting.

CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear Shareholders,

Let me welcome you to the 3rd Annual General Meeting of SAS Fortune Fund Limited. I am delighted to present to you the annual reports and accounts for the year ended December 31st 2007.

The Ghanaian economic environment remained robust in 2007 despite the effects of high crude oil prices and domestic utility tariffs. Inflation at the end of the year was 12.7% compared to 10.2% recorded at the end of 2006.

The cedi weakened against the US dollar by 4.05% and recorded higher depreciation rates against the euro and the pound sterling. The surge in commodity prices increased Ghana's export revenue which helped in stabilizing the economy during the year.

The Bank of Ghana (BoG) successfully redenominated the Ghanaian currency in July of 2007. This has improved the efficiency of cash transactions in the financial system. The BoG also raised the prime rate from 12.5% to 13.5% in order to control the rise in general price levels.

The Jubilee year witnessed the discovery of oil in commercial quantities and real GDP growth was 6.3% for the year. The Government of Ghana issued a Eurobond which was oversubscribed in the international market. This underscores the confidence in the economy. The Government also issued the Golden Jubilee Savings Bonds to encourage Ghanaians to save for the future.

Your Fund benefited from the improved performance of the GSE and recorded a price gain of 23.03% as compared to 9.95% recorded in 2006. The value of assets of the Fund increased by 6.5% to GH¢518,758.02 from GH¢486,989.77 recorded in 2006. Total dividends received for the year amounted to GH¢ 13,354.57 representing an increase of 17.77% over the previous year.

On behalf of the board of directors, I would like to express my appreciation to all of you who continue to invest regularly in the Fund. The Fund is on the right track and I encourage all investors to increase their holdings to participate even more in the price gains. The Fund is now being promoted aggressively and we hope to mobilize more capital to increase the asset base in the near future.

Once again, I want to assure you that the managers of the Fund will continue to look out for opportunities in the market and take appropriate measures to benefit from them. We are committed ensuring the prudent management of your money and we are dedicated to helping you increase your wealth.

I want to thank you for choosing SAS Fortune Fund as your regular investment vehicle and I wish you all the best in the coming year.

God Bless you.



Fred Oware
(Chairman)

FUND MANAGER'S REPORT

Dear Shareholders,

It is my greatest pleasure to welcome you to the 2007 Annual General Meeting of the SAS Fortune Fund. This report touches on the general economy, the performance of the Fund in 2007, and the outlook for 2008.

The year 2007 recorded an improvement in the price and assets of the Fund. The Fund price appreciated by 23.03% during the year compared to a 9.98% in the previous year. Total assets under management as at the end of the year also grew by approximately 6.5% over the amount at the end of the previous year. The improved performance of the Fund can be attributed in part, to the performance of the Ghana Stock Exchange (GSE) during 2007.

Before we delve into the details of the Fund portfolio and its performance, let us take a brief look at the general Ghanaian economy in 2007.

THE ECONOMY

The economy maintained a respectable level of resilience despite external shocks. High crude oil prices which funneled into domestic prices, liquidity squeeze in financial markets and high domestic utility tariffs all combined to increase the level of uncertainty in the economy. Economic activity in 2007 however remained fairly strong.

Information on key real sector indicators shows that the economic base has been expanding rapidly. Income and corporate tax collections grew by 22.4% compared with the level in 2006. The retail sales index increased steadily and the average number of job offers increased from 717 jobs per month in 2006 to 757 jobs per month in 2007.

The Jubilee year was also crowned with the discovery of crude oil in commercial quantities and the commissioning of the 400 MW Bui dam hydroelectric power project. Work is on-going to start oil production by 2010.

Gross Domestic Product (GDP)

Real GDP grew in excess of 6% in 2007. The provisional growth rate of 6.3% was marginally below the targeted growth rate of 6.5% due to slow growth in the agricultural and industrial sectors of the economy. Erratic rainfall and unanticipated floods coupled with the energy crises accounted for the slow growth in the above sectors. Real GDP growth was mainly driven by the services sector. The 6.3% GDP growth rate in 2007 is the sixth consecutive year that the nation has experienced an increased and sustained economic growth.

Inflation

The pressures of high crude oil prices as well as increased utility tariffs and rising food prices resulted in a rise in headline inflation from 10.9% in 2006 to 12.7% in December 2007.

Interest Rates

In general, interest rates declined during the first three quarters of the year but firmed up in the last quarter. The continued shift of the yield curve downward is indicative of diminishing inflationary concerns in the economy. The Monetary Policy Committee of the Bank of Ghana

kept the prime rate at 12.5% until October 2007 when it raised the prime rate to 13.5% in an attempt to maintain stability in general price levels. Compared with the previous year, interest rates fell marginally in 2007. The average monthly interest rate on the 91-day Treasury bill ranged from 9.56% to 11.34% in 2006 compared to 9.59% to 10.62% in 2007. The average monthly interest rate on the 182-day bill ranged from 10.62% to 12.73% in 2006 to 10.04% to 10.79% in 2007. The monthly average rate on the 1-yr note ranged from 12.30% to 16.45% in 2006 to 12.30% to 12.90% in 2007.

Exchange Rates

In the foreign exchange markets, the Cedi depreciated against all the major trading currencies as well as against African currencies. The YTD depreciation against the U.S. dollar was 4.05%, the highest recorded since 2004.

The Bank of Ghana (BoG) successfully redenominated the Ghanaian currency in July of 2007 by setting ₵10,000 to GH₵1 (new Ghana Cedi), i.e. ₵10,000 = GH₵1. The BoG expects the redenomination to provide efficiency in money movement in the economy, which is in line with their commitment to macro-economic stability.

MARKET OVERVIEW

In the equity market, the Ghana Stock Exchange (GSE) All Share Index closed at a record high of 6599.81 points, the highest since trading started in November 1990. This is reflective of a growing and robust economy. Growing confidence in Ghana's economy has contributed immensely to the appreciation in stock prices. In 2007, financial stocks were the main catalyst for the burgeoning stock market index.

The market witnessed a number of exciting activities during 2007. Ghana Oil Company Ltd (GOIL) was listed on the Ghana Stock Exchange in line with Government's policy to reduce its holdings in State Owned Enterprises. Golden Star Resources and State Insurance Company share offers were also launched during 2007.

In 2007, sixteen (16) equities recorded price appreciation while five (5) equities lost value. Four (4) out of the five (5) losers were manufacturing stocks. Eleven (11) equities outperformed the SAS Index (SASI). Six (6) of the equities that outperformed the index were financial stocks, four (4) were manufacturing stocks and one (1) was a petroleum stock.

The size of the equities component of the capital market increased by 21.40%, resulting in a total market capitalization of GH₵12,362.11 million. The increase in the market capitalization of the GSE can be attributed to the listing of additional shares of Ghana Commercial Bank Ltd and Ecobank Transnational Incorporated (ETI) Ltd and the initial public offering of Ghana Oil Company Ltd.

In the bond market, the Government of Ghana issued a number of bonds in 2007. Following a high sovereign credit rating, the Government entered the international bond market to raise money for infrastructural development. The Government issued the Eurobond to raise \$750 million. The Eurobond was oversubscribed by over 300% which is indicative of the confidence that international investors have in our economy. The Government also launched the Golden Jubilee Savings Bonds, a retail savings bond to commemorate the Golden Jubilee celebration

and also to encourage long term savings among Ghanaians. The Government in addition, issued a 2yr, 3yr and 5yr Government of Ghana bonds between April 2 and July 30, 2007 which were all listed on the Ghana Stock Exchange (GSE).

FUND OVERVIEW

The objective of the Fund is to invest in a diversified portfolio in order to achieve long term growth of capital for shareholders. The Fund pursued that objective in 2007 and was able to increase shareholders' wealth.

The Fund ended the year with a 23.03% appreciation in price to close at GH¢ 0 .1234 per share. This compares favourably with the 9.98% price appreciation in 2006. At the close of the year, the portfolio structure was 71.22% equities, 21.36% fixed income securities and 7.42% cash. We increased the equity holdings in the portfolio from 63.09% to 71.22% to take advantage of undervalued securities in the market.

Total Fund assets under management increased from GH¢ 495,377 at the end of 2006 to GH¢ 518,758 at the end of 2007, representing a marginal 6.5% increase. There is the need to mobilize additional capital to increase the asset base of the Fund. With an increased asset base, the Fund can more easily and economically explore opportunities in other emerging markets.

The Fund held a total of 13 securities in its portfolio at the end of 2007. The top five equity holdings in the portfolio constituted about 50% of the total portfolio value at the end of the year. The performance of the portfolio was very much dependent on the performance of the top five equity securities.

The Fund manager is dedicated to growing the asset base of the Fund and increasing the share price of the Fund. The Fund manager will aim to enhance the performance of the portfolio by identifying securities with favourable long term prospects whose prices are attractive. In addition, fixed income securities will be used to diversify and maintain stability in the portfolio.

LOOKING AHEAD

This is the best time to be a Fortune Fund shareholder. The Fund is being promoted more aggressively and this is expected to continue throughout 2008. The Fund manager is also working to make it more convenient for new and existing shareholders to invest in the Fund. This is being done through a collaborative effort with agents and other financial institutions. We expect 2008 to be a good year for SAS Fortune Fund. The Fund manager has restructured the portfolio to improve its performance. This is already evident in the first quarter performance of 2008. The Fund is still researching into other African markets in order to move in at the most opportune time.

The Ghana Stock Exchange is expected to see more activity as more companies seek to list on the exchange. Some of these companies include Unique Trust Financial Services, Accra Hearts of Oak Football Club, Aviance Ghana Ltd (Cargo Company) and TV3 Network Ltd. Pioneer Kitchenware Ltd, HFC Bank Ltd and Super Paper Products Company Ltd also plan to raise additional funds through rights issues.

With the minimum capital requirement for banks raised to between GH¢ 50 million and GH¢ 60 million, we can expect to see more rights issues and mergers in the banking sector during 2008 and beyond. The Government is also in the process of privatizing Ghana Telecom (the largest fixed line and second largest cellular operator in Ghana) and Tema Oil Refinery (Ghana's only oil refinery). All of these should boost activity in the stock market.

In the bond market, the Government of Ghana plans to issue a 10-year bond on the Ghanaian market to make the bond market more active. We expect more companies to follow suit. We expect private companies in the likes of Barclays Bank, Standard Chartered Bank, Ghana Telecom and Prudential Bank to issue corporate bonds as activity increases in the bond market.

The planned automation of the Ghana Stock Exchanges' trading system has already begun. Once implemented, brokers will be able to enter orders from their offices. Orders will automatically route to the trading floor for execution. These are expected to improve trading efficiency, liquidity, reduce risk associated with manual handling of orders, improve market surveillance and move the Ghana Stock Exchange closer to the standard of world financial markets.

Automation of the stock market and improved regulatory environment will improve the efficiency and effectiveness of the financial markets to the benefit of investors and other market participants. We expect more foreign investments coming into the country as a result of the automation.

The Central Securities Depository (CSD) Bill has been passed by parliament. When the law is implemented, shareholdings of investors will be registered and kept in an electronic database. Transfer of shares and funds will be done electronically and more efficiently. The CSD will improve the existing processes for trading.

We expect another bull run in 2008. We believe the financial market has a lot to offer with regard to wealth creation and everybody should take advantage of it. I encourage all shareholders to increase their investment in the Fund because the future is very bright. Investment should not be a one time event. Put away as much money as you can. We are confident in our ability to grow your wealth. Invest with confidence and watch your money grow.

Thank you.


Edem Avotri
(Fund Manager)



**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 by 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 alternative procedures to confirm the completeness of the accounting records and information were 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, 2007 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 House
5 Off Cola Street,
Kokomlemle
P.O Box CT 1552
Cantonments

29th April, 2008

SAS FORTUNE FUND LIMITED
STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2007

QUOTED EQUITY	%Net Assets	Number of Shares	2007 Market Value GH¢	2006 Market Value GH¢
Beverage & Tobacco	13.09			
Accra Breweries Ltd (ABL)	2.70	120,000	13,800	13,800
Guinness Ghana Breweries (GGBL)	10.42	43,770	53,837	48,339
			-----	-----
			67,637	62,139
Manufacturing	8.38			
Aluworks (ALW)	8.38	61,000	43,310	44,231
			-----	-----
Agro-processing	9.48			
Benso Oil Palm Plantation (BOPP)	9.48	100,000	49,000	55,000
			-----	-----
Dairy Products	2.10			
Fan Milk Ltd (FML)	2.10	4,530	10,827	8,155
			-----	-----
Banking	35.12			
CAL Bank (CAL)	4.31	50,400	22,277	10,011
Ghana Commercial Bank (GCB)	10.89	56,522	56,239	32,623
Standard Chartered Bank (SCB)	10.07	2,000	52,000	21,646
SG-SSB Bank (SG-SSB)	3.34	13,810	17,262	17,585
Ecobank	6.51	16,822	33,644	22,740
			-----	-----
			181,422	104,605
Information Technology	3.48			
Transaction Solutions (Gh) Limited	3.48	150,000	18,000	15,000
			-----	-----
Oil	1.62			
Goil	1.62	27,052	8,386	-
			-----	-----
TOTAL QUOTED EQUITY	73.28	645,906	378,582	289,131
			-----	-----
FIXED INCOME/ SHORT TERM				
SAS Income Account	-		-	20,872
1 Year Commercial Paper	24.33		125,712	100,000
91 Day Treasury Bill	-		-	20,699
			-----	-----
			24.33	141,571
Cash at Bank and on Call	2.39		12,348	48,726
			-----	-----
TOTAL FIXED INCOME/SHORT-TERM	26.72		138,060	190,297
			-----	-----
TOTAL INVESTMENTS	100.00%		516,642	479,427
			=====	=====

SAS FORTUNE FUND LIMITED
STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2007

	Note	2007 GH¢	2006 GH¢
ASSETS			
Total Investments		516,642	479,427
RECEIVABLES			
Dividends Receivable		-	915
Interest Receivable	8	23,320	21,136
Due from Brokers		172	172
Others (Schedule A)		388	893
Total Receivables		23,880	23,116
Total Assets		540,522	502,543
LIABILITIES			
Audit Fee Payable		2,025	1,000
Management Fees		302	3,701
Others (Schedule B)		21,082	10,852
Total Liabilities		(23,409)	(15,553)
NET ASSETS		517,113	486,990
SHAREHOLDERS' FUND			
Capital Accounts	9	430,024	493,903
Accumulated Income Account		87,090	(6,913)
Balance at December 31st		517,113	486,990


}
 DIRECTORS

ACCRA
 28th April, 2008

28th April, 2008

**SAS FORTUNE FUND LIMITED
INCOME AND DISTRIBUTION ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2007**

	Notes	2007 GH¢	2006 GH¢
Investment Income			
Dividend Income		12,351	11,339
Interest Income	2	32,506	40,678
Other Income	3	794	1,716
Total Investment Income		45,651	53,733
Expenses			
Management Fees		10,374	9,908
Other Expenses	4	16,980	15,282
Total Expenses		27,354	25,190
Net Investment Income before Capital Gains		18,297	28,543
Net Realised Capital Gain	5	10,015	6,030
Gain /Loss paid on Redemptions	6	(12,120)	2,027
Net Investment Income		16,192	36,600
Unrealised Gain/ (Loss)	7	77,720	20,513
Net Income/ (Loss) Transferred to Accumulated Income Account		93,912	57,113

**ACCUMULATED INCOME ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2007**

	2007 GH¢	2006 GH¢
Balance at January 1st	(6,913)	(64,026)
Net Income Transferred From Income and Distribution Account	93,912	57,113
Balance at December 31st	86,999	(6,913)

SAS FORTUNE FUND LIMITED
STATEMENT OF MOVEMENT IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2007

INCREASE IN NET ASSETS	2007 GH¢	2006 GH¢
From Operations:		
Net Investment Gains Before Capital Gains	18,297	28,543
Net Realised Capital Gain	10,015	6,030
Net Unrealised Gain/ (Loss)	77,720	20,513
(Loss)/Gains on Redemptions	(12,120)	2,027
	-----	-----
Net Increase / (Decrease) From Operations	93,912	57,113
	-----	-----
From Capital Transactions:		
Proceeds From Issue of Shares	55,372	52,723
Cash outflow for Shares Redeemed	(119,251)	(123,890)
	-----	-----
Net cash outflow for Capital Transactions	(63,879)	(71,167)
	-----	-----
Net Increase/(Decrease) In Assets	30,033	(14,054)
Net Assets at January 1st	486,990	501,043
	-----	-----
Net Assets at December 31st	517,023	486,990
	=====	=====

STATEMENT OF MOVEMENT IN ISSUED SHARE
FOR THE YEAR ENDED DECEMBER 31, 2007

	2007 No. of Shares	2006 No. of Shares
Balance at January 1st	4,874,618	5,578,309
Issue of Shares	489,848	529,819
	-----	-----
	5,364,466	6,108,128
Redemption of Shares	(1,183,550)	(1,233,510)
	-----	-----
Net Shares Outstanding at December 31st	4,180,916	4,874,618
	=====	=====

SAS FORTUNE FUND LIMITED
PORTFOLIO SUMMARY
AS AT DECEMBER 31, 2007

Equity	Position	Mkt Value	Position	Mkt Value	(Sales)/	Capital Gain
	31/12/06 No. of Sh.	31/12/06 GH¢	31/12/07 No. of Sh.	31/12/07 GH¢	Purchases During Yr GH¢	(Loss) GH¢
ABL	120,000	13,800	120,000	13,800	-	-
ALW	61,000	44,231	61,000	43,310	-	(921)
BOPP	100,000	55,000	100,000	49,000	-	(6,000)
CAL	45,400	10,011	50,400	22,277	1,788	10,387
ECO	16,822	22,740	16,822	33,644	-	10,904
FML	4,530	8,155	4,530	10,827	-	2,672
GOIL	-	-	27,052	8,386	5,410	2,976
GCB	53,045	32,623	56,522	56,239	8,468	15,149
GGBL	52,270	48,339	43,770	53,837	(10,289)	15,787
SCB	1,370	21,646	2,000	52,000	13,143	17,211
SG-SSB	29,310	17,586	13,810	17,263	(16,895)	16,572
TSL	150,000	15,000	150,000	18,000	-	3,000
At Market	633,747	289,131	645,906	378,583	1,625	87,736
	=====	=====	=====	=====	=====	=====
Balance on Unrealised						
Exchange Reserve		57,209		(41,915)		
		-----		-----		
At Cost		346,340		336,577		
		=====		=====		

SAS FORTUNE FUND LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007

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

During the year, the Central Bank of Ghana re-denominated the national currency of Ghana from cedi to the new Ghana cedi at GH¢1 to ¢10,000.

The financial statements have been prepared using the Ghana Cedi as the functional currency. All foreign currency transactions are converted into Ghana Cedis at the rate of exchange ruling at the date of the transaction. Balances denominated in foreign currencies are translated into Ghana Cedis at the rate of Exchange ruling on the Balance Sheet date.

2. Interest Income	2007 GH¢	2006 GH¢
Interest on Call Deposit	1,208	2,107
Interest on Treasury Bills	-	32,043
Interest on Fixed Deposit	26,688	1,915
Interest on Bonds	4,609	4,613
	-----	-----
	32,505	40,678
	=====	=====

	2007 GH¢	2006 GH¢
3. Other Income		
Exit Charges	794	1,716
	=====	=====
4. Other Expenses		
Custodian Fees	730	772
Audit Fee	1,800	1,650
Postage	1,312	590
Printing Costs	56	157
Directors Fees	6,240	6,240
Licenses	-	500
AGM Expenses	4,688	4,648
Secretarial Fees	1,380	690
Sundries	774	35
	-----	-----
	16,980	15,282
	=====	=====
5. Realised Gain on Investments		
Proceeds from Sale of Investment (Shares)	43,488	89,758
Average Costs of Investment (Shares) Sold	(54,877)	(122,311)
Transfer from Unrealised Gain/ (Loss)	21,404	38,583
	-----	-----
	10,015	6,030
	=====	=====
6. Gain on Redemption		
Cost of Shares redeemed	119,251	123,890
Consideration paid to exiting shareholders	(131,371)	(121,863)
	-----	-----
(Loss) /Gain on Redemption	(12,120)	2,027
	=====	=====
7. Unrealised Gain/ (Loss) Reserve		
Balance at January 1st	(57,209)	(116,305)
Unrealised Gain / (Loss) for the Year		
Charged to Income & Distribution A/c	77,720	20,513
Realised Gain on Sale of Investment		
Transferred to Realised Gain on Invest	21,404	38,583
	-----	-----
Balance at December 31st	41,915	(57,209)
	=====	=====

	2007 GH¢	2006 GH¢
8. Interest Receivable		
Call Interest	2,619	1,411
Fixed Deposit	19,212	18,236
GOG Bond	1,489	1,489
	-----	-----
	23,320	21,136
	=====	=====

	2007		2006	
	No. of Shares	GH¢	No. of Shares	GH¢
Balance at January 1st	4,874,618	493,903	5,578,309	565,070
Issue of Shares	489,848	55,371	529,819	52,723
Redemption of Shares	(1,183,550)	(119,251)	(1,233,510)	(123,890)
	-----	-----	-----	-----
Balance At December 31	4,180,916	430,023	4,874,618	493,903
	=====	=====	=====	=====

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 GH¢45,113 and GH¢43,488 respectively. (2006: GH¢41,911 and GH¢89,759 respectively).

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 GH¢ 1,348 at an average rate of 1.5%. (2006: Gh¢1,776 at 1.9%).

SAS FORTUNE FUND LIMITED

SCHEDULES

	2007 GH¢	2006 GH¢
A. RECEIVABLES		
Others		
Suspense	388	893
	=====	=====
B. LIABILITIES		
Others		
Custody Fees Accrued	249	51
Manager's Account:		
Printing & Stationery	3,198	18
Postage	185	18
Directors' Fees Accrued	16,660	10,420
Uncredited Capital Contributions	445	-
Secretarial Fees	345	345
	-----	-----
	21,082	10,852
	=====	=====

CUSTODIAN REPORT

April 28, 2008

The Manager
SAS Investment Management
PO Box KA 16446

Barclays Securities Services.
Barclays House
High Street
PO Box GP 2949
Accra, Ghana
Tel: +233 (0)21 669258
+233 (0)21 664901-4
Fax: +233 (0)21 667681

Our ref: BBG/SASFortunefundReport

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 2007.

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 2007 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.

Please acknowledge receipt of the letter by signing and returning the attached copy.

Yours Faithfully,


Mark Amena
HEAD OF CUSTODY
BARCLAYS SECURITIES SERVICES GHANA

REPORT OF THE CUSTODIANS RE: SAS FORTUNE FUND LIMITED

As of Date 31/12/2007
 Account 2623697A BBGN/ SAS FORTUNE FUND
 Classification EQ1B EQUITIES – 1ST BOARD

Security Code	Name	Settled Position	Market (GH¢)	Valuation% GH¢	Total Valuation
ABC	ACCRA BREWERIES LTD	120,000	0.1150	13,800	3.65
ALW	ALUWORKS GHANA LTD	61,000	0.7100	43,310	11.44
BOPP	BENSO OIL PALM PLANT..	100,000	0.4900	49,000	12.94
CAL	CAL BANK LIMITED	50,400	0.4420	22,277	5.88
EBG	ECOBANK GHANA LIMITED	16,822	2.0000	33,644	8.89
FML	FANMILK GHANA LIMITED	4,530	2.3900	10,827	2.86
GCB	GHANA COMMERCIAL BANK	56,522	0.9950	56,239	14.86
GGBL	GUINNESS GHANA LIMITED	43,770	1.2300	53,837	14.22
GOIL	GHANA OIL COMPANY LTD	27,052	0.3100	8,386	2.22
SCB	STANDARD CHARTERED BANK	2,000	26.0000	52,000	13.74
SSB	SG - SSB LIMITED	13,810	1.2500	17,263	4.56
TRANSOL	TRANSACTION SOLUTIONS (GH) LTD	150,000	0.1200	18,000	4.75
GRAND TOTAL				378,583	100
Cash Balance at Bank				380,715	

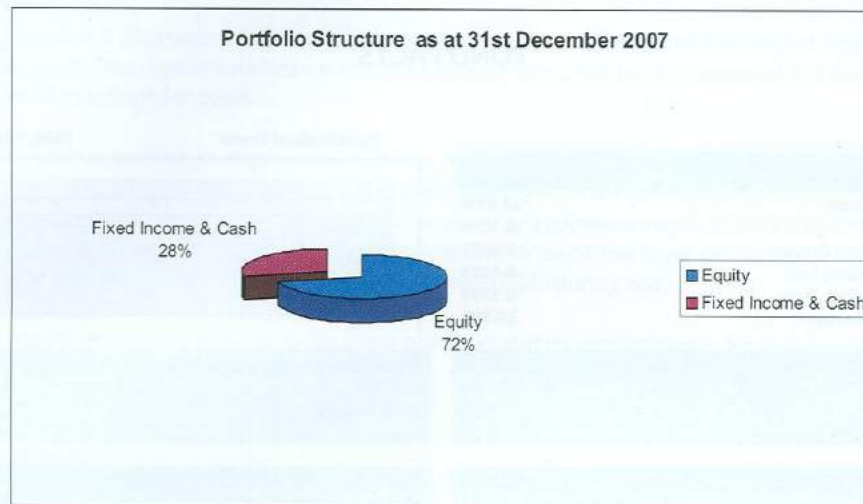
DIRECTORS AND OFFICERS INFORMATION

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.

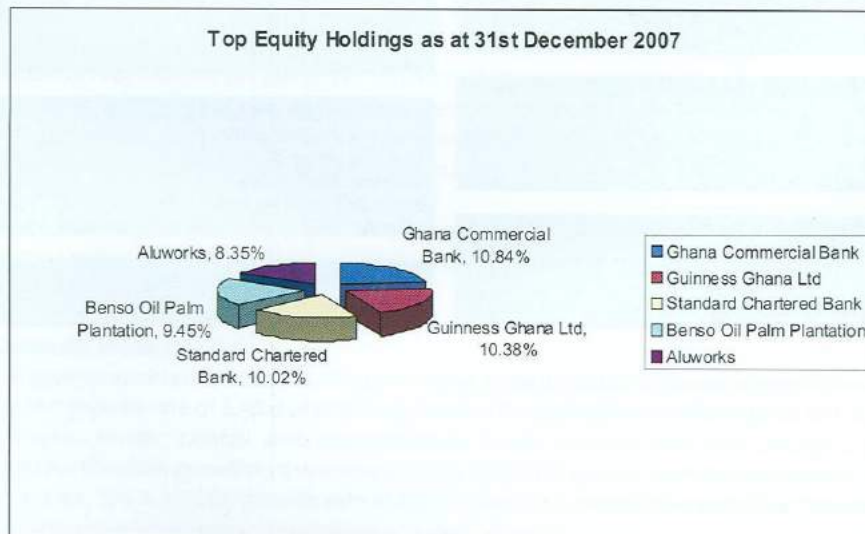
Name, Address	Position	Time with Fund	Occupation	Other Affiliates
<u>Independent Directors</u>				
Reginald France (44) Boulders Advisors Ltd. P.O Box CT 3064 West Airport, Accra	Director	Since Inception (June 2004)	Investment Banker Consultant	CDH Financial Holdings HRK Associates Inc.
Maxwell Logan (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	Since Inception (June 2004)	Investment Broker	Pioneer Alum. Factory Arthur Energy
Fred Oware (56) Equatorial Plaza 54 Old Achimota Road Accra	Director	Since Inception (June 2004)	Consultant	Manna Heights Hotel Choice FM Plus Image Printers
<u>Interested Directors</u>				
Togbe Afede XIV (49) P.O Box KA 16446 Accra	Director	Since Inception (June 2004)	Investment Banker	Strategic African Securities SASIM Strategic Initiatives Aluworks (Gh) Ltd Procredit National Theatre Bank of Ghana

SUPPLEMENTAL FUND INFORMATION

Portfolio Structure as at 31st December 2007



Top Equity Holdings as at 31st December 2007



SAS FORTUNE FUND LIMITED

An Authorized Mutual Fund Company

FUND FACTS

Quick Statistics as of	31 Dec 2007
YTD Return	23.03%
Price	0.1234
Daily Price Change	0.0001
Year to date Low	0.1033
Year to date High	0.1234
Fund Manager	SASIM

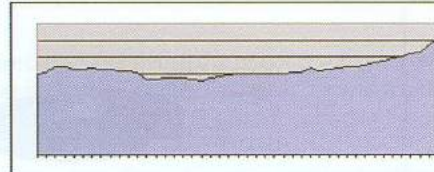
Avg. Annual Returns	Fund %	GSE %
1 Year	23.03	31.84
3 Year	6.41	-0.97
Since Fund Inception	7.09	-0.24

Cum. Total Return	Fund %	GSE%
YTD	23.03	31.84
1 Month	2.75	13.02
3 Months	7.03	18.76
6 Months	13.94	26.32
1 Year	23.03	31.84
3 Years	19.23	-2.92

Short Term Trading	Fees %
< 1 Year	3.00
< 2 Years	2.00
< 3 Years	1.00
3 + Years	None

Sector Allocation	%
Manufacturing	31.90
Brewery	24.21
Banking	33.01
IT	3.28

Hypothetical Trade (GH¢ 10,000)



Fund Facts	
Symbol	SASFF
Fund Inception	Jul-04
Fiscal Year End	Dec-31

Features	
Minimum Initial Investment	100 shares
Minimum Additional Investment	GH¢5
Automatic Investment	GH¢5
Minimum Balance	GH¢5
Checkwriting	NO
Debit Card	NO
Direct Deposit	YES

Top 5 Equity Holdings	
Ghana Commercial Bank	10.84%
Guinness Ghana Ltd	10.38%
Standard Chartered Bank	10.02%
Benso Oil Palm Plantation	9.45%
Aluworks	8.35%

Asset Allocation	%
Equity	71.51
Fixed Income & Cash	28.49

SAS FORTUNE FUND LIMITED

An Authorized Mutual Fund Company

PROXY FORM

I/We..... of..... being a
Shareholder of the above-named Company hereby appoint..... of
..... or failing him of

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 12th August, 2008 at the British Council Hall 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 receive and adopt the Financial Statements of the Fund for the year ended December 31, 2007 and the Reports of the Directors and Auditors thereon.		
2 To approve Directors' remuneration.		
3 To re-elect directors retiring by rotation: - Togbe Afede XIV - Mr Fred Oware		
4 To authorize the Directors to fix the remuneration of Auditors.		

.....
Shareholder's Signature

TABLE OF CONTENTS

SAS FORTUNE FUND LIMITED

An Authorized Mutual Fund Company

ADMISSION CARD

To the Annual General Meeting of Members to be held on
Tuesday, August 12, 2008 at the British Council Hall, Accra at 10.00 a.m.

NOTE:

- a) This admission card must be produced by the shareholder or his proxy in order to obtain entrance to the Annual General Meeting.
- b) Shareholders or their proxies are requested to sign the admission card before attending this meeting.

.....
Name of Shareholder

.....
Signature

.....
Date

SAS FORTUNE FUND LIMITED

A regulated financial company

MEMBER

ADMISSION CARD

(All SAS members must have an admission card)

This card is issued to members of the SAS Fortune Fund Limited. It is valid for the duration of the membership and is non-transferable. It is issued to members who are registered with the Financial Conduct Authority (FCA) and are eligible to trade on the London Stock Exchange.

MEMBER'S NAME

(Printed Name Only)

1234

(i) The admission card is valid for the duration of the membership and is non-transferable. It is issued to members who are registered with the Financial Conduct Authority (FCA) and are eligible to trade on the London Stock Exchange.

(ii) The admission card is valid for the duration of the membership and is non-transferable. It is issued to members who are registered with the Financial Conduct Authority (FCA) and are eligible to trade on the London Stock Exchange.

ADDRESS

(Printed Name Only)

1234
5678
9012
3456
7890

PHONE

01234

(Printed Name Only)

1234
5678
9012

POSTCODE

(Printed Name Only)

1234
5678
9012
3456
7890

Notes

THE FORTUNE FUND

REPORTS AND FINANCIAL STATEMENTS

DECEMBER 31, 2007

Notes

www.sas-ghana.com

SAS | **Fortune
Fund**

2nd Ridge Link, North Ridge, P. O. Box KA 16446, Accra, Ghana.
Tel: +233 21 251546-9, 7011770 Fax: +233 21 7011774
E-Mail: eavotini@sas-ghana.com