

EQUITY TRUST

ANNUAL REPORT '17



Republic Investments (Ghana) Limited

Together for better Value

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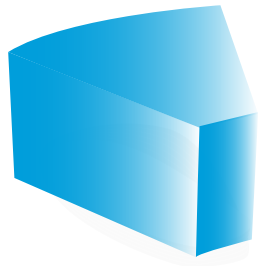
Excel with confidence in the things that matter most.



Thrive

Outperform your expectations
We'll provide the expertise





HFC EQUITY TRUST
31 DECEMBER 2017



THE MANAGER

| | |
|------------------------------------|--|
| NAME | Republic Investments (Ghana) Limited |
| COUNTRY OF INCORPORATION | Ghana |
| REGISTRATION NUMBER | CS058092017 |
| NATURE OF CORPORATE FORM | Limited liability, wholly owned subsidiary of Republic Bank (Ghana) Limited |
| REGISTERED OFFICE | Ebankese No. 35 Sixth Avenue, North Ridge P.O.Box CT 4603 Cantonments, Accra |
| PRINCIPAL PLACE OF BUSINESS | No. 48A Sixth Avenue North Ridge, Accra |
| DATE OF INCORPORATION | 7th July, 1993 (Name changed from HFC Investment Services Limited to Republic Investments (Ghana) Limited on 27th February, 2018) |

CAPITALIZATION (as at December 31, 2017)

| | |
|-------------------|---|
| AUTHORIZED | 10,000,000 (Ten million) Ordinary shares of no Par value |
| ISSUED: | 2,609,601 |
| AUDITORS | John Kay and Co. Chartered Accountants 7th Floor, Trust Towers Farrar Avenue, Adabraka P.O. Box 16088 Airport, Accra |



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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirteenth Annual General Meeting of Unitholders will be held at the Osu Presby Church Hall, Accra at 10:00am on Wednesday, May 30, 2018 to transact the following businesses:

AGENDA

1. To notify Unitholders of the change of company name of the Fund Manager
2. To notify Unitholders of Amendments to Trust Deed
3. To notify Unitholders of the appointment of new Auditors
4. To receive the report of the Manager for the Year 2017
5. To receive the Audited Statement of Income and Expenditure of HFC Equity Trust for the financial year ended December 31, 2017 together with the Trustees and Auditors report thereon.
6. To authorize the Manager to fix the remuneration of the Auditors for the year 2018.

A Unitholder has the right to appoint a proxy to attend and vote on his/her behalf at the Meeting. Such a proxy need not be a Unitholder. A copy of the instrument appointing the proxy may be deposited at any time prior to the commencement of the Meeting at the principal place of business of the Fund Manager.

Republic Investments (Ghana) Limited
No. 48A, Sixth Avenue
North Ridge, Accra.

Dated Monday, May 7th, 2018..

By Order of the Manager.

Republic Investments



STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trust Deed requires the Trustees to prepare financial statements for each financial period, which gives a true and fair view of the state of affairs of the HFC Equity Trust. In Preparing the financial statements, the Trustees are required to:

1. Select suitable accounting policies and apply them consistently
2. Make judgments and estimates that are responsible and prudent
3. State whether applicable accounting standards have been followed, subject to any material departures, disclosed and explain them in the financial statements and
4. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the investment Trust will continue in business.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the HFC Equity Trust, which will ensure that the financial statements comply with the Trust Deed and Securities Industry Act, 2016 (Act 929). They are also responsible for safeguarding the assets of the Investment Trust and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The statements should be read in conjunction with the statement of the Auditors' responsibilities as set out on page 11, the respective responsibilities of the Trustees and the Auditors in relation to the financial statements.



REPORT OF THE TRUSTEES TO THE UNIT HOLDERS OF HFC EQUITY TRUST

In our opinion, according to the information made available to us and the explanations provided, we confirm that in all material respects, the manager has managed the scheme during the year covered by these financial statements in accordance with the Trust Deed dated 1st December, 2005 and all regulations for the time being in force under the Unit Trust and Mutual Funds Regulations, 2001, (L.I. 1695).

Dated this 29th Day of March, 2018

For: **UNIVERSAL MERCHANT BANK (GHANA) LIMITED**



FUND MANAGER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

Ghanaian Economic Overview

The Ghanaian economy grew to 7.90% in 2017 from 3.6% in 2016. In the year under review, prices of Ghana's export commodities on the international market recorded mixed performance. For instance, crude oil prices increased the most as a result of geopolitical tensions, supply constraints and strong demand. Gold prices rose higher than anticipated, however, cocoa prices were low due to excess supply across the West African sub-region. Economic activity has been robust and investor confidence remained high throughout 2017, on the back of positive sentiments on growth prospects, realization of business expectations and general improvements in the economy.

Brief Highlights of Key Macroeconomic Indicators

Exchange Rate: The cedi depreciated by 5.13% against the US dollar, 19.38% against the euro, and 14.83% against the pound sterling.

Interest Rates: Interest rates on GOG papers saw significant drop in 2017. The treasury yields on the 91-day, 182-day and 1-Year note dropped from 16.43%, 17.64% and 21.0% in 2016 to 13.35%, 13.88% and 15.0% in 2017 respectively. The monetary Policy rate also trended downwards from 25.50% in 2016 to 20.00% at the end of 2017.

Inflation: Consumer Price Index declined from 15.4 percent in December 2016 to 11.8 percent in December 2017 on the back of dampening inflation pressures which was mainly attributed to non-food components of the consumer basket. This notable decline was however above the government's 2017 inflation target of 11.2%.

Stock Market Performance: The benchmark GSE CI returned 52.7% in 2017 after recording losses for two consecutive years. The solid performance/recovery of the market was fueled by investor confidence and expectations that ongoing economic recovery would positively shape the performance of listed companies. With regards to trading activities, a total volume of 321.34 billion shares worth GH¢515.12 million were traded in 2017 as against 237.08 million shares valued at GH¢241 million in 2016.



FUND MANAGER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

Fund performance

The Fund ended the year with a fund value of GH¢ 9.85million as against GH¢5.33 in December 2016, representing 85% growth year-on-year. The fund improved in performance from 7.35% recorded in 2016 to 31.04% in 2017. The rebound of the stock market in 2017 was instrumental in contributing to this achievement.

Portfolio Review and Asset Mix

Undoubtedly, the stock market was attractive in 2017 and as Fund Managers, we rebalanced the portfolio to increase our holdings in equities from 23.18% in 2016 to 40.92% at the end of 2017. The fund's holdings in other asset classes were as follows; short term securities was pegged at 42.76%, bonds at 10.95%, collective investment schemes at 4.02% and the remaining in bank and cash.



OUTLOOK FOR 2018

It is well envisaged that the economy as a whole would fare well in 2018 by growing by 8.30% according to World Bank projection. This strong economic growth would strengthen earnings of most corporate institutions and fundamentals of listed companies. The stock market would rise on the back of this higher earnings and the declining rates on money market investments.

Also, following Bank of Ghana's directive for banks to meet the new minimum capital requirement of GHS400 million by close of this year, there are anticipated right issues by banks which would increase stock market activity. Your fund, being an equity fund would take positions quickly to benefit from expansions and growth coupled with improvement in banks asset quality.

The anticipated strong economic and stock market performance in 2018 coupled with our trusted fund management process should put your fund on a pedestal you would be proud of.

Continue to repose in us your confidence by increasing your investment in the fund. Thank you all for being part of our success story. We deem this a great privilege.

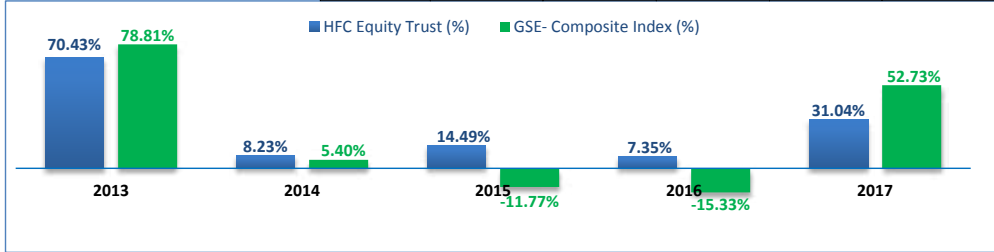
PETER LARBI-YEBOAH
CHIEF EXECUTIVE OFFICER



HIGHLIGHTS OF FUND STATISTICS

HFC Equity Returns vrs Benchmark Indicator

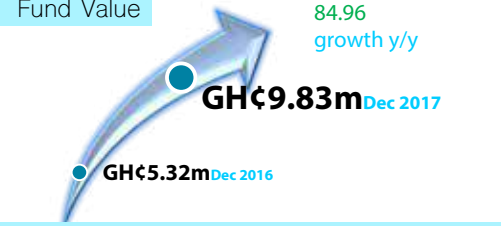
| | 2013 | 2014 | 2015 | 2016 | 2017 | 5 yr Avg |
|---------------------------|--------|-------|---------|---------|--------|----------|
| HFC Equity Trust (%) | 70.43% | 8.23% | 14.49% | 7.35% | 31.04% | 26.31% |
| GSE - Composite Index (%) | 78.81% | 5.40% | -11.77% | -15.33% | 52.73% | 21.97% |



Number of Unit holders



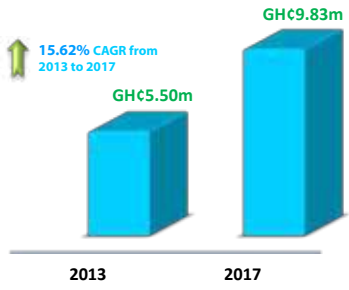
Fund Value



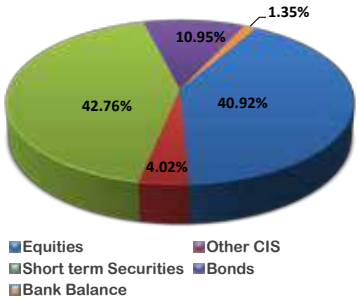
2017 Return (YTD)

31.04%

Growth in Fund Value: amount in GH¢ million



Portfolio Mix - Gross Fund Value 2017



Top 5 Equities in Portfolio Mix

| EQUITY | VALUE |
|--------|---------------|
| SCB | GH¢757,500.00 |
| GOIL | GH¢659,405.08 |
| FML | GH¢446,040.00 |
| GCB | GH¢413,266.75 |
| EGH | GH¢380,001.90 |



INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS OF HFC EQUITY TRUST



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Farrar Avenue, Adabraka
P. O. Box KA 16088
Airport, Accra

Tel: +233 302 235406
+233 302 238370
Fax: +233 302 238371
Email: jkayal@yahoo.com

Opinion

We have audited the financial statements of HFC Equity Trust which comprise the statement of financial position as at December 31, 2017, and the income and distribution account and statement of movement in net assets and issued units for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and explanatory notes as set out on pages 13 to 30.

In our opinion, the financial statements give a true and fair view of the financial position of HFC Equity Trust as at December 31, 2017 and of its financial performance and its statement of movement in net assets for the year then ended and are in accordance with International Financial Reporting Standards and in the manner required by Equity Trust and Mutual Funds Regulations, 2001, (L.I. 1695) and the Companies Act, 1963 (Act 179).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

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



INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS OF HFC EQUITY TRUST

Responsibilities of the Trustees for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and for such internal controls as the Trustees determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so. The Trustees are responsible for overseeing the Trust's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS OF HFC EQUITY TRUST

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Key Audit Matters

In accordance with ISAs, this part of our report is intended to describe the matters communicated with those charged with governance that we have determined, in our professional judgement, were most significant in the audit of the financial statements. We have determined that, there are no matters to report under key audit matters.

Report on Other Legal and Regulatory Requirements

The Companies Act, 1963, (Act 179) requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:



INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS OF HFC EQUITY TRUST

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- In our opinion proper books of accounts have been kept by the Trust, so far as appears from our examination of those books, and
- The Trust's Statement of Assets and Liabilities and Income and Distribution Account are in agreement with the books of accounts

John Armstrong Yao Klinogo

JOHN ARMSTRONG YAO KLINOGO

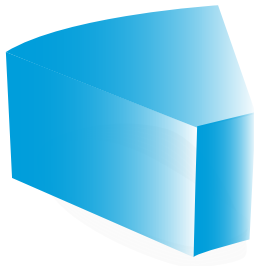
(P/No-ICAG/P/1116)

For and on behalf of John Kay & Co. (ICAG/F/2018/128)

Chartered Accountants

Accra

29th Day of March, 2018



HFC EQUITY TRUST

FINANCIAL STATEMENTS

31 DECEMBER 2017



HFC EQUITY TRUST
STATEMENT OF ASSETS AND LIABILITIES
 AS AT 31 DECEMBER 2017

| | | 2017 | | 2016 | |
|---------------------------------------|----|-------------------------|-------------------|-------------------------|-------------------|
| | | Market Value GH¢ | % Net Assets | Market Value GH¢ | % Net Assets |
| Available for sale Investments | 8 | 4,032,827 | 41.72 | 1,234,208 | 23.77 |
| Short Term Funds | | | | | |
| Cash at Bank and on Call | 9 | 583,365 | 6.03 | 129,052 | 2.49 |
| Held to Maturity Investments | 10 | 4,590,440 | 47.48 | 3,673,117 | 70.74 |
| HFC Unit trust | | 3,186 | 0.03 | 3,186 | 0.06 |
| HFC Future Plan | | 170,000 | 1.76 | 170,000 | 3.27 |
| Total Short Term Funds | | <u>5,346,991</u> | <u>55.30</u> | <u>3,975,355</u> | <u>76.56</u> |
| Total Investments | | <u>9,379,818</u> | <u>97.02</u> | <u>5,209,563</u> | <u>100.33</u> |
| Other Assets in Excess of Liabilities | | 287,514 | 2.98 | (16,863) | -0.33 |
| Total Net Assets | | <u><u>9,667,332</u></u> | <u><u>100</u></u> | <u><u>5,192,700</u></u> | <u><u>100</u></u> |



HFC EQUITY TRUST
STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2017

| | | 2017 | 2016 |
|----------------------------|------|------------------|------------------|
| | | GH¢ | GH¢ |
| Assets | | | |
| Total Investments | Note | 9,379,818 | 5,209,563 |
| Receivables: | | | |
| Other Receivables | | 318,750 | - |
| HFC ISL Current Account | | 40,638 | 44,987 |
| Total Assets | | 9,739,206 | 5,254,550 |
| Liabilities: | | | |
| Amount Due to Managers | | 12,569 | 12,000 |
| Audit Fees | | 18,184 | 25,000 |
| Management Fees Payable | | 15,062 | 292 |
| Management Fund | 12 | 26,059 | 24,558 |
| Total Liabilities | | 71,874 | 61,850 |
| Net Assets | | 9,667,332 | 5,192,700 |
| Represented by: | | | |
| Accumulated Income | | 4,992,395 | 4,254,787 |
| Capital Surplus/ (Deficit) | 11 | 900,010 | (179,652) |
| Capital Account | | 3,774,927 | 1,117,565 |
| Members' Fund | | 9,667,332 | 5,192,700 |

SIGNED FOR REPUBLIC INVESTMENT GHANA LIMITED 29/03/2018

CHIEF EXECUTIVE OFFICER

DIRECTOR



HFC EQUITY TRUST
INCOME AND DISTRIBUTION ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2017

| | Note | 2017 GH¢ | 2016 GH¢ |
|------------------------------|------|----------------|----------------|
| Investment Income: | | | |
| Fixed Deposit | | 636,583 | 543,094 |
| Bonds | | 211,630 | 233,034 |
| Treasury Bills | | 13,641 | 29,176 |
| Dividend | | 72,446 | 83,875 |
| Call Account | | 25,835 | 7,947 |
| Other Income | 6 | - | 18,502 |
| Total Income | | 960,135 | 915,628 |
| Expenses: | | | |
| Management Fees | | 144,247 | 105,468 |
| Auditors Remuneration | | 33,119 | 25,000 |
| Other Expenses | 7 | 37,710 | 195,204 |
| Total expenses | | 215,076 | 325,672 |
| Transfer to Management Fund | 12 | (7,451) | (5,900) |
| Net Investment Income | | 737,608 | 584,056 |

ACCUMULATED NET INVESTMENT INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2017

| | Note | 2017 GH¢ | 2016 GH¢ |
|-------------------------|------|------------------|------------------|
| Balance at 1/1 | | 4,254,787 | 3,670,731 |
| Net Investment Income | | 737,608 | 584,056 |
| Balance at 31/12 | | 4,992,395 | 4,254,787 |



HFC EQUITY TRUST
STATEMENT OF MOVEMENT IN NET ASSETS
 FOR THE YEAR ENDED 31ST DECEMBER 2017

| Note | 2017 GH¢ | 2016 GH¢ |
|---|------------------|------------------|
| Net Investment Income | 737,608 | 584,056 |
| Change in Unrealised Gains | 1,079,662 | (216,715) |
| Increase in Net Assets from Operations | 1,817,270 | 367,341 |
| Capital Transactions: | | |
| Value of Units Sold and Converted | 3,243,273 | 557,391 |
| Value of Units Disinvested | (585,911) | (790,154) |
| Net proceeds from capital transactions | 2,657,362 | (232,763) |
| Total Increase in Net Assets | 4,474,632 | 134,578 |
| Balance at 1/1 | 5,192,700 | 5,058,122 |
| Balance at 31/12 | 9,667,332 | 5,192,700 |

STATEMENT OF MOVEMENT IN ISSUED UNITS
 FOR THE YEAR ENDED 31ST DECEMBER 2017

| | 2017 | 2016 |
|---|-------------------|------------------|
| Number of units at 1 January | 8,837,643 | 9,289,972 |
| Number of units issued during the year | 5,120,848 | 1,094,030 |
| | 13,958,491 | 10,384,002 |
| Number of units disinvested during the year | (979,880) | (1,546,359) |
| Number of units at 31 December | 12,978,611 | 8,837,643 |



HFC EQUITY TRUST
PORTFOLIO SUMMARY
 FOR THE YEAR ENDED 31ST DECEMBER 2017

| | 31/12/17 | | 31/12/16 | | Purchase | Sale |
|-----------------------------|---------------|------------------|---------------|------------------|----------------|----------------|
| | No. of Shares | Value | No. of shares | Value | During | During |
| | | GH¢ | | GH¢ | the Year | the Year |
| CAL | 120,000 | 129,600 | 257,600 | 54,450 | - | - |
| EGH | - | - | 56,099 | 168,000 | - | - |
| GCB | 81,835 | 413,267 | 86,834 | 147,385 | - | - |
| SOCIETE GENERAL GHANA | 30,000 | 757,500 | 13,495 | 82,093 | - | - |
| SGG | 158,559 | 130,018 | 187,758 | 36,307 | - | - |
| EGL | 87,240 | 322,788 | 192,740 | 125,376 | - | - |
| ETI | 563,089 | 90,094 | 527,896 | 36,309 | - | - |
| FML | 25,200 | 446,040 | 10,000 | 169,328 | - | - |
| GOIL | 245,132 | 659,405 | 166,082 | 287,246 | 46,314 | 38,500 |
| UNIL | - | - | 8,237 | - | - | - |
| GOLDSTAR | - | - | 2,000 | - | - | - |
| SIC | 3,000 | 300 | 83,000 | 390 | - | - |
| BOPP | 58,473 | 357,856 | 20,173 | 48,199 | - | - |
| MECHANICAL | - | - | 204,005 | - | - | - |
| TOTAL | 59,816 | 211,150 | 45,916 | 79,034 | 45,878 | 1,020 |
| EGH | 50,000 | 380,002 | - | - | - | - |
| HFC | 96,900 | 134,692 | - | - | 227,501 | 71,608 |
| GGBL | 56 | 115 | 39,256 | 91 | - | - |
| | | 4,032,827 | | 1,234,208 | 432,852 | 165,578 |



HFC EQUITY TRUST
CAPITAL ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2017

| CAPITAL ACCOUNT | 2017 | | 2016 | |
|--|--------------------------|-------------------------|-------------------------|-------------------------|
| | Units | GH¢ | Units | GH¢ |
| Balance at 1 January | 8,837,643 | 1,117,565 | 9,289,972 | 1,350,328 |
| Value of units sold and Converted | 5,120,848 | 3,243,273 | 1,094,030 | 557,391 |
| | <u>13,958,491</u> | <u>4,360,838</u> | <u>10,384,002</u> | <u>1,907,719</u> |
| Value of Units Disinvested | (979,880) | (585,911) | (1,546,359) | (790,154) |
| Value of the trust Fund at 31 Dec | <u>12,978,611</u> | <u>3,774,927</u> | <u>8,837,643</u> | <u>1,117,565</u> |



HFC EQUITY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31ST DECEMBER 2017

6. OTHER INCOME

| | 2017 | 2016 |
|--------------------------|----------|---------------|
| | GH¢ | GH¢ |
| Realised gains on shares | - | 18,502 |
| | <u>-</u> | <u>18,502</u> |

7. OTHER EXPENSES comprise the following

| | 2017 | 2016 |
|-------------------------------|---------------|----------------|
| | GH¢ | GH¢ |
| Bank Charges | 5,899 | 4,727 |
| Managers Reimbursable Expense | 25,561 | 31,018 |
| Loss on Disposal of Shares | 6,250 | 159,459 |
| | <u>37,710</u> | <u>195,204</u> |

8. AVAILABLE FOR SALE INVESTMENTS

| | 2017 | 2016 |
|-----------------------|---------|---------|
| | GH¢ | GH¢ |
| CAL | 129,600 | 54,450 |
| EBG | - | 168,000 |
| GCB | 413,267 | 147,385 |
| SOCIETE GENERAL GHANA | 757,500 | 82,093 |
| SGG | 130,018 | 36,307 |
| EGL | 322,788 | 125,376 |
| ETI | 90,094 | 36,309 |
| FML | 446,040 | 169,328 |
| GOIL | 659,405 | 287,246 |
| SIC | 300 | 390 |



HFC EQUITY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31ST DECEMBER 2017

| | | |
|-------|------------------|------------------|
| BOPP | 357,856 | 48,199 |
| TOTAL | 211,150 | 79,034 |
| EGH | 380,002 | - |
| HFC | 134,692 | - |
| GGBL | 115 | 91 |
| | <u>4,032,826</u> | <u>1,234,208</u> |

9. CASH AT BANK AND ON CALL

| | 2017 | 2016 |
|--------------|----------------|----------------|
| | GH¢ | GH¢ |
| Cash at Bank | <u>583,365</u> | <u>129,052</u> |

10. HELD TO MATURITY INVESTMENTS

| | 2017 | 2016 |
|----------------|------------------|------------------|
| | GH¢ | GH¢ |
| Treasury bills | - | 379,177 |
| Fixed Deposits | 3,127,233 | 2,524,333 |
| Bonds | <u>1,463,207</u> | <u>769,607</u> |
| | <u>4,590,440</u> | <u>3,673,117</u> |



HFC EQUITY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31ST DECEMBER 2017

11. UNREALIZED GAINS / (LOSSES) on Investments

| | 2017 | 2016 |
|--|----------------|------------------|
| | GH¢ | GH¢ |
| Market Value of Investments | 4,032,827 | 1,234,208 |
| Cost of Investments | (2,953,165) | (1,450,923) |
| Change in Unrealised gains | 1,079,662 | (216,715) |
| Add Unrealised gains from previous years | (179,652) | 37,063 |
| Unrealised gains as at 31 December | <u>900,010</u> | <u>(179,652)</u> |

12. MANAGEMENT FUND

| | 2017 | 2016 |
|-------------------------------|---------------|---------------|
| Balance at 1 January | 24,558 | 27,987 |
| Payments made during the year | (5,950) | (9,328) |
| Charge for the year | 7,451 | 5,900 |
| Balance at 31 December | <u>26,059</u> | <u>24,558</u> |

Transfers to the Management fund are made in accordance with the trust Deed.

The trustees shall be paid out of this fund

13. CONTINGENT LIABILITIES

There was no contingent liability at the end of the year.



EQUITY TRUST ADMISSION FORM

Annual General Meeting to be held at the Osu Presby Church Hall, Accra at 10:00am on Wednesday 30th May, 2018.

A Unitholder who is unable to attend an Annual General Meeting (AGM) is allowed to vote by proxy. The Proxy form on the next page has been prepared to enable you to exercise your right to vote in case you cannot personally attend the meeting.

Provision has been made on the form for the Chairman of the meeting to act as your proxy, but if you wish, you may insist in the blank space on the form (marked**) the name of any person whether a Unitholder or not, who will attend the meeting and vote on your behalf instead of the Chairman of the Meeting.

Please sign the proxy form on the next page and post it so as to reach the address in the front not later than 30th May 2018.

If executed by a Body Corporate, the proxy form should bear its common seal or be signed on behalf by a director.

IMPORTANT:

- a) The name of the Unitholder must be written in BLOCK LETTERS on the Proxy form where marked (**)
- b) This admission form must be produced by the Unitholder or his/her proxy in order to obtain admission to the Annual General Meeting.
- c) Unitholders or their Proxies are requested to sign the admission form before attending the meeting.
- d) In case of joint holders, each joint holder should sign.



HFC Equity Trust / Proxy Form

Annual General Meeting to be held at the Osu Presby Church Hall, Accra at 10:00am on Wednesday 30th May, 2018.

I/We**.....being a Unitholder(s) hereby appoint

.....or failing him/her the Chairman of the Meeting as my/our proxy to act and vote for me/us and on my/our behalf at the Annual General Meeting of the Fund to be held on 30th May 2018 and at any adjournment thereof.

Dated this 15th day of May 2018.

.....
Unit Holder(s) Signature

| Resolution | FOR | AGAINST |
|--|-----|---------|
| To adopt the 2017 Manager's Report | | |
| To approve the accounts and distribution statement for the financial year ended 31st December, 2017. | | |
| To authorize the Manager to Fix the Auditor's Remuneration | | |

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

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

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



NOTES



NOTES



Do

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