EDC GHANA BALANCED FUND LIMITED

2018 ANNUAL REPORT

FINANCIAL STATEMENTS 31 DECEMBER 2018

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ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

NOTICE OF ANNUAL GENERAL MEETING (AGM)

Ecobank Head Office Building, 2nd Floor
2, Morocco Lane, Off the Independence Avenue
P.O. Box AN 16746
Accra- Ghana
Tel: (233) 0302 610 400 /634165

Email: edc-clientservice@ecobank.com

Notice is hereby given that the **10th Annual General Meeting** of the Shareholders of **EDC Ghana Balanced Fund Limited** will be convened at the **Ecobank Head Office Auditorium, Accra** on **Wednesday September 4th, 2019** at **9:00 a.m.** for the following purposes:

1. To receive and consider the reports of Directors, Fund Manager and Auditors for the year ended December 31st, 2018;
2. To receive and adopt the Accounts for the year ended December 31st, 2018;
3. To appoint or re-appoint the Auditors for the year 2019;
4. To authorize the Directors to determine the fees for the Auditors for the year 2019;
5. To approve the Board of Directors' fees for the year 2019.

A Shareholder of the Fund is entitled to attend and vote or may appoint a proxy to attend and vote on his / her behalf at the meeting. Such a proxy need not be a Shareholder. A copy of the completed proxy form should be deposited at the office of the Secretary, **Lawfields Consulting, 799/3, 5th Crescent, Asylum Down, Accra** no later than **September 2nd, 2019.**

Dated this 23rd day of July, 2019

BY ORDER OF THE BOARD

LAWFIELDS CONSULTING
No. 799/3, 5th Crescent
Asylum Down, Accra (off Ring Road)
PMB CT 244, Accra - Ghana

Lawfields Consulting

Lawfields Consulting

Secretary

CONTENTS


EDC Investments limited
Secure the future you want
Invest in the EDC Ghana Balanced Fund
Start with as little as GH¢ 20.
Contact us on :2nd Floor, New Ecobank Head Office,
2 Morocco Lane, Off the Independence Avenue
Telephone: 0302634165
Email: edc-clientservice@ecobank.com
Terms and Conditions Apply
ecobank.com/swam
Ecobank
The Pan African Bank

CORPORATE INFORMATION
EDC GHANA BALANCED FUND LIMITED

BOARD OF DIRECTORS	Mr. Richard Adu-Poku - Chairman Mr. David Ofusu-Dorte Mr. William Mensah Mr. Kisseih Antonio Mr. Paul Kofi Mante
REGISTERED OFFICE	Ecobank Head Office Building, 2nd Floor 2, Morocco Lane, Off the Independence Avenue P.O. Box AN 16746 Accra-Ghana
INVESTMENT MANAGER	EDC Investments Limited Ecobank Head Office Building, 2nd Floor 2, Morocco Lane, Off the Independence Avenue P.O. Box AN 16746 Accra-Ghana
CUSTODIANS	Republic Bank Ghana Limited No, 35, Sixth Avenue North Ridge P.O. Box CT 4603 Cantonment, Accra
AUDITORS	John Kay and Co. Chartered Accountants 7th Floor, Trust Towers Farrar Avenue, Adabraka P.O. Box 16088 Accra
BANKERS	Ecobank Ghana Limited Ring Road Central Accra

BOARD OF DIRECTORS

Richard **Adu-Poku**

Director and Chairman

Nene Kisseih **Antonio**

Director

David **Ofosu-Dorte**

Director

Paul **Mante**

Director

William **Mensah**

Director

REPORT OF THE BOARD OF DIRECTORS
TO THE MEMBERS OF EDC GHANA BALANCED FUND LIMITED

The Board of Directors presents the report and audited financial statements of EDC Ghana Balanced Fund Limited for the year ended 31 December, 2018.

FINANCIAL STATEMENTS

The results for the year are set out in the attached financial statements.
The Board of Directors considers the state of the affairs of the company to be satisfactory.

NATURE OF BUSINESS

EDC Ghana Balanced Fund Limited is a company registered and domiciled in Ghana. It is licensed by the Securities and Exchange Commission of Ghana to operate as an authorized mutual fund. The objectives of EDC Ghana Balanced Fund Limited is to invest contributions, in the form of money, made by its members for their mutual benefits, and to hold and arrange for the management of securities and other properties acquired with such contributions.

DIVIDEND DISTRIBUTION POLICY

The fund does not distribute dividend. All income earned are reinvested.
Shareholders should be aware that the mutual fund aims to achieve capital growth and as such income is reinvested to take advantage of the effects of compounding.

i. Investment Distribution:

Total investment as at 31 December 2018 is made up as follows:

	2018 GHS	2017 GHS
Equities/Stocks	35,262,121	19,874,624
Ghana Government Securities	18,435,142	7,660,318
Fixed Deposits	5,604,208	12,200,088
Corporate bonds	10,874,921	6,461,822
Non-Sovereign Bond	10,213,769	719,875
Cash and cash equivalent	6,784,732	2,235,371
Total Investment	**87,174,894**	**49,152,158**

ii. Below are the Asset Allocation Percentages for the year ended:

	2018 (%)	2017 (%)
Equity/Stocks	40	41
Ghana Government Note & Bond	21	29
Fixed Deposits	6	25
Corporate bonds	13	13
Non – Sovereign Bond	12	1
Cash & Cash Equivalent	8	4
	100	**100**

REPORT OF THE BOARD OF DIRECTORS TO THE MEMBERS OF EDC GHANA BALANCED FUND LIMITED

APPROVAL OF FINANCIAL STATEMENTS

The financial statements of the company were approved by the Board of Directors on 30th April, 2019 and signed on its behalf by:

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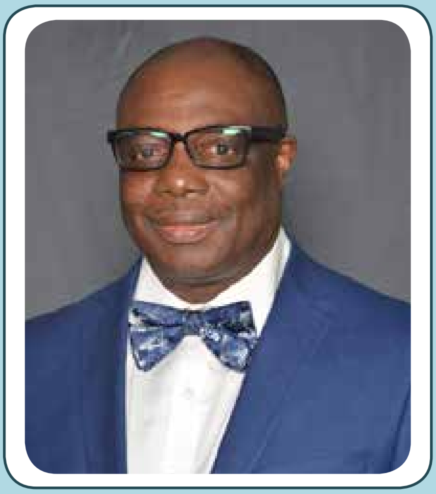
DIRECTOR DIRECTOR

CHAIRMAN'S STATEMENT



INTRODUCTION

I warmly welcome all shareholders to the 10th Annual General Meeting of the EDC Ghana Balanced Fund.

Your fund is 10 years this year and we are pleased to say that your fund has returned a Compounded Annual Growth Rate (CAGR) of 20.3% as at the end of 2018.

The stock market could not replicate its 2017 performance and thus returned -0.29%. Despite the challenges on the stock market, your fund returned 8.6% in 2018 which compared favorably to a benchmark return of 7.4% but below 2017's return of 35.7%. This performance was achieved on the back of a bearish run on the Ghana Stock Exchange as prices responded to the turmoil observed in the banking sector.

In response to activities on the stock market and reduced fixed deposits exposure to banking sector, your Fund deployed a tactical asset allocation strategy to increase exposure on high yielding Government and Municipal Bonds. Government securities registered 33% of the Fund's net asset value compared to 17% for the same period in 2017.

Over a 3 year period, your Fund has returned 62.56% versus a benchmark return of 46.69%. We remain committed to you and look forward to an improved 2019. We appreciate your custom.

THE ECONOMIC ENVIRONMENT IN 2018

Provisional estimates for GDP growth rate for Ghana in 2018 was 6.3%. This was significantly below the 2017 figure of 8.2% and the 2018 target of 6.8%, as a result of a general reduction in productivity levels in the three sectors of the economy. The Agricultural, Industry and Services sectors all declined from 2017 figures of 6.1%, 15.7% and 3.3% to 2018 growth figures of 4.9%, 10.5% and 2.8% respectively.

Despite achieving a revenue of 15.9% of GDP against a target of 21.1% of GDP, the fiscal deficit narrowed to -3.8% of GDP from -4.8% of GDP in 2017 on the back of Government's fiscal consolidation efforts. Inflationary expectations remained anchored throughout the year with inflation closing at 9.40% after dropping by 240 basis points in the year under review to fall within the Central Bank's target of 8%+/-2%.

The debt management strategy continued in 2018 as the Government resorted to increased issuances of longer dated securities resulting in a net domestic financing of GHS 2.6 billion. The relatively lower yields on Government instruments which translated into lower financing cost coupled with a rebased GDP culminated in a debt to GDP ratio of 57.4% as against 70.5% in 2017. The improved macroeconomic fundamentals allowed the Central Bank to pursue an accommodative monetary policy with the Monetary Policy Rate (MPR) declining by

CHAIRMAN'S STATEMENT

300 basis points to 17.0%. The GHS also depreciated by -8.4% compared to -4.8% in 2017, mainly driven by external factors, particularly the hardening of the USD. Consequently, the Gross International reserves declined to 7 Bn USD (3.6 months of import cover) from 7.5 Bn USD (4.3 months)

2019 OUTLOOK

GDP growth momentum is expected to continue in 2019 and is projected to average about 7.6%. The oil and gas sector is expected to drive growth as the Sankofa project and Gye Nyame gas fields ramp up production. We forecast inflation to be within the Central Bank's target of 8%+/-2% in 2019 and thus support a monetary policy easing cycle. The budget deficit is forecasted to narrow to 4% of GDP as government continues with its fiscal consolidation efforts. We also forecast improved forex liquidity to support the GHS as we project sustained appetite for GHS denominated assets as well as improved crude oil receipts. Key downside risk will be government budget overruns as well as steep declines in major commodity prices.

Despite an expected stable macroeconomic outlook, we do not expect a substantially improved stock market in 2019 as effects of the financial industry cleanup lingers. Nevertheless, your Fund will be well positioned to take advantage of the upside potential on Fixed Income instruments without compromising the Fund's objectives. We remain committed to you and appreciate your custom and look forward to your continued support.

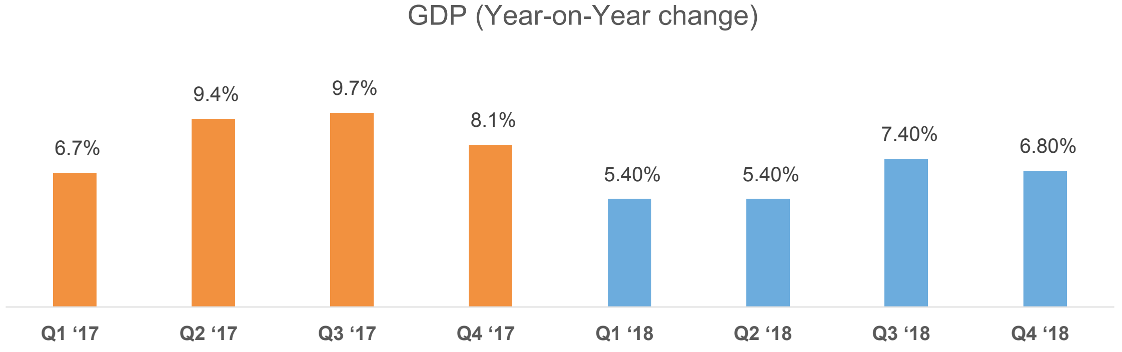
Richard Adu-Poku - Chairman

FUND MANAGER'S STATEMENT TO EDC GHANA BALANCED FUND SHAREHOLDERS

ECONOMIC ENVIRONMENT IN 2018

Economic progress continued in 2018 though at a slower pace compared to 2017. This was evident in a GDP growth rate of 6.3% as against 2017 growth rate of 8.2%. The slow growth is ascribed to a base effect as the three economic sectors recorded a general decline. The Agricultural, Industry and Services sectors all declined from 2017 figures of 6.1%, 15.7% and 3.3% to 2018 growth figures of 4.9%, 10.5% and 2.8% respectively. Despite a decline in growth of the Industry Sector, provisional data showed that Crude production increased by 13% from 149,000 barrels per day to 168,000 barrels per day in 2018. This together with other major exports boosted trade balance to 2.7% of GDP as against 2.3% in 2017. Despite a surplus in trade, a deficit of 2.1 Bn USD (-3.2% of GDP) was registered in the Current Account as interest payments increased. This led to an Overall Balance of Payment deficit of -671 mn USD (-1% of GDP) attributed to the high inflow of foreign capital in 2018. Public debt stood at 35.9 Bn USD at the end of 2018 against 32.3 Bn USD in December 2017.

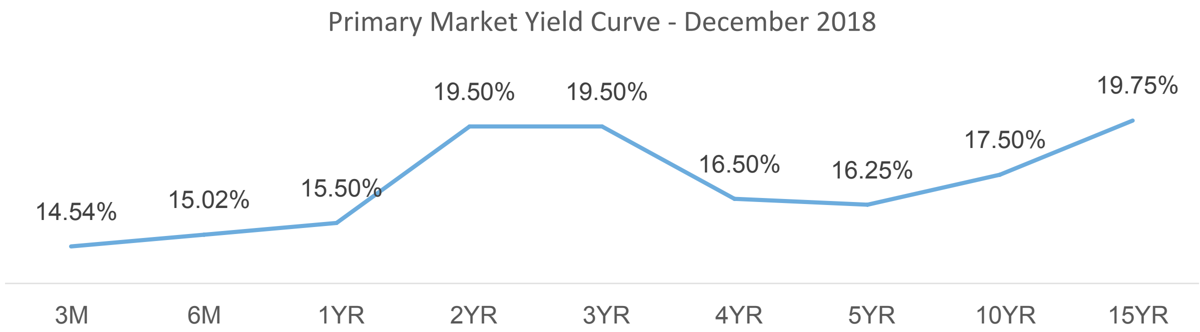
Government continued its fiscal consolidation efforts which led to the narrowing of the fiscal deficit to 3.6% of GDP from 6% in 2017 and well within the target of 3.7%. This was achieved despite a 9.5% revenue shortfalls as at September 2018. The government in response to revenue constraints, restrained expenditure to 13.8% of GDP against a target of 14.5% to match the lower revenues. Headline inflation also declined to 9.4% in December 2018 from the 11.8% recorded in December 2017, within the Bank of Ghana's target of 8% +/- 2% and representing price stability. This coupled with a relatively stable GHS against the US Dollar (depreciation of 8.4%) gave the Monetary Policy Committee (MPC) of the Bank of Ghana the room to cut the Monetary Policy Rate (MPR) by 300 basis points to 17%.



FUND MANAGER'S STATEMENT TO EDC GHANA BALANCED FUND SHAREHOLDERS

THE FIXED INCOME MARKET

The government continued its debt management strategy in 2018 by shifting demand to longer dated instruments thereby meeting its net domestic financing requirement of GHS 3.3 billion. However with a depreciated currency of -8.4% (-4.9% in 2017), rates along the short end of the yield curve inched up. At the end of 2018, the 91 and 182-day treasury bills increased to 14.54% and 15.02% from 13.35% and 13.88% respectively. The 1, 2 and 3 Year GOG papers all inched up between a 50 – 200 bps, a backlash against a depreciating currency as investors demanded higher yields. Rates however declined on the longer end in response to the government's debt strategy. The 5, 7 and 10 year bonds shed 110, 350 and 150 bps to close the year at 16.5%, 16.25% and 17.5% respectively. At the end of the year, Government borrowing had reached GHS 43 Bn against GHS 66 Bn last year.



THE STOCK MARKET

The Ghanaian economy's recovery continued into 2018 as the stock market returned 19.28% to investors in January. This was fueled by anticipated strong earnings releases from financial counters. The momentum continued in February and March to culminate in a Year to April 2018 performance of 35.3%.

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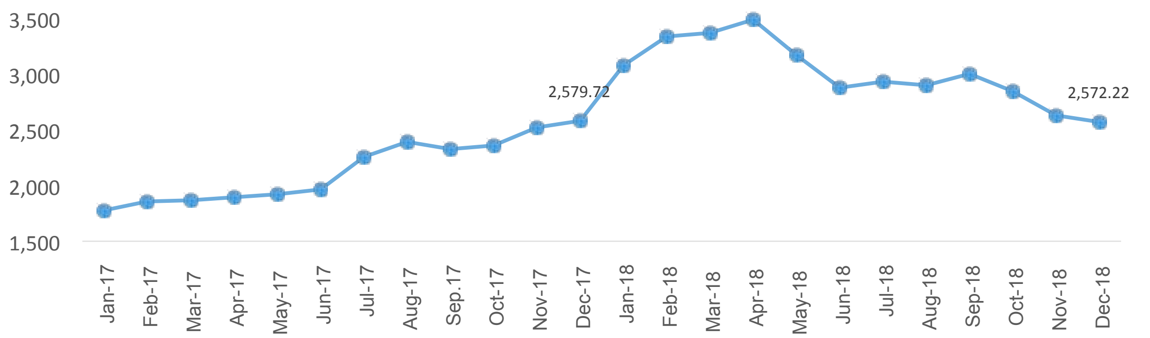
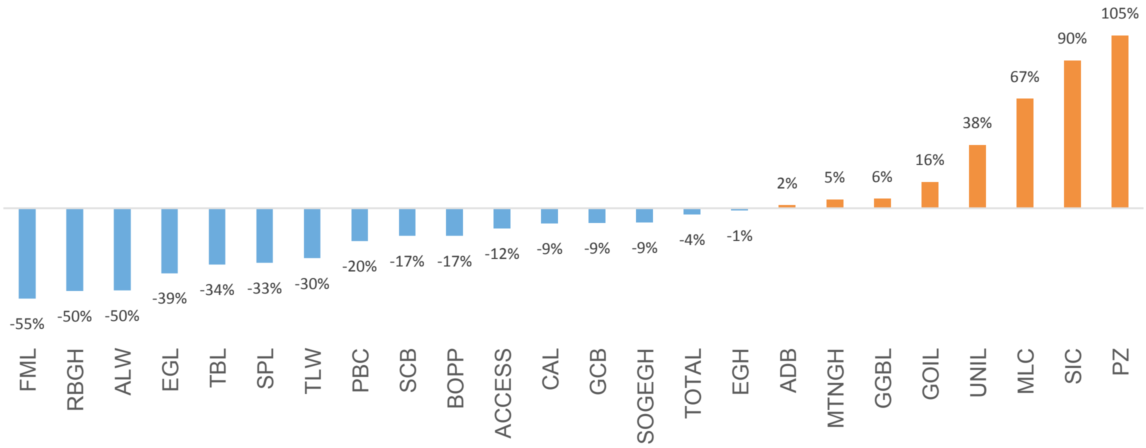
The narrative however changed as investors opted to take profits made in the beginning of the year. Prices effectively declined with May and June posting returns of -9.2% and -9.1% respectively – the biggest monthly price drop since 2009. This eroded GSE-CI returns resulting in a half year performance of 11.62%. The listing of MTN Ghana brought some respite to the market as a 17.3% gain after its listing shored up a Year to Q3 performance of 16.33%. However, as price of MTN (largest Market Capitalization) nose-dived together with FML and financial stocks in the last quarter, the GSE-CI recorded a YTD the year loss of 0.29% compared to a 2017 return of 52.73%.



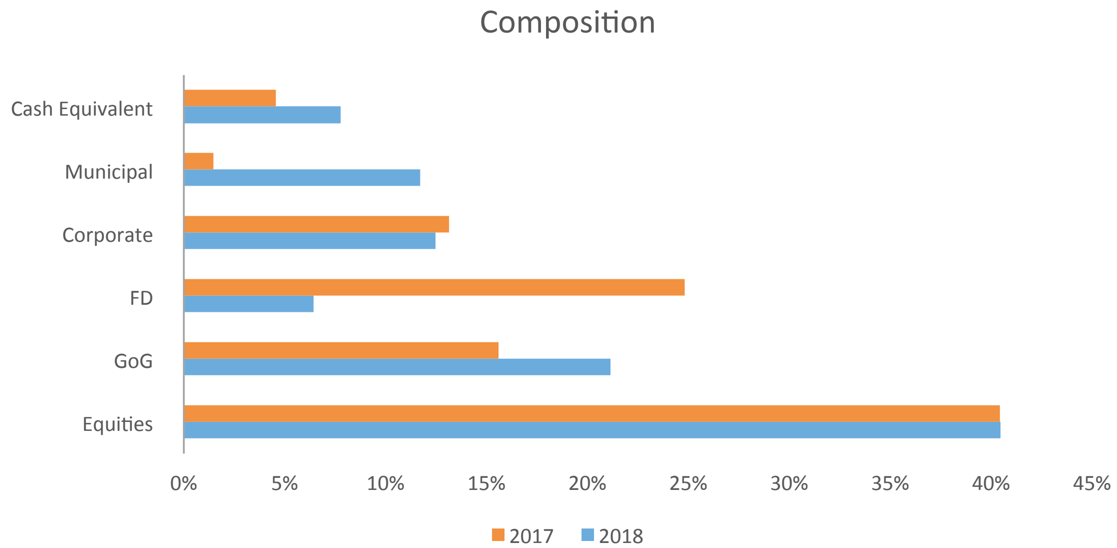
FUND MANAGER'S STATEMENT TO EDC GHANA BALANCED FUND SHAREHOLDERS



FUND PERFORMANCE AND PORTFOLIO STRUCTURE

With the anticipation of strong equity market in 2018 and active bets in fundamentally sound stocks, the Fund maintained its tactical equity asset allocation at 40% versus a fixed income allocation of 60%. This resulted in Year to April 2018 performance of 20.9% against a benchmark return of 20.1%. The January 2018 performance of 10.9% currently stands as the best return monthly return since inception.

Returns on the fund eroded to 12.4% at the end of Q2 as the stock market posted a performance of negative 14.5%. We were able to maintain a full year return of 8.6% against a benchmark return of 7.4% despite a further -11% drop on the market in Q3 2018. This was made possible by a tactical rebalancing in favour of higher yielding and discounted bonds to prop up returns. Since the Fund's inception in April 2009, the Fund has recorded a cumulative return of 500.15% comparing favorable to a benchmark return of 263.04%. The Fund has thus since its inception registered a Compounded Annual Growth Rate of 20.3%.



FUND MANAGER'S STATEMENT
TO EDC GHANA BALANCED FUND SHAREHOLDERS

Performance %	1 Month	3 Month	6 Month	YTD	1 Year	3 Year	5 Year	Since Inception
EDC Ghana Balanced Fund	-0.07	-5.55	-3.46	8.55	8.55	62.56	122.45	500.15
Benchmark*	-0.43	-5.23	-1.56	7.35	7.35	46.69	82.09	263.04

ASSET UNDER MANAGEMENT

The Net Asset Value of the Fund as at the end of 2018 stood at GHS 86,521,665, a 77% increase compared to GHS 48,792,438 recorded end of 2017. Total inflows stood at GHS 72,665,199 while outflows amounted to GHS 35,831,643. This resulted in a net inflow of GHS 36,833,556.

A total number of 1,878 new shareholders joined the Fund bringing the total shareholders base to 15,023 at the end of 2018. This represents a growth of 14% in the shareholder base.

OUTLOOK AND STRATEGY 2019

We expect the GDP growth momentum to be sustained in 2019. Also, inflation targets are expected to fall within the central banks medium term target of 8% +/- 2% due to anticipated decreases in both components of the Consumer Price Index (CPI) basket. However, there is potential risk of upward petroleum prices, utility prices and GHS volatility causing an uptick in inflation in the short term. Generally, we expect further cuts in the MPR on the back of general price stability.

On the fixed income market, we expect yields to inch up as investors consider strengthening of the USD and the Government's need of revenue for promised infrastructural development. However , due to the limited universe of investment grade assets and thus portfolio investors' increased patronage of government papers , we expect yields to remain stable. As such, we will seek to increase the duration of the fixed income portfolio to minimize interest rate risk. We do not expect marked improvement of the stock market in 2019 as current turmoil surrounding the financial market lingers. We will reduce some of our active bets while taking advantage of discounted papers in the fixed income market to boost gains.

Emmanuel Bossman Ampadu
Profolio Manager

JK John Kay & Co.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDC GHANA BALANCED FUND LIMITED

OPINION

We have audited the accompanying financial statements of EDC Ghana Balanced Fund Limited, which comprise the statement of financial position at 31 December 2018, the statement of comprehensive income and the statement of movement in Net Assets for the year then ended, and notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, as set out on pages 15 to 30.

In our opinion, the financial statements give a true and fair view of the financial position of EDC Ghana Balanced Fund Limited as at December 31, 2018 and of its financial performance and it's cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), Unit Trust and Mutual Fund Regulations, 2001, (L.I. 1695) and in the manner required by 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 Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ghana, and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS

The Board of Directors is responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS), Unit Trust and Mutual Fund Regulations, 2001, (L.I. 1695) and in the manner required by the Companies Act, 1963 (Act 179) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for overseeing the Fund's financial reporting process.

In preparing the financial statements, the Board of Directors is responsible for assessing the Fund'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 management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives is 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 ISAs 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.

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E-mail: jkayal@yahoo.com

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDC GHANA BALANCED FUND LIMITED (cont'd)

As part of an audit in accordance with ISAs, 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.
- 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Funds 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 Association to cease to continue as a going concern.

We communicate with those charged with governance 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 MATTER

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

Compliance with the requirements of Section 133 of the Companies Act, 1963 (Act 179) of Ghana
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 Company so far as it appears from our examination of those books

JOHN ARMSTRONG YAO KLINOGO (ICAG/P/1116)
For and on behalf of John Kay & Co. (ICAG/F/2019/128)
Chartered Accountants
Accra.

John Kay & Co 2019

STATEMENTT OF FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS AS AT 31 DECEMBER 2018

EQUITY INVESTMENTS

	Shares	Price Per Share GHS	Market Value GHS	Percent Of Net Assets %
Banking				
Ecobank Ghana Limited	330,096	7.5	2,475,720	2.87
Ecobank Transnational Incorporated	3,489	0.16	558,276	0.65
Ghana Commercial Bank	803,000	4.6	3,693,800	4.27
Standard Chartered Bank	273,506	21	5,743,626	6.65
CAL Bank	3,384,229	0.98	3,316,544	3.84
Societe Generale Ghana	1,381,333	0.75	1,036,000	1.20
COMMUNICATION				
MTN	10,099,200	0.79	7,978,368	9.23
FINANCIAL SERVICES				
State Insurance Company	119,900	0.19	22,781	0.03
Enterprise Insurance	532,591	2.24	1,193,004	1.38
FOOD, BEVERAGES & HOUSEHOLD PRODUCTS				
Guinness Ghana Breweries Ltd	78,320	2.18	170,738	0.20
Fan Milk Ltd	327,406	8	2,619,248	3.03
Patterson Zochonis Comp. Ltd	377,400	0.41	154,734	0.18
Unilever Ghana Ltd	112,195	17.78	2,003,717	2.32
AGRO-PROCESSING				
Benso Oil Palm Plantation	111,600	5.09	568,044	0.66
OIL & GAS				
Ghana Oil Company	582,943	3.4	1,982,006	2.02
Total Petroleum Ghana Ltd	559,460	3.12	1,745,515	2.29
			35,262,121	**40.81**
TREASURY NOTES & BONDS				
1-Year Fixed Rate Note			1,531,731	1.77
2-Year Fixed Rate Note			6,200,619	7.18
3-Year Fixed Rate Note			4,513,729	5.22
5-Year Fixed Rate Note			5,509,467	6.38
10-Year Fixed Rate Note			403,744	0.47
15-Year Fixed Rate Note			275,852	0.32
			18,435,142	**21.34**
Non - Sovereign Bond				
10 Year ESLA Bond			**10,213,769**	**11.82**

STATEMENTT OF FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS AS AT 31 DECEMBER 2018 (cont'd)

	Market Value	Percent Of Net Assets %
CORPORATE BOND		
3 -Year Fixed Rate Unsecured Note	1,009,078	1.17
3 -Year Floating Rate Senior Unsecured Note 1	1,458,845	1.69
5 -Year Unsecured Fixed Rate Note	4,073,644	4.71
5 -Year Floating Rate Senior Unsecured Note	155,373	0.18
6 -Year AFB Floating Rate Senior Unsecured Note	3,577,097	4.14
7 -Year Floating Rate AFB Corporate Bond	605,367	0.70
	-------------	-------
	10,879,405	**12.59**
	-------------	--------
FIXED DEPOSIT		
365-Day Fixed Deposit	2,968,466	3.44
	------------	------
	2,968,465	**3.44**
	------------	------
Funds on Call		
Funds on Call	6,784,732	7.85
Call Deposits	2,603,016	3.01
	------------	-----
	9,387,748	**10.86**
	------------	-----
Accounts Receivable	32,727	0.03
Total Fixed Income Instruments	51,917,256	60.07
	--------------	------
TOTAL ASSETS	**87,179,378**	**100.76**
	---------------	-------
Impairment Provision	(4,484)	(0.00)
Net Current Liabilties	(653,229)	(0.76)
	--------------	-------
TOTAL NET ASSETS	**86,521,665**	**100**
	========	====

STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 2018

	Note (s)	2018	2017
ASSETS		**GHS**	**GHS**
Cash & Cash Equivalents	12	6,784,732	2,235,371
Non-Pledged financial assets at fair value through profit & loss	10	80,394,646	46,916,787
Provision for impairment		*(4,484)*	-
TOTAL ASSETS		**87,174,894**	**49,152,158**
Represented By:			
Owners Fund	19	86,521,665	48,792,438
Liabilities			
Account payables	13	653,229	359,720
		653,229	359,720
Total Owners Fund & Liabilities		**87,174,894**	**49,152,158**

....	....
Director	Director
30th April, 2019	30th April, 2019

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 GHS	2017 GHS
REVENUE			
Interest income	9	9,012,091	4,701,088
Dividend income		396,906	476,687
Net Gains(loss) through financial instrument at fair value through profit and loss		(6,645,101)	6,263,449
Realized gain		610,139	-
		-------------	----------
Total Revenue		**3,375,035**	**11,441,224**
		------------	----------
EXPENSES			
Fund Management fees		2,262,627	901,439
Custodian fees		119,883	37,470
Directors Emolument		32,000	22,000
General Administrative Expenses	20	46,570	36,751
Audit Fees		13,800	13,800
		--------	-------
Total Operating Expenses		(2,474,880)	(1,011,460)
		-----------	-------------
Operating Profit Before Tax		900,155	10,429,765
Impairment Provision		(4,484)	-
		-----------	-------------
Increase in net assets available		**895,671**	**10,429,765**
		=======	========

ACCUMULATED NET INVESTMENT INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 GHS	2017 GHS
Balance As At 1 January	29,256,495	18,826,730
Net Income	895,671	10,749,618
	-------------	-------------
Balance At 31 December	**30,152,166**	**29,256,495**
	========	========

STATEMENT OF MOVEMENTS IN NET ASSETS
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 GHS	2017 GHS
Changes in net assets from operations		
change in:		
Net investment income	895,671	4,166,316
	-------------	----------
Net change in net assets from operations	**895,671**	**4,166,316**
	------------	----------
Change in net assets from capital transactions		
Proceeds from Issue of shares	72,665,199	18,825,102
Share Redemptions	(35,831,643)	(5,910,884)
	---------------	---------------
Net changes in net assets from capital transactions	**36,833,556**	**12,914,218**
	---------------	--------------
Net additions in net assets from capital transactions	37,729,227	23,343,982
	========	========
Analysis of changes in Net Assets for the year		
At 1 January	48,792,438	25,448,456
Net Additions to Net Assets	**37,621,747**	**23,343,982**
	--------------	--------------
At 31 December	**86,521,665**	**48,792,438**
	========	========

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

	CAPITAL TRANSACTION GHS	INVESTMENTS GHS	TOTAL GHS
Dec-18			
AT 1 January 2018	19,535,944	29,256,495	48,792,439
Net Income From operation		895,671	895,671
Share Issue	*72,665,199*		*72,665,199*
Share Redemption	(35,831,643)		(35,831,643)
	-------------	-------------	-------------
	56,369,500	**30,152,170**	**86,521,665**
	========	========	========

Dec-17	CAPITAL TRANSACTION GHS	INVESTMENTS GHS	TOTAL GHS
AT 1 January 2017	6,621,726	18,826,730	25,448,456
Net Income From operation	-	10,429,765	10,429,765
Share Issue	*18,825,102*	-	*18,825,102*
Share Redemption	(5,910,884)	-	(6,563,860)
	-------------	-------------	-------------
	19,535,944	**29,256,495**	**48,792,438**
	========	========	========

MOVEMENTS IN ISSUED SHARES
FOR THE YEAR ENDED 31 DECEMBER 2018

		2018 No. of Shares	2017 No. of Shares
Balance as at 1 January		87,515,393	62,220,306
Net Shares Issued/(Redeemed) During the Year	15	56,525,242	25,295,087
		------------------	---------------
Balance at 31 December		**144,040,635**	**87,515,393**
		==========	=========

PORTOFOLIO SUMMARY AT 31 DECEMBER 2018

DESCRIPTION	POSITION AS AT 31.12.17	VALUE AS AT 31.12.17 GHS	POSITION AS AT 31.12.18	VALUE AS AT 31.12.18 GHS	PURCHASE AS AT 31.12.18 GHS	SALES AS AT 31.12.2018 GHS
Banking						
Ecobank Ghana Limited	199,728	1,517,933	330,096	2,475,720	1,519,587	7,890
Ecobank Transnational Incorporated	3,314,506	530,321	3,489,226	558,276	44,254	-
Ghana Commercial Bank	475,300	2,400,265	803,000	3,693,800	2665,664	203,515
Standard Chartered Bank	98,204	2,479,651	273,506	5,743,626	4,783,306	-
CAL Bank	1,355,900	1,464,372	3,384,229	3,316,544	2,315,744	345,600
Societe Generale Ghana	1,600,000	1,295,600	1,381,333	,035,999	-	177,120
Communication						
MTN	-	-	10,099,200	7,978,368	7,978,368	-
Financial Services						
State Insurance Company	119,900	11,990	119,900	22,781	-	15,010
Enterprise Insurance	609,591	2,255,487	532,591	1,193,003	-	162,800
Food, Beverages & Household Products						
Guinness Ghana Breweries Ltd	78,320	161,339	78,320	170,737	-	-
Fan Milk Ltd	118,006	2,088,706	327,406	2,619,248	3,733,764	538,858
Patterson Zochonis Comp. Ltd	377,400	75,480	377,400	154,734	-	-
Unilever Ghana Ltd	112,195	1,440,584	112,695	2,003,717	97,452	283,764
Agro-Processing						
Benso Oil Palm Plantation	111,600	682,992	111,600	568,044	-	129,132
Oil & Gas						
Ghana Oil Company	609,460	1,639,447	559,460	1,745,515	-	80,700
Total Petroleum	518,543	1,830,457	582,943	1,982,006	1,044,394	388,300
	9,678,653	**19,874,62**	**22,562,905**	**35,262,121**	**4,082,706**	**2,332,779**

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 GHS	2017 GHS
CASH FLOW FROM OPERATING ACTIVITIES		
Increase in net assets attributable to unit holders	895,671	10,749,618
Adjusted for:		
Interest Receivable	(3,141,951)	(2,230,574)
Change in investment	6,645,101	(6,263,449)
Dividend	(397,906)	(476,687)
Change in liabilities	293,509	202,842
Interest income	(5,990,035)	(2,448,515)
Change in receivables	(22,000)	22,000
	(1,717,611)	**(786,618)**
CASH FLOW FROM INVESTING ACTIVITIES		
Interest income	5,990,035	2,470,514
Dividend income	397,906	476,687
(Purchase) /Sales of financial assets	(36,954,526)	(13.989,980)
Net Cash flow from investing activities	**(30,566,586)**	**(11,042,778)**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of units	72,665,199	18,825,102
Amount paid on redemption of units	(35,831,643)	(5,910,884)
Net Cash flow from financing activities	**36,833,556**	**12,616,364**
Net increase (decrease) in cash and cash equivalent	4,549,361	1,084,821
Cash and cash equivalent at 1 January	2,235,371	1,150,550
Cash and cash equivalent at 31 December	**6,784,732**	**2,235,317**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. REPORTING ENTITY

EDC Ghana Balanced Fund Limited is a mutual fund investment company whose primary object is to obtain contributions from members and invest same for their benefit. EDC Ghana Balanced Fund Limited is a limited liability company and is incorporated and domiciled in the Republic of Ghana. The address and registered office of the company can be found on page 1 of the annual report.

2. BASIS OF ACCOUNTING

a. *Basis of preparation*
The financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) and the Unit Trust and Mutual Fund Regulations, 2001, (L.I. 1695)

b. *Functional and Presentation Currency*
The financial statements are presented in Ghana Cedi (GH¢) which is the organisation's functional and presentation currency.

c. *Use of Estimates and Judgment*
The preparation of financial statements in conformity with International Financial Reporting Standard (IFRS) requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditures. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3. SIGNIFICANT ACCOUNTING POLICIES

The following principal accounting policies have been consistently applied during the year in the preparation of the Fund's financial statements.

i. *Contributions*
Securities listed on a stock exchange or traded on any other organized market are valued at the last available market price on the relevant valuation day. Securities that are actively traded an over-the-counter market are valued at the mean between the most recently quoted bid and offer prices provided by the principal brokers. Securities for which, market quotations are not readily available are valued at fair value as determined in good faith by or under the direction of the Board of Directors. Debt securities are valued at amortized cost.

ii. *Investment income recognition*
(a) *Interest income*
Interest income, including interest income from non-derivative financial assets at Fair value through profit or loss (FVTPL), are recognised in profit or loss, using effective interest method. The effective interest is the rate that exactly discounts the estimated future cash payments or receipts, without consideration of future credit losses, over the expected life of the financial instrument or through to the next market based re-pricing date to the net carrying amount of the financial instrument on initial recognition. Interest received or receivable are recognized in the profit or loss as interest.

(b) *Dividend income*
Dividend income is recognised in profit or loss on the date on which the right to receive payment is established. For quoted equity securities, this is usually the ex-dividend date. For unquoted equity securities, this is usually the date that shareholders approve the payment of dividend.

(c) *Pooled investment income*
Income arising from the underlying investment of the pooled investment that is reinvested within the pooled investment is reflected in the unit price. Such income is reported within the change in market value.

iii. *Financial Instruments*
(a) *Non-derivative financial instruments*
Non-derivative financial instruments comprise loans and receivables, held-to-maturity and available-for-sale. Trustees determine the appropriate classification of its financial assets and liabilities at initial recognition.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

Non-derivative financial instruments are recognised initially at fair value plus, for instrument not at fair value through profit and loss, any directly attributable transaction cost. Subsequent to initial recognition, non-derivative financial instruments are measured at amortised cost using the effective interest rate method, less any impairment losses, if any.

Non-derivative financial instruments are derecognized when the rights to receive cash flows from the financial assets have expired or where the Scheme has transferred substantially all risks and rewards of ownership.
Non-derivative financial instruments are categorized as follows:

Loans, advances and receivables – these are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than (a) those classified as held for trading and those that the Scheme on initial recognition designates at fair value through profit or loss; (b) those that the Scheme upon initial recognition designates as available-for-sale; or (c) those for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration.

Loans and receivables are carried at amortised cost using effective interest rate method less appropriate allowances for doubtful receivables. Allowances for doubtful receivables represents the Scheme's estimate of incurred losses arising from the failure or inability of customers to make payments when due. These estimates are based on aging of customer's balances, specific credit circumstances, and the company's receivables historical experience. Regular way purchases and sales of loans and receivables are recognised on contractual settlement.
Available-for-sale – These are any non-derivative financial assets designated on initial recognition as available for sale or any other instruments that are not classified as (a) loans and receivables, (b) held to maturity, (c) financial assets at fair value through profit or loss.

Available-for-sale financial assets are carried at fair value. Gains and losses arising from changes in the fair value of available-for-sale financial assets are recognised directly in equity until the financial asset is derecognised or impaired, at which time the cumulative gain or loss previously recognised in equity is recognised in the profit or loss account. However, interest calculated using the effective interest method is recognised in the profit and loss account. Dividends on available-for-sale equity instruments are recognised in the profit and loss account when the Scheme's right to receive payment is established.

Regular way purchases and sales of available-for-sale financial assets are recognised on trade-date, i.e. the date on which the Scheme commits to purchase or sell the asset.
Held-to-maturity – Held-to-maturity assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that management has the positive intention and ability to hold to maturity. Were the scheme to sell more than an insignificant amount of held-to-maturity assets, the entire category would have to be reclassified as available-for-sale. Treasury bills with an original maturity of more than 182 days, treasury notes and other government bonds are classified as held-to-maturity.

Held-to-maturity assets are carried at amortised cost using effective interest rate method. Regular way purchases and sales of financial assets held-to-maturity are recognised on trade-date, i.e. the date on which the Scheme commits to purchase or sell the asset.

(b) Financial Liabilities

Financial liabilities, other than trading liabilities and financial liabilities designated at fair value, are carried at amortised cost using the effective interest method. Financial liabilities are initially recognised at fair value plus transaction costs and subsequently measured at amortised cost. Financial liabilities are derecognised when they are redeemed or otherwise extinguished.

(c) Off setting

Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, and only when, the scheme has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions.

(d) Amortised cost measurement

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method, of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

(e) Hedge Accounting

Hedge accounting is the method that recognises the proportionate offsetting effects of a hedging instrument on the changes in value of the hedged item. Hedge accounting applies only when a hedging relationship can be demonstrated between a hedged item and a hedging instrument. Such method generally applies for transactions that are carried out to eliminate or mitigate risks. The effectiveness of such hedges is demonstrated at inception and verified at regular intervals and at least on a quarterly basis, using prospective and retrospective testing. Recognition of hedged transactions depends on the hedged categories.

Fair value hedges

Fair value hedges are used to mitigate foreign currency and interest rate risks of recognised assets and liabilities. The changes in fair values of hedging instruments are recognised in the income statement. Hedged items are also stated at fair value in respect of the risk being hedged, with any gain or loss being recognised in the income statement.

The fair values of financial instruments are determined using market prices for quoted instruments and widely accepted valuation techniques for other instruments. Valuation techniques include discounted cash flows, standard valuation models based on market parameters and dealer quotes for similar instruments. When fair values of unquoted instruments cannot be measured with sufficient reliability, such instruments are carried at cost less impairments, if applicable.

Cash flow hedges

Cash flow hedges are used to mitigate foreign currency risks of highly probable forecast transactions as well as the variability of expected interest payments and receipts. The effective part of the changes in fair value of hedging instruments is recognised against equity, while any ineffective part is recognised immediately in the income statement. When the hedged item results in the recognition of a non-financial asset or liability, the gains or losses previously recognised against equity are included in the measurement cost of the asset or the liability. Otherwise the gains or losses previously recognised against equity are removed from equity and recognised in the income statement at the same time as the hedged transaction.

(f) Effective Interest Rate

The effective interest method is a method of calculating the amortized cost of a debt instrument and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition

(g) Determining fair value

Where the classification of a financial instrument requires it to be stated at fair value, this is determined by reference to the quoted bid price or asking price (as appropriate) in an active market wherever possible. Where no such active market exists for the particular asset, the trustees use a valuation technique to arrive at the fair value, including the use of prices obtained in recent arms' length transactions, discounted cash flow analysis, option pricing models or other valuation techniques commonly used by market participants.

(h) Impairment of financial assets

The directors assess at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Objective evidence that a financial asset or group of assets is impaired includes observable data that comes to the attention of the Scheme about the following loss events:

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

I. Significant financial difficulty of the borrower;
II. A breach of contract, such as default or delinquency in interest or principal repayments;
III. The Scheme granting to the borrower, for economic or legal reasons relating to the borrower's financial difficulty, a concession that The Scheme would not otherwise consider;
IV. It becoming probable that the borrower will enter bankruptcy or other financial reorganization;
V. The disappearance of an active market for that financial asset because of financial difficulties; or
VI. Observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets including:
VII. Adverse changes in the payment status of borrowers; or
VIII. National or local economic conditions that correlate with defaults on the assets of The Scheme.

The estimated period between a losses occurring and its identification is determined by trustees for each identified portfolio.

v. Foreign Currency

Transactions in foreign currencies during the period are converted into Cedis at exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Cedis at exchange rates ruling at the financial year-end.
Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into Cedis at the exchange rates at the date on which the fair value was determined.
Foreign currency differences arising on retranslation are recognised in profit or loss as net foreign exchange losses, except for those arising on financial instruments at FVTPL, which are recognised as a component of net gains from financial instruments at FVTPL.

vi. Transfer Values

Transfer values represent the capital sums paid to and from the pension schemes on the basis of when the member liability is accepted or discharged.

vii. Cash and cash equivalents

Cash and cash equivalents comprises deposits with banks and highly liquid financial assets with maturity of three months or less from the date of acquisition that are subject so an insignificant risk of changes in their value and are used by the Fund in the management of short term commitment, other than cash collateral provided in respect of security borrowing transactions.

viii. Fees and Commission

Fees and commissions expenses are recognize in profit or loss as the related services are performed.

4 . APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSS)

AMENDMENTS TO IFRSS THAT ARE MANDATORILY EFFECTIVE FOR THE CURRENT PERIOD

In the current year, the Company has applied a number of amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for the accounting period that begins on or after 1 January 2018.
The nature and the effect of these changes are disclosed below. Although these new standards and amendments applied for the first time in 2018, they did not have a material impact on the annual financial statements of the Company.

i. IFRS 9 Financial Instruments and Associated Amendments to various Other Standards

IFRS 9 replaces the multiple classification and measurement models in IAS 39 Financial instruments: Recognition and measurement with a single model that has initially only two classification categories: amortised cost and fair value.
Classification of debt assets will be driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.
A debt instrument is measured at amortised cost if: a) the objective of the business model is to hold the financial asset for the collection of the contractual cash flows, and b) the contractual cash flows under the instrument solely represent payments of principal and interest.
All other debt and equity instruments, including investments

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

in complex debt instruments and equity investments, must be recognized at fair value.

All fair value movements on financial assets are taken through the statement of profit or loss, except for equity investments that are not held for trading, which may be recorded in the statement of profit or loss or in reserves (without subsequent recycling to profit or loss).For financial liabilities that are measured under the fair value option entities will need to recognize the part of the fair value change that is due to changes in their own credit risk in other comprehensive income rather than profit or loss.
The new hedge accounting rules (released in December 2013) align hedge accounting more closely with common risk management practices. As a general rule, it will be easier to apply hedge accounting going forward. The new standard also introduces expanded disclosure requirements and changes in presentation.

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A debt instrument is measured at amortised cost if: a) the objective of the business model is to hold the financial asset for the collection of the contractual cash flows, and b) the contractual cash flows under the instrument solely represent payments of principal and interest. All other debt and equity instruments, including investments in complex debt instruments and equity investments, must be recognized at fair value. All fair value movements on financial assets are taken through the statement of profit or loss, except for equity investments that are not held for trading, which may be recorded in the statement of profit or loss or in reserves (without subsequent recycling to profit or loss).

For financial liabilities that are measured under the fair value option entities will need to recognized the part of the fair value change that is due to changes in their own credit risk in other comprehensive income rather than profit or loss.The new hedge accounting rules (released in December 2013) align hedge accounting more closely with common risk management practices. As a general rule, it will be easier to apply hedge accounting going forward. The new standard also introduces expanded disclosure requirements and changes in presentation.

In July 2014, the IASB made further changes to the classification and measurement rules and also introduced a new impairment model.
With these amendments, IFRS 9 is now complete. The changes introduce:

- a third measurement category (FVOCI) for certain financial assets that are debt instruments
- a new expected credit loss (ECL) model which involves a three- stage approach whereby financial assets move through the three stages as their credit quality changes.

The stage dictates how an entity measures impairment loss and applies the effective interest rate method. A simplified approach is permitted for financial assets that do not have a significant financing component (eg. trade receivables).On initial recognition, entities will record a day-1 loss equal to the 12-month ECL (or lifetime ECL for trade receivables), unless the assets are considered credit impaired.

For financial years commencing before 1 February 2015, entities could elect to apply IFRS 9 early for any of the following:

- the own credit risk requirements for financial liabilities
- classification and measurement (C&M) requirements for financial assets
- C&M requirements for financial assets and financial liabilities, or
- C&M requirements for financial assets and liabilities and hedge accounting.

After 1 February 2015, the new rules must be adopted in their entirety.

ii. Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts - Amendments to IFRS

In September 2016, the IASB published an amendment to IFRS 4 which addresses the concerns of insurance companies about the different effective dates of IFRS 9

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

Financial instruments and the forthcoming new insurance contracts standard.

The amendment provides two different solutions for insurance companies: a temporary exemption from IFRS 9 for entities that meet specific requirements (applied at the reporting entity level), and the 'overlay approach'. Both approaches are optional.
IFRS 4 (including the amendments) will be superseded by the forthcoming new insurance contracts standard. Accordingly, both the temporary exemption and the 'overlay approach' are expected to cease to be applicable when the new insurance standards becomes effective.

iii. IFRS 15 Revenue from Contracts with Customers and Associated Amendments to various other Standards

The IASB has issued a new standard for the recognition of revenue. This will replace IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts.
The new standard is based on the principle that revenue is recognized when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards.

Amendments to IFRs That Are Mandatorily Effective for The Current Period (Cont'd)

A new five-step process must be applied before revenue can be recognized:

a. identify contracts with customers
b. identify the separate performance obligation
c. determine the transaction price of the contract
d. allocate the transaction price to each of the separate performance obligations, and
e. Recognized the revenue as each performance obligation is satisfied.

Key changes to current practice are:

- any bundled goods or services that are distinct must be separately recognized, and any discounts or rebates on the contract price must generally be allocated to the separate elements.
- revenue may be recognized earlier than under previous standards if the consideration varies for any reasons (such as for incentives, rebates, performance fees, royalties, success of an outcome etc) – minimum amounts must be recognized if they are not at significant risk of reversal.
- the point at which revenue is able to be recognized may shift: some revenue which is currently recognized at a point in time at the end of a contract may have to be recognized over the contract term and vice versa.
- there are new specific rules on licenses, warranties, non- refundable upfront fees and, consignment arrangements, to name a few.
- as with any new standard, there are also increased disclosures. These accounting changes may have flow-on effects on the entity's business practices regarding systems, processes and controls, compensation and bonus plans, contracts, tax planning and investor communications. Entities will have a choice of full retrospective application, or prospective application with additional disclosures.

iv. Classification and Measurement of Share-based Payment Transactions – Amendments to IFRS 2

The amendments made to IFRS 2 in June 2016 clarify the measurement basis for cash-settled share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled.

They also introduce an exception to the classification principles in IFRS 2 where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority, the whole award will be treated as if it was equity-settled provided it would have been equity-settled without the net settlement feature.

Entities with the following arrangements are likely to be affected by these changes:

- equity-settled awards that include net settlement features relating to tax obligations
- cash-settled share-based payments that include performance conditions, and
- cash-settled arrangements that are modified to equity-settled share- based payments.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

v. Annual improvements 2014-2016 cycle
The following improvements were finalized in December 2016:

- FRS 1 - deleted short-term exemptions covering transition provisions of IFRS 7, IAS 19 and IFRS 10 which are no longer relevant.
- IAS 28 - clarifies that the election by venture capital organizations, mutual funds, unit trusts and similar entities to measure investments in associates or joint ventures at fair value through profit or loss should be made separately for each associate or joint venture at initial recognition.

vi. Transfers of Investment Property – Amendments to IAS 40

The amendments clarify that transfers to, or from, investment property can only be made if there has been a change in use that is supported by evidence. A change in use occurs when the property meets, or ceases to meet, the definition of investment property. A change in intention alone is not sufficient to support a transfer. The list of evidence for a change of use in the standard was re-characterized as a non-exhaustive list of examples to help illustrate the principle.

Amendments to IFRs That Are Mandatorily Effective for The Current Period (Cont'd)

The Board provided two options for transition:

- Prospectively, with any impact from the reclassification recognized as adjustment to opening retained earnings as at the date of initial recognition, or
- Retrospectively - only permitted without the use of hindsight.

Additional disclosures are required if an entity adopts the requirements prospectively.

vii. Interpretation 22 Foreign Currency Transactions and Advance Consideration

The interpretation clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts.

For a single payment or receipt, the date of the transaction should be the date on which the entity initially recognizes the non-monetary asset or liability arising from the advance consideration (the prepayment or deferred income/contract liability). If there are multiple payments or receipts for one item, a date of transaction should be determined as above for each payment or receipt.

Entities can choose to apply the interpretation:

- retrospectively for each period presented
- prospectively to items in scope that are initially recognized on or after the beginning of the reporting period in
  which the interpretation is first applied, or
- prospectively from the beginning of a prior reporting period presented as comparative information.

5. STANDARDS ISSUED BUT NOT YET EFFECTIVE

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

IFRS 16
Leases

IFRS 17
Insurance Contracts
Amendments to IFRS 9
Prepayment Features with Negative Compensation

Amendments to IAS 28
Long-term Interests in Associates and Joint Ventures

Annual Improvements to IFRS
Standards 2015–2017 Cycle
Amendments to IFRS 3 Business Combinations, IFRS

11 Joint Arrangements, IAS 12 Income Taxes and IAS 23

Borrowing Costs
Amendments to IAS 19
Employee Benefits
Plan Amendment, Curtailment or Settlement

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

IFRS 10 Consolidated Financial
Statements and IAS 28 (amendments)
Sale or Contribution of Assets between an Investor and its

Associate or Joint Venture

IFRIC 23
Uncertainty over Income Tax Tre

a. IFRS 16 Leases

IFRS 16 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.

The statement of profit or loss will also be affected because the total expense is typically higher in the earlier years of a lease and lower in later years. Additionally, operating expense will be replaced with interest and depreciation, so key metrics like EBITDA will change.

Operating cash flows will be higher as cash payments for the principal portion of the lease liability are classified within financing activities. Only the part of the payments that reflects interest can continue to be presented as operating cash flows.

The accounting by lessors will not significantly change. Some differences may arise as a result of the new guidance on the definition of a lease.

Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Effective 2019, early adoption is permitted only if IFRS 15 is adopted at the same time

b. IFRS 17 Insurance Contracts

IFRS 17 was issued in May 2017 as replacement for IFRS 4 Insurance Contracts. It requires a current measurement model where estimates are re-measured each reporting period.

Contracts are measured using the building blocks of:

- discounted probability-weighted cash flows
- an explicit risk adjustment, and
- a contractual service margin ("CSM") representing the unearned profit of the contract which is recognised as revenue over the coverage period.

The standard allows a choice between recognising changes in discount rates either in the statement of profit or loss or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under IFRS 9.

An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for short duration contracts, which are often written by non-life insurers.

There is a modification of the general measurement model called the 'variable fee approach' for certain contracts written by life insurers where policyholders share in the returns from underlying items. When applying the variable fee approach the entity's share of the fair value changes of the underlying items is included in the contractual service margin. The results of insurers using this model are therefore likely to be less volatile than under the general model.

The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features.

c. Interpretation 23 Uncertainty over Income Tax Treatments

The interpretation explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment.
In particular, it discusses:

- how to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or together as a group, depending on which approach better predicts the resolution of the uncertainty.
- that the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, ie that detection risk should be ignored.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

- that the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment.
- that the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty, and
- that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

While there are no new disclosure requirements, entities are reminded of the general requirement to provide information about judgements and estimates made in preparing the financial statements.

d. Prepayment Features with Negative Compensation – Amendments to IFRS 9

The narrow-scope amendments made to AASB 9 Financial Instruments in December 2017 enable entities to measure certain pre-payable financial assets with negative compensation at amortised cost.

These assets, which include some loan and debt securities, would otherwise have to be measured at fair value through profit or loss.

To qualify for amortised cost measurement, the negative compensation must be 'reasonable compensation for early termination of the contract' and the asset must be held within a 'held to collect' business model.

e. Long-term Interests in Associates and Joint Ventures – Amendments to IAS 28

The amendments clarify the accounting for long-term interests in an associate or joint venture, which in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. Entities must account for such interests under AASB 9 Financial Instruments before applying the loss allocation and impairment requirements in AASB 128 Investments in Associates and Joint Ventures.

f. Annual Improvements to IFRS Standards 2015-2017 Cycle

The following improvements were finalised in December 2017:

- IFRS 3 - clarified that obtaining control of a business that is a joint operation is a business combination achieved in stages.
- IFRS 11 - clarified that the party obtaining joint control of a business that is a joint operation should not remeasure its previously held interest in the joint operation.

f. Annual Improvements to IFRS Standards 2015-2017 Cycle

- IAS 12 - clarified that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.
- IAS 23 - clarified that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

g. Plan Amendment, Curtailment or Settlement – Amendments to IAS 19

The amendments to IAS 19 clarify the accounting for defined benefit plan amendments, curtailments and settlements.

They confirm that entities must:

- calculate the current service cost and net interest for the remainder of the reporting period after a plan amendment, curtailment or settlement by using the updated assumptions from the date of the change.
- any reduction in a surplus should be recognised immediately in profit or loss either as part of past service cost, or as a gain or loss on settlement. In other words, a reduction in a surplus must be recognised in profit or loss even if that surplus was not previously recognised because of the impact of the asset ceiling
- separately recognise any changes in the asset ceiling through other comprehensive income.

6. RELATED PARTIES AND KEY CONTRACTORS.

a. Fund Managers

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

The Directors of the Fund appointed EDC Investments Limited, an investment management company incorporated in Ghana and duly licensed by the security and exchange Commission of Ghana as a Mutual Fund Manager, to implement the investment strategy and objectives as stated in the Funds investment management policy manual. Under the investment management agreements, the investment managers receive a management fee not exceeding 2.5% per annum of the Fund's average daily net assets value on a monthly basis and paid at the end of each month based on the number of days within the period.

The Board and the Manager by mutual agreement can authorize the Management fee to be calculated and paid at periods other than monthly intervals provided the interest of the shareholders is not jeopardized. The management fees incurred during the year amounted to GH¢ 2,262,627. Included in the payables as at 31 December 2018 were fund management fees of GH¢ 599,243.

7. SHARE PURCHASES

	2018 GHS	2017 GHS
Balance at 1 Jan	21,765,625	8,851,407
Members Contribution during the year	72,665,199	18,825,102
	94,430,824	27,676,509
Redemptions	(35,831,643)	(5,910,884)
	58,599,181	**21,765,625**

8. REDEMPTIONS

	2018 GHS	2017 GHS
Redemptions	35,831,643	5,910,884
	35,831,643	**5,910,884**

9. INTEREST INCOME

	2018 GHS	2017 GHS
Interest income from financial assets carried at amortised cost:	247,542	14,623
Cash and cash equivalents		
Interest income on financial instruments designated as at fair value through profit or loss:		
Debt securities	6,698,041	4,686,466
Held-to-maturity	2,049,908	-
	9,012,091	**4,701,089**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

b. Fund Custodians

The Directors of the Fund appointed Standard Republic Bank Limited, a Limited liability company incorporated in Ghana and duly licensed by the security and exchange Commission of Ghana to provide custody services to the Fund managers. Under the custody agreement, the Custodian receives a custodian fee at an annual rate of the custodian shall be entitled to a transaction charge of GH¢ 5 per transaction and a safekeeping fee of thirteen 13 basis points (0.13%) per annum. The custodian shall also be entitled to GH¢50 per month per securities account. The fees are inclusive of communication charges relating to the conduct of normal business of the net asset value in accordance with guidelines on fees and charges issued by the security and exchange Commission of Ghana. The Custodian fees Charged during the year amounted to GH¢ 119,883 Included in the payables as at 31 December 2018 were custodian fees of GH¢29,971.

10. FINANCIAL INSTRUMENT

	2018 GHS	2017 GHS

a.Analysis of changes in fair value of financial instrument through profit or loss.

31 December 2018	Balance 1/1/18 GH¢	Purchase/ (Sales) GH¢	Accrued interest GH¢	Change in fair value GH¢	Value at 31/12/18 GH¢
Quoted Share	19,874,624	22,032,599	-	(6,645,102)	35,262,121
Ghana Government Securities	14,122,199	2,959,679	1,353,264		18,435,142
Corporate bonds	-	10,093,751	785,654		10,879,405
Non – Sovereign Bond	719,875	9,089,144	404,750		10,213,769
Fixed and time deposits	12,200,089	(7,085,237)	489,957		5,604,209
	46,916,787	**37,089,936**	**3,033,025**	**(6,645,102)**	**80,394,646**

31 December 2017	Balance 1/1/16 GH¢	Purchase/ (Sales) GH¢	Accrued interest GH¢	Change in fair value GH¢	Value at 31/12/17 GH¢
Quoted Share	6,932,954	19,205,119	-	6,263,449	19,874,624
Ghana Government Securities	7,113,954	6,999,192	728,928		14,122,199
Non – Sovereign Bond	-	700,000	19,875		719,875
Fixed and time deposits	9,660,033	1,106,703	1,433,353		12,200,089
	24,432,784	**27,311,014**	**1,236,064**	**6,263,449**	**46,916,787**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

11. FINANCIAL ASSETS DESIGNATED AS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2018 GHS	2017 GHS
Debt securities	39,550,073	14,842,074
Quoted Equity investments	35,262,121	19,874,624
Held-to-maturity securities	5,582,452	12,200,089
	80,394,646	**46,916,787**

12. CASH AND CASH EQUIVALENTS

	2018 GHS	2017 GHS
Cash and Funds on Call	6,784,732	247,078
Treasury Bills	-	1,988,293
	6,784,732	**2,235,371**

13. PAYABLE UNDER SERVICE LEVEL AGREEMENTS

	2018 GHS	2017 GHS
Management fees	599,243	295,63
Audit fees	13,800	13,800
Board Expenses	7,800	-
EDC Investment	-	9,259
VAT on Audit fees	2,415	2,415
Custody Fees	29,971	38,607
	653,229	**359,720**

14. UNREALIZED GAINS/(LOSSES) ON INVESTMENT

	2018 GHS	2017 GHS
Market Value of Investments	35,262,121	19,874,624
Cost of Investments	(41,907,223)	(13,698,363)
	(6,645,102)	**6,176,261**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

15. CAPITAL TRANSACTIONS

	2018 No. of Shares	2017 No. of Shares
New Issues	113,761,315	37,699,816
Redemptions	(57,236,073)	(12,404,729)
	---------------	---------------
	56,525,242	**25,295,087**
	========	========

16. TAXATION

Income of approved unit trust scheme or mutual fund is exempt for tax from tax under the income tax act, 2015 (Act 896) as amended.

17. PURCHASE AND SALE OF LONG-TERM SECURITIES

	2018 PURCHASE GH¢	2017 PURCHASE GH¢	2018 PURCHASE GH¢	2017 PURCHASE GH¢
Benso oil palm plantain				
Ghana Commercial Bank Ltd	2,665,664	492,090	404,000	105,418
Ecobank Ghana Limited	1,519,587	-	228,000	-
Ecobank Transnational Inc	44,254	-	-	-
Standard Chartered Bank	4,783,306	-	-	-
CAL Bank Ltd.	2,315,744	552,925		-
State Insurance Company	-	-		-
Enterprise Group Ltd.	-	812,754	407,000	247,078
Uniliver Ghana Ltd	97,412	1,223,767	67,916	12,608
Fan Milk Ltd	3,733,764	857,184	-	-
Societe Generale Ghana	-	1,225,440	324,720	15,170
Standard Chartered Bank	-	564,029	-	-
Ghana Oil Company Ltd	-	564,029	-	-
Total Petroleum Ltd	1,044,394	782,275	151,500	-
MTN	7,878,567	-	388,300	-
	--------------	--------------	-------------	----------
	24,082,706	**7,058,605**	**1,966,436**	**380,275**
	========	========	========	======

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

18. TRANSACTIONS THROUGH STOCK BROKERS

The fund's transactions were through EDC Stockbrokers Limited, IC Security and Bullion Securities.

19. OWNERS' FUNDS

	2018 GHS	2017 GHS
Accumulated net investment income	29,997,227	29,256,495
Stated capital registered	100,000	100,000
Movement on shares issued	58,316,959	19,435,943
	---------------	--------------
	86,414,186	**48,792,438**
	=========	========

20. OWNERS' FUNDS

	2018 GH¢	2017 GH¢
Legal Fees	9,600	7,200
Stationery/Printing	2,409	2,115
Marketing and Promotion	700	9,223
Board Expense	8,4509	7,500
AGM Expenses	11,374	5,815
VAT on Audit Fees	2,415	2,415
Bank charges	11,713	2,484
	---------	---------
	46,570	**36,751**
	=====	=====

21. DIRECTORS' SHAREHOLDING

	SHARE	PERCENT OF FUNDS
David Ofosu-Dorte	44,800	0.031
Richard Adu-Poku	6,687	0.005
William Mensah	24,145	0.017
Kisseih Antonio Nene	155,243	0.0108
Paul Kofi Mante	126,334	0.088

22. EVENT AFTER REPORTING PERIOD

No significant event occurred after the end of the reporting date which is likely to affect these financial statements.

23. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors and authorized for issue on

…………………………………….2019

Republic Bank (Ghana) Limited

Tuesday July 23, 2019.

The Manager
EDC Ghana Balanced Fund
2 Morocco Lane
Off Independence Avenue
Ministerial Area,
Accra.

Our Ref: 20190723EDCBFD

REPORT OF THE CUSTODIAN TO THE INVESTORS OF EDC GHANA BALANCED FUND

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 Republic Bank Custody Services for the above fund as at December 31, 2018.

Respective Investment Restrictions imposed on the Fund and the Responsibility of Custodians

Pages 12 of the funds regulations specify the fund's 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 gives a true and fair view of the state of affairs of the Fund as at December 31, 2018 and the manager, **EDC Investment Limited** has managed the fund for the year ended December 31, 2018 in accordance with,

(a) The limitations imposed on the investment and borrowing powers of the managers, and
(b) Provisions pursuant to the above mentioned regulations

Yours faithfully,

Audrey Smith Dadzie
Head, Republic Bank Custody Services

Gerald Quansah
Operations Manager

Republic Bank (Ghana) Limited "Ebankese", 35 Sixth Avenue, North Ridge, Accra
P.O.Box CT 4603, Cantonments, Accra, Ghana. Tel: 0302 242090-4, 429555 Email: email@republicghana.com Website: www.republicghana.com

HFC BANK CUSTODY SERVICES

HFCN/ EDC GHANA BALANCED FUND LTD
NO. 5, 2ND RIDGE LINK,
NORTH RIDGE ACCRA
P.O. BOX AN 16746
ACCRA-NORTH

Portfolio Valuation Report as at 31/12/2018

Safekeeping A/C : SKP67-EGBF

Reported in GHS

BANKING							
3,384,229	CAL BANK LIMITED	3,643,746.28	0.98	GHS		3,316,544.42	3.85
330,096	ECOBANK GHANA LIMITED	1,763,454.85	7.50	GHS		2,475,720.00	2.87
3,489,226	ECOBANK TRANSNATIONAL INCORPORATED	2,086,447.91	0.16	GHS		558,276.16	0.65
803,000	GHANA COMMERCIAL BANK	4,486,544.87	4.60	GHS		3,693,800.00	4.28
273,506	STANDARD CHARTERED BANK GHANA LIMITED	6,137,887.32	21.00	GHS		5,743,626.00	6.66
1,381,333	SOCIETE GENERALE GHANA LIMITED	911,835.40	0.75	GHS		1,035,999.75	1.20
		19,029,916.62				**16,823,966.33**	**19.51**
BREWERIES							
78,320	GUINNESS GHANA BREWERY LIMITED	426,844.00	2.18	GHS		170,737.60	0.20
		426,844.00				**170,737.60**	**0.20**
CONSUMABLE							
111,600	BENSO OIL PALM PLANTATION LIMITED	466,392.04	5.09	GHS		568,044.00	0.66
377,400	PATTERSON ZOCHONIS (GHANA) LIMITED	343,434.00	0.41	GHS		154,734.00	0.18
112,695	UNILEVER GHANA LIMITED	1,420,907.61	17.78	GHS		2,003,717.10	2.32
		2,230,733.65				**2,726,495.10**	**3.16**
FOOD & TOBACCO							
327,406	FANMILK GHANA LIMITED	4,958,409.43	8.00	GHS		2,619,248.00	3.04
		4,958,409.43				**2,619,248.00**	**3.04**
LISTED							
499,591	ENTERPRISE GROUP LTD.	1,233,178.33	2.24	GHS		1,119,083.84	1.30
119,900	SIC INSURANCE COMPANY LIMITED	45,562.00	0.19	GHS		22,781.00	0.03
		1,278,740.33				**1,141,864.84**	**1.32**
TRADING & DISTRIBUTION							
559,460	GHANA OIL COMPANY LIMITED	639,940.80	3.12	GHS		1,745,515.20	2.02
582,943	TOTAL PETROLEUM GHANA LIMITED	2,285,268.28	3.40	GHS		1,982,006.20	2.30
		2,925,209.09				**3,727,521.40**	**4.32**
UNLISTED							
10,099,200	MTN GHANA LIMITED	7,878,567.80	0.79	GHS		7,978,368.00	9.25
		7,878,567.80				**7,978,368.00**	**9.25**
TOTAL EQUITIES		**38,728,420.92**				**35,188,201.27**	**40.80**
BANKING							
200,000.0000	1 YR CAL BANK FD @ 17.50% DUE 16.01.2019 17.5% P.A. (16/01/2019)	200,000.00	1.00	GHS	33,561.64	233,561.64	0.27
180,000.0000	1 YEAR NIB FD @ 24% DUE 19.04.2018 24% P.A. (19/04/2018)	180,000.00	1.00	GHS	43,200.00	223,200.00	0.26
1,000,000.0000	182 DAY UBA CALL DEPOSIT @ 14.30% DUE 28.06.2019 14.3% P.A. (28/06/2019)	1,000,000.00	1.00	GHS	1,567.12	1,001,567.12	1.16
1,600,000.0000	182 DAY ZENITH BANK CALL DEPOSIT @ 14% DUE 28.06.2019 14% P.A. (28/06/2019)	1,600,000.00	1.00	GHS	2,454.79	1,602,454.79	1.86
		2,980,000.00				**3,060,783.56**	**7.83**
NON-BANK FINANCE							
287,634.0000	1 YEAR BOND FINANCIAL SERVICES FD @ 22.50% DUE 06.01.2019 22.5% P.A. (06/01/	287,634.00	1.00	GHS	63,831.11	351,465.11	0.41
844,486.4600	1 YEAR DALEX FINANCE FD @ 22% DUE 14.02.2019 22% P.A. (14/02/2019)	844,486.46	1.00	GHS	163,390.78	1,007,877.24	1.17
383,759.5600	1 YEAR DALEX FIN FD @ 22% DUE 17.03.2019 22% P.A. (17/03/2019)	383,759.56	1.00	GHS	67,079.07	450,838.63	0.52
777,214.1200	1 YEAR BOND FINANCIAL SERVICES FD @ 22.50% DUE 24.02.2019 22.5% P.A. (24/02/	777,214.12	1.00	GHS	149,001.53	926,215.65	1.07
968,319.6700	182 DAY ESL FD @ 0% DUE 07.05.2018 0.0001% P.A. (07/05/2018)	968,319.67	1.00	GHS	0.00	968,320.16	1.12
1,616,496.6500	182 DAY ESL FD @ 0% DUE 11.05.2018 0.0001% P.A. (11/05/2018)	1,616,496.65	1.00	GHS	0.00	1,616,497.46	1.87
		4,877,910.46				**5,321,214.24**	**6.17**
TOTAL FIXED DEPOSITS		**7,857,910.46**				**8,381,997.80**	**14.00**
BANKING							
1,500,000.0000	3 YEAR AFB NOTES @ 26.5% DUE 24.09.2023	1,500,000.00	0.00	GHS	0.00	1,500,000.00	
1,000,000.0000	3YR EDENDALE FLOATING RATE SECURE NOTE @ 17.44% DUE 06.05.19	1,000,000.00	1.00	GHS	25,821.37	1,025,821.37	1.19
		2,500,000.00				**2,525,821.37**	**1.19**
LISTED							
575,148.0000	7 YR AFB FLOATING RATE BOND @ 18.44% DUE 20.03.2024	575,148.00	1.00	GHS	34,298.99	609,446.99	0.71
		575,148.00				**609,446.99**	**0.71**
LOCAL GOV'T & STATUTORY AGENCY SECURITY							
9,959,873.0400	10 YR ESLA BOND @ 19.50% DUE 27.10.2027	10,540,796.57	1.00	GHS	5,335.64	9,965,208.68	11.89
		13,615,944.57				**9,965,208.68**	**11.89**
NON-BANK FINANCE							

1,443,400.0000	3YR FXD RATE UNSECURD BOND S&L NOTE @ 20.50% DUE 13.12.2020	1,443,400.00	1.00	GHS	15,445.17	1,458,845.17	1.69
2,000,000.0000	6 YR AFB FLOATING RATE NOTE @ 19.61% DUE 22.05.2024	2,000,000.00	1.00	GHS	41,271.23	2,041,271.23	2.37
142,000.0000	AFB 5 YR FLOATING NOTE @ 19.81% DUE 11.07.22	142,000.00	1.00	GHS	13,100.20	155,100.20	0.18
4,000,000.0000	5 YR DALEX FIN & LEASING PLC NOTE PROG. @ 21% DUE 31.05.2023	4,000,000.00	1.00	GHS	75,945.21	4,075,945.21	4.73
		7,585,400.00				**7,731,161.81**	**8.96**
TOTAL CORP DEBT		**24,276,492.57**				**20,831,638.85**	**22.75**
GOVT DEBT-OTHER							
189,000.0000	5 YEAR GOG BOND @ 21% DUE 23.03.2020	209,664.65	1.00	GHS	10,794.81	199,794.81	0.23
125,000.0000	5 YEAR GOG BOND @ 24.75% DUE 01.03.2021	154,749.50	1.00	GHS	10,199.18	135,199.18	0.16
467,000.0000	5YR GOVT BOND @ 24.5% DUE 21.06.2021	598,683.55	1.00	GHS	2,514.62	469,514.62	0.61
46,400.0000	5 YR GOVT BOND @ 24.75% DUE 19.07.2021	59,886.58	1.00	GHS	5,111.01	51,511.01	0.06
360,300.0000	10 YEAR GOG BOND @ 19.00% DUE 02.11.2026	395,664.30	1.00	GHS	9,403.43	369,703.43	0.43
332,500.0000	3 YEAR GOG BOND @ 21.5% DUE 09.03.2020	349,541.64	1.00	GHS	22,192.55	354,692.55	0.41
271,000.0000	15 YEAR GOG BOND @ 19.75% DUE 15.03.2032	299,151.15	1.00	GHS	13,527.66	284,527.66	0.33
220,000.0000	7 YEAR GOG BOND @ 19.75% DUE 25.03.2024	220,000.00	1.00	GHS	10,981.87	230,981.87	0.27
350,000.0000	2 YEAR GOV'T T/NOTES @ 21% DUE 08.04.2019	350,000.00	1.00	GHS	17,163.46	367,163.46	0.43
681,000.0000	3 YEAR GOV'T BOND @ 18.5% DUE 01.06.2020	688,994.13	1.00	GHS	10,037.27	691,037.27	0.80
100,000.0000	2 YEAR GOV'T T/NOTES @ 17% DUE 10.06.2019	100,000.00	1.00	GHS	1,027.47	101,027.47	0.12
200,000.0000	2 YR GOVT NOTE @17.00% DUE 08.07.19	200,000.00	1.00	GHS	16,439.56	216,439.56	0.25
984,000.0000	5YR GOG BOND @ 18.25% DUE 25.07.2022	999,493.40	1.00	GHS	76,469.51	1,060,469.51	1.23
300,000.0000	2 YR GOG NOTE @ 17.00% DUE 11.09.2019	300,000.00	1.00	GHS	15,832.42	315,832.42	0.37
650,000.0000	3 YR GOG BOND @ 18.25% DUE 21.09.2020	650,000.00	1.00	GHS	32,263.39	682,263.39	0.79
350,000.0000	2 YR GOG T/NOTE @ 17.00% DUE 07.10.2019	350,000.00	1.00	GHS	13,894.23	363,894.23	0.42
469,500.0000	2 YR GOV'T T/NOTE @ 17.24% DUE 11.11.2019	499,752.46	1.00	GHS	11,118.38	480,618.38	0.56
200,000.0000	2 YEAR GOV'T T/NOTES @ 17.18% DUE 06.01.2020	200,000.00	1.00	GHS	16,613.63	216,613.63	0.25
3,400,000.0000	5YR GOV'T BOND @ 16.50% DUE 06.02.2023	3,264,437.89	1.00	GHS	217,310.44	3,617,310.44	4.19
500,000.0000	2 YR GOV'T NOTE @ 16.50% DUE 16.03.2020	500,000.00	1.00	GHS	24,024.73	524,024.73	0.61
900,000.0000	3 YR GOV'T NOTE @ 16.50% DUE 22.03.2021	900,000.00	1.00	GHS	40,388.74	940,388.74	1.09
1,000,000.0000	1 YR GOV'T T/NOTE @ 15% DUE 29.04.2019	1,000,000.00	1.00	GHS	26,373.63	1,026,373.63	1.19
2,000,000.0000	2 YR GOV'T NOTE @ 16.0% DUE 11.05.2020	2,000,000.00	1.00	GHS	43,956.04	2,043,956.04	2.37
1,500,000.0000	3 YR GOV'T BOND @ 16.25% DUE 17.05.2021	1,500,000.00	1.00	GHS	28,794.64	1,528,794.64	1.77
500,000.0000	1 YR GOV'T NOTE @ 15.00% DUE 03.06.2019	500,000.00	1.00	GHS	5,975.27	505,975.27	0.59
300,000.0000	3 YR GOV'T BOND @ 17.50% DUE 28.06.2021	300,000.00	1.00	GHS	144.23	300,144.23	0.38
150,000.0000	2 YR GOV'T NOTE @ 18.00% DUE 24.08.2020	150,000.00	1.00	GHS	9,420.33	159,420.33	0.18
1,413,856.0000	2 YEAR GOV'T NOTE @ 19.50% DUE 09.11.2020	1,449,532.41	1.00	GHS	37,871.14	1,451,727.14	1.68
		18,189,551.66				**18,689,399.63**	**21.76**
TOTAL GOVT DEBT		**18,189,551.66**				**18,689,399.63**	**21.76**
002-0022435478011 HFCN/ EDC GHANA BALANCED FUND - TXN ACCT		-5,401.22	-5,401.22	GHS		-5,401.22	-0.01
002-0022435478027 HFCN/ EDC GHANA BALANCED FUND LTD- CALL		603,559.49	603,559.49	GHS		603,559.49	0.70
		598,158.27				**598,158.27**	**0.69**
TOTAL CASH AT BANK		**598,158.27**				**598,158.27**	**0.69**
FD RECEIVABLES							
UNIBANK FD		292,688.12				362,933.27	
PREMIUM BANK FD		265,457.43				337,130.94	
AFB FD		1,500,000.00				1,604,610.82	
NIB FD		180,000.00				223,200.00	
GT BANK CALL DEPOSIT		1,200,000.00				1,208,383.56	
TOTAL FD RECEIVABLES		**3,438,145.55**				**3,736,258.59**	
TOTAL PORTFOLIO		**96,346,824.97**				**87,425,654.41**	**100.00**

SUMMARY REPORT

	Book cost	Market Value
CASH AT BANK	598,158.27	598,158.27
CORP DEBT	24,276,492.57	20,831,638.85
EQUITIES	38,728,420.92	35,188,201.27
FIXED DEPOSITS	11,116,056.01	8,381,997.80
FD RECEIVABLES	3,438,145.55	3,736,258.59
GOVT DEBT	18,189,551.66	18,689,399.63

PROXY FORM

Ecobank Head Office Building, 2nd Floor
2, Morocco Lane, Off the Independence Avenue
P.O. Box AN 16746
Accra- Ghana
Tel: (233) 0302 610 400 /634165
Email: edc-clientservice@ecobank.com

I/We……………………………………………………….of………………………………………..Being a Shareholder(s) of **EDC Ghana Balanced Fund Ltd** hereby appoint……………………….………of…………………………………………….. as my/our proxy to attend on my/our behalf, the **10th Annual General Meeting** of the Fund, to be held at the **Ecobank Head Office Auditorium, Accra** on **Wednesday September 4th, 2019 at 9:00 a.m**. for the following purposes and to vote on my/our behalf on matters as directed below:

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 consider the report of Directors and Auditors for the year ended December 31, 2018		
2. To receive and adopt the Accounts for the year ended December 31, 2018		
3. To appoint or re-appoint the Auditors for the year 2019		
4. To authorize the Directors to determine the fees for the Auditors for the year 2019		
5. To approve the Board of Directors' fees for the year 2019		

Shareholder's Signature ………………………………………Date ……………..2019

Notes

1. A proxy need not be a member of the Company.
2. Unless otherwise instructed, the proxy will vote as he sees fit.
3. To be valid, this form must be signed and deposited at the Registered Office of the Secretary not less than forty-eight (48) hours before the commencement of the meeting.
4. In the case of joint holders, the signature of only one of the joint holders is required.
5. In the case of a body corporate, the form must be under seal or under the hand of a duly authorized officer.
6. The completion of and return of a proxy form does not prevent a shareholder from attending the meeting and voting thereat.

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