

**CAMPUS MUTUAL FUND LIMITED**



# **FINANCIAL STATEMENTS**

**31<sup>ST</sup> DECEMBER, 2007**

**BOSSMAN LARYEA & CO  
CHARTERED ACCOUNTANTS**

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## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Emile Yartey  
Charles Ofori  
Ben Jones Agbai  
Reginald Hansen Thompson  
Steve Lartey

### **REGISTERED OFFICE**

H/No D921/3 Adjacent AMA  
Asafoatse Nettey Street. Accra  
P. O. BOX GP 14198  
Accra, Ghana.

### **CUSTODIAN**

Barclays Bank of Ghana Limited  
P. O. BOX 2949  
High Street, Accra.

### **AUDITORS**

Bossman Laryea & Co  
Chartered Accountants  
P. O. BOX AB 295  
Abeka Accra.

### **INVESTMENT MANAGER**

SDC Brokerage Service Limited  
H/se D/921/3 Adjacent (AMA)  
Asafoatse Netty Street, Accra.  
P. O. BOX GP 14198  
Accra Ghana.

## REPORT OF DIRECTORS

The Directors have the pleasure in submitting the financial statements of the Company for the year ended December 31, 2007.

### Statement of director's responsibilities

The directors are responsible for the preparation of financial statements for each financial year which gives a true and fair view of the state of affairs of the Company and of the statements of operations for that period. In preparing those financial statements, the directors have selected suitable accounting policies and then applied them consistently, made judgments and estimates that are reasonable and prudent and followed Ghana Accounting Standards.

The directors are responsible for ensuring that the Company keeps proper accounting records that disclose with reasonable accuracy at any time the financial positions of the Company and taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Nature Of Business

The nature of business of the Company is to invest the monies of its members for their mutual benefit and to hold and arrange for the management of securities and other property acquired with such monies.

The Company is licensed by the Securities and Exchange Commission to operate as an authorized mutual fund.

### Financial Results

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

### Distribution Policy

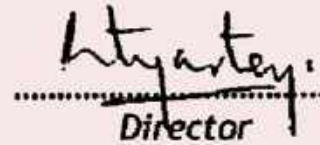
The Fund does not distribute income. All income earned is reinvested.

Shareholders should be aware that the prime objective of the Fund is to

achieve capital growth and as such income is reinvested to take advantage of the effects of compounding.

BY ORDER OF THE BOARD

  
.....  
Director

  
.....  
Director



## CAMPUS MUTUAL FUND LIMITED PORTFOLIO MANAGER'S REPORT

### **Fund Information**

Campus Mutual Fund is an open ended Mutual Fund established on September 26, 2005 with an unlimited duration. The fund was established to invest in equity securities listed on the Ghana Stock Exchange as well as other money market instruments.

The fund undertook its initial public offering from March 29, 2007 to April 18, 2007 and begun investing its funds in May 2007.

### **Investment Objective and Policy**

The objective of the fund is to systematically grow monies given to it by its subscribers by investing in companies listed on the Ghana Stock Exchange with good potential for high returns and also in money market instruments. The fund seeks capital appreciation for its shareholders and provides an avenue for savings towards educational and other needs of students or non-students alike.

The Fund's objective is to outperform the GSE All-Share Index as well as similar funds on the market. Hence it is essential that the Fund has an equity bias when the stock market is performing well and a money market bias when the stock market is trending downwards. The policy of the fund is therefore to select specific investments within the asset classes with the following limits.

<u>Assets</u>	<u>Limits</u>
—Government of Ghana Treasury Bills	30% of total portfolio Value
—GSE Listed Securities	70% of total portfolio Value
—Other money market instruments (not issued by government)	50% of total portfolio Value

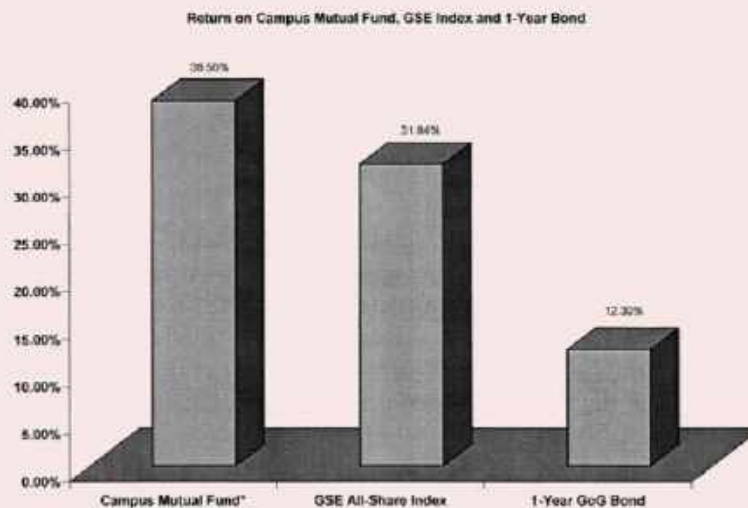
With the consent of directors the manager may make changes to these limits,

### **Fund Performance**

This is the first eight months of operating the fund. As indicated previously,

the fund was floated at 10 GHp per share in April 2007 and begun investing in May 2007. Hence, comparing the end of year return to that of other investments that have traveled for the whole year may not be very meaningful. However, by annualizing the growth of the fund, one would be able to compare with other funds on an even platform. The Campus Mutual Fund yielded year end return of 23.7% which when annualized works out to a return of 38.6%. The return on the GSE for 2007 (capital gains) was 31.8%.

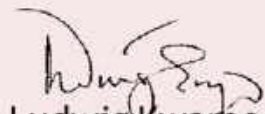
Overall, the Equity portion of the fund recorded a 35% return (excluding dividend) over the period while our money market instruments yielded 18%.



\* Campus Mutual Fund Return has been annualized.

### Outlook

It is our expectation that both our money market and capital market investments will continue to outperform the benchmark parameters in the coming years. The campus mutual fund will remain competitive among all the pooled funds in the country and give its members a safe and profitable return on the funds invested.



Ludwig Kwame Atsunyo  
PORTFOLIO MANAGER

## REPORT OF THE AUDITORS TO THE INVESTORS OF CAMPUS MUTUAL FUND LIMITED

We have audited the financial statements set out on pages 8 to 12. We have obtained all the information and explanations we required for the purpose of our audit.

### Respective Responsibilities of Directors and Auditors

As stated, the directors are responsible for the preparation of the financial statements. Our responsibility is to express an independent opinion on those financial statements based on our audit.

### Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes directors, as well as evaluating the overall presentation of the financial statements.

### Opinion

In our opinion, proper books of account have been kept and the financial statements which are in agreement therewith give a true and fair view of the state of affairs of the Campus Mutual Fund Limited at 31<sup>st</sup> December 2007 and of the results of its operations and changes in the net assets for the year ended and comply with the Ghana Accounting Standards, Unit Trust and Mutual Funds Regulations, 2001, (L.I. 1695) and the Ghana Companies Code, 1963, Act 179.

  
BOSSMAN LARYEA & CO

*Chartered Accountants*

DATED .....2008



## CAMPUS MUTUAL FUND LIMITED

### STATEMENT OF NET ASSETS AS AT DECEMBER 2007

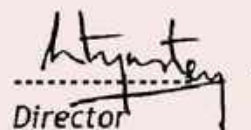
Description	Shares	Price as at 31 Dec-2007 GH¢	Market Value GH¢	% Net Assets
<b>Shares</b>				
<i><b>Financial &amp; Insurance</b></i>				
SG- SSB Bank	15,000	1.2500	18,750.00	11.3%
Ecobank Ghana	1,556	2.0000	3,112.00	1.9%
CAL Bank	5,000	0.4420	2,210.00	1.3%
Enterprise Insurance Co.	5,000	1.3000	6,500.00	3.9%
Standard Chartered Bank	1,000	26.0000	26,000.00	15.7%
State Insurance Company	33,300	0.3000	9,990.00	6.1%
<i><b>Oil &amp; Marketing</b></i>				
Ghana Oil Company	50,000	0.3100	15,500.00	9.4%
<b>Total Shares</b> (Cost GH¢ 60.805.01)			<b>82,062.00</b>	<b>49.6%</b>
<b>Short Term Funds</b>				
Repurchase Agreements			75,518	45.6%
Cash on Call			11,106	6.7%
Bank Balance			1,941	1.2%
<b>Total Cash and Short-Term Funds</b>			<b>88,565</b>	<b>53.5%</b>
<b>Total Investments</b>			<b>170,627</b>	<b>103.1%</b>
<b>Net Current Assets</b>			<b>(5,146)</b>	<b>-3.1%</b>
<b>Total Net Assets</b>			<b>165,481</b> =====	<b>100.0%</b>

**CAMPUS MUTUAL FUND LIMITED**  
**STATEMENT OF ASSETS AND LIABILITIES AS AT**  
**31 DECEMBER, 2007**

<b>ASSETS</b>	<b>2007 GH¢</b>
Total Investments	<u>170,627</u>
<b>Receivables:</b>	
Dividend	2,976
Other receivables	76
	-----
<b>Total Receivables</b>	<b><u>3,052</u></b>
<b>Liabilities</b>	
Audit	1,000
Management & Custody Fees	2,557
Due to SDC	4,343
Others	298
	-----
<b>Total Liabilities</b>	<b><u>8,198</u></b>
<b>Net Current (Liabilities)</b>	<u>(5,146)</u>
<b>Net Assets</b>	<b><u>165,481</u></b>

The financial statements were approved by the board of directors on 20 / 4 / 08 and signed on its behalf by:

  
 Director

  
 Director

The Accounting policies and notes form an integral part of the financial statements.

**CAMPUS MUTUAL FUND LIMITED**  
**INCOME AND DISTRIBUTION ACCOUNTS FOR THE YEAR**  
**ENDED DECEMBER 31, 2007**

	<b>31-Dec-07</b> <b>GH¢</b>
<b>Investment Income</b>	
Gross Dividend Income	3,488
Less: Withholding Tax	<u>(349)</u>
Net Dividend Income	3,139
Interest Income	9,920
<b>Total Income</b>	<b><u>13,059</u></b>
Investment Management and Custodian Fees	(2,624)
Other Expenses (3)	<u>(5,508)</u>
<b>Total Expenses</b>	<b><u>(8,132)</u></b>
Net Investment Income	4,927
Change in Unrealised Gain (2)	<u>21,267</u>
<b>Net Increase in Net Assets Resulting from Operations</b>	<b><u>26,194</u></b>

**CAMPUS MUTUAL FUND LIMITED**  
**ACCUMULATED NET INVESTMENT INCOME**

	31 Dec 07 GH¢
Beginning Period	-
<hr/>	
Net Investment Income	4,927
End of Period	4,927
	=====

**ACCUMULATED NET REALIZED GAINS**

	31 Dec 07 GH¢
Beginning Period	-
Change in Realised Gain at end of Period	-
	===

**CAMPUS MUTUAL FUND LIMITED**  
**STATEMENT OF MOVEMENTS IN NET ASSETS FOR YEAR ENDED**  
**DECEMBER 31, 2007**

31 Dec 07  
GHe

**Increase in Net Asset Operations:**

Net Investment Income	4,927
Net Realized Gain	<u>21,267</u>
Net Increase in Net Assets Resulting from Operations	<u>26,194</u>

**Capital Transactions:**

Proceeds from share issue	141,196
Shares redeemed	<u>(1,909)</u>
Net Proceeds from Capital Transactions	<u>139,287</u>
Total Increase in Net Assets	165,481
Beginning of Period	-
End of Period	<u>165,481</u>

**CAMPUS MUTUAL FUND LIMITED**  
**STATEMENT OF MOVEMENT IN ISSUED SHARES FOR THE YEAR ENDED**  
**DECEMBER 31, 2007**

	31 Dec -07 '000
Shares in Issue at Beginning of Period	-
Net Shares Issued During the Period	1,335
Shares in Issue at 31 <sup>st</sup> December	1,335 =====

## **CAMPUS MUTUAL FUND LIMITED** **NOTES TO FINANCIAL STATEMENTS**

### **1. Accounting Policies**

The principal accounting policies adopted in the preparation of the fund's financial statements are:

#### **i) Valuation of investment**

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 on the over-the - counter market are valued at the mean between the most recently quoted bid and offer prices provided by the principal brokers. Securities and assets for which market quotations are not readily available are valued at fair values as determined in good faith by or under the direction of the Board of Directors. Short-term debt securities having a maturity of ninety-one days or less are valued at a mortised cost.

#### **ii) Treatment of dividend income**

The assets of the Fund include all dividend income. Dividends are accrued if the qualifying date falls within the year under review.

#### **iii) Investment income**

Interest income is recorded on an accrual basis.

#### **iv) Investment transaction and investment income**

Investment transactions on the Ghana Stock Exchange at the other African Stock Market are accounted for on the trade date. Transactions in stocks listed on the other African Stock Markets are translated at the transaction date to cedis. Realized gains and losses on the sale of investment securities are determined on the identified cost basis.

v) **Foreign Currency**

Assets and Liabilities denominated in foreign currency are translated into cedis at rates of exchange ruling at the date of the Statement of Assets and Liabilities.

vi) **Bonus Shares**

Bonus shares recognized when the right to holdings is established.

2. **Unrealised gains on investments**

DESCRIPTION	2007 GH¢
Market Value of Investments	82,062
Cost of Investments	<u>(60,795)</u>
	21,267
Add unrealized gains/ (Loss) on Forex	<u>-</u> 21,267
Add back (losses) / gains From previous year	<u>-</u>
Unrealised Gain as at December 31	<b>21,267</b> =====



### 3. Other Expenses include

DESCRIPTION	2007 GH¢
Audit Fees	1,000
Marketing & Advertising	1,124
Bank Charges	10
Amortized Pre-launch Expenses	2,869
Postage	306
Net Redemptions Interest	199
	5,508
	=====

### 4. Capital Transactions

DESCRIPTION	2007 NUMBER OF SHARES '000
New Issues	1,356
Redemptions	21
Balance	1,335

### 5. Taxation

Under current legislation, mutual funds in Ghana are not subject to taxes on income or capital gains, nor to any taxes on income distributions.

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

April 29, 2008

The Manager  
Campus Mutual Fund Ltd  
Accra

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+233 (0)21 664901-4  
Fax: +233 (0)21 667681

Our ref. CampusMFReport1207

BARCLAYS

Dear Sir,

**REPORT OF THE CUSTODIAN TO THE INVESTORS OF CAMPUS MUTUAL FUND LIMITED**

We refer to the Unit Trust and Mutual Funds Regulations, 2001 L.I. 1695 and attach a statement of holdings of securities in custody with Barclays Bank of Ghana Limited for the above fund as at 31 December 2007.

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

Part 2, section 2.5 of the fund's regulations specify the funds investment restrictions. Our responsibility is to express an independent opinion on the statement of holdings based on our audit.

**Opinion**

In our opinion, the statement of holdings is in agreement therewith and gives a true and fair view of the state of affairs of the fund as at 31<sup>st</sup> December 2007. The funds manager SDC Brokerage Services Limited has managed the fund for the year ended 31<sup>st</sup> December, 2007 in accordance with;

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

Yours Faithfully



Mark Amend  
Head of Custody  
Barclays Securities Services Ghana



REPORT OF THE CUSTODIANS REBBOG/CAMPUS MUTUAL FUND LTD					
Account	Campus Mutual Fund Ltd				
Master Account	CMTMASTER				
Sub Account	1957397A				
Classification	CDI	CORPORATE DEBT - REPOS			
Security Code	Name	Settled Position	Market Price	Valuation (GHS)	PCT Total
WDRIF 182A	SDC 18% 182 DAY REPO MATURING 30/04/2008	28,333.08	1.0300822	29,185.40	17.29
WDRIF 182K	SDC 22% 182 DAY REPO MATURING 30/04/2008	44,689.32	1.0367671	46,332.42	27.44
			Classification Total	75,517.82	
Classification	CDU	DEBT - CALL INVESTMENT			
Security Code	Name	Settled Position	Market Price	Valuation (GHS)	PCT Total
NSCALL 1YR A	SDC LTD 1YR CALL-A MATURING 31/12/2008	11,105.9000	1.0129314	11,249.51	6.66
SOCKBL 1A 02	SDC BROKERAGE SERV LTD, 18 DAYFIXED DEPOSIT	0.0003	1.0569589	0.00	0.00
			Classification Total	11,249.52	
Classification	EQ1B	EQUITIES - 1ST BOARD			
Security Code	Name	Settled Position	Market Price	Valuation (GHS)	PCT Total
CAL	CAL BANK LIMITED	5,000.0000	0.4420000	2,210.00	1.31
ECOBANK GH	ECOBANK GHANA LIMITED	1,556.0000	2.0000000	3,112.00	1.84
ENT	ENTERPRISE INSURANCE COMPANY	5,000.0000	1.3000000	6,500.00	3.85
GOL	GHANA OIL COMPANY LIMITED	50,000.0000	0.3100000	15,500.00	9.18
STB	STANDARD CHARTERED BANK GHANA LIMITED	1,000.0000	26.0000000	26,000.00	15.40
SG	SG-558 LIMITED	15,000.0000	1.2500000	18,750.00	11.11
	PENDING TRADE				
	STATE INSURANCE COMPANY	33,300.0000	0.3000	9,990.0000	5.92
			Classification Total	82,062.00	
			Master Account Total	168,829.33	
			Summary		
	Description	Market Value	PCT of Total		
	REPOS	75,517.82	44.73		
	EQUITIES	82,062.00	48.61		
	DEBT - CALL	11,249.52	6.66		
	TOTAL	168,829.33	100.00		
			Cash Balance at Bank		
			TRANSACTION A/C		
			1,940.98		
			Grand Cash Bal		
			1,940.98		

**Manager**

**SDC Brokerage Services Limited**

Hse # D921/3, Adjacent AMA  
P. O. Box GP 14198,  
Accra, Ghana

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**Dealing Lines:** +233 - 21- 669380 / 664464

**Brokerage Lines:** +233 - 21 - 669378 / 669894

**Facsimile:** +233 - 21 - 669371

**Kumasi Branch Office:**

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